



City of Culver City

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Staff Report

File #: 24-545, Version: 1

Item #: C-5.

CC - CONSENT ITEM: (1) Acceptance of State Funding of \$1,000,000 for the Jubilo Village Affordable Housing Development (4464 Sepulveda Boulevard) and \$500,000 for the Wende Museum Affordable Housing for Artists at Risk Development (10860 Culver Boulevard) through the Department of Housing and Community Development; and (2) FOUR-FIFTHS VOTE REQUIREMENT: Approval of a Budget Amendment to Record the Revenue of \$1.5 Million and Appropriate the \$1.5 Million to the Respective Projects.

Meeting Date: January 8, 2023

Contact Person/Dept.: Jesse Mays/City Manager's Office

Phone Number: (310) 253-6000

Fiscal Impact: Yes No **General Fund:** Yes No

Attachments: Yes No

Public Notification: (E-Mail) Meetings and Agendas - City Council (01/03/2024)

Department Approval: John Nachbar, City Manager (01/02/2024)

RECOMMENDATION

Staff recommends the City Council (1) accept State funding of \$1,000,000 for the Jubilo Village Affordable Housing Development, located at 4464 Sepulveda Boulevard, and \$500,000 for the Wende Museum Affordable Housing for Artists at Risk Development, located at 10860 Culver Boulevard, through the Department of Housing and Community Development; and (2) approve a budget amendment to record the revenue of \$1.5 million and appropriate the \$1.5 million to the respective projects (**requires a four-fifths vote**).

BACKGROUND/DISCUSSION

At the request of Assembly Majority Leader Issac Bryan, the 2023-24 California Budget Bill Jr. (Chapter 38, Statutes of 2023, AB 102) allocated to the City of Culver City \$1,000,000 for the Jubilo Village Affordable Housing Development and \$500,000 to the City of Culver City, for the Wende Museum: Affordable Housing for Artists at Risk. This allocation is payable from the State General Fund and will be disbursed by the Department of Housing and Community Development to the City. The restrictions on the use of the funds are listed in the relevant text of AB102 (Attachment 1).

The developer of the Jubilo Village Affordable Housing Project is Community Corporation of Santa Monica. The City has updated its previous commitment letter with Community Corporation of Santa Monica for a \$4,000,000 loan to add the \$1,000,000 grant commitment. The commitment is contingent on the Jubilo Village project being awarded Low Income Housing Tax Credits, the City's receipt and acceptance of the State funding, and other terms and conditions set forth in the letter. The purpose of the contingencies in the updated letter is to ensure that the project is financially viable and progressing forward before transferring the \$1,000,000 to Community Corporation of Santa Monica.

The Wende Museum Affordable Housing for Artists at Risk Development is being developed by the Wende Museum. Discussions between the Wende Museum and the City remaining ongoing regarding this project, including regarding a lease agreement for the site, which is City property. The City will include a timeline and contingencies related to the \$500,000 in these ongoing discussions with the Wende Museum.

FISCAL ANALYSIS

There is no direct fiscal impact to the City's General Fund. The City is serving as a pass-through receiver for the State for these funds to be granted to these projects and their private developers. The \$1,000,000 State funding will not reduce or be counted towards the City's existing commitment of a \$4,000,000 loan to the Jubilo Village project. A budget amendment is required to record the revenue of \$1,000,000 in Account #42380000.348225.PF043 (Jubilo Village) and \$500,000 in Account #42380000.348225.PF044 (Wende Museum) and to approve the expenditure of \$1,000,000 from Account #42380000.730100.PF043 (Jubilo Village) and \$500,000 from Account #42380000.730100.PF044 (Wende Museum) (**requires a four-fifths vote**).

ATTACHMENTS

1. 2024-01-08 ATT AB 102 Relevant Section

MOTIONS

That the City Council:

1. Accept State funding of \$1,000,000 for the Jubilo Village Affordable Housing Development and \$500,000 for the Wende Museum Affordable Housing for Artists at Risk Development through the Department of Housing and Community Development; and
2. Approve a related budget amendment to record the revenue of \$1.5 million and appropriate the \$1.5 million to the respective projects (**requires a four-fifths vote**).