



Public hearing for City Council consideration of Resolution No. 2018-106, approving the issuance of revenue bonds by the California Statewide Communities Development Authority in an amount not to exceed \$55,000,000, for the purpose of financing the acquisition and rehabilitation of 160 multi-family residential apartments generally known as Corona Park Apartments (located at 956 Avenida Del Vista)

Agenda Item #18-2159

PURPOSE FOR PUBLIC HEARING

- Corona Park Apartments located at 828-956 Avenida del Vista
(160 affordable multi-family apartments)
- Preservation Partners Development, LLC seeks to re-syndicate with new tax-credits (up to 18 million) and tax-exempt bonds (up to 55 million) to purchase and rehabilitate property
(new borrowing entity called Corona Park Preservation Limited Partnership)
- Issuance of tax exempt bonds fall under the Tax and Equity Fiscal Responsibility Act of 1982 (or TEFRA)
- IRS mandates TEFRA Hearing to:
 - Provide opportunity for interested individual to express views (orally or writing) about issuance of tax exempt bonds



CITY PROCEDURAL INVOLVEMENT

➤TEFRA public hearing:

- City Council conducts public hearing after providing 14 day notice.
(Notice published October 3)
- Adopt a resolution approving the issuance of revenue bonds

City Fiscal Responsibility

- NO Fiscal impact to the City
- NO financial, legal, liability or responsibility for project or bonds

ABOUT THE PROJECT AND AFFORDABILITY

- Property built in 1970
- 11 two-story garden style buildings
- 160 units
 - 40 one-bedroom (approx. 670 square feet)
 - 80 two-bedroom (approx. 835 square feet)
 - 40 three-bedroom (approx. 1,070 square feet, 2 units for on-site manager)
- Amenities:
 - Business center – carports - community room - six central laundry facilities - off-street parking - onsite management - playground and service coordinator.
 - Service coordinator provides and organizes: after school homework assistance, second language English classes, income tax preparation, nutritional service providers, and many other instructional life skill classes

AFFORDABILITY

➤ HOUSING ELEMENT

- 94 Units currently counted in the city's Housing Element.
- All units AT RISK

➤ Under new funding

- 158 units become affordable – retains 94 units and increases the stock by 64 units
- 55 year affordability period
- 50% & 60% of the area median income

AFFORDABILITY

➤ 2018 Rent Rate by unit:

50% AMI Units		Maximum Monthly Rent
One Bedroom	12	\$632
Two Bedroom	24	\$758
Three Bedroom	12	\$876

60% AMI Units		Maximum Monthly Rent
One Bedroom	28	\$759
Two Bedroom	56	\$910
Three Bedroom	26	\$1,051

➤ 2018 Income per Household:

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
50% AMI	\$23,600	\$27,000	\$30,350	\$33,700	\$36,400	\$39,100
60% AMI	\$28,320	\$32,400	\$36,420	\$40,440	\$43,680	\$46,920

USE OF BOND & TAX CREDIT FINANCING

- Acquire & Rehabilitate property
- Resident Unit Rehabilitation:
 - new doors, cabinets, countertops, fixtures, appliances, lighting and other features
 - 10% of units will be upgraded to meet accessibility standards
- Common Area Rehabilitation
- Install WiFi

QUESTIONS

- Chuck Treach, CEO, representing Preservation Partners Development & Corona Park Preservation Limited Partnership
- James Hamill, representing California Statewide Communities Development Authority (municipal issuer of tax-exempt bonds)