

Agenda Report



MEETING DATE: Tuesday, February 11, 2025

TO: City Council

FROM: INTERIM COMMUNITY DEVELOPMENT DIRECTOR MEEK
HOUSING MANAGER LANDAVERRY

SUBJECT: AFFORDABLE RENTAL/FOR SALE HOUSING AGREEMENT FOR
THE KAMILAH DEYN TOWNHOMES DEVELOPMENT AT 221
AIRPORT BOULEVARD

RECOMMENDED ACTION:

It is recommended that the City Council adopt a resolution authorizing the City Manager to execute an Affordable Rental/For Sale Housing Agreement with Kamilah Deyn Development, LLC, a Limited Liability Corporation (“Developer”), to regulate the development, rental and/or sale of affordable homes in the Kamilah Deyn Townhomes Development located at 221 Airport Blvd., Watsonville, CA 95076 (APN: 015-461-01 through 015-461-50 inclusive).

DISCUSSION:

Watsonville’s Affordable Housing Ordinance (Chapter 14-46 of the Watsonville Municipal Code) requires that 15% of the homes in a for-sale development that have between 7 and 50 units be affordable to households that earn between the City median and above-moderate income limits.

The City has approved the for-sale development of 49, 3-bedroom townhouse units in the Kamilah Deyn Townhomes subdivision. These units may be occupied pending the developer’s payment of impact fees, the City’s acceptance of improvements, the City and developer’s execution of an Affordable Housing Agreement, and the City’s issuance of a certificate of occupancy. However, the Developer has decided to rent the units for a period of time before selling them.

Pursuant to the Affordable Housing Ordinance, the Developer is required to restrict 7 of the units to affordable rent and sale prices to eligible households based on Watsonville’s income limits as approved periodically by the City Council. In addition, the affordable units must be substantially similar in terms of design and proportionately distributed by number of bedrooms in the same ratio as the market rate units (WMC §14-46.060).

Therefore, pursuant to the Affordable Housing Ordinance and based on the above-mentioned bedroom mix and ratios, Staff recommends restricting the units as indicated below. The Developer has agreed to maintain and operate the affordable units as specified in the tables

until such time that they are sold under the terms and conditions as indicated in the Affordable Rental/For Sale Housing Agreement and the Affordable Housing Ordinance.

DISTRIBUTION OF AFFORDABLE UNITS					
Rental Stage					
		Number of Units by Income Category			
# of Bedrooms	Approx. Size (sq.ft.)	Very Low	Low	Median	Total Affordable Units
3	1,381	3	2	2	7
	TOTAL	3	2	2	7

DISTRIBUTION OF AFFORDABLE UNITS					
For Sale Stage					
		Number of Units by Income Category			
# of Bedrooms	Approx. Size (sq.ft.)	Median	Moderate	Above Moderate	Total Affordable Units
3	1,381	3	2	2	7
	TOTAL	3	2	2	7

STRATEGIC PLAN:

Approval of the Affordable Rental/For Sale Housing Agreement is consistent with the goals in the Housing Element of the City’s General Plan, related to increasing housing opportunities for low to above-moderate income households. It is also consistent with the following priorities in the City’s Strategic Plan:

- 1-Economic Development
- 3-Housing

FINANCIAL IMPACT:

None

ALTERNATIVE ACTION:

Council could choose not to approve the Affordable Rental/For Sale Housing Agreement as proposed, which would delay the development until a new Agreement has been reached

ATTACHMENTS AND/OR REFERENCES:

None