



**City of Wasco**  
**Redevelopment Agency Agenda**  
TUESDAY, February 2, 2010  
City Council Chambers  
746 8<sup>th</sup> Street, Wasco, California 93280  
Approximately 7:05 P.M.  
Immediately following City Council Meeting

- 1) **CALL TO ORDER**
- 2) **ROLL CALL**
- 3) **COMMUNICATIONS FROM AUDIENCE** – This portion of the meeting is reserved for persons desiring to address the Directors on any matter not on this agenda and over which the Directors have jurisdiction. Speakers are limited to two (2) minutes. Please state your name and address for the record before making your presentation.
- 4) **CONSENT CALENDAR** - The Consent Agenda consists of items that in staff's opinion are routine and non-controversial. These items are approved in one motion unless a Director or member of the public removes a particular item.
  - a) Approval of Bill Paying List, total amount of \$25,844.93
  - b) Approve the Reading of All Ordinances and Resolutions by Title Only and Approve Publication of All Ordinances in Summary Form.
- 5) Report and Possible Approval, RE: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WASCO REDEVELOPMENT AGENCY ADOPTING THE PROPOSED MID YEAR BUDGET AMENDMENTS FOR FISCAL YEAR 2009-2010. (Zervis)
- 6) Report and Possible Approval RE: A Loan Request from Wasco Affordable Housing, Inc. for Financial Assistance with the Beckes Street Apartments Project. (Zervis)
- 7) Report and Possible Approval, RE: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WASCO REDEVELOPMENT AGENCY APPROVING A FAÇADE IMPROVEMENT AGREEMENT WITH DENNIS L. CAMPBELL DBA CAMPBELL CHIROPRACTIC. (Zervis)
- 8) **INFORMATION ITEMS**
- 9) **DIRECTOR COMMENTS**
- 10) **CLOSED SESSION:**
  - a. Conference with real property negotiator (City Manager) regarding price and terms of payment for real property described as Assessor Parcel Numbers 488-010-31 and 489-020-09, per Government Code Section 54956.8

11) **ADJOURNMENT**

This is to certify that this agenda was posted at Wasco City Hall on January 28, 2010.

  
Duviet Rodriguez, Deputy City Clerk

All agenda item supporting documentation is available for public review in the office of the City Clerk of the City of Wasco, 746 8<sup>th</sup> Street, Wasco, CA, 93280 during regular business hours, 7:30 a.m. – 5:30 p.m. Monday through Thursday and 8-5pm Friday (closed alternate Friday's), following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location and available at the meeting. **Please remember to turn off all cell phones, pagers or electronic devices during Council meetings.**

The Wasco Redevelopment Agency does not discriminate on the basis of disability in the access to, provision of or employment in its programs and activities pursuant to 29 United States Code Section 12132 and California Civil Code Section 54. Information regarding the rights provided under the Americans with Disabilities Act (ADA) may be obtained from the City Clerk's Office.

If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (661) 758-7215 to make reasonable arrangements to ensure accessibility to this meeting. Telephone (661) 758-7215 or via California Relay Service (Hearing Impaired Only). Requests for assistance should be made at least two (2) days in advance whenever possible.

<b>Type of Call</b>	<b>MCI California Relay Service</b>	<b>Sprint California Relay Service</b>
TTY	1-800-735-2929	1-888-877-5378
Voice	1-800-735-2922	1-888-877-5379
Spanish	1-800-855-3000	1-888-877-5381
Speech to Speech	1-800-854-7784	

Wasco Redevelopment Agency  
Bill Pay List  
Council Meeting Date: February 2, 2010

<u>Warrant</u>	<u>Total</u>
R020210	25,844.93
\$	\$ 25,844.93

Verified By: Pam Propp 1/27/10  
Accounting Manager

01/27/2010 16:06  
brcortez

CITY OF WASCO  
VENDOR INVOICE LIST

PG 1  
apinvlst

INVOICE	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
2076 CITY OF WASCO										
NOV09-DEC09	1789	01/13/2010	45714	R020210		25,844.93	02/05/2010	INV	APP	EDD EXPENSES NOV-DEC 2009

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1	INVOICES	25,844.93
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\*\* END OF REPORT - Generated by Brenda Cortez \*\*

# WASCO REDEVELOPMENT AGENCY

## MEMORANDUM

**TO:** Honorable Chairman and Directors

**FROM:** Jim Zervis, Executive Director

**DATE:** February 2, 2010

**SUBJECT:** Report and Possible Approval RE: A Resolution of the Board of Directors of the Wasco Redevelopment Agency Adopting the Proposed Mid Year Budget Amendments for Fiscal Year 2009-2010

**Recommendation:**

Staff recommends that the Board of Directors approve a resolution of the Board of Directors of the Wasco Redevelopment Agency Adopting the Proposed Mid Year Budget Amendments for Fiscal Year 2009-2010

**Summary:**

Finance Department Staff has prepared the attached Mid Year Budget Review. This report provides information on the original budget, actual data, and proposed mid year amendments to the budget for each fund of the Agency. No budget amendments are proposed at this time.

**Fiscal Impact:**

None.

**Discussion:**

See the attached Mid Year Budget Review.

**RESOLUTION NO. 2010 - \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
WASCO REDEVELOPMENT AGENCY  
ADOPTING THE PROPOSED MID YEAR BUDGET AMENDMENTS FOR  
FISCAL YEAR 2009-2010**

WHEREAS, the Board of Directors of the Wasco Redevelopment Agency approved the Budget for fiscal year 2009-2010 at the regularly scheduled Board Meeting on June 2, 2009, and;

WHEREAS, The Finance Department has prepared the Mid Year Budget Review for fiscal year 2009-2010 and identified needed adjustments to the budget document.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WASCO REDEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

That the Board of Directors of the Wasco Redevelopment Agency accepts the mid-year financial report adopts the Proposed Mid Year Budget Amendments for Fiscal Year 2009-2010 and directs the Finance Director to incorporate these amendments into the 2009-2010 annual budget.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Danny Espitia, Chairman

ATTEST

\_\_\_\_\_  
Vickie Hight, Secretary

APPROVED, PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE WASCO REDEVELOPMENT AGENCY ON THE 2<sup>nd</sup> DAY OF FEBRUARY, 2010, BY THE FOLLOWING VOTE.

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Vickie Hight, Secretary



The Wasco Redevelopment Agency  
Mid Year Financial Report & Budget Adjustments  
For The Fiscal Year 2009/2010

February 2, 2010

Submitted to: The Board of Directors

Prepared by: The Finance Department

**Wasco RDA**  
**Mid Year Review 2008-09**  
**Summary of Current Cash and Investments**

<u>Fund</u>	<u>Cash</u>	<u>LAIF</u>	<u>Total 12/31/09</u>	<u>Total 6/30/09</u>	<u>Net Change</u>
Capital Projects Fund	\$ 251,754	\$ 77,634	\$ 329,388	\$ 439,892	\$ (110,504)
20% Low/Mod. Income Housing Fund	726,009	366,121	1,092,130	978,004	114,126
Debt Service Fund	533,981	194,347	728,328	538,486	189,842
<b>Total</b>	<b>\$ 1,511,745</b>	<b>\$ 638,102</b>	<b>\$ 2,149,846</b>	<b>\$ 1,799,494</b>	<b>\$ 193,464</b>

Wasco Redevelopment Agency  
 Mid Year Review 2009-10  
 Summary of Revenues, Expenditures, and Changes in Fund Balance

Fund	Budgeted Revenue	Mid Year Adjustment	Revised Budgeted Revenue	Budgeted Expenses	Mid Year Adjustment	Revised Budgeted Expenses	Surplus / (Deficit)
RDA 20% LMH Fund	300,078	0	300,078	3,335	0	3,335	296,743
RDA Capital Projects Fund	372,263	0	372,263	364,498	0	364,498	7,765
RDA Debt Service Fund	1,580,388	0	1,580,388	2,114,679	0	2,114,679	(534,291)
Grand Total	2,252,729	0	2,252,729	2,482,512	0	2,482,512	(229,783)

Wasco Redevelopment Agency  
 Mid Year Review 2009-10  
 Summary of Revenues, Expenditures, and Changes in Fund Balance

Fund	Actual Beginning Fund Balance	Surplus / (Deficit)	Projected Ending Fund Balance
RDA 20% LMH Fund	1,027,998	296,743	1,324,741
RDA Capital Projects Fund	2,389,885	7,765	2,397,650
RDA Debt Service Fund	587,579	(534,291)	53,288
Grand Total	4,005,462	(229,783)	3,775,679

MUNIS FINANCIAL MANAGEMENT SOLUTIONS

WELCOME TO THE NEIGHBORHOOD

01/27/2010 10:02  
jizservis

CITY OF WASCO

STATEMENT OF REVENUES AND EXPENSES  
FOR FISCAL YEAR 2009/10

PG 47  
glytdbud

FOR 2010 06

ACCOUNTS FOR:	ORIGINAL	TRANSFRS/	REVISED	YTD ACTUAL	ENCUMBRANCES	AVAILABLE	PCT
80	APPROP	ADJSTMTS	BUDGET			BUDGET	USED
800							
800							
800							
80800	0	0	0	-534.00	.00	534.00	100.0%
80800	-3,000	0	-3,000	-289.47	.00	-2,710.53	9.6%*
80800	-20,000	0	-20,000	.00	.00	-20,000.00	.0%*
80800	-437,028	87,765	-349,263	.00	.00	-349,263.00	.0%*
80800	117,086	-45,566	71,520	22,355.73	.00	49,164.27	31.3%*
80800	13,060	-643	12,417	4,139.00	.00	8,278.00	33.3%*
80800	8,957	-3,486	5,471	1,722.78	.00	3,748.22	31.5%*
80800	25,396	-11,807	13,589	4,108.20	.00	9,480.80	30.2%*
80800	25,368	-6,263	19,105	3,461.56	.00	15,643.44	18.1%*
80800	5,000	0	5,000	2,839.36	.00	2,160.64	56.8%*
80800	5,000	0	5,000	737.43	.00	4,262.57	14.7%*
80800	1,500	0	1,500	100.86	.00	1,399.14	6.7%
80800	1,840	0	1,840	210.00	.00	630.00	25.0%
80800	800	0	800	100.00	.00	700.00	12.5%
80800	1,000	0	1,000	.00	.00	1,000.00	0%
80800	1,000	0	1,000	890.00	.00	110.00	89.0%*
80800	25,000	-15,000	10,000	1,555.30	.00	8,444.70	15.6%*
80800	10,000	1,000	11,000	10,295.31	.00	704.69	93.6%*
80800	25,000	-6,000	19,000	4,000.60	.00	14,999.40	21.1%
80800	4,268	0	4,268	1,337.08	.00	2,930.92	31.3%*
80800	3,766	0	3,766	1,104.36	.00	2,661.64	29.3%*
80800	100,000	0	100,000	730.13	.00	99,269.87	.7%*
80800	86,987	0	86,987	79,717.64	.00	-79,717.64	100.0%*
80800	0	-7,765	-7,765	43,493.52	.00	43,493.48	50.0%*
80800	0	-7,765	-7,765	.00	.00	-7,765.00	.0%*
TOTAL WASCO REDEVELOPMENT AGENCY	0	-7,765	-7,765	182,075.39	.00	-189,840.39	-2344.8%
TOTAL WRDA-01 CAPITAL PROJECT FUND	0	-7,765	-7,765	182,075.39	.00	-189,840.39	-2344.8%
TOTAL REVENUES	-460,028	87,765	-372,263	-823.47	.00	-371,439.53	
TOTAL EXPENSES	460,028	-95,530	364,498	182,898.86	.00	181,599.14	

MUNIS FINANCIAL MANAGEMENT SOLUTIONS  
WELCOME TO THE NEIGHBORHOOD

01/27/2010 10:02  
jizgrvis

CITY OF WASCO

STATEMENT OF REVENUES AND EXPENSES  
FOR FISCAL YEAR 2009/10

PG 48  
glytdbud

FOR 2010 06

ACCOUNTS FOR:  
81 WRDA-01 20% LMIH FUND

800 WASCO REDEVELOPMENT AGENCY

	ORIGINAL APPROP	TRANSFRS/ADJUSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
81800 30975 INTEREST INCOME	-10,000	0	-10,000	-1,399.11	.00	-8,600.89	14.0%*
81800 33230 LOAN PAYMENTS	-5,000	0	-5,000	-1,926.72	.00	-3,073.28	38.5%*
81800 38200 OPER. TRANS-IN LMIHF 20	-285,078	0	-285,078	-92,300.56	.00	-192,777.44	32.4%*
81800 80061 RDA-INDIRECT COST ALLOC	3,335	0	3,335	1,667.52	.00	1,667.48	50.0%*
TOTAL WASCO REDEVELOPMENT AGENCY	-296,743	0	-296,743	-93,958.87	.00	-202,784.13	31.7%
TOTAL WRDA-01 20% LMIH FUND	-296,743	0	-296,743	-93,958.87	.00	-202,784.13	31.7%
TOTAL REVENUES	-300,078	0	-300,078	-95,626.39	.00	-204,451.61	
TOTAL EXPENSES	3,335	0	3,335	1,667.52	.00	1,667.48	

# MUNIS FINANCIAL MANAGEMENT SOLUTIONS

WELCOME TO THE NEIGHBORHOOD

01/27/2010 10:02  
jizervis

CITY OF WASCO  
STATEMENT OF REVENUES AND EXPENSES  
FOR FISCAL YEAR 2009/10

PG 49  
glytdbud

FOR 2010 06

ACCOUNTS FOR:	ORIGINAL APPROP	TRANSFRS/ADJUSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
82 WRDA-01 DEBT SERVICE FUND							
800 WASCO REDEVELOPMENT AGENCY							
82800 30920 TAX INCREMENT (20654)	-843,662	0	-843,662	-353,929.63	.00	-489,732.37	42.0%*
82800 30930 RDA INTEREST INCOME (20	-3,000	0	-3,000	-102.95	.00	-2,897.05	3.4%*
82800 30940 TAX INCREMENT-RDA AMEND#	-153,146	0	-153,146	-66,378.00	.00	-86,768.00	43.3%*
82800 30950 RDA AMEND1 INT. INCOME	-1,000	0	-1,000	-57.35	.00	-942.65	5.7%*
82800 30956 TAX INCREMENT RDAL AMEN	-428,580	0	-428,580	-39,976.77	.00	-388,603.23	9.3%*
82800 30958 RDAL AMEND2 INT. INCOME	-1,000	0	-1,000	-1,058.09	.00	58.00	105.8%*
82800 30960 CITY ENTERP. REV-FOR DE	-145,000	0	-145,000	-145,000.00	.00	0.00	100.0%*
82800 30975 INTEREST INCOME	-5,000	0	-5,000	-723.67	.00	-4,276.33	14.5%*
82800 50012 ADMINISTRATION FEES	2,000	0	2,000	.00	.00	2,000.00	.0%*
82800 50461 PROFESSIONAL SERVICES	200,000	0	200,000	64,518.56	.00	135,481.44	32.3%*
82800 52410 INTEREST EXPENSE	140,300	0	140,300	72,987.50	.00	67,312.50	52.0%*
82800 52420 PRIN. REPYMT-BONDS	195,000	0	195,000	195,000.00	.00	0.00	100.0%*
82800 52425 PASS THRU PYMTS (20654)	307,062	0	307,062	-48,480.40	.00	355,542.40	15.8%*
82800 52430 COUNTY ADMIN. FEES (206	17,000	0	17,000	.00	.00	17,000.00	.0%*
82800 52435 PASS THRU PYMTS (20663)	30,630	0	30,630	-19,542.44	.00	50,172.44	63.8%*
82800 52440 COUNTY ADMIN FEES (2066	4,000	0	4,000	.00	.00	4,000.00	.0%*
82800 52452 ERAF	85,715	0	85,715	-5,036.51	.00	90,751.51	5.9%*
82800 80061 RDA-INDIRECT COST ALLOC	0	406,040	406,040	.00	.00	406,040.00	.0%*
82800 81900 OPER. TRANS-OUT - LMIHF	4,826	0	4,826	2,413.02	.00	2,412.98	50.0%*
82800 81905 OPERATING TRANSFER OUT	285,078	0	285,078	92,300.56	.00	192,777.44	32.4%*
	437,028	0	437,028	.00	.00	437,028.00	.0%*
TOTAL WASCO REDEVELOPMENT AGENCY	128,251	406,040	534,291	-253,066.17	.00	787,357.17	-47.4%
TOTAL WRDA-01 DEBT SERVICE FUND	128,251	406,040	534,291	-253,066.17	.00	787,357.17	-47.4%
TOTAL REVENUES	-1,580,388	0	-1,580,388	-607,226.46	.00	-973,161.54	
TOTAL EXPENSES	1,708,639	406,040	2,114,679	354,160.29	.00	1,760,518.71	

MUNIS FINANCIAL MANAGEMENT SOLUTIONS  
WELCOME TO THE NEIGHBORHOOD

01/27/2010 10:05  
jizervis

CITY OF WASCO  
BALANCE SHEET FOR 2010 6

PG 37  
gibalsht

FUND:

FUND: 80 WRDA-01 CAPITAL PROJECT FUND

ASSETS		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
80000	10021	29,096.49	251,754.21
80000	10043	.00	77,633.93
80000	11031	116.70	77,116.70
80000	13011	.00	1,678,595.40
80000	13015	.00	320,206.66
	TOTAL ASSETS	29,213.19	2,328,306.90
LIABILITIES			
80000	20111	91,565.70	.00
80000	20122	.00	2,000.00
	TOTAL LIABILITIES	91,565.70	2,000.00
FUND BALANCE			
80000	270451	.00	-1,678,595.40
80000	270452	.00	-320,206.66
80000	28000	.00	-391,082.44
80000	99994	80,000.00	-7,765.00
80000	99995	.00	372,263.00
80000	99996	-80,000.00	-364,498.00
80000	99998	1,835.60	182,898.86
80000	99999	-116.70	-823.47
	TOTAL FUND BALANCE	1,718.90	-2,207,809.11
	TOTAL LIABILITIES + FUND BALANCE	93,284.60	-2,205,809.11

MUNIS FINANCIAL MANAGEMENT SOLUTIONS

WELCOME TO THE NEIGHBORHOOD

01/27/2010 10:05  
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CITY OF MASCO  
BALANCE SHEET FOR 2010 6

PG 38  
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FUND:

FUND: 81 WRDA-01 20% LMTH FUND

ASSETS		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
81000	10021 RDA GENERAL CHECKING	58,218.40	726,009.15
81000	10043 RDA LAIF SAVINGS	.00	366,120.65
81000	11031 RDA-ACCURED RECEIVABLES	564.04	564.04
81000	11033 NOTES REC. P VASQUEZ	.00	15,887.35
81000	11034 NOTES RECEIVABLE A BUSTOS	.00	13,376.11
	TOTAL ASSETS	58,782.44	1,121,957.30
LIABILITIES			
81000	20111 RDA-ACCOUNTS PAYABLE	1,667.52	.00
	TOTAL LIABILITIES	1,667.52	.00
FUND BALANCE			
81000	270454 FB RES: NOTES RECEIVABLE	.00	-29,263.46
81000	270455 FB RES: LOW/MOD INCOME HOUSING	.00	-647,749.70
81000	FUND BALANCE	.00	-350,985.27
81000	99994 AT BUDGETARY FBUR	.00	-296,743.00
81000	99995 AT ESTIMATED REVENUE	.00	300,078.00
81000	99996 AT APPROPRIATION	.00	-3,335.00
81000	99998 AT EXPENDITURE	.00	1,667.52
81000	99999 CONTROL ACCOUNT	-60,449.96	-95,626.39
	TOTAL FUND BALANCE	-60,449.96	-1,121,957.30
	TOTAL LIABILITIES + FUND BALANCE	-58,782.44	-1,121,957.30

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MUNIS FINANCIAL MANAGEMENT SOLUTIONS

WELCOME TO THE NEIGHBORHOOD

01/27/2010 10:05  
Jiservis

CITY OF WASCO  
BALANCE SHEET FOR 2010 6

FUND:

PG 39  
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FUND: 82 WRDA-01 DEBT SERVICE FUND		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>			
82000	10021	216,401.72	533,981.32
82000	10043	.00	194,347.08
82000	11031	291.74	291.74
	TOTAL ASSETS	216,693.46	728,620.14
<b>LIABILITIES</b>			
82000	20111	4,664.90	-10,473.12
	TOTAL LIABILITIES	4,664.90	-10,473.12
<b>FUND BALANCE</b>			
82000	270453	.00	-427,553.66
82000	28000	.00	-160,024.98
82000	99994	.00	534,291.00
82000	99995	.00	1,580,388.00
82000	99996	.00	-2,114,679.00
82000	99998	-45,740.41	354,160.29
82000	99999	-298,115.74	-607,226.46
	TOTAL FUND BALANCE	-343,856.15	-840,644.81
	TOTAL LIABILITIES + FUND BALANCE	-339,191.25	-851,117.93

# WASCO REDEVELOPMENT AGENCY

## MEMORANDUM

**TO:** Honorable Chairman and Directors

**FROM:** Jim Zervis, Executive Director  
Yvette Litten, Housing and Redevelopment Coordinator

**DATE:** February 2, 2010

**SUBJECT:** Report and Possible Approval RE: A Loan Request from Wasco Affordable Housing, Inc. for Financial Assistance with the Beckes Street Apartments Project.

### **Recommendation:**

Staff recommends the Board of Directors approve a loan request from Wasco Affordable Housing, Inc. for financial assistance with the Beckes Street Apartments Project.

### **Summary:**

Wasco Affordable Housing, Inc. is requested a loan of \$500,000 to help fund the Beckes Street Apartment Project with a total estimated cost of \$13,603,557. The project will be 58 units with a mix of two and three bedroom apartments as well as other community amenities. The proposed loan would be for 30 years and would carry a 4% interest rate. Granting the requested loan would eliminate the inclusionary housing deficit currently existing and would help avoid an excess surplus accumulation in the Low and Moderate Income Housing Fund.

### **Fiscal Impact:**

Approval of this item would loan \$500,000 from the Low and Moderate Income Housing Fund of the RDA. The Loan would be for a 30 year term and carry a 4% interest rate. At June 30, 2009 the RDA Low and Moderate Income Housing fund had an Unreserved Undesignated Fund Balance of \$998,735. An additional \$311,533 of set-aside funds are projected to be added to this balance in 2009/10.

### **Discussion:**

Wasco Affordable Housing, Inc. is currently working on a 58 unit apartment complex on the corner of Beckes Street and Spruce Avenue. 26 of the units will be single story, three bedroom units, and 32 of the units will be two story (townhouse) two bedroom units. A rendition and floor plan of the project is included with this report. The project will be done in the same general style as the Central Avenue Senior Apartments Project. The project also includes a 2,431 SF Community Building, a playground, laundry room, and BBQ areas.

According to the "Permanent Sources & Uses" report provided by Wasco Affordable Housing, the total cost of this project is estimated at \$13,603,557 and there are several funding sources combining to total this amount. The largest funding sources are \$8,216,912 in Tax Credit Financing, \$3,000,000 from USDA Rural Development, and \$1,000,000 from Joe Serna Jr. FWHG Loans. Wasco Affordable Housing, Inc. owns the land that will be used to develop the project. The Tax Credit Financing has not been awarded to this project yet and is subject to a competitive award process around June of 2010.

In 2008/09 Wasco Affordable Housing and the City of Wasco applied for a \$1,000,000 HOME Grant to help fund this project. These funds were not awarded as the California Department of Housing and Community Development (HCD) determined that the City was not eligible to apply that year due to the State Controller's Office (SCO) not having a record of receiving the City's single audit submission for the prior year. The City was not successful in appealing this decision.

This project currently has a budget shortfall of roughly \$500,000. To close this gap Wasco Affordable Housing was planning on getting a bank loan for the project, which they will still do if the RDA chooses not to participate in the Project. Wasco Affordable Housing has asked the RDA if the RDA would be interested in loaning them the \$500,000 to complete the financing of this project. The terms of the loan would be for 30 years with a 4% interest rate per annum and the loan would be secured by a deed of trust on the property. All 58 units in the development would be subject to an affordability deed restriction recorded on the property.

There are two main reasons why the RDA would want to consider this loan request. First, the RDA currently has a deficit in its inclusionary housing obligation of -4 Very Low and -14 Low-Moderate. If funded this project would count for 29 units of inclusionary housing, (58 units x 50%). The units are reduced by 50% because the project is outside of the RDA Project Area. Funding this project would more than eliminate the inclusionary housing deficits.

The second benefit the RDA would see in funding this project is that it would use restricted Low and Moderate Income Housing funds and help keep the fund below the excess surplus calculation. Excess Surplus is a term for when the RDA Low and Moderate Income Housing Fund has the greater of \$1,000,000 or the prior 4 years of Low/Mode set-aside money accumulated in the fund. At the point the excess surplus calculation is exceeded the RDA can either transfer the excess funds to a Housing Authority within one year or they must spend the excess funds within an additional two years. The Wasco RDA will trigger the excess surplus calculation as of June 30, 2010. Funding this project would bring the available funds to under the excess surplus calculation.

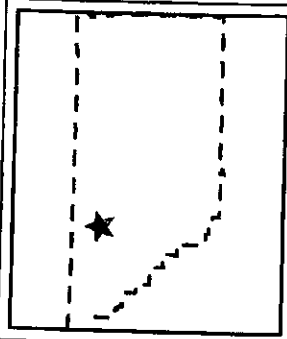
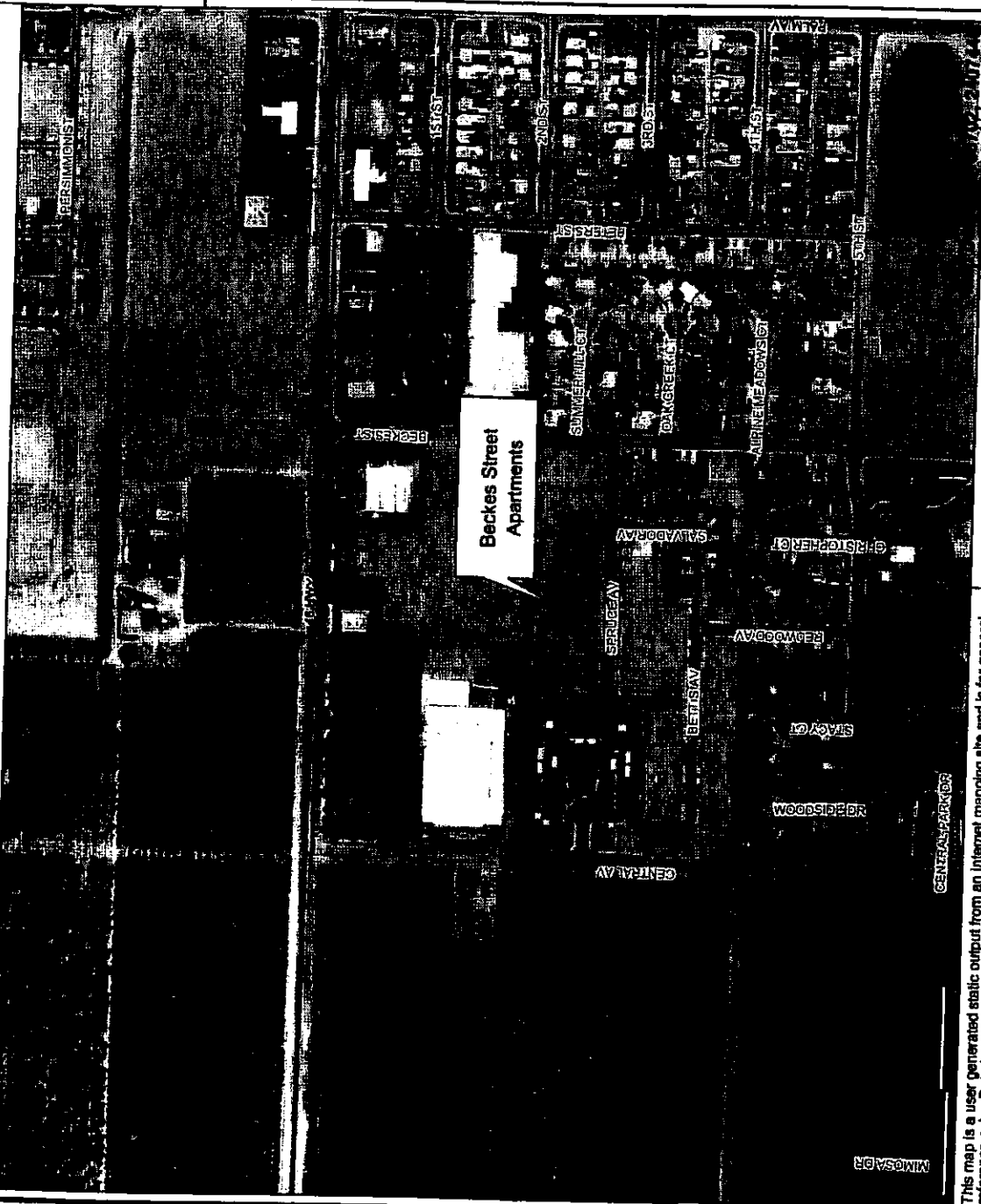
Note: that the Beckes Street Apartments Project will be completed by a newly formed Limited Partnership ("LP") of which Wasco Affordable Housing, Inc. will be the Managing Partner. The funding commitment from the RDA would be to Wasco Affordable Housing, Inc. but the actual loan will be to the new LP as they will own the property and will be developing the project.

The RDA Low and Moderate Income Housing Projects Committee met to review this project and did recommend that it move forward to the RDA Board of Directors for consideration. The main concern raised by the Committee was that the Beckes Street Apartments Project was restricted to farm labor and would not be available to all low income residents.

If this item is approved, all documents would be drafted by Wasco Affordable Housing, reviewed by the Executive Director and Agency Attorney, and brought back to the RDA Board for approval with a formal resolution.

Kern County

# Beckes Street Apartments



## Legend

- Roads
  - Arterial
  - Collector
  - Highway
  - Local
  - Ramp
  - Unpaved
  - County of Kern
- High Res Aerial Photo 2008



Scale: 1:5,607

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