

**YUCAIPA HOUSING AUTHORITY
AGENDA REPORT**

TO: Honorable Chair and Board Members
FROM: Paul Toomey, Community Development Director
FOR: Housing Authority Meeting of May 23, 2016
SUBJECT: Affordable Housing Project – Legal Consulting Services

RECOMMENDATION:

That the Authority Board approve and authorize the Executive Director, or his designee, to execute a professional services agreement with Stradling, Yocca, Carlson & Rauth (SYCR) for legal services on behalf of the Authority, including the implementation of a senior affordable housing project by Eagle Yucaipa 55, LLC, in an amount not to exceed \$45,000.

BACKGROUND:

Per the State Health and Safety Code Section 34240, the City may establish its own Housing Authority to ensure clean, safe, decent affordable housing for households meeting affordable income limits. By activating a Housing Authority the City was taking additional action to protect local housing funds for the benefit of providing affordable housing projects and programs to better serve the citizens of Yucaipa. On February 28, 2011, the City adopted Resolution No. 2011-08, declaring the need for a Housing Authority and establishing the City Council as the Commissioners of the Authority.

At the April 11, 2016 meeting, City Council and the Housing Authority jointly approved an Exclusive Negotiation Agreement between the City and Eagle Yucaipa 55, LLC, for a period of six months to establish the terms of an affordable housing agreement for the development of a senior affordable housing project. The project is proposed to be developed on a 3.4 acre City-owned property located on the northwest corner of County Line Road and 5th Street. The Eagle Yucaipa 55, LLC project, is a **senior** multi-family housing project with approximately eighty (80) to one hundred ten (110) units of rental housing available only to senior citizens, with 20% of the units set aside as affordable units.

DISCUSSION:

The Housing Authority adopted the 2015/2016 Budget on October 26, 2015, which included amounts for staffing, overhead, and legal/consulting expenses. It is proposed that the 20% “set-aside” funding received from the repayment of the General Fund advances be allocated to costs associated with the development of future affordable housing projects. The City requires from time to time the provision of legal services, including negotiations, document preparation, legal