



Office of the City Manager

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COUNCIL MEETING OF:

MAR 8 2016

OFFICE OF THE CITY CLERK
CITY OF BERKELEY

SUPPLEMENTAL AGENDA MATERIAL

Meeting Date: March 8, 2016

Item Number: 34

Item Description: Allocating Additional Property Transfer Tax Revenue to the Housing Trust Fund

Supplemental/Revision Submitted By: Paul Buddenhagen, Director, Health, Housing & Community Services

“Good of the City” Analysis:

The analysis below must demonstrate how accepting this supplement/revision is for the “good of the City” and outweighs the lack of time for citizen review or evaluation by the Council.

The attached page gives additional data on the Housing Trust Fund. It updates information that was provided in staff reports on December 1, 2015 and February 16, 2016 to provide the most current background for the Council’s discussion.

Consideration of supplemental or revised agenda material is subject to approval by a two-thirds roll call vote of the City Council. (BMC 2.06.070)

A minimum of **42 copies** must be submitted to the City Clerk for distribution at the Council meeting. This completed cover page must accompany every copy.

Copies of the supplemental/revised agenda material may be delivered to the City Clerk Department by 12:00 p.m. the day of the meeting. Copies that are ready after 12:00 p.m. must be delivered directly to the City Clerk at Council Chambers prior to the start of the meeting.

Supplements or Revisions submitted pursuant to BMC § 2.06.070 may only be revisions of the original report included in the Agenda Packet.

Housing Trust Fund – March 8, 2016

Projects Funded in the 2015 Housing Trust Fund RFP.

	Predevelopment Loan	Other City Funds	2015 Funding Cycle Reservation	Total Permanent HTF Funding ¹
Grayson Street Apartments	\$50,000	\$1,045,115	\$1,400,000	\$2,495,115 ₂
William Byron Rumford, Sr. Plaza	\$50,000	\$3,445,648	\$1,170,000	\$4,665,648 ₃
Strawberry Creek Lodge	\$86,250	\$569,263	\$167,000	\$822,513
NCLT Scattered Sites Renovation ⁴	\$50,000	\$0	\$500,000 <i>includes predevelopment</i>	\$500,000
			\$3,237,000	\$8,387,763

¹Predevelopment Loans are rolled into Permanent HTF Loans.

²Includes \$1,095,115 loan closed in 2013 for site acquisition.

³Includes \$1,354,154 in refinanced HTF loans for the original development.

⁴All funding pending approval of NCLT's revised proposal.

Funds Currently in the Housing Trust Fund

Housing Trust Fund Available Balance 03/08/2016	
Available balance (12/1/2015)	3,067,578
Northern California Land Trust application	500,000
Reservation for Grayson Street Apartments	1,400,000
Available balance (3/8/2016)	1,167,578

Note: Staff continue to work with Northern California Land Trust on refining their proposal in the 2015 HTF RFP. Reservation for Grayson is contingent on its securing the balance of funding from other sources in 2016.

Projects Currently in the Development Pipeline (some level of City participation)

Development Name	Total Units	Total Amount Of City Financing	Fully funded?	Type/Status
Berkeley Way (City owned site)	TBD	\$50,000 predevelopment loan	No	New construction. City selected team via RFQ, in exclusive negotiating rights relationship. Staff will bring proposal to Council later this year after analysis. Total proposal local funding gap is \$22M.
Grayson Street Apartments	23	\$2,495,000	No	New construction. City funding requests have been fully funded. Project applying for state funds and tax credits in 2016.
Harper Crossing	42	\$1,821,839 and discounted land sale	Yes	New construction. Started December 2015.
William Byron Rumford Plaza	43	\$4,665,648	Yes	Rehab. Will begin June 2016.
Total	108+	\$9,032,487		

City Funds as a Percentage of Total in Recent Fully Funded Developments

Project Name	HTF Loan(s)	Total development costs	Other Funds	HTF as a % of total	Leveraging per \$1 HTF	tax credits?
Harper Crossing*	\$1,821,839	\$ 16,026,318	\$14,204,479	11.4%	\$7.80	y
Berkeley 75	\$400,000	\$35,235,942	\$34,835,942	1.1%	\$87.09	y
W.B. Rumford Plaza	\$4,665,648	\$7,373,302	\$2,707,654	63.3%	\$0.58	n
Strawberry Creek Lodge	\$767,000	\$25,735,110	\$24,968,110	3.0%	\$32.55	y
University Avenue Cooperative	\$1,213,016	\$23,415,892	\$22,202,876	5.2%	\$18.30	y
University Avenue Homes	\$1,824,776	\$17,756,121	\$15,931,345	10.3%	\$8.73	y

Note: Harper Crossing is a new construction project and all others are rehabilitation.

