

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 17, 2013

**Consideration and Approval of a Revision to Resolution 08-52 for the Pleasant Hill
BART Transit Village Apartments (08-096)**
(Agenda Item No. 7)

ACTION:

Approve the revision to Resolution 08-52 for the Pleasant Hill BART Transit Village Apartments (08-096).

BACKGROUND:

The Pleasant Hill BART Transit Village Apartments (the "Project") received an initial allocation of \$125,000,000 in 2005 and a supplemental allocation in the amount of \$10,000,000 in 2008. Before applying for the supplemental allocation, the Project's ownership changed from Pleasant Hill Transit Village Associates, LLC, to AvalonBay Communities (the "Project Sponsor"). When the new Project Sponsor acquired ownership, the development characteristics were modified to make the Project design consistent with the Project Sponsor's standard product type. Among the revisions was an overall reduction in the number of units from 447 units with two manager units to 422 with one manager unit; and a modification of the affordability requirement from 91 units to 85 units (20% of the new total of 422 units) @ 50% or less of AMI. Ten (10) of the affordable units will now be for large families.

DISCUSSION:

While the Project decreased by a total of six (6) affordable units and 19 market rate units, the number of large family affordable units was increased, whereas originally it had none. The new design includes six 3-bedroom units and four 2-bedroom townhomes, each over 1,300 square feet. Consistent with the Project Sponsor's other property operations at their similar developments, rather than designating two managers' units, the Project Sponsor opted to have: 1) a designated management office (open 6 days a week), 2) a 24/7 maintenance hotline, and 3) property management employees reside within the Project.

It should be noted that this allocation award was made in a non-competitive CDLAC round, and the Applicant's CDLAC application score would not have been impacted by this change. Based on this information, staff recommends a revision to Resolution 08-52 that reflects a modified total unit count of 422 units with only one manager unit. Of the total 422 units, 85 units (20%) will be restricted to households with incomes at or below 50% of the area median income (AMI). As previously stated, the Project will now include ten (10) affordable large family units that were not included in the original application. With this configuration, the Project will now serve as much as six (6) additional low-income residents.

RECOMMENDATION:

Staff recommends a revision to Resolution 08-52 that reflects a modified total number of units from 447 units with two manager units to 422 with one manager unit; and a modification of the affordability requirement from 91 units to 85 units (20% of the new total of 422 units) @ 50% or less of AMI, of which ten (10) of the units will now be for large families.

Prepared by Sarah Lester