

# **BRIDGE Housing's 1051 Mission Road**

## **- LHTF Award –**

## **- AHSC Support & Cooperation Agreement -**



**City Council**

**May 14, 2025**

# Staff Recommendation

Staff recommends City Council adopt two resolutions:

1. Amending the City's \$2 million loan, increasing it to \$2.36 million and leveraging a 1:1 match from the State Local Housing Trust Fund (LHTF) grant program for a total award of \$4.725 million
2. Affirming the City's support for BRIDGE's Affordable Housing Sustainable Communities (AHSC) grant program and authorizing a cooperation agreement and anti-displacement program

# Background

- City transferred 1051 Mission Road to BRIDGE in December 2022
- Project includes 158 affordable housing units, part of the 800-unit PUC Project along Mission Road between Grand and Oak
- Project has secured substantial financing to date:
  - \$2 million from the City
  - \$9.5 million from the County
  - \$28.8 million from the State Infill Infrastructure Grant (IIG)



- Once AHSC and tax credits are secured, the project will proceed to construction, ideally by summer 2026

# City Loan & LHTF Grant

- City was awarded \$2,362,500 in State LHTF funding that is no longer committed to Eden's 201 Baden project
- LHTF requires a 1:1 match and must be committed by August 2027, with all spending complete by 2031
- Staff recommends:
  - Increasing the City's original loan from \$2 million to \$2.36 million to provide a 1:1 match for LHTF
  - Awarding the \$2.36 million LHTF award to BRIDGE for 1051 Mission Road



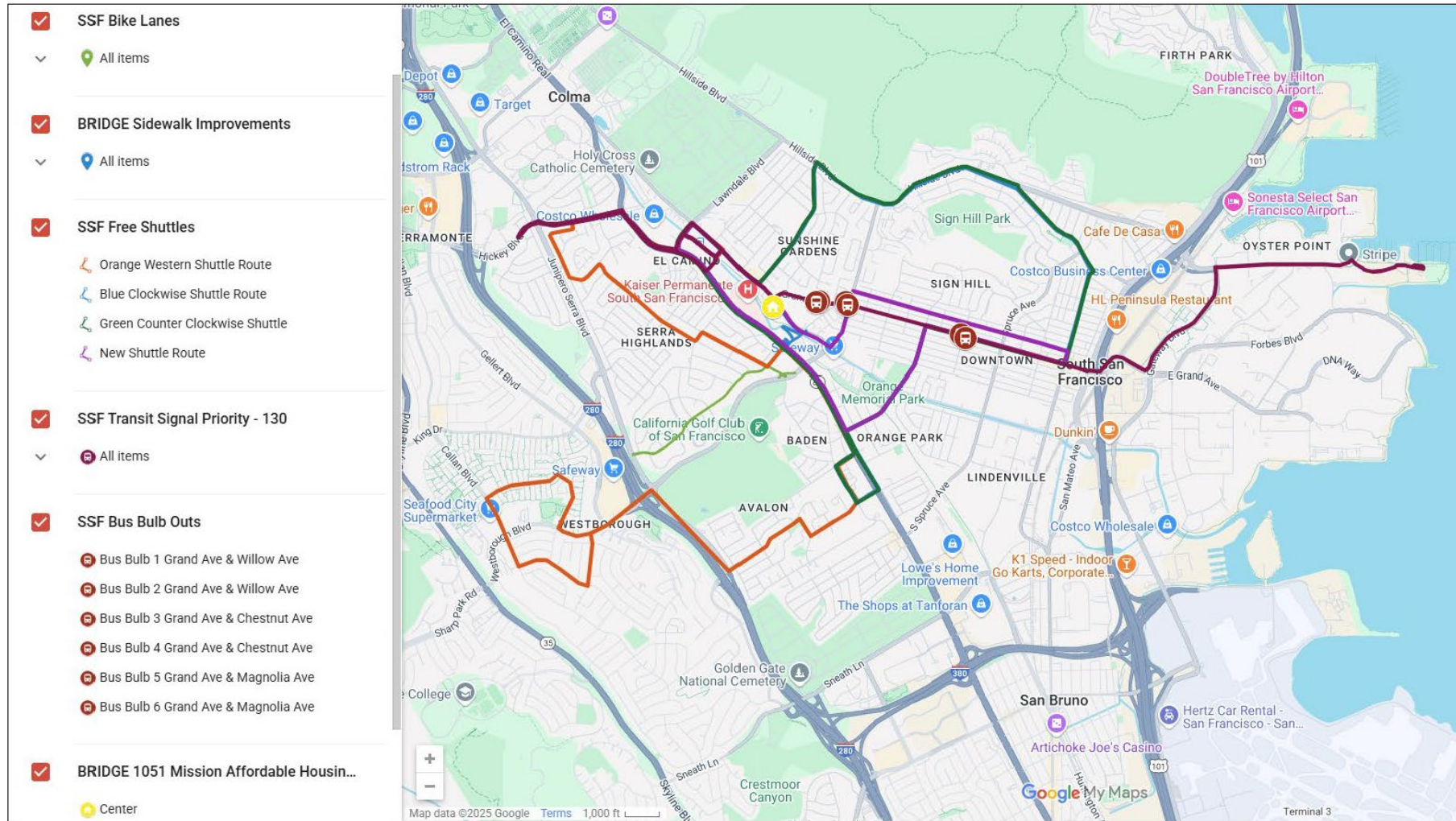
Award will increase BRIDGE's competitiveness for AHSC and tax credits

# AHSC Support & Co-op Agreement

- AHSC is a highly competitive grant program designed to link affordable housing to greenhouse gas reducing transportation projects
- BRIDGE, the City, and SamTrans have partnered on a highly competitive application
- Staff recommends:
  - Affirming the City's support for BRIDGE's application
  - Entering into a Cooperation Agreement with BRIDGE for the City to complete certain transportation projects
  - Signing a scope of work to extend the City's rental assistance program for an additional year with AHSC funding



# Transportation Improvements



- 2+ miles of new bike lanes on Arroyo and Camaritas
- Transit Signal Priority for 29 intersections along Route 130
- Up to 6 bus bulb outs on Grand Ave
- Purchase of 4 electric shuttles
- 4 – 8 years of free shuttle operations

# Errata Provided for Loan & AHSC

- Since Council agenda was published, several edits have been made to the loan agreement and regulatory agreement provided for Council consideration (Item 23b):
  - Clarify the instances in which the City would deny a request by BRIDGE to extend the maturity date of the loan
  - Streamline the definition of incomes targeted by the LHTF funding
  - Replace existing live/work preference language with reference to the City's newly adopted preference ordinance
- Edits also made to the AHSC resolution (Item 23a):
  - Providing flexibility for including the bus bulb outs in the transportation scope depending on results of greenhouse gas reduction analysis
  - Reducing the City's financial exposure by stipulating that shuttle operations are only guaranteed for the number of years for which AHSC funding is available, estimated at four to eight years depending on inclusion of bus bulb outs





# Council Action

Two resolutions have been prepared for City Council consideration:

1. Amending the City's \$2 million loan, increasing it to \$2.36 million and leveraging a 1:1 match from the State Local Housing Trust Fund (LHTF) grant program for a total award of \$4.725 million
2. Affirming the City's support for BRIDGE's Affordable Housing Sustainable Communities (AHSC) grant program and authorizing a cooperation agreement and anti-displacement program