



TEFRA HEARING  
CROSSINGS ON ASTON  
706-708 Aston Avenue/  
1500-1555 John Richards Way

City Council Meeting  
July 19, 2016

Frank Kasimov  
Program Specialist  
Housing and Community Services

# CURRENT

- 14 lots on 1.86 acres.
- Approved 14 duplexes.



# CURRENT

- ❖ Urban Housing Communities and Central Valley Coalition for Affordable Housing formed a partnership.
- ❖ Purchased property in foreclosure with Housing Authority loan in 2013.
- ❖ Development Plan: 24 3-BR & 3 1-BR units.
- ❖ Affordability: 26 units targeted to families earning 30%-60% Area Median Income.
- ❖ 1 resident manager; 1 unit/community room.

# CURRENT FINANCING

- ❖ Housing Authority funding:
  - \$5,666,685 in loan funds.
  - 6 Project-Based Vouchers.

# PROPOSED FINANCING

## ❖ Other Financing:

- Tax Credit Equity.
- Deferred Developer Fee.
- Tax Exempt Bond Financing.

# TEFRA HEARING

- ❖ TEFRA: The issuance of private activity revenue bonds must be approved by the governing body in whose jurisdiction the project is located following a public hearing, which is often referred to as a TEFRA Public Hearing because it is held in accordance with the Tax Equity and Fiscal Responsibility Act (“TEFRA”) of 1982, Section 147(f) of the Internal Revenue Code of 1986, as amended.

# BENEFIT

- ❖ Tax Exempt Revenue Bond financing is an important part of the total financing for the affordable housing development.
- ❖ No fiscal impact on the General Fund - all financial obligations responsibility of borrower.

# RECOMMENDATION

- Declare City's official intention to issue \$8 million tax exempt revenue bonds;
- Reimburse certain expenditures relating to the development from proceeds of the bonds;
- Authorize application to the California Debt Limit Allocation Committee;
- Determine that it is appropriate for the City to issue the bonds in accordance with Internal Revenue Code.



# QUESTIONS

❖ Questions?