

Mammoth Lakes Town Council Agenda Action Sheet

Title: Consider the Town's Participation in the California Housing Accelerator Program for The Parcel.

Council Meeting Date: 10/27/2021

Prepared by: Sandra Moberly, Community and Economic Development Director

Recommended Motion: Adopt a resolution authorizing the Town's participation in the California Housing Accelerator Program and authorize the Town Manager to file all required documentation.

Background

On October 5, 2021, the California Department of Housing and Community Development (HCD) announced the availability of \$1.6 billion in California Housing Accelerator money for the purposes of supporting shovel-ready projects that are unable to move forward due to funding gaps that resulted from their inability to access tax-exempt bond allocations or low-income housing tax credits. The Parcel is considered a Tier 1 project for this program and is eligible to be in the first group of projects that will receive funding through this program.

Analysis:

The Town and our development partner, Pacific West Communities, have been seeking financing for Phase 1 of The Parcel project since February 2021. Applications for Low Income Housing Tax Credit (LIHTC) funding have been unsuccessful at this point due to the limited funding available through that program. The California Housing Accelerator funding is intended to fund projects that are eligible for LIHTC funding but have not received it at this point. HCD requires that the Town Council, as the Town will be a co-applicant for the funding, execute a resolution authorizing the application for the program and allowing the Town Manager to execute the loan documents on behalf of the Town. The resolution is included as Attachment 1 and the language in the resolution is standard template language from HCD which cannot be modified.

Financial Considerations:

California Housing Accelerator assistance will be in the form of forgivable loans, with terms of zero percent interest for 20 years, with no residual receipts or periodic payment requirements during the life of the California Housing Accelerator loan. Phase 1 of the Parcel will be fully funded with the award of the California Housing Accelerator loan.

Attachments

Attachment 1: Town Council Resolution 21-
Attachment 2: HCD Memorandum dated October 5, 2021
Attachment 3: HCD Slideshow dated September 24, 2021