



Agenda Report

File #: 19-0182

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 3/6/2019

TO: Honorable Mayor and City Council Members

FROM: Community Development Department

SUBJECT:

City Council consideration of the First Amendment to an Agreement and Deed Restriction between the City of Corona and Fullerton Magnolia Senior Apartments, L.P. dated May 5, 1998, for the operation of a senior citizen apartment complex located at 1910 Fullerton Avenue.

RECOMMENDED ACTION:

That the City Council approve the First Amendment to an Agreement and Deed Restriction between the City of Corona and Fullerton Magnolia Senior Apartments, L.P.

ANALYSIS:

The City of Corona and Fullerton-Magnolia Senior Apartments, L.P. entered into an Agreement and Deed Restriction for the property located at 1910 Fullerton Avenue on May 5, 1998. The Agreement was in response to the conditions of approval placed on Conditional Use Permit 97-18, approved by the Planning Commission on February 9, 1998, for the establishment of senior citizen housing consisting of 200 apartments. The conditions of approval required the developer of the project to record a deed restriction on the property that would restrict the operation to only senior citizen housing.

The senior citizen apartment complex is known as the Vintage Terrace Apartments. The apartments are financed with a Housing and Urban Development (HUD) loan through the federal government, which allows the units to be set aside as low income housing for senior citizens. The current financing on the property is good until Year 2038. The city's Housing Element of the General Plan also acknowledges Vintage Terrace as one of the city's assisted affordable housing developments for seniors.

The owner of the property is in the process of refinancing their HUD loan that would extend the affordability of the senior citizen housing for another 40 years. During this process, HUD discovered that the currently recorded Agreement and Deed Restriction did not exclude the two manager's units on the property. The Agreement specifically states that all units within the complex shall be restricted

to persons that are 55 years of age and older. The complex has two units set aside for on-site employees that manage and maintain the property. The employees are younger than 55 years of age; therefore, the Agreement requires an amendment to exclude the two employee units from the age restriction. The amendment does not change the current operation or future operation of the apartment complex as the 198 units that are occupied today will remain age restricted units.

The first amendment to the Agreement and Deed Restriction is consistent with the city's General Plan goals to a) *promote and maintain a balance of housing types and corresponding affordability levels to provide for the community's needs for housing within all economic segments of the city*, and b) *to promote and preserve suitable and affordable housing for persons with special needs, including large families, single parent households, the disabled, and senior, and shelter for the homeless* because the Agreement and Deed Restriction continues to provides access to affordable housing and creates suitable and safe housing for the city's aging population.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

The requested action is consistent with the city's strategic plan goal to *actively engage in public and private partnerships to provide services and amenities* because the first amendment to the Agreement and Deed Restriction will continue to be between the City of Corona and the owner/operator of the affordable senior housing complex that will provide special services for the city's senior population.

FISCAL IMPACT:

The amendment to the existing Agreement and Deed Restriction will have no fiscal impact on the city's General Fund.

ENVIRONMENTAL ANALYSIS:

The first amendment to the Agreement and Deed Restriction is not considered a project under the California Environmental Quality Act (CEQA) and is therefore not subject to further environmental review.

PREPARED BY: JOANNE COLETTA, COMMUNITY DEVELOPMENT DEPARTMENT

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES
DIRECTOR

SUBMITTED BY: MICHELE NISSEN, ACTING CITY MANAGER

Attachments:

1. Exhibit 1 - First Amendment to Agreement and Deed Restriction.
2. Exhibit 2 - Original Agreement and Deed Restriction dated May 5, 1998.