

Stanislaus Regional Housing Authority

Alpine ■ Amador ■ Calaveras ■ Inyo ■ Mariposa ■ Mono ■ Stanislaus ■ Tuolumne Counties

DATE: November 8, 2018
TO: Board of Commissioners
FROM: Barbara S. Kauss, Executive Director
SUBJECT: **Action Item # 2-** Consider Approving the purchase of the Vine Street Properties APN 03-010-042 and APN 03-010-041 for the purpose of developing the King Kennedy Veterans Cottages and Helen White Court Affordable Housing Communities.
PREPARED BY: Jim Kruse, Deputy Director/Clerk of the Board
RESOLUTION NO: 18-19-07

RECOMMENDATION:

Staff recommends approval to purchase the Vine Street Properties APN 03-010-042 and APN 03-010-041 for the purchase price of \$280,000 (Two Hundred Eighty Thousand Dollars and No Cents) with City of Modesto CDBG Funds and to develop the King Kennedy Veterans Cottages and Helen White Court Affordable Housing Communities.

Background

The Housing Authority of the County of Stanislaus (Housing Authority) works closely with many nonprofit providers and other community partners in the Housing Authority's service areas and as such are occasionally approached with potential development opportunities. The proposed Vine Street development of the King Kennedy Veterans Cottages and the Helen White Court Affordable Housing Communities is one of those opportunities. In July 2018, City Ministries, Self Help Federal Credit Union and the City of Modesto approached the Housing Authority to see if there was interest by the Housing Authority in developing affordable housing on an approximately two-acre parcel located on the corner of Vines St. and Martin Luther King Dr. in Modesto Ca. Housing Authority Staff inspected the property and had an appraisal performed that determined the \$280,000 purchase price.

In discussions with City of Modesto and Self Help Federal Credit Union regarding the financing of the development, the City of Modesto has committed to trying to use HOME and CDBG Funding to secure 20% of the project costs and Self Help Federal Credit Union has indicated that they will assist in financing the remainder of the development costs with conventional loan products.



Development Details

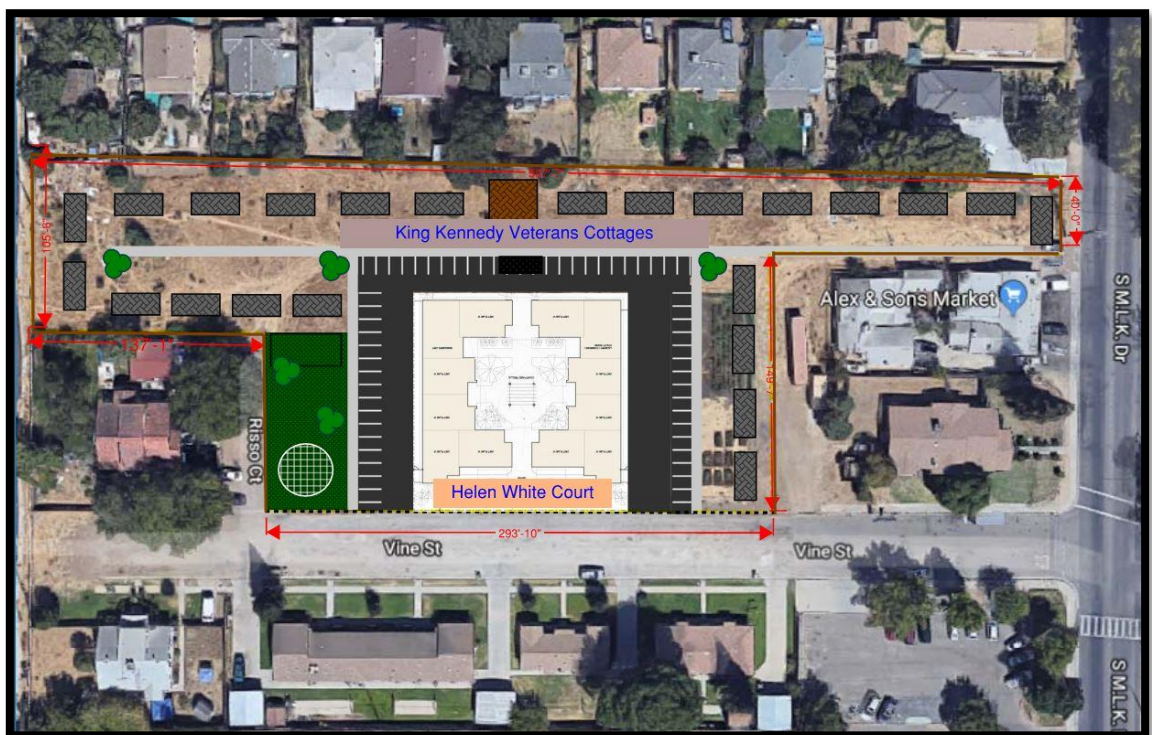
The Vine Street development is a collaborative effort involving the Housing Authority, Self Help Federal Credit Union, and the City of Modesto. The Partners are working together with their respective missions, to provide safe affordable housing in our community. The Development will be constructed in two (2) Phases using existing Housing Authority plans and designs to assist in keeping development costs low and consist of two (2) gated communities, one for seniors and one for veterans.

Phase I, *King Kennedy Veterans Cottages*, will be a veteran's community comprised of 23 580 sq. ft. 1-bedroom units complete with stoves, refrigerators, dishwashers, microwaves, and laundry units. The community also provides a community room for tenant use and service provider meetings. Estimated cost of \$153,000 per unit.

Phase II, *Helen White Court*, will consist of 12 senior housing units that provides a safe and secure court yard setting for seniors. Senior support services are located across Vine Street at the King Kennedy Community Center. Estimated cost \$156,000 per unit.

The two (2) Phase development will provide permanent affordable rental housing to individuals with incomes below 80% of the area median income (AMI); 7 units will be under 50% AMI. These clients have difficulty in finding permanent, affordable housing, and thus are at high risk of becoming homeless. The Vine Street Development will offer these clients a permanent solution to their housing challenges.

The Vine Street Development's nearest cross streets are Vine Street and S. M.L.K. Dr. in Modesto California. Its location is near public transportation and shopping. The surrounding neighborhood is a combination of single family and multi-family residential development.



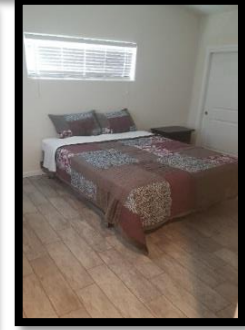
King Kennedy Veterans Cottages



The King Kennedy Veterans Cottages will consist of up to 23 one (1) bedroom, one (1) bath small homes (580 sq ft). The project will provide permanent rental housing that is affordable to individuals with incomes below 50-80% of the area median income (AMI). Since their incomes generally consist of only Veterans benefits and/or SSI, they have difficulty in finding permanent,

affordable housing, and thus are at high risk of becoming homeless. The King Kennedy Veterans Cottages will offer these veterans a permanent solution to their housing challenges and provide a services meeting room on site. Recent studies have shown that providing suitable permanent affordable housing to individuals at risk of homelessness is the most effective means of preventing homelessness and the related system of care community costs, if they were to become homeless.

The units will be located on the southern portion of the property with parking and access from two Vine Street access points. The walkways to the units will be well lighted and secure.



Phase II Helen White Court

The proposed project concept for this site would include elements to create an environmentally balanced site that would provide a sense of security, a tranquil atmosphere where one could feel secluded from the busyness of traffic and sense of neighborhood.



The concept for this project would provide for 12 one (1) bedroom, one (1) bath units. The housing would be aligned facing into a center courtyard with one building on the east and the west perimeter of the property. Access from Vine Street would be through a gate between the two buildings and lead into the court yard. For security the entrance would be gated and fenced or walled along Vine Street. Parking would enter from the front or rear through a gated entrance. The center of the complex would be the court yard with a large naturalized garden area utilizing boulders and cobblestone to create a rustic setting. Trees would be used for shading and benches for sitting and conversation.

The unit size would be approximately 650 to 700 square feet. The construction of these units would place the use of green materials and energy efficiencies as a requirement in development.



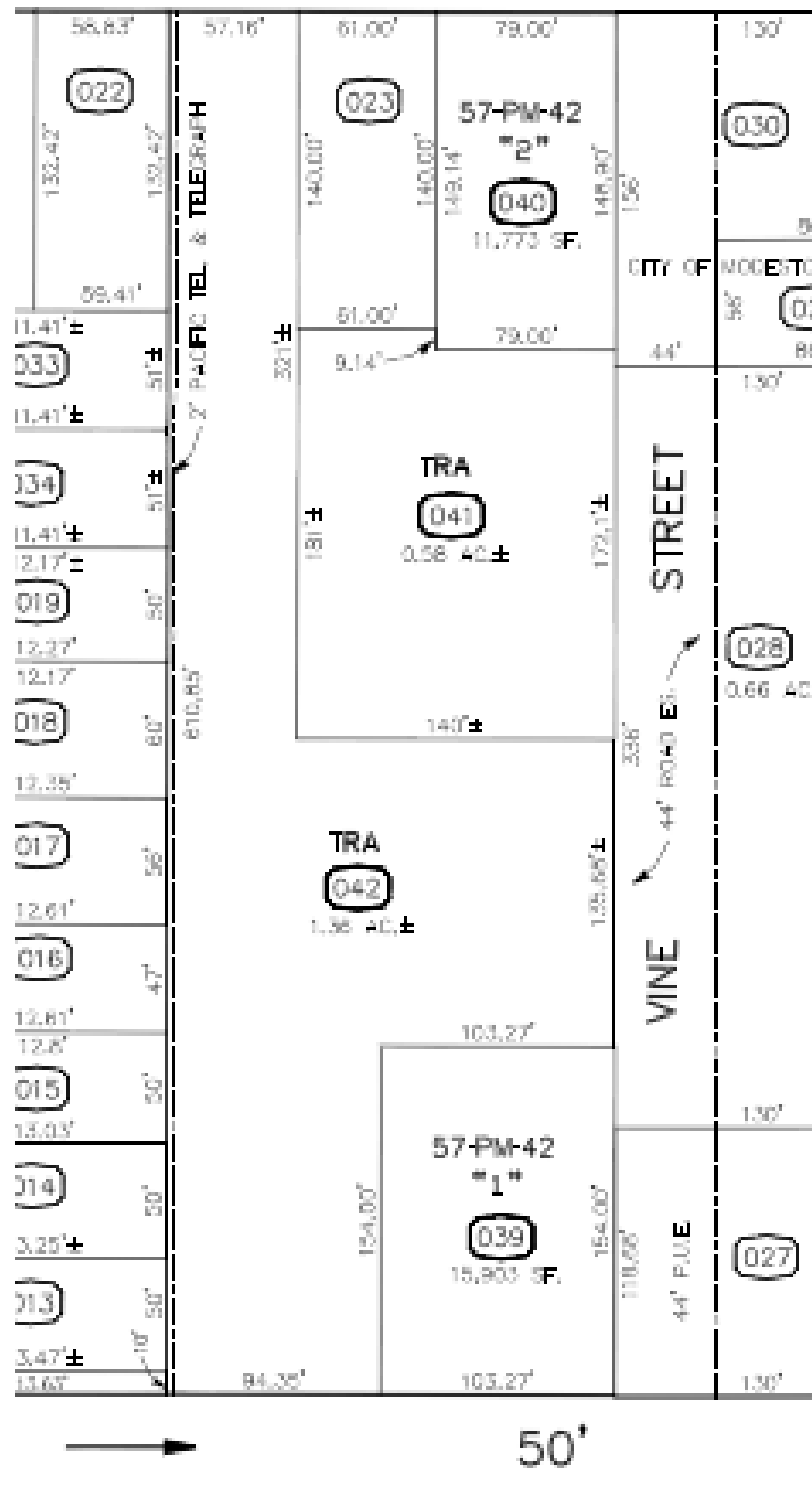
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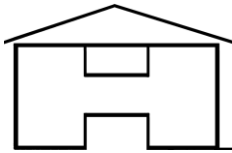
The Land Purchase Prices of \$280,000 will be mitigated by the City of Modesto \$280,000 CDBG funding. The remainder of the project will be funded with CDBG, HOME or Conventional Financing.

ATTACHMENTS

1. Map of Subject Property

S. MARTIN LUTHER KING





Stanislaus Regional Housing Authority

Alpine ■ Amador ■ Calaveras ■ Inyo ■ Mariposa ■ Mono ■ Stanislaus ■ Tuolumne Counties

RESOLUTION NO.18-19-07

RESOLUTION APPROVING THE PURCHASE OF THE VINE STREET PROPERTIES APN 03-010-042 AND APN 03-010-041 AND DEVELOPING THE KING KENNEDY VETERANS COTTAGES AND HELEN WHITE COURT AFFORDABLE HOUSING COMMUNITIES.

WHEREAS, the Housing Authority of the County of Stanislaus desires to increase the number of affordable housing units in the county and,

WHEREAS, City Ministries has property that they desire to dispose of for the purchase price of \$280,000; and

WHEREAS, The City of Modesto has provided \$280,000 in Community Development Block Grant (CDBG) funds for the purchase of said property and

WHEREAS, the purchase of the property would allow the Housing Authority to acquire suitable land for affordable housing development; and

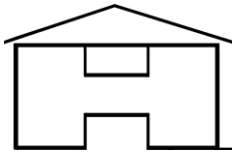
WHEREAS, the development of 34 Affordable Veterans Housing units and 11 Affordable Senior Housing units would meet an unmet community need and further the Housing Authority's mission;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the County of Stanislaus, that

1. The Executive Director is authorized to purchase the Vine Street Properties APN 03-010-042 and APN 03-010-041 for the sale price of \$280,000 (Two Hundred Eighty Thousand Dollars and No Cents).
2. The Executive Director is authorized the develop the King Kennedy Veterans Cottages and Helen White Court Affordable Housing Communities.
3. The Executive Director is authorized to accept any Community Development Block Grant (CDBG) or HOME Investment Partnership (HOME) funding.
4. This Resolution shall take effect immediately.

DULY AND REGULARLY ADOPTED by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 8th day of November 2018.





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On motion of Commissioner____, seconded by Commissioner____, and on the following roll call vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Attest: _____
Secretary

Approved: _____
Chairperson

