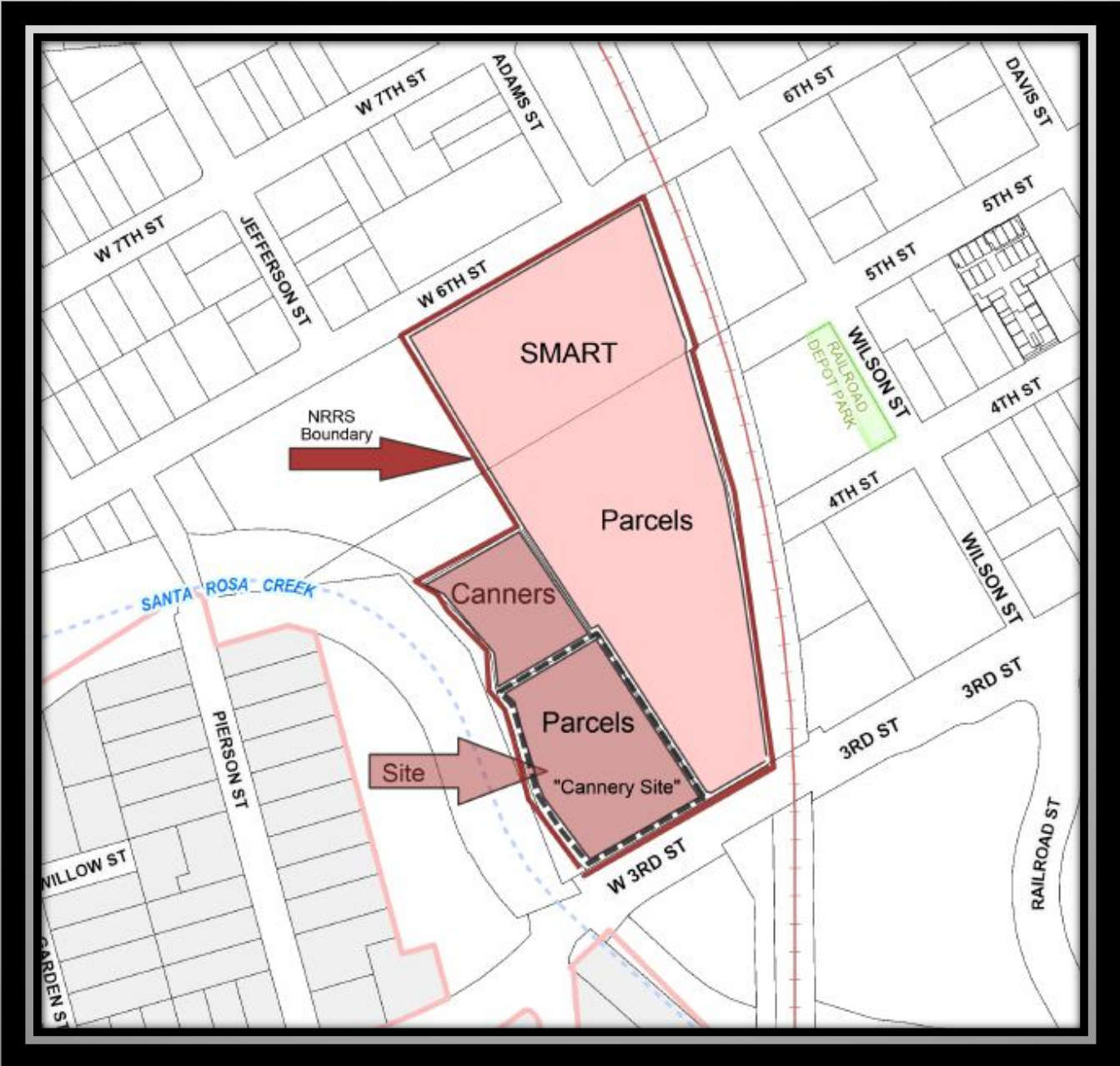


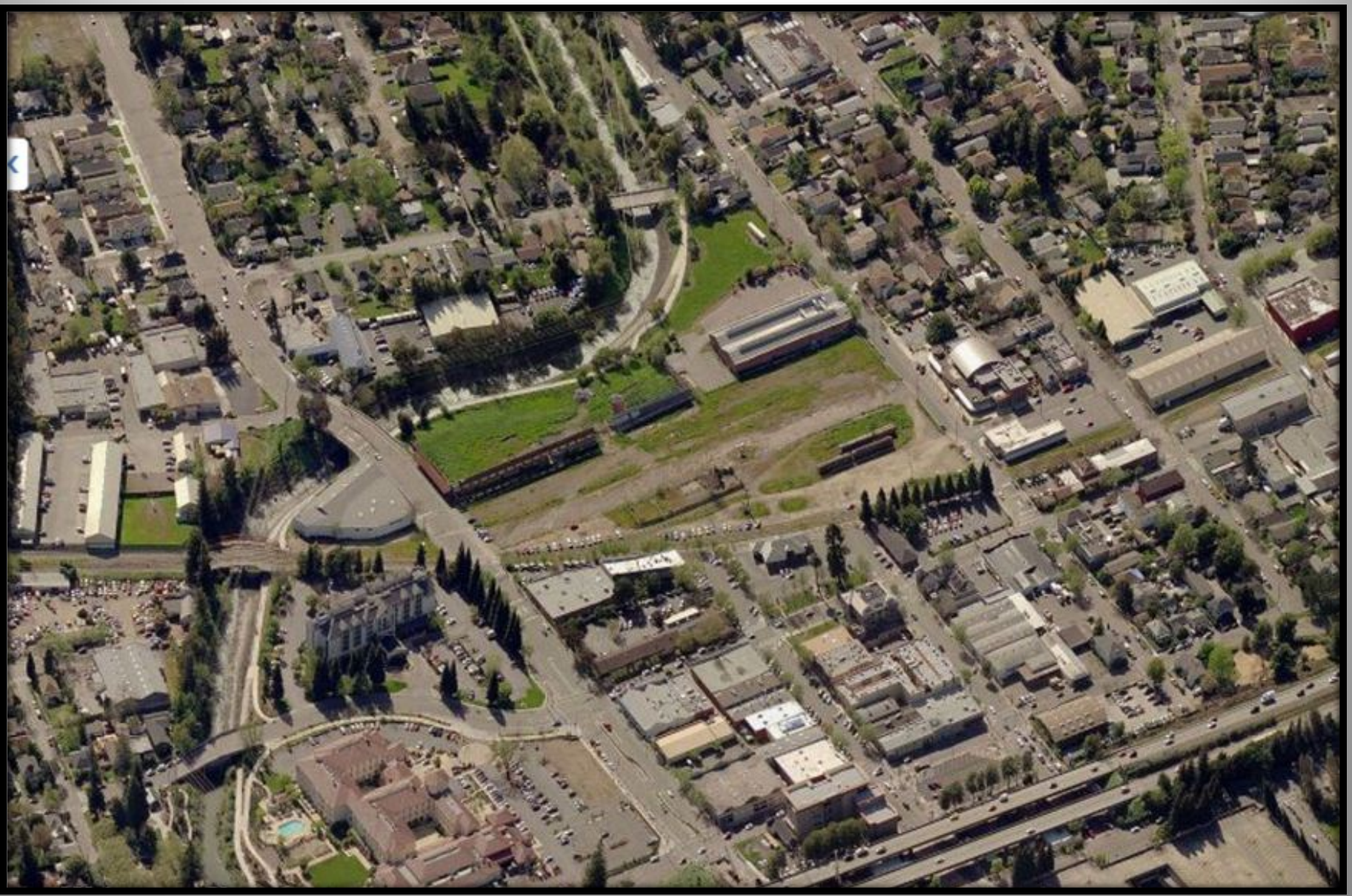
City Council

April 16, 2013

**MODIFICATION TO THE NEW RAILROAD SQUARE
APPLICATION AND AWARD FOR THE PROPOSITION
1C GRANT FROM A MULTI-PHASE, MIXED USE
DEVELOPMENT IN RAILROAD SQUARE TO A
STAND-ALONE SENIOR AFFORDABLE HOUSING
DEVELOPMENT AT 3 WEST THIRD STREET**

Land Ownership





New Railroad Square – as a Multi-Phase, Mixed-Use Transit-Oriented Development (pre-2009 - 2012)

Santa Rosa Creek

4th Street Plaza

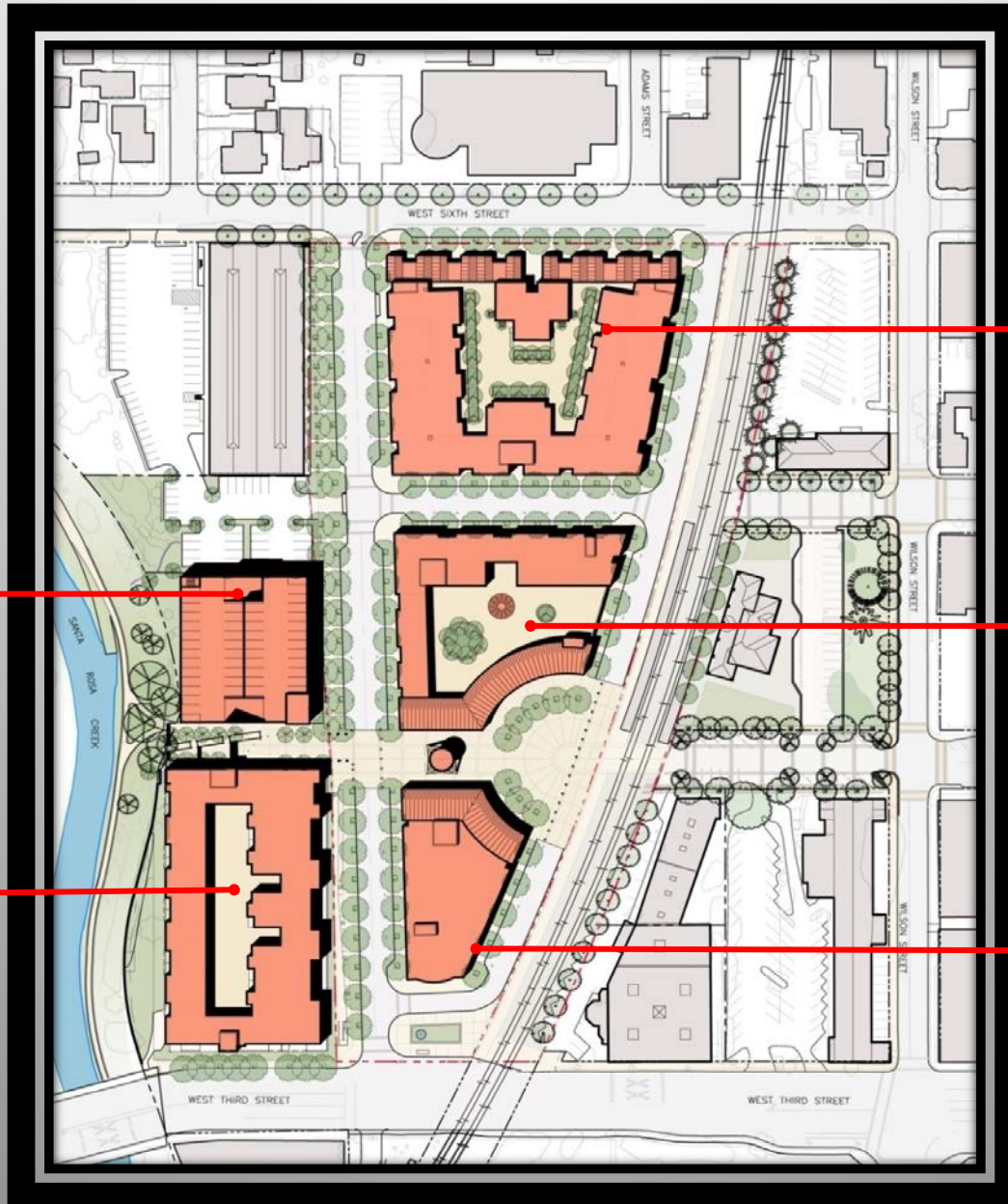
Depot



Cannery

West Third Street

New Railroad Square – as a Multi-Phase, Mixed-Use Transit-Oriented Development (pre-2009 - 2012)



Block 1
118-units, 3-5
Story Residential
with 3-level
wrapped podium
parking

Block 2
Market Hall /
Retail with **68**
units of
Affordable
Senior
Residential
above on 3
levels

Block 3
Retail /
Restaurant with
3 levels of
Office above

Plant No. 5
200 – 250
Structured
Parking
Spaces, with
Commercial
facing 4th Street

The Cannery
93 Units,
5-Story
Residential
within and
above historic
Cannery base

New Railroad Square – as a Multi-Phase, Mixed-Use Transit-Oriented Development (pre-2009 - 2012)

Total Site Area 7.4 acres

Land Use Program 211 Market Rate Dwelling Units
68 Senior Affordable Housing Units
44,000 square feet Retail
45,000 square feet Office

Project Cost \$182 Million

Prop 1C Grant \$11.3 Million

New Railroad Square – Proposed Stand-Alone 93 Senior Affordable Housing (2013)

Santa Rosa Creek

Depot

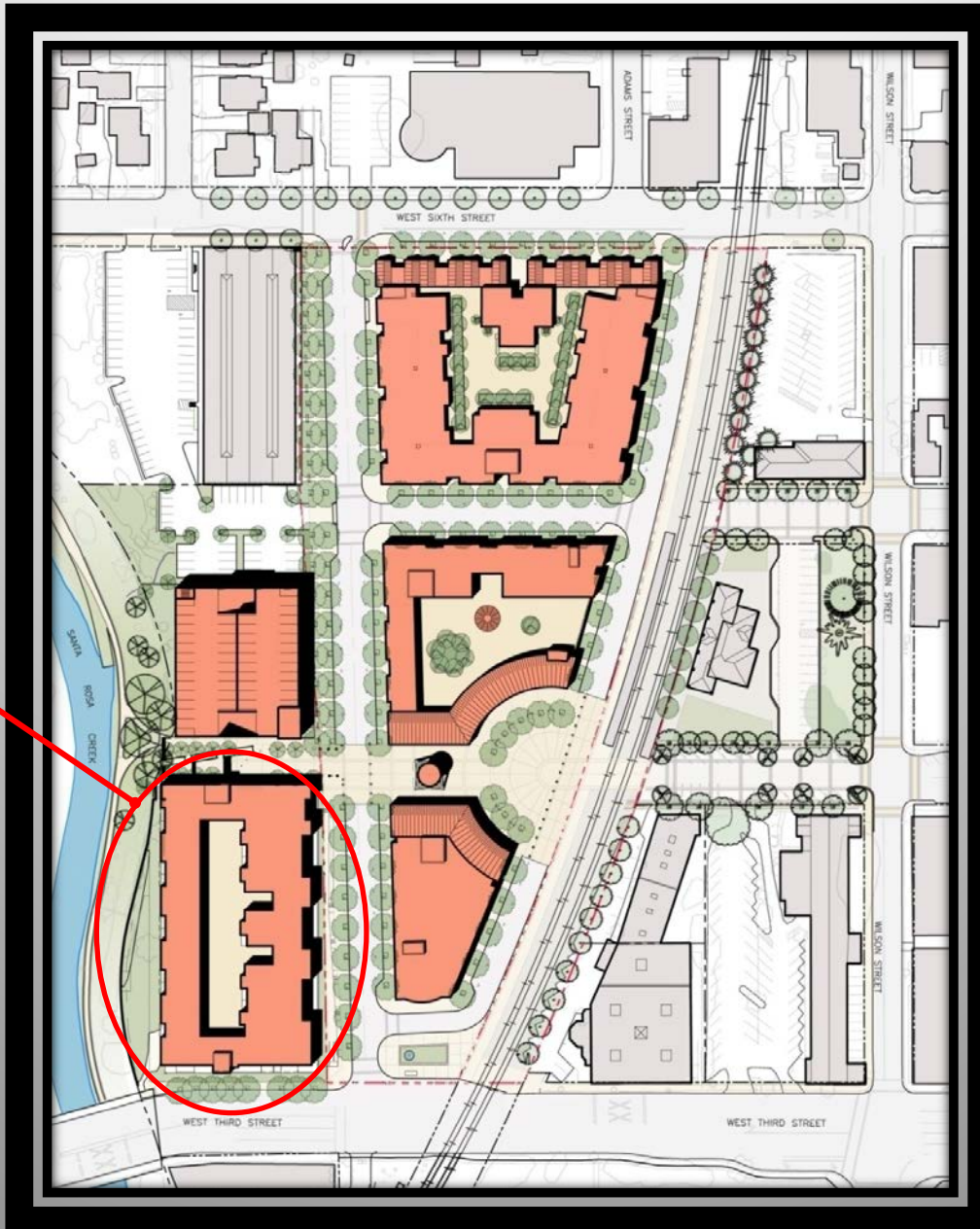


Cannery Site

West Third Street

New Railroad Square – Proposed Stand-Alone 93 Senior Affordable Housing (2013)

Cannery Site
93 units of
**Senior Affordable
Residential,**
5-Story within and
above historic
Cannery base



New Railroad Square – Proposed Stand-Alone 93 Senior Affordable Apartments (2013)

Total Site Area 1.3 acres

Land Use Program 93 Senior Affordable
Housing Units

Project Cost \$27 Million

Prop 1C Grant \$4.3 Million

Master Development

Stand-Alone Development

Phases	3	Single Project
Total Site Area	7.4 acres	1.3 acres
No. of Parcels	4	1
Ownership	SMART (2) and Cannery (2)	Cannery (Cannery Site)
Land Use Program	<ul style="list-style-type: none">• 68 Senior Affordable Housing Units located on a SMART parcel.• 211 Market Rate Dwelling Units• 44,000 square feet Retail• 45,000 square feet Office• Parking Garage for Commercial	<ul style="list-style-type: none">• 93 Senior Affordable Housing Units located on a Cannery parcel
Project Cost	\$182 Million	\$27 Million
Prop 1C Grant	\$11.3 Million	\$4.3 Million

Proposed Financing and General Timeframe

- Project: 93 senior affordable units
- Construction start: July 2014
- Construction end: December 2015
- Total Development Cost (approximate): \$27.3 M
- Proposed Funding sources (approximate):
 - a. Low-income housing 9% tax credit equity: \$13.2 M
 - b. Housing Authority Loan: \$5.5 M
 - c. Prop 1C Grant: \$4.3 M
 - d. Bank Loan: \$4.0 M
 - e. Deferred Developer Fee: \$0.3 M

Feasibility Conditions for Modified Application

1. Evaluation by the Housing Authority

Subject to the outcome of pending litigation and subsidy analysis

2. Project Entitlements

3. Tax Credits Equity Financing

Competitive process

Additional City Requests

1. Agreement with Developer:

- Redistribution of Prop 1C grant funds
- Developer's assumption of all requirements and guarantees of performance
- Indemnification and hold harmless by the developer in favor of the City
- Developer's obligation to construct within the time-frame of the Prop 1C Grant program

2. Assurances by SMART re: Affordable Housing

Key Milestones and Deadlines

April 2013 – Council's action to Modify Prop 1C Application

May 17, 2013 – Current court date

June 2013 – Council's review of SMART assurances; action on agreement with Developer; and approval to submit State agreements

June 30, 2013 – Submittal of executed State Standard Agreement and Disbursement Agreement

Key Milestones and Deadlines

July-August 2013 - The Housing Authority action

June 30, 2014 – Building permits must be issued construction commenced (may be extended up to five years by HCD)

February 1, 2016 – Prop 1C funds must be disbursed

Potential Outcomes

1. Approval of the Modified Application.

- Many other pieces of the puzzle need to fall into place
- Precludes development of other uses on the site, including commercial on the ground floor

Potential Outcomes

1. Approval of the Modified Application.
 - a) \$4.3 million dollars of grant \$\$ to the community
 - b) New senior affordable housing replacing vacant, fenced land
 - c) Jobs
 - d) Economic Activity
 - e) Historic Preservation
 - f) SMART ridership
 - g) Potential catalyst for future development

Potential Outcomes

2. Disapproval of the Modified Application

- The site is likely to remain vacant until real estate and financing markets are revitalized
- There would be a full range of options for future uses on the site

