

Southern Towers Committed Affordable Units Report and Tenant Assistance and Relocation Policy



Office of Housing

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TARP AMENDMENT SUGGESTED TEXT

Current

Priority and Referral to CAUs

The coordinator will work with designated City staff in placing priority Households in available CAU's in the order of priority. Points will be assigned (as set forth above) to determine the priority order for relocating residents to a CAU. For each unit size, Households with identical points values will be determined by lottery. If a CAU that meets a Household's need is available, the Household will be relocated to the CAU. If no CAU is available, the Household will be referred to a Comparable Unit and remain or be placed on a waitlist for a future CAU if and when a suitable one (i.e., size, affordability level) becomes available.

Suggested

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If at any time there is not sufficient demand for the Committed Affordable Units available from residents displaced or expected to be displaced by demolition in the Beauregard Plan Area (BPA) or, when current rental agreements prevent the non-displaced tenants on the BPA waitlist to move to an available affordable unit, other income eligible residents from the BPA waitlist and other income eligible residents from the City at large may be referred to the available Committed Affordable Unit.



COMMITTED AFFORDABLE UNITS AT SOUTHERN TOWERS

- An Agreement between the City and Southern Towers was signed August 31, 2015
- The Agreement provides **105 Committed Affordable Units with rents at 55% and 60% AMI.**



COMMITTED AFFORDABLE UNITS AT SOUTHERN TOWERS

- ▶ Based on AHAAC's recommendation, following a review of options offered by Southern Towers, the following units/rents are being provided:
 - ▶ 56 Efficiency units – affordable at 55% AMI (rent at \$1,045)
 - ▶ 44 One-Bedroom units – affordable at 60% AMI (rent at \$1,222)
 - ▶ 4 Two-Bedroom units – affordable at 60% AMI (rent at \$1,466)
 - ▶ 1 Three-Bedroom unit - affordable at 60% AMI (rent at \$1,694)
- ▶ Affordable for 10 years, with that period tolled beginning in December 2017.



COMMITTED AFFORDABLE UNITS AT SOUTHERN TOWERS

- As of January 2017, **only 4 units have been rented**
 - A number of issues related to **income, timing, occupancy requirements and lack of incentives** have prevented more interest in these units from Beauregard households.
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COMMITTED AFFORDABLE UNITS AT SOUTHERN TOWERS—CHALLENGES

- Strict occupancy requirements
- Some two-person households are currently residing in a 1 + den or 2 BR unit
- Current rent are lower
- No sense of urgency
- Expectations, when receiving a phone call from the City
- Maintenance and construction issues in Southern Towers

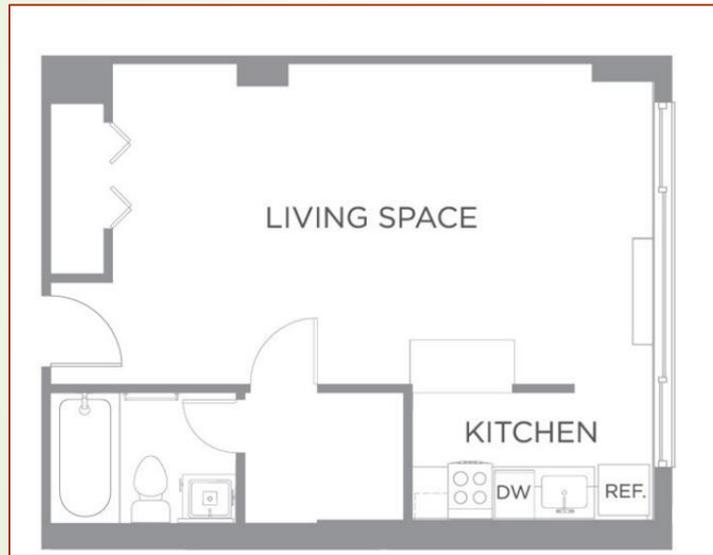


COMMITTED AFFORDABLE UNITS AT SOUTHERN TOWERS—CHALLENGES

- Units at Southern Towers are generally smaller
- Residents don't want to lose the opportunity to get a more affordable apartment in the future
- Timing and coordination
- Moving expenses

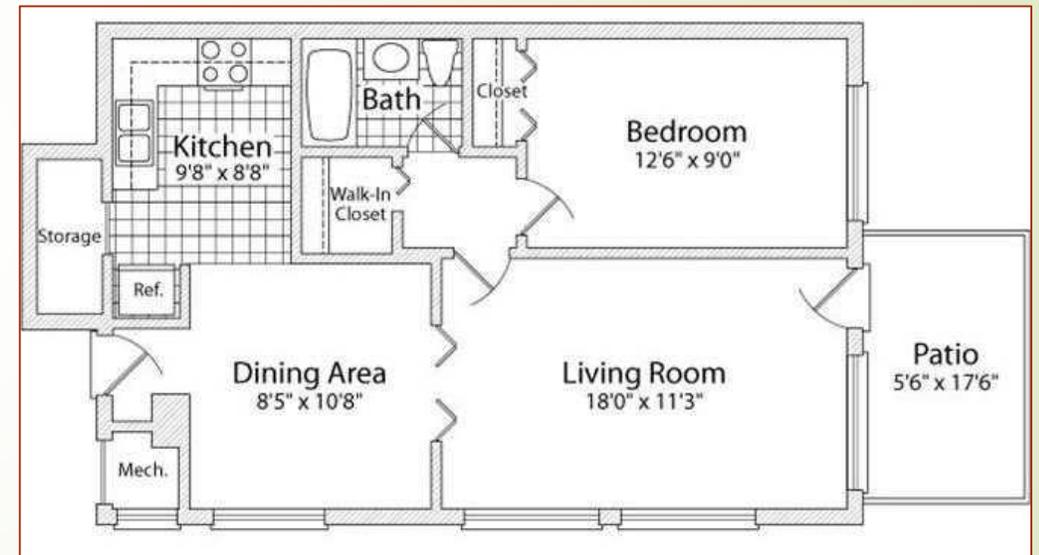
Southern Towers
Efficiency

Rent \$1,045 – 391 sq.ft.



BSAP Meadowcreek
1 BD

Rent \$1,101 – 630 sq. ft.



Southern Towers

1 BD

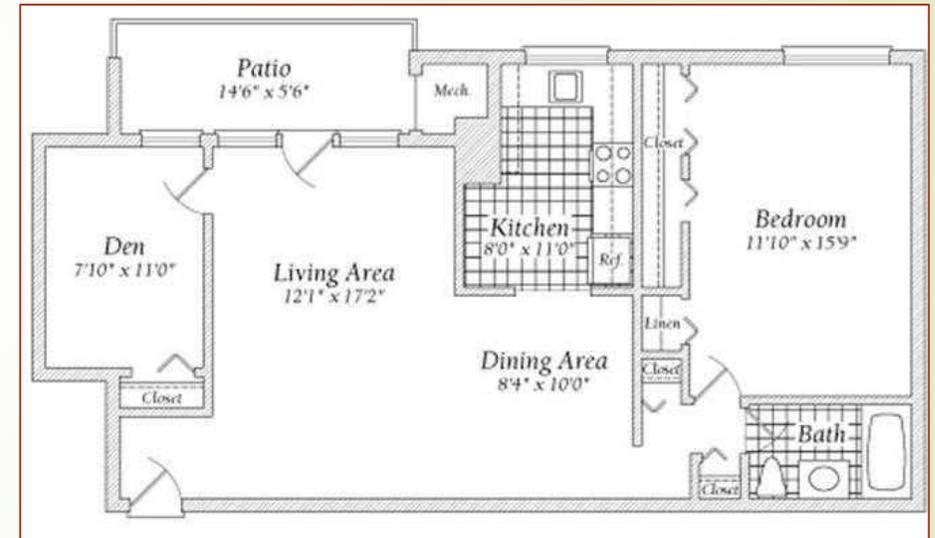
Rent \$1,222. 650 sq. ft.



Lynbrook

1 BR/den

Rent \$1291 - 700 sq. ft.



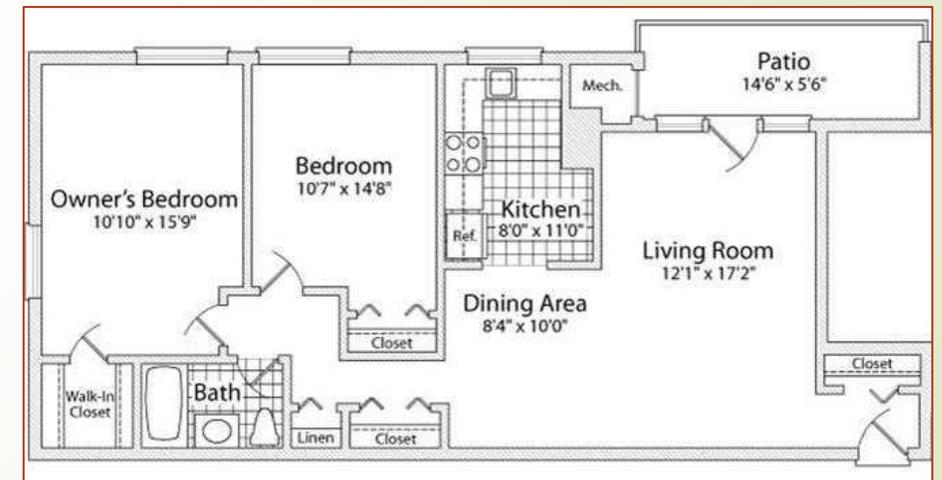
Southern Towers
2 BD

Rent \$1,466 - 915 sq. ft.



Meadowcreek
2 BD

Rent \$1,366 - 950 sq ft.





NEXT STEPS AND RECOMMENDATIONS

- ▶ With the recent changes in the occupancy requirements at Southern Towers , we will continue our outreach among residents of Beauregard.
- ▶ The change in occupancy standards (due to a recent change in management) has increased the size of the eligible households for the efficiencies and the 1 BR (now 3 people are allowed), the remaining 2-bedroom unit (a 5-person household can now occupy this unit) and the 3-bedroom unit (a 7-person household can move to this unit in the next three months).



NEXT STEPS AND RECOMMENDATIONS

However, to make sure that the City maximizes the use of all affordable housing resources available, staff believes that an administrative amendment to the Tenant Assistance and Relocation Plan is appropriate to allow the Southern Towers units to be marketed to other income eligible households from the City at large.



NEXT STEPS AND RECOMMENDATIONS

- The units would be offered first to income-eligible Beauregard Tenants.
- City Council has endorsed administrative amendments to the Tenant Assistance and Relocation Plan, when/as necessary, subject to **“consultation with Participating Developers, CAU applicants from the plan area, the Landlord Tenant Relations Board and the Affordable Housing Advisory Committee, subject to notification to the City Council.”**
- The tenants on the waitlist and the participating developers have been consulted about this proposed amendment and agree that a change is appropriate.



→ Questions