

CALL TO ORDER/ROLL CALL:

Committee member Sergio Robles called the meeting to order at 4:19 pm with the following in attendance:

Present: Darren Suen, Sergio Robles

City staff: Sarah Bontrager, Christopher Jordan, Jason Behmenn, Brianne O’Sullivan, Joshua Tovar, Inez Scott

Other attendees: Representative for Mutual Housing CA, David Mogavero

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:

No minutes were presented at this meeting.

PUBLIC COMMENT:

There was no public comment for approval of the agenda.

REGULAR ITEMS:

Agenda Item 4A: Consideration of the proposed conditional loan from the Affordable Housing Fund and Disposition and Development Agreement and Joint Escrow Instructions (DDA) with Elk Grove Old Town Mutual Housing Associates, L.P. (Developer), in support of the proposed senior affordable housing development project known as Old Town (APNs 134-0072-013, -014, -015, and -016))

Staff outlined the Old Town affordable housing project, which will be located on four city-owned parcels totaling approximately two acres along Elk Grove Boulevard near Webb Street, close to the future library. Following a competitive request for proposals that received 12 submissions, the Affordable Housing Committee previously selected Mutual Housing as the developer. A letter of intent is already in place, and the proposal is for an 89-unit senior affordable housing development.

The project is designed as a senior housing community, primarily offering one-bedroom units with a small number of two-bedroom units and an on-site manager’s unit. Staff emphasized the strong location for seniors, with nearby grocery access and future civic amenities. The city has not developed a new senior housing project since 2011, making this development a significant step toward addressing current senior housing needs. Mutual Housing was highlighted as a highly experienced regional developer with a strong track record in property management and resident social services.

Financing for the project will rely mainly on 4% low-income housing tax credits and tax-exempt bonds, with the

state bond application due in May. City approval is required so the developer can proceed with financing applications. The city's contribution totals approximately \$4.2 million, consisting of the land value (about \$1.2 million) and \$3 million from the Affordable Housing Fund, structured as a 35-year loan. Staff acknowledged common project risks, including rising operating costs outpacing rental revenue over time and the long-term adequacy of replacement reserves.

Staff also explained the Disposition and Development Agreement (DDA), which governs the sale of the land to the developer and incorporates loan terms, project plans, and design standards. The agreement conveys the land "as-is," establishes city rights in the event of default, and ensures that the project delivered aligns with city expectations. The committee's role was to independently evaluate the loan and DDA and make a recommendation to the City Council, with options including approval, denial, or further negotiation.

Representatives from Mutual Housing then presented additional details. They described their broader portfolio in the Sacramento region and confirmed that the project will serve seniors earning 30–60% of area median income, with no permanent supportive housing units on site. Total project costs are estimated at just over \$50 million, supported by state tax credits, city funds, bonds, and sustainability incentives. The developer anticipates entitlement approval by summer, a potential groundbreaking in early 2026, and project completion in 2027.

The project architect discussed the design approach, emphasizing compatibility with the Old Town character. The building will feature brick façades along primary street frontages, fiber-cement siding elsewhere, balconies and ground-level patios to promote "eyes on the street," and common spaces oriented toward the public realm. Parking will be largely hidden behind and beneath the building, and the design includes three courtyards—one more active with gardens and bocce, and others quieter for residents. Committee members responded positively to the aesthetic direction, especially the use of brick and community-oriented features.

Discussion also covered lighting, materials, balcony management, and senior-focused design considerations. Mutual Housing staff explained that strong property management and social services help ensure balconies and common areas remain well maintained. Planned on-site services include wellness programming, gardening, environmental initiatives, and financial literacy support, with interest expressed in connecting residents to nearby senior facilities such as District 56.

The meeting concluded with committee members expressing strong support for the project, noting the reasonable developer fee, quality design, and community benefits. A motion was made and seconded to recommend approval of the loan and Disposition and Development Agreement. With no further business, staff closed the meeting, thanking participants and confirming that the recommendation would move forward to the City Council for consideration on April 23, 2025.

ADJOURNMENT:

The meeting was adjourned at 4:42 pm.

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