



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: PH 22-006, **Version:** 1

DATE: February 8, 2022

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

Andina Affordable Housing Project TEFRA Hearing: Public Tax and Equity Fiscal Responsibility Act Hearing as Required by the Internal Revenue Code of 1986, and Adoption of a Resolution Approving the Issuance of Revenue Bonds by the California Municipal Finance Authority in an Amount Not-to-Exceed \$45 Million to Finance or Refinance the Acquisition, Rehabilitation, Improvement and Equipping of a Multifamily Rental Housing Project Located at 1180-1182 E Street, Hayward, California

RECOMMENDATION

That Council:

1. Conducts a public hearing to consider the issuance of Tax-Exempt Multifamily Housing Revenue bonds by the California Municipal Finance Authority (CMFA) to assist in the financing or refinancing of the Andina Affordable Housing Project, a multifamily rental housing project located at 1180-1182 E Street, Hayward, California (the Project); and
2. Adopts a resolution (Attachment II) approving the issuance of the Bonds by the CMFA for the benefit of Integrity Housing to provide for the financing of the Project, such adoption is solely for the purposes of satisfying the requirements of the Public Tax and Equity Fiscal Responsibility Act, the Code and the California Government Code Section 6500 (and following).

SUMMARY

The Council has been asked by developer, Integrity Housing, to conduct a public hearing under the Tax and Equity Fiscal Responsibility Act (TEFRA) in connection with the proposed issuance of revenue bonds by CMFA in an amount not-to-exceed \$45 million. The bonds will be used for the acquisition, rehabilitation, improvement, and equipping of an 89-unit multifamily rental housing project located at 1180-1182 E Street, Hayward, California, generally known as the Andina Apartments Affordable Housing Project. Integrity Housing proposes to use bond financing to convert the property from a market rate apartment complex to a mixed income housing complex with 55% of rents restricted to low-income households and 20% of the rents restricted to very low-income households with the remaining units set at market rents subject to the Residential Rent Stabilization and Tenant Protection Ordinance (RRSO) rent increase limits. Additionally, the developer has agreed to limit rent increases to all units consistent

with the RRSO on the rent restricted units. Lastly, under the RRSO, tenants cannot be evicted due to income ineligibility. The proposed project will improve the quality of housing provided by Andina Apartments and provide long-term affordable housing opportunities while protecting existing tenants from eviction related to income ineligibility or displacement due to large rent increases.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution