

## 1342 Berkeley Street

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### MERITS OF LOAN APPLICATION APPROVAL

<u>Developer:</u>	Community Corporation of Santa Monica (CCSM)
<u>Development Type:</u>	New Construction – 13 residences (13 @ 1-bedroom)
<u>Current Requested Loan:</u>	\$5,689,748 Construction Loan
<u>Target Population:</u>	Young Adults (Age 18-24) At-Risk of Homelessness and Low-Income Households
<u>Future Projected Total City Loan:</u>	\$5,053,720 Projected Permanent Loan (includes \$467,735 predevelopment loan)

Summary:

The proposed affordable housing development will create 13 new affordable housing residences targeted to young adults (age 18-24) at risk of homelessness and to low-income households. This loan commitment funds construction activities at this time.

In late 2019, the California State legislature passed AB 1763, which requires a density bonus to be provided to a developer who agrees to construct a housing development in which 100 percent of the total residences are reserved for lower income households.

After consideration and review of AB 1763, CCSM decided to proceed with the proposed development under the new State Density Bonus law, adding five additional residences for a total of 13. CCSM conducted a virtual community meeting on April 7, 2021 regarding the project’s updated conceptual design, size, and proposed program. The project is anticipated to begin construction in the fourth quarter of 2022 and complete construction in the third quarter of 2023.

CRITERIA	MERITS
Whether the loan request significantly increases affordable housing opportunities for households who have difficulty finding housing including the homeless, large families, the disabled, seniors, and person traditionally served by Single-Room Occupancy housing	<i>The proposed development will be the first affordable housing development in the City targeting a majority of residences for young adults (aged 18-24) at-risk of homelessness, and will also serve low-income households.</i>
Cost-effective or achieve the lowest possible subsidy per unit for City resources	<i>Community Corporation of Santa Monica will leverage the City’s loan with \$5,209,767 from other funding sources to ensure cost-effective utilization of City resources.</i>

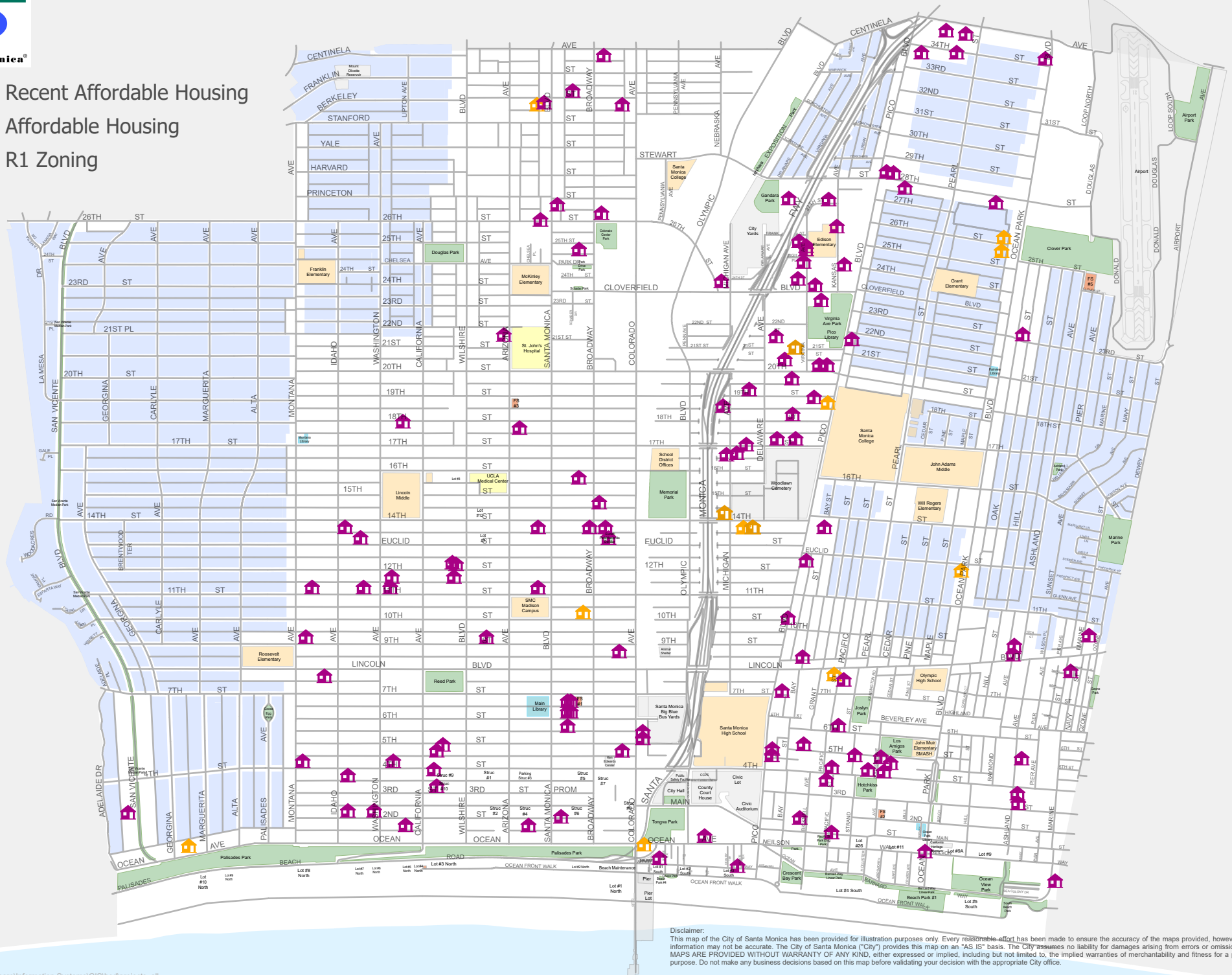
<p>Benefit a high percentage of very low- and low-income households by ensuring deeper affordability</p>	<p><i>All of the 13 residences will target low-income households at or below 60% of the area median income, with eight of the residences targeting more narrowly transition age young adults at or below 30% AMI.</i></p>
<p>Located in areas currently underserved by affordable housing developments</p>	<p><i>Although located immediately to the north of an existing affordable housing development, the proposed development is located in the north-eastern part of the City which has historically been underserved by affordable housing development.</i></p>
<p>Address an area of need identified in the Housing Element of the City of Santa Monica</p>	<p><i>The proposed affordable housing development addresses two Housing Element goals and objectives:</i></p> <p><i>Goal 1 - Production of new housing that is sustainable, innovative, safe and resilient, appropriate with the surrounding neighborhood, offers opportunities for active and healthy living, including walking and biking, and increases equitable housing opportunities.</i></p> <p><i>Policy 1.2 - Housing Production Incentives. Encourage and provide adequate development standards and incentives for the production of housing, particularly affordable housing.</i></p> <p><i>Goal 2.0 – Housing production for all income categories including for the community’s workforce and most vulnerable communities.</i></p> <p><i>Policy 2.1 - Affordable Housing Financing. Encourage innovative private sector and governmental programs to promote the financing and development of housing for extremely low-, very low-, and low-income persons and for moderate income families.</i></p> <p><i>Policy 2.2 - Local Assistance for Affordable Housing. Focus available resources (including City-owned land and Housing Trust Funds) to assist for- profit and nonprofit housing providers to develop housing for extremely low-, very low-, and low-income households.</i></p> <p><i>Goal 5 of the City’s Housing Element is housing for persons experiencing homelessness. While transition age young adults are not necessarily homeless, they are at risk for homelessness. The proposed development would therefore likely help to prevent homelessness, thereby making it easier for the City to make progress on Goal 5.</i></p>

<p>Addresses a particular need identified in the Council-approved Housing Trust Funds Plan</p>	<p><i>The Housing Trust Fund Plan was approved by City Council in July 2018. A priority of the Plan is to provide permanent housing in the City for homeless persons. While transition age young adults are not necessarily homeless, they are at risk for homelessness.</i></p> <p><i>The Plan further calls for the City to create new affordable housing for four populations: seniors, physically and mentally challenged individuals, large families, and small families. The proposed development would provide housing for small families and individuals.</i></p>
<p>Loan Applicant's past and projected effectiveness implementing the City-established local preferences (i.e. households which live or work in Santa Monica)</p>	<p><i>This criteria is no longer applicable, as City funding conditions require that residencies will be occupied using a City-administered waitlist.</i></p>



# City-Funded Affordable Housing Developments: 1980 - Present

- Recent Affordable Housing
- Affordable Housing
- R1 Zoning



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