

CALL TO ORDER/ROLL CALL:

Committee member Darren Suen called the meeting to order at 2:02pm with the following in attendance:

Present: Darren Suen, Pat Hume

City staff: Sarah Bontrager, Inez Scott, Darren Wilson, Chelsea Mejia

Other attendees: The Pacific Companies: Mike Kelley
Other: Patricia Ramirez

APPROVAL OF AGENDA:

Motion: M/S Suen/Hume to approve the agenda as presented. ***The motion passed by the following vote: Ayes: 2; Noes: 0.***

PUBLIC COMMENT:

There was no public comment on non-agendized items.

APPROVAL OF MINUTES:

Motion: M/S Suen/Hume to approve the minutes of April 7, 2021, as presented. ***The motion passed by the following vote: Ayes: 2; Noes: 0.***

REGULAR ITEMS:

Agenda Item 5A: Consideration of the proposed \$4,000,000 loan from the Affordable Housing Fund in support of the Villages at Bilby affordable apartment complex

Ms. Bontrager gave a presentation that went over the background of the Request for Proposals (RFP), the details of the selected project (Villages at Bilby, to be developed by The Pacific Companies), and the strengths and weakness of this project. Ms. Bontrager's then focused on the loan terms and stated that the developer agreed to terms consistent with what was negotiated on the Gardens at Quail Run project.

Ms. Bontrager discussed the Committee's role, which is to perform and independent evaluation of the loan application, and the recommendations they can make, which are:

1. To direct staff continue to negotiate or collect additional information from the developer, with the loan being considered by the Affordable Housing Committee again at a future date;
2. Recommend that the City Council approve the loan;
3. Recommend that the City Council deny the loan; or
4. Take such other recommendation as deemed appropriate by the Committee.

Ms. Bontrager stated that if the Committee makes a recommendation that Council approve the loan, the Council will consider the commitment on June 23, 2021 and the developer will apply for tax credits on July 1.

A representative for The Pacific Companies, Mike Kelley, spoke to the Committee to thank them for the review of the proposal. He also commented on some of the strengths and weaknesses of the project and provided more clarification on the incomes and costs. He shared that a charter school would be opening soon across the street from the project and that could further enhance the project's location and services.

Ms. Ramirez commented on the project and wanted to know if there will be a commitment to hire local labor and provide workers with healthcare, and inquired as to whether the contractor would be required to pay prevailing wages on the project. She asked whether the project would invest in educating the next generation by requiring the use of state-certified apprentices. Chelsea Mejia, legal counsel for the City, stated that since the project would have funding from a public agency, it may be subject to prevailing wage. Ms. Bontrager stated that developers have some exemptions when building affordable housing and that the City has not had a project at least in the last 10 years that paid prevailing wage. Ms. Bontrager also stated that the City has not mandated use of local workers or apprentices in the past, deferring this to the developer. She stated federal funding projects would more often have prevailing wage requirements and we have not used federal funds in the past 10 years.

Deliberation:

Motion: M/S Suen/Hume recommendation that Council approve the loan commitment. ***The motion passed by the following vote: Ayes: 2; Noes: 0.***

Agenda Item 5B: Schedule for review of proposals for new affordable multifamily development projects (Phase II)

Ms. Bontrager stated that the City received seven proposals in response to the second phase of the RFP, covering a wide range of project types, many of which the City does not have currently. She went over the goals and challenges of fairly evaluating the proposals, including the amount of staff work involved in reviewing and scoring the proposals and steps the City would need to follow in moving forward with any of the projects. Councilman Suen talked about having an RFQ process so that we could accelerate projects and he recommended that we try to get the proposals reviewed for the September tax credit round.

Ms. Bontrager had prepared a tentative timeline for the September 9th TCAC submittal round if the Committee selected a project that wanted to pursue that funding source. She went over the timeline and provided clarity on the advantages and disadvantages of the tight schedule. The Committee members reviewed their calendars and scheduled future meeting dates.

Agenda Item 6: General Administration Information

Ms. Bontrager shared that she is hoping in July to put together a tour of Gardens at Quail run for the Committee members to meet residents that were placed through our homeless preference policy.

ADJOURNMENT:

The meeting was adjourned at 3:16pm.

**Prepared by Inez Scott,
Administrative Assistant**