

STAFF REPORT*CITY OF OCEANSIDE*

DATE: December 8, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department
Housing and Code Enforcement Division

SUBJECT: **SELECTION OF A DEVELOPMENT TEAM FOR THE MISSION AVENUE AFFORDABLE HOUSING MIXED-USE DEVELOPMENT PROJECT; AND DESIGNATION OF THE PROJECT AS THE "MISSION COVE" DEVELOPMENT**

SYNOPSIS

Staff and the Housing Commission recommend that the City Council select National Community Renaissance and Community HousingWorks as the Development Team for the development of an affordable-housing, mixed-use project on the City-owned 14.5-acre Mission Avenue Parcel located just east of Mission Avenue and Carolyn Circle; designate the project site as the Mission Cove Development; and direct staff to negotiate an agreement.

BACKGROUND

The 14.5-acre parcel located along the 3200 block of Mission Avenue was identified as a potential site for the development of affordable housing in the City's approved Affordable Housing Strategy and was subsequently purchased with City Housing Funds.

In March 2010, the City Council adopted the Mission Avenue Affordable Housing/Mixed-Use Development Vision and Strategic Plan (Plan). The Plan serves as the development guideline for any proposed project on the site and is based upon community input received through several public workshops. Key elements of the Plan include the development of an affordable residential component of up to 288 units of varying housing types, with approximately 130 of the units dedicated to seniors/special needs groups, a community-serving commercial component of approximately 10,000 - 12,000 square feet, and a community center for residents. It is anticipated that the project will utilize several hundred construction-industry related workers during the course of development. This project will assist in revitalizing this portion of the Mission Avenue business corridor which has been economically impacted since the opening of nearby Highway 76 and will also assist the City in meeting its State-mandated Housing Element goals.

ANALYSIS

An RFQ for the project was issued in July 2010. Six submittals were received by the established deadline. A professional panel comprised of staff from the Development Services Department, Neighborhood Services Department, and the City Manager's Office reviewed the submittals based upon the following criteria outlined in the RFQ:

- Developer Experience
- Demonstrated Developer Vision
- Financing Plan and Capability

Three submittals were forwarded for consideration by the Housing Commission. They included Bridge Housing, National Community Renaissance/Community HousingWorks, and Wasatch Advantage Group. The RFQ review sheet is attached. The Housing Commission has recommended the Development Team of National Community Renaissance and Community HousingWorks this project. Due to the size of the submittals copies are available for review in the City Manager's Office.

Developer Backgrounds:

National Community Renaissance:

National Community Renaissance (National CORE) is a nonprofit affordable housing developer with a portfolio of nearly 7,000 affordable units. National CORE currently operates and manages two affordable housing projects in Oceanside: La Mision Village (80 units/mixed-use) and Cape Cod Senior Villas (36 units).

National CORE is committed to transforming communities through high quality affordable housing, family/senior services, and long term ownership/management. National CORE's organizational model also includes a full-service construction and construction management division that is fully equipped to undertake any development including rehabilitation, new construction, infill development, senior housing, mixed-use, and green building. National CORE has shaped and re-shaped neighborhoods by applying best practices in development, design, and construction to its work.

Community HousingWorks:

Community HousingWorks (CHW) has a successful 20-year history as a developer and owner of affordable rental development in urban, suburban and rural communities across San Diego County. CHW has completed over 1,500 affordable units. CHW currently operates and manages two affordable housing projects in Oceanside: Marisol Apartments, (22 units) and Old Grove Apartments (56 units).

CHW designs its rental developments to be healthy and vibrant communities that improve neighborhoods. CHW nurtures self-reliance by offering services to residents which include education about money management and credit, leadership training, and schoolwork assistance for young people. Housing and support services provided in a community environment help CHW residents assemble a portfolio of assets – financial resources, educational skills and leadership ability.

FISCAL IMPACT

The selection of the Development Team does not commit additional Housing funds for the development of the site at this time. It is anticipated that through a subsequent negotiated Disposition and Development Agreement that leveraged financing for the project may include a combination of funding sources from the Low Income Housing Tax Credit program, Mortgage Revenue Bonds, and local Housing Funds. No General Funds are used for the development of affordable housing projects. The RFQ process does not commit additional Housing funds for the development of the site at this time.

COMMISSION OR COMMITTEE REPORT

At its meeting on October 26, 2010, the Housing Commission unanimously recommended that the City Council select National Community Renaissance and Community HousingWorks as the Development Team for the development of an affordable-housing, mixed-use project on the Mission Avenue Parcel and that the project be designated as the "Mission Cove" development. The report of the Housing Commission is attached.

CITY ATTORNEY'S ANALYSIS

Does not apply.

RECOMMENDATION

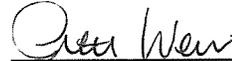
Staff and the Housing Commission recommend that the City Council select National Community Renaissance and Community HousingWorks as the Development Team for the development of an affordable-housing, mixed-use project on the City-owned 14.5-acre Mission Avenue Parcel located just east of Mission Avenue and Carolyn Circle; designate the project site as the Mission Cove Development; and direct staff to negotiate an agreement.

PREPARED BY:



David L. Manley
Neighborhood Services Division Manager

SUBMITTED BY:

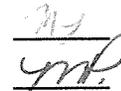


Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Margery M. Pierce, Neighborhood Services Director



- Attachment: 1. Housing Commission Recommendation
2. RFQ Review Sheet
2. National CORE/Community HousingWorks Submittal

OCEANSIDE HOUSING COMMISSION REPORT

TO: CITY COUNCIL
FROM: HOUSING COMMISSION
RE: DEVELOPMENT TEAM FOR MISSION COVE
DATE: OCTOBER 26, 2010

THE HOUSING COMMISSION RECOMMENDS THAT THE CITY COUNCIL SELECT “NATIONAL C.O.R.E.” AS THE DEVELOPMENT TEAM TO DEVELOP A 14.5 ACRE CITY OWNED PARCEL ON MISSION AVENUE.

CAMP	YES
COOPER	YES
FARMER	YES
HUSKEY	YES
MIKULAY	YES
MOORE	ABSENT
PARKER	YES
SAIZ	YES
SORENSEN	YES

THE COMMISSION UNANIMOUSLY RECOMMENDED THAT THE NAME OF THE DEVELOPMENT BE “MISSION COVE.”

Some of the reasons mentioned as the basis for this choice from among three well-qualified applicants are listed below.

There will be continuity since the RRM Group did the Vision and Strategic Plan.
The National C.O.R.E. team has a Commercial broker devoted to developing the Commercial piece.
The partner, Community Housing and C.O.R.E. have extensive experience in tax credits.
The partner, Community Housing has been a pioneer in developing the energy efficient “Solara” development in Poway. It was the first in San Diego County.
The proposal demonstrated a knowledge of Universal Design and A.D.A.
National C.O.R.E. has a history of working well with the surrounding neighbors and existing tenants.
The National C.O.R.E. application responded in detail to all of the requirements of the RFQ/RFP.

Mission Avenue Affordable Housing RFQ Rating Sheet Summary

Submittals Ranked 1 (highest) to 6 (lowest)

Lowest 3 totals recommended for Housing Commission consideration

Mission Avenue Affordable Housing RFQ Review	Reviewer						
Development Team	A	B	C	D	E	Totals	Top 3
Affirmed Housing Group/Jamboree Housing Corp.	4	5	5	5	5	24	
AMCAL Multi-Housing/Mercy Housing	2	4	4	4	4	18	
Bridge Housing	1	3	3	3	3	13	X
Fore Property Company/Davco Development	6	6	6	6	6	30	
National CORE/Community HousingWorks	3	2	2	2	1	10	X
Wasatch Advantage Group	5	1	1	1	2	10	X

MEMORANDUM

DATE: December 8, 2010
TO: Honorable Mayor and Councilmembers
FROM: Patricia Allison, City Manager's Office
SUBJECT: AVAILABILITY OF DOCUMENTS FOR REVIEW

Due to its size, the submittal document for this item is not included in the agenda packet, but is available for review in the City Manager's Office