

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 16, 2014

**Consideration and Approval of a Revision to Resolution 14-7 for the Garfield Park
Village Apartments (14-006)**
(Agenda Item No. 8)

ACTION:

Approve the revision to Resolution 14-7 for the Garfield Park Village Apartments (14-006).

BACKGROUND:

The Garfield Park Village Apartments (the “Project”) received an award of allocation through the California Municipal Finance Authority (the “Applicant”) on January 15, 2014. In their initial application, the Project consisted of 13 residential structures, totaling 94 units. The existing parcel includes a 2-bedroom manager’s house which the Applicant had proposed to parcel off as a separate structure from the multifamily property. According to the Applicant, since the time of their tax credit reservation, HUD has disallowed the minor land division, thus requiring the house to remain part of the defined project. Therefore, the Project now consists of 14 residential structures for a total of 95 units, one of which is still a manager’s unit.

A second issue is that at the time of the initial application, the Applicant stated that they did not have complete income verifications for all of the existing residents, per the unit type. The Applicant states that they now have all of the data and have found that their initial affordability mix, by unit type, was not accurate. Additionally, they have qualified two more households than initially expected. Therefore, the Project has a total of 84 restricted units, of which 66 are targeted to 50% of the Area Median Income (AMI) and 18 are targeted at 60% AMI.

Based on this updated information, they are requesting an amendment to Exhibit A as follows:

- Change the total number of units from 93 to 94 units, plus one (1) manager’s unit
- Change the total number of restricted units from 82 to 84 units
- Change the number units at 50% AMI from 69 to 66 units; and change the number of units at 60% AMI from 13 to 18 units

DISCUSSION:

While the Project decreased its number of restricted units at 50% AMI by three (3) units, the number of restricted units at 60% AMI has increased by five (5), thus adding two (2) additional affordable units to 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.

RECOMMENDATION:

Staff recommends a revision to Resolution 14-7 that reflects a modified total number of units from 93 units with one manager unit to 94 with one manager unit; and a modification of the affordability requirements from 69 units to 66 units (70% of the new total of 94 units) @ 50% or less of AMI, and from 13 units to 18 units (19% of the new total of 94 units) @ 60% or less of AMI, for a total of a modified total number of restricted units from 82 affordable units to 84 affordable units.

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