



**DATE:** March 9, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Brent Smith, Community Development Director

**SUBJECT:** Execution of an Affordable Housing Agreement and a Regulatory Agreement and Declaration of Covenants and Restrictions with Livermore Multifamily, LLC for the 210-unit, multifamily rental development, located approximately at the northeast corner of Portola Avenue and Collier Canyon Road (Vesting Tentative Tract Map 8613)

**RECOMMENDED ACTION**

Staff recommends that the City Council adopt a resolution authorizing the City Manager, or her designee, to execute an Affordable Housing Agreement and a Regulatory Agreement and Declaration of Covenants and Restrictions with Livermore Multifamily, LLC for the 210-unit, multifamily rental development located approximately at the northeast corner of Portola Avenue and Collier Canyon Road (Vesting Tentative Tract Map 8613).

**DECISION TYPE**

Administrative

**SUMMARY**

On July 25, 2022, City Council approved Vesting Tentative Tract Map 8613 for the Shea Serenity development, which includes a 210-unit mixed-income, multi-residential apartment project located approximately at the northeast corner of Portola Avenue and Collier Canyon Road. In accordance with the project Conditions of Approval and the Livermore Development Code, the developer, Shea Homes, is required to provide 42 affordable units within the development that will be rent-restricted and available to households at Very Low-, Low-, Median-, and Moderate-Income levels. Shea will integrate the affordable units throughout the project, ensuring they are comparable in design, amenities, and finishes to market-rate units, with specific unit allocations by bedroom size as outlined in the Affordable Housing Agreement. Affordable rents will be based on income limits published annually by the California Department of Housing and Community Development and adopted by the City. Tenant selection will follow City guidelines, including any applicable preference programs. The multifamily project owner, Livermore Multifamily, LLC, is also required to enter into a Regulatory Agreement with the City, in the form attached to the Affordable Housing Agreement, that establishes covenants and restrictions on operations which run with the land for a term of 55 years.

## **DISCUSSION**

Shea Homes proposes to construct a mixed-income, multi-residential apartment project consisting of 210-rental units on Lot 14 of Vesting Tentative Tract Map 8613. Subject to the project Conditions of Approval and Chapter 11.70 of the Livermore Development Code, a 20% Inclusionary Housing requirement applies to projects within the Isabel Neighborhood Plan Area, including six percent (6%) reserved at Very Low-Income (50% of Area Median Income), seven percent (7%) at Low-Income (80% of Area Median Income), four percent (4%) at Median-Income (100% of Area Median-Income) and the balance at Moderate-Income (120% of Area Median Income).

To comply with the City's affordable housing requirements, the Developer will provide 42 affordable units within the development. These units will be distributed among Very Low-, Low-, Median-, and Moderate-Income households, with specific allocations by bedroom size as outlined in the Affordable Housing Agreement (the "AHA"). The affordable units will be integrated throughout the project and constructed to the same standards as market-rate units, including comparable amenities, fixtures, and finishes. Affordable rents will be based on income limits published annually by the California Department of Housing and Community Development and adopted by the City. The agreement also allows flexibility in unit location over time to maintain equitable distribution and compliance with affordability standards.

As part of the agreement, the project owner will be required to enter into a Regulatory Agreement and Declaration of Covenants and Restrictions (Attachment 4 to the AHA). The Regulatory Agreement ensures long-term compliance with the City's affordable housing requirements, establishes covenants and restrictions that run with the land for a term of 55 years, and guarantees that 42 designated units remain affordable to households at Very Low-, Low-, Median-, and Moderate-Income levels.

Key provisions include:

- **Affordability Requirements:** Affordable rents are capped at 30% of household income, adjusted for family size and utility allowances, and updated annually based on state and City schedules.
- **Unit Standards and Distribution:** Affordable units must be comparable in size, amenities, and finishes to market-rate units and equitably distributed throughout the development.
- **Tenant Eligibility and Selection:** Households must meet income limits (50%–120% of area median income), with annual income certifications required. The agreement incorporates the City's Preference Plan for Livermore residents and employees during initial lease-up.
- **Marketing and Management:** The project owner must implement City-approved marketing and tenant selection procedures, maintain waiting lists, and provide annual compliance reports.
- **Monitoring and Enforcement:** The City retains rights to audit records, impose penalties for noncompliance, and require corrective actions. The project owner is responsible for annual monitoring fees and maintaining the property in good condition.
- **Legal and Financial Provisions:** The agreement includes nondiscrimination covenants, indemnification clauses, lender cure rights, and subordination provisions to facilitate financing.

Staff recommends that the City Council approve execution of the Affordable Housing Agreement and the Regulatory Agreement with Livermore Multifamily, LLC as they comply with the City's Development Code requirements for inclusionary housing and will preserve affordable housing opportunities in Livermore, ensuring compliance with inclusionary housing policies over the long term.

## **FISCAL AND ADMINISTRATIVE IMPACT**

There is no direct fiscal impact to the City associated with this agreement beyond staff time required for monitoring compliance and administering preference programs. The Developer will bear the cost of constructing and maintaining the affordable units.

**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 - Affordable Housing Agreement
- 3. Exhibit B - Regulatory Agreement and Declaration of Covenants and Restrictions

Prepared by: Fran Earl  
Housing and Human Services  
Manager

Approved by:



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Marianna A. Burch  
City Manager

Fiscal Review by:



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Tina Olson  
Administrative Services Director