
M E M O R A N D U M

DATE: September 9, 2005
TO: Council Members
FROM: Housing Policy Subcommittee
RE: Potential loan criteria

Attached is a list of additional criteria that could be considered in evaluating requests for City housing funding. This information is currently being reviewed by the Council's Housing Policy Subcommittee. The subcommittee proposes that Council Members review and provide feedback regarding the suggested criteria, concept, scope and direction of the potential loan criteria as it relates to the Housing Policy.

Housing Loan Criteria

MULTI-FAMILY DEVELOPMENTS MINIMUM REQUIREMENTS

Subcommittee recommended criteria				Rehab	New Construction
YES	NO				
			<i>Financial</i>		
X		1	Mixed income/includes middle-income component		X
X		2	Percentage of low-income units to middle-income units does not exceed 60/40		X
?		3	For projects in census tracts with income levels below _____, addition of the project will serve to increase the income level of the census tract AMI - <i>HOLD FOR ADDITIONAL DISCUSSION/ANALYSIS</i>		X
X		4	Rents not to exceed 80 percent AMI of market for 60 percent of the project AMI		X
X		5	Developer investment continued for a minimum of 15 years		X
?		6	Developer fee not to exceed _____ percent of total project cost (industry standard) <i>ADDITIONAL INFORMATION TO BE PROVIDED</i>		X
X		7	Cost per unit does not exceed 100% industry standard delineating "market" units		X
X		8	Property was purchased at or below market value as determined by MAI appraisal (projects for which property was purchased at an inflated value _____) <i>ADDITIONAL LANGUAGE TO BE PROVIDED</i>		X
			<i>Environmental (Building and surrounding)</i>		
X		1	Traffic impacts - close proximity to mass transit services (within 2 blocks)		X
X		2	Traffic impacts - adequate off-street parking is provided (including existing or shared parking)	X	X
			<i>City Issues</i>		
X		1	Architectural features compatible with the neighborhood i.e. taller buildings stepped-back if abutting single-family residential, design features that add interest (materials, mass, scale), compatibility review <i>EXAMPLES TO BE PROVIDED</i>	X	X

PREFERRED APPROACHES

Financial

X	X	1	Project serves a large number of people for money requested (# TBD) (Projects that fill greatest need, rather than project with the greatest funding need.)		
X		2	Leverage opportunities maximized with non-government money. Ratio of public to private funding.	X	X
X		3	Developer equity investment be a minimum of 2 percent		X

Housing Loan Criteria

Environmental (Building and surrounding)

X		1	On-site manager, or 24-hour telephone number available	X	X
X		2	On-site manager, if over 20 units	X	X
X		3	Development will improve existing site conditions. Site improvement - develop in area that is currently a community burden due to actions of other than current owner (weeds, crime, transient gathering)	X	X
X		4	Development includes water/energy conservation amenities (drought tolerant landscaping, energy star appliances, energy-efficient windows) LEEDs certification (Leadership in Energy and Environment Design standards) <i>HOLD PENDING BRIEFING FROM ADMINISTRATION</i>		
X		5	Increases residential density in appropriate areas/areas where the City could benefit from increased density		
X		6	_____ percent of units or, _____ ratio of units handicapped accessible/visitable		X
X		7	_____ percent of units or, _____ ratio of units family friendly (i.e. 3 bedrooms, 2 bath, on-site laundry)		X

City Issues

X		1	Net increase in City housing stock		X
X		2	Project does not duplicate other projects in the area unless there is identifiable need (Project location in relation to other similar projects - distribution of projects)	X	X
X		3	Consistent with adopted City Master Plans, zoning and other regulations or application contains a detailed statement of changes that would be required (verified by the Planning Division) and the supporting policy reasons for those changes. (Council/RDA Board could then make funding contingent on independent review of those requested changes. In approving contingent funding, Council/RDA Board could specify that conditional funding approval will not influence other review process)	X	X
X		4	Pedestrian-friendly design features to add interest (such as ground-floor windows, balconies, porches, other architectural elements)		X

VALUE-ADDED-APPROACHES

Environmental

		1	Includes mid-block walk-ways or other pedestrian amenities		
		2	Includes a component of open space or recreational space (such as recreational facilities, computer center, community room, children's play area, grassy area, other gathering space)		
		3	Development is designed in keeping with Crime Prevention Through Environmental Design (CEPTED) crime prevention standards		
		4	Development brings 24-hour presence to an otherwise predominantly day-time-only populated area (crime prevention element)		
		5	Development enhances neighborhood stability/strength/viability.		
		6	Development is adaptive re-use of previously abandoned/underused structures		
		7	Basic services (retail, grocery) available within _____		
		8	Traffic Impacts - proximity to employment center		

City Issues

		1	Development rehabilitates a historically-significant structure		
		2	Development extends the usable life of existing housing at a cost that is lower than new construction		

Housing Loan Criteria

SINGLE-FAMILY DEVELOPMENTS MINIMUM REQUIREMENTS

Financial

X		1	Mixed income/includes middle-income component		X
X		2	Percentage of low-income units to middle-income units does not exceed 60/40		X
?		3	For projects in census tracts with income levels below _____, addition of the project will serve to increase the income level of the census tract AMI - <i>HOLD FOR ADDITIONAL DISCUSSION/ANALYSIS</i>		X
X		4	Rents not to exceed 80 percent AMI of market for 60 percent of the project AMI		X
X		5	Developer investment continued for a minimum of 15 years		X
?		6	Developer fee not to exceed _____ percent of total project cost (industry standard) <i>ADDITIONAL INFORMATION TO BE PROVIDED</i>		X
X		7	Cost per unit does not exceed 100% industry standard delineating "market" units		X
X		8	Property was purchased at or below market value as determined by MAI appraisal (projects for which property was purchased at an inflated value _____) <i>ADDITIONAL LANGUAGE TO BE PROVIDED</i>		X

Environmental (Building and surrounding)

X		1	Traffic impacts - close proximity to mass transit services (within 2 blocks)		X
X		2	Traffic impacts - adequate off-street parking is provided (including existing or shared parking)	X	X

City Issues

X		1	Architectural features compatible with the neighborhood i.e. taller buildings stepped-back if abutting single-family residential, design features that add interest (materials, mass, scale), compatibility review <i>EXAMPLES TO BE PROVIDED</i>	X	X
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