

CALL TO ORDER/ROLL CALL:

Committee member Darren Suen called the meeting to order at 2:03 pm with the following in attendance:

Present: Darren Suen, Pat Hume

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

Other attendees: Proposal Representatives and Public

APPROVAL OF AGENDA:

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

REGULAR ITEMS:

Agenda Item 5A: Review proposals for new affordable multifamily development projects phase II

Ms. Bontrager presented information related to the City's Request for Proposals (RFP) for new multifamily affordable housing, focusing primarily on the second phase of the RFP, in which the City received an unprecedented seven proposals that covered a wide range of project types and funding sources. Ms. Bontrager then discussed at high level the seven proposals received. (Details of the proposals can be found on the City's website under the Affordable Housing Committee agenda section for the June 30, 2021 meeting.) Ms. Bontrager went over a project comparison that showed the projects' location, type, size, cost, affordability levels, and amenities, among other factors.

Ms. Bontrager discussed the Committee's role, which is to evaluate the proposals and decide whether to move one or more proposals to the loan application stage, which provides more information needed for underwriting. Ms. Bontrager stated that the Committee may choose to advance more than one proposal to the loan application stage, but suggested that the Committee select no more than three proposals as the loan application requires considerable time and effort from applicants and the City does not have money to fund all the proposals.

Ms. Bontrager stated the Committee's does not approve projects (all projects will still need to go through City review process starting with the Planning Department), deny projects, or commit funding.

Ms. Bontrager then went over the proposal evaluation and how the projects scored and ranked. The John Stewart Co/Bethesda project, Pacific Companies project, and Mercy Housing project all scored above 98 points on average and were ranked either first, second, or third by Committee members. She also went over the public comment that was received on the proposals.

Public comment was opened first to representatives of the developers who had submitted proposals, most of shared some details about their project and its importance to the community. Following that, members of the public spoke, mostly against the Committee selecting the Eden Housing project proposal. There were also some members of the public who expressed support for the John Stewart/Bethesda project proposal. There was a question on where people experiencing homelessness in Elk Grove are primarily located. Ms. Bontrager stated that we had about 120-150 people experiencing homelessness at any given time and that about half of those people live in vehicles and are not very visible and about half are living outdoors and in encampment sites. Ms. Bontrager stated those projects that offer permanent supportive housing units are certainly going to help our regional homelessness, but they are less likely to serve people in Elk Grove experiencing homelessness as they are not considered most vulnerable. Those projects that offer a prioritization for some units may better help our local homeless population.

After considerable discussion of the merits of the various proposals, Committee member Hume stated he would like to see both the John Stewart Co/Bethesda and Pacific Companies projects move forward to loan application stage. Committee member Suen stated that he would concur with that but was concerned on timing and funding available. Ms. Bontrager stated that if the Committee wanted to move forward with the selection of two proposal, staff could try to keep the timeframe to allow the September tax funding submittal. As for funding, she stated that if two loan applicants were selected each proposer should review their budget to see if they could get their loan request down so that we could fund both projects. She stated staff would review available funding, but if costs came down that would increase our ability to fund both projects.

Deliberation:

Motion: *M/S Suen/Hume* John Stewart Co/Bethesda and Pacific Companies projects move forward to loan application stage. **The motion passed by the following vote: Ayes: 2; Noes: 0.**

ADJOURNMENT:

The meeting was adjourned at 3:52pm.

**Prepared by Inez Scott,
Administrative Assistant**