

October 15th, 2024

Arroyo Grande City Council
300 E Branch Street
Arroyo Grande, CA 93420

Subject: Request for Inclusionary Housing Funds

Dear Members of the Arroyo Grande City Council:

The Housing Authority San Luis Obispo has been diligently working to develop a 63-unit 100% affordable housing project at 700 N. Oak Park Blvd, Arroyo Grande. Thanks to the partnership with the City of Arroyo Grande, the County of San Luis Obispo, and the Housing Authority of San Luis Obispo (HASLO), this greatly needed project secured state funding totaling over \$23.2 million. The State fund requires that we close and begin construction in November 2024. However, the project still has a financial gap of over \$1 million.

The purpose of this letter is to request \$630,000 in additional City of Arroyo Grande funding for the project, which will allow this project to move forward. HASLO is committed to providing the remaining additional resources necessary to make the project financially feasible.

Arroyo Terrace – 700 Oak Park Boulevard

The Arroyo Terrace project is our highest priority for pursuit of funding. HASLO is providing funding support through the commitment of 50 Project-Based Vouchers for the residential units and a public funds loan. We are requesting \$630,000 from the Inclusionary Housing Fund to reduce the current funding gap. This additional funding commitment will allow the project to begin construction in November 2024. This project would then be completed in late 2026 and begin housing residents.

Please do not hesitate to reach out should you have any questions.

Sincerely,



Scott Collins

Housing Authority of San Luis Obispo