

Serra Mesa Community Council Sandrock Project Subcommittee (includes members from the SMPG Sandrock Subcommittee) recommends the following motions for the SMPG meeting on Feb 20, 2025:

- Serra Mesa Planning Group (SMPG) supports housing for veterans, affordable housing, and the original proposal of 30 units multi-family housing and with at least 22 parking spaces at 3440 Sandrock Road.
- Serra Mesa Planning Group (SMPG) authorizes the 3440 Sandrock Subcommittee to evaluate, make comments, and ask questions regarding the development agreement/lease and financing documents for 3440 Sandrock Rd if any City Council related hearing is scheduled prior to the next scheduled SMPG meeting.
- Serra Mesa Planning Group send a letter to the City Council's Economic Development & Intergovernmental Relations Committee urging them to deny a City Bridge to Home NOFA of \$3.5 million if any unanswered questions and concerns regarding the development agreement/lease and financing have not been addressed and resolved. The questions and concerns include, but are not limited to (possibility of additional concerns/questions when the development agreement/lease becomes available for review):

Affordability Mix – If there are only 43 units requesting funding for \$3,500,000, why does the documentation indicate \$58,333 per unit (which seems to be based on 60 units)? Shouldn't the documentation indicate \$81,395 per unit? In the development and lease agreement will the 43 and 17 units be treated differently?

Financing

- Provide a comprehensive breakdown of the costs of the project for the City, including loans, grants, and waivers; and any additional federal and state grants the project will receive. Is the City waiving the ground lease? Is the City waiving fees? Who is paying for deferred interest?
- Why doesn't the City wait until the Federal Tax Credit of \$22,497,750 is approved before loaning funds? What happens if the applicant isn't ever able to obtain the credit?
- Are project operations dependent on receiving vouchers for any of the units? Are the funds for these vouchers in hand and secure from state and/or federal freezing or withdrawal?

Project Size – Provide a diagram that shows the lot size, amount of space for 22 parking spaces, and the amount of space for the building structure. There are concerns about the feasibility of this project with the required setbacks, 22 parking spaces, landscaping, and 60 units given the .34 acre lot.

NOFA's Evaluation Criteria for scoring applications

- Project Approach and Concept state "Application is consistent with the community plan...as indicated by...overall project concepts, layout, extent of neighborhood enhancement..." What are the neighborhood enhancements?

The Serra Mesa Community Plan, under Proposals, p. 9 &10,

- "The proposed maximum density of existing development is 43 units per net acres; that for new development, 29 units per net acre." The density for this project is 176 units/acre.
 - "New multifamily construction should be continuous to existing shopping facilities and multifamily developments...All such development should incorporate good design standards in relation to building location, parking and landscaping." There are concerns regarding incorporating good design standards in this project.
- Community Support and Benefits describes 3) Other community or economic benefits, or community amenities based on proposed project uses; 4) Community outreach plan to solicit neighborhood input. What community amenities will be provided? What's included in the outreach plan?
 - Environmental Review and Assessment states "Prior to the City's funding commitment, projects must be assessed in accordance with the California Environmental Quality Act (CEQA)." What assessment was made?