

DATE: FEBRUARY 22, 1999

TO: PASADENA COMMUNITY DEVELOPMENT COMMISSION

**FROM: CYNTHIA J. KURTZ
CHIEF EXECUTIVE OFFICER**

**SUBJECT: EXTENSIONS OF EXCLUSIVE NEGOTIATION AGREEMENTS
("ENA's") FOR PROJECTS SUBMITTED IN RESPONSE TO
PASADENA COMMUNITY DEVELOPMENT COMMISSION'S
("COMMISSION") NOTICE OF FUNDING AVAILABILITY ("NOFA")**

RECOMMENDATION:

It is recommended that the Pasadena Community Development Commission ("Commission") take the following actions:

- A. Approve extensions to May 1, 1999 for six (6) Exclusive Negotiation Agreements ("ENA's") entered into between the Commission and the Developers for affordable housing projects conditionally approved by the Commission.
- B. Authorize and direct the Chief Executive Officer to execute, and the Secretary to attest, the extensions to the ENA's.

BACKGROUND:

On April 12, 1998, the Commission conditionally approved funding commitments in the amount of \$1,579,235 for ten (10) affordable housing projects submitted in response to the Commission's October 16, 1997, Notice of Funding Availability (NOFA) for HOME Investment Partnership Act (HOME) Program and Low and Moderate Income Housing Trust funds. All the selected proposers have executed Exclusive Negotiation Agreements (ENA's) and negotiations are currently underway.

However, at this time, six (6) Developers have experienced delays in obtaining appraisals, environmental surveys, proformas, architectural drawings, contractor construction and rehabilitation bids, and/or negotiating terms with other financial lenders for the balance of the project funding required. Extensions to the ENA's are required to allow the Developers additional time to comply with their ENA requirements. The subject Developers and projects are as follows:

- Beacon Housing – Garfield Apartments (53 units); rehabilitation to provide 12 rental units (2-bedrooms each) for large families to eliminate overcrowding.
- Crippled Children's Society -- Sierra Rose House; new construction of group home for 6 disabled adults.
- Pasadena Heritage – purchase and rehabilitation of 3 older homes in the Garfield Heights area to low and moderate-income first-time homebuyers.
- Villa Esperanza - Wynn House; rehabilitation of 3 bedroom group home for 6 disabled adults and addition of bedroom for resident manager.
- Villa Esperanza-Chester House; rehabilitation of 3 bedroom group home for 6 disabled adults and addition of bedroom for resident manager.

- Interpersonal Developmental Facilitators - Rehabilitation of existing house to provide a 5 bedroom group home for 5 disabled adults and new construction of a group home to provide 6 bedrooms for 6 disabled adults.

A status report on the aforementioned NOFA projects was submitted to the Community Development Committee on January 14, 1999. The Committee had no objection to the required extensions. The proposed projects and their status are identified in Exhibit A (attached).

HOUSING IMPACT:

Approval of the subject recommendation and implementation of the selected affordable housing activities shall result in the provision of seventy-one (71) affordable housing units, including four (4) newly constructed ownership units; twenty-three (23) newly constructed rental units; three (3) rehabilitated ownership units; five (5) rehabilitated/newly constructed group homes with 29 congregate living quarters for persons with special needs; twelve (12) rehabilitated rental units, and homeownership counseling for fifty (50) persons. The net effect represents an increase in the City's affordable housing stock, the removal of several blighting conditions and the counseling of prospective low/moderate income homebuyers. These affordable housing activities are consistent with the goals and objectives of the Commission's Affordable Housing Plan 1995-2000, the Commission's Priority Work Program, the Fair Oaks Redevelopment Plan, the City of Pasadena General Plan (Housing Element), the Northwest Pasadena Community Plan (Housing Element), and the Community Development Block Grant Consolidated Plan.

FISCAL IMPACT:

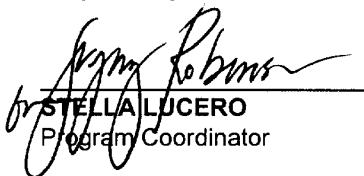
There is no impact on the General Fund by this action. \$1,344,235 (HOME Investment Partnership Act (HOME) Program Funds - \$844,235 and Low and Moderate Income Housing Trust Funds - \$500,000) has been conditionally committed by the Commission to fund these selected, affordable housing activities. HOME Program funds are currently available in the NOFA account number 221-684110-52501 and the Rental Rehabilitation account number 221-684110-52301. Similarly, Low and Moderate Income Housing Trust Funds are currently available in account number 810-684120-51208. Additionally, \$235,000 in HOME Program funds conditionally committed to Project No. 7 of Exhibit A will be released and retained as unobligated monies in the HOME Program account.

Respectfully submitted,



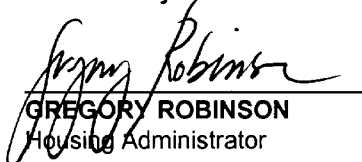
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