

CALL TO ORDER/ROLL CALL:

Committee member Sergio Robles called the meeting to order at 4:29 pm with the following in attendance:

Present: Darren Suen, Sergio Robles

City staff: Sarah Bontrager, Christopher Jordan, Jason Behrmann, Brianne O’Sullivan, Inez Scott

Other attendees: Representative for Abode Communities, Vicki Nicholson, Barry Nicholson

APPROVAL OF AGENDA:

Motion: M/S Suen/Robles to approve the agenda as presented. The motion passed by the following vote: Ayes: 2; Noes: 0.

APPROVAL OF MINUTES:

Motion: M/S Suen/Robles to approve the minutes for both November 13, 2023. The motion passed by the following vote: Ayes: 2; Noes: 0.

PUBLIC COMMENT:

There was no public comment for either approval of the agenda or meeting minutes.

REGULAR ITEMS:

Agenda Item 5A: Consideration of the proposed conditional loan from the Affordable Housing Fund in support of the proposed affordable housing development project known as Sheldon Farms North Phase I (a portion of APN 116-0012-070), to be developed by Sheldon Farms, L.P. (Developer)

City staff presented an overview of the City’s updated approach to funding and developing affordable housing on City-owned land, focusing on the selection of developer partners for two sites supported by the Affordable Housing Fund. The fund, primarily financed through development fees, provides low-interest gap financing for multifamily affordable housing and is now being used more strategically through City land acquisition and competitive Requests for Proposals (RFPs).

The City has shifted away from a first-come, first-served funding model toward issuing RFPs for City-owned sites after completing early feasibility work. Of the four sites currently owned by the City, this meeting focused on the Old Town site (2 acres on Elk Grove Boulevard) and the Sheldon Farms North site (5 acres near Sheldon and Bruceville, along the future Blue Line light rail corridor). With consultant support, staff completed preliminary design concepts, financial analysis, and developer outreach before issuing an RFP in April, offering approximately \$9 million in total project value, including land.

The City's goals for the two sites differ based on context. The Old Town site is intended for senior affordable housing that is compatible with the area's historic and walkable character, while Sheldon Farms North is planned for family-oriented affordable housing with a transit-oriented design that anticipates future light rail service.

The RFP attracted strong interest, with 11 proposals submitted for Old Town and 12 for Sheldon Farms North. Proposals were evaluated based on developer experience, design quality, financial feasibility, delivery timeline, community engagement, and funding strategy. Based on these criteria, staff recommended Mutual Housing as the developer for Old Town and Abode Communities for Sheldon Farms North.

For the Old Town site, Mutual Housing proposed an 89-unit senior housing project and was recommended due to its strong local experience, cost-effective proposal, robust resident services, flexible design approach, and commitment to community engagement. Staff addressed committee questions regarding the selection, noting that a lower-subsidy alternative relied heavily on permanent supportive housing and had a longer financing timeline, which may not have aligned with community expectations.

Mutual Housing's presentation described a three-story, all-electric senior development for residents aged 55 and older, with elevators, community rooms, courtyards, and surface parking. Units would be affordable to households earning 30–70 percent of area median income, with a strong emphasis on sustainability, services, and compatibility with Old Town design guidelines. Public comment and committee feedback were supportive, with minor suggestions related to bicycle access and elevator reliability.

For Sheldon Farms North, Abode Communities proposed a 240-unit family housing development across seven buildings. The project features higher density near major roadways, transit-oriented site planning, open space, and strong neighborhood connectivity. Abode was praised for its design quality, extensive community outreach, experience with complex financing, and use of Affordable Housing and Sustainable Communities funding, along with backup funding strategies.

The committee expressed strong support for both proposed developments and the overall design approaches. Staff requested direction to proceed with Letters of Intent for Mutual Housing and Abode Communities, which would advance to City Council for consideration in December or January. If approved, the projects would move forward with design refinement, entitlements, and Affordable Housing Fund loan applications, with the committee retaining final funding approval authority. Staff also noted that the Affordable Housing Fund remains financially stable, including a forthcoming \$2.3 million loan repayment to support future projects.

ADJOURNMENT:

The meeting was adjourned at 5:30 pm.

**Prepared by Inez Scott,
Sr. Administrative Assistant**