



CITY COUNCIL STAFF REPORT

ITEM NO. 6.3

DATE: April 27, 2026

TO: Honorable Mayor and City Council

FROM: Brent Smith, Community Development Director

SUBJECT: Resolution authorizing the execution of a First Amendment to Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants between the City of Livermore and Pac Avenue, L.P.

RECOMMENDED ACTION

Staff recommends the City Council authorize the City Manager, or her designee, to execute a First Amendment to Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants between the City of Livermore and Pac Avenue, L.P.

DECISION TYPE

Administrative

SUMMARY

The City previously entered into agreements with Satellite Affordable Housing Associates (SAHA) and Interfaith Housing to develop the first 79-unit phase of Pacific Avenue Senior Apartments. In March 2025, the City Council approved a Ground Lease, Loan Agreement, and Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"), which required all units to be occupied by very low-income seniors age 62 or older. SAHA secured federal, state, and county funding for the first phase, which includes 38 HUD-funded units for seniors aged 62 and older and 40 state/county-funded units, which may be reserved for seniors aged 55 and older. SAHA has requested, and City staff recommends amending the City's Regulatory Agreement to align with the state and county funders and broaden the definition of "Senior" to include individuals aged 55 and older.

DISCUSSION

In March 2025, the City Council approved the Ground Lease, Loan Agreement, and Regulatory Agreement with SAHA's limited partnership, Pac Avenue, L.P., to commence construction of the first phase of the Pacific Avenue Senior Apartments. Under the City's Regulatory Agreement, all units are restricted to occupancy by very low-income "Seniors", defined as a person who is aged 62 years or older. SAHA has assembled a combination of federal, state, county and City funding sources to finance

the first phase of construction. Funding requirements restrict the units as follows:

- 38 “HUD 202” federally funded units from the U.S. Department of Housing and Urban Development designated for "Seniors" defined as aged 62 and older.
- 40 state and county-funded units, which may be designated for "Seniors" defined as aged 55 and older.

To align with the state and county funding requirements and expand eligibility, SAHA has requested, and staff recommends executing a first amendment to the City’s Regulatory Agreement, amending the definition of “Senior” to include individuals aged 55 and older, thereby increasing access to affordable housing for a broader senior population. No changes to the City's other loan agreements are necessary to effectuate this change. SAHA’s property management and operations team requested that an amendment of the regulatory agreement occur before the marketing and leasing plans are developed, as those plans must be formally in place ahead of leasing activities scheduled for May 2026.

FISCAL AND ADMINISTRATIVE IMPACTS

There are no fiscal impacts created by approval of the First Amendment to the Regulatory Agreement with Pac Avenue, L.P.

COMMUNITY PILLAR

1: A Safe Community that Thrives

GOAL

7: Expand and preserve the supply of affordable housing opportunities

ATTACHMENTS

- 1. Resolution
- 2. Exhibit A - First Amendment

Prepared by: Shelly Haynes
Management Analyst II

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Tina Olson
Administrative Services Director