




MEMORANDUM

Late Backup

TO: Mayor and Council Members 

FROM: Rosie Truelove, Director, Neighborhood Housing and Community Development Department

DATE: October 17, 2019

SUBJECT: Items 11 and 41 on the October 17, 2019 Council Agenda

Items 11 and 41 on the October 17, 2019 agenda were items previously postponed from the October 3, 2019 agenda. Council requested information on existing rental prices and the median family income of households currently living at the property. Please note that the 62-unit property (known as the Oaks on North Plaza) is currently occupied. 100% of the units are covered by a Section 8 Housing Assistance Payments (HAP) contract. According to the contract, residents can earn up to 80% Median Family Income (MFI). The rents, which are set by the U.S. Department of Housing and Urban Development, vary by unit and are shown in the table below:

Number of Units	Unit Configuration	Rent (Excluding Utilities)
16	1 Bedroom	\$643
6	2 Bedroom/1 Bathroom	\$872
34	2 Bedroom/1.5 Bathroom	\$802
6	3 Bedroom	\$1,050

Once the property has been refinanced through the Low Income Housing Tax Credit (LIHTC) program in conjunction with Private Activity Bonds, then the Section 8 HAP contract and LIHTC rules would be married and the "stricter" rule would be followed if there is a difference between the two. The property will continue to be income restricted and serving low-income households, who will pay no more than 30% of their income toward rent.

cc: Spencer Cronk, City Manager
J. Rodney Gonzales, Assistant City Manager