

THE BOND BUYER

Sacramento plans to issue up to \$25 million in bonds to rehab 74 low-income units

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The Sacramento Bee

Published

January 14, 2019, 12:11pm EST

The Sacramento Housing and Redevelopment Agency plans to issue up to \$25 million in tax-exempt mortgage revenue bonds to finance the renovation of 74 low-income housing units in south Sacramento. The financing does not include the addition of any new affordable housing units.

The loan will ensure the complex continues housing low-income residents for at least 55 more years, SHRA officials said.

"It's very important we preserve our affordable housing stock, or we could lose it," said Christine Weichert, SHRA assistant director.

The complex, Cascade Village Apartments, serves residents in the U.S. Housing and Urban Development's Housing Choice Voucher Program, formerly known as Section 8. Voucher holders who meet income requirements are required to pay 30 percent of their income toward rent, while HUD pays the rest.

The \$28 million renovation project to the complex, near the corner of Fruitridge and Power Inn roads, will include HVAC replacements; electrical upgrades; new bathrooms, kitchens and appliances; new flooring and paint; and ADA accessibility.

The apartment complex, built in 1964, currently has no ADA accommodations, Weichert said.

The City Council approved the bonds Tuesday, but the financing still requires state agency approvals, followed by another City Council approval before the rehab work can begin this summer, Weichert said.

The developer will make the loan payments, Weichert said.

Walnut Creek-based Bayside Communities is the developer and property owner for the project, a city staff report said.

Residents will receive stipends for food and lodging for several weeks while the work is ongoing, then move back in to their units, Weichert said.

The city has a serious shortage of housing for residents who cannot afford market rate rent, housing advocates say.

Last year, nearly 43,000 people applied to join an SHRA waiting list for 7,000 slots in the Housing Choice Voucher Program, which activists said illustrated the city's affordable housing shortage.

The SHRA has focused on rehabbing existing affordable units rather than creating new ones, LaShelle Dozier, head of SHRA, told The Bee in July.

Similar to Cascade Village, the authority is issuing \$35 million in bonds to a private developer to rehab a 187-unit senior housing facility at 4th and J streets called Imperial Tower. The City Council approved the project last year.

The SHRA is planning several projects that create new units as well, said Weichert, including a project to build a 159-unit apartment complex on an empty S Street lot between 17th and 18th streets. SHRA is providing a \$3.3 million loan to complete financing for that project. The City Council approved the project in October.