CITY OF
WEST SACRAMENTO

HOUSING POLICY
DEVELOPMENT, HCD

MAR 10 2008

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West Sacramento, CA 95691

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City Clerk
Human Resources
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Community Development
Planning
Engineering
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Parks & Recreation
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Redevelopment
Economic Development
(916) 617-4535

Refuse & Recycling
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FIRE
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West Sacramento, CA 95691

Administration
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POLICE
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West Sacramento, CA 95605

Administration
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March 5, 2008

California Department of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento CA 94252-2053

Re: Housing Element Annual Report

Dear Housing Policy Development Staff:

As required by Government Code section 65400, enclosed please find the City of West Sacramento's Housing Element Annual Report. We are pleased to report that the City has made significant progress in achieving a number of Housing Element Programs, such as:

- Program 2 – Affordable Housing Requirements for Residential Developments: Continued implementation of the Inclusionary Housing Policy. During the reporting period, 60 very-low income units, 73 low-income unit and six moderate income units received building permits. The permit activity represented units from Ironworks, The River's Senior Apartments, Rivercrest, Marshall Crossing and Hideaway.

- Program 4 – Redevelopment Project Area Goals: In addition to the continued implementation of Chapter 15.10 of the Municipal Code (inclusionary housing requirements in the Redevelopment Project Area), an affordable housing agreement was completed for a 29-unit development (B Street West) in the Redevelopment Project Area. In addition, the Redevelopment Agency approved a 2.5 million dollar loan to a well known affordable housing developer for the acquisition and rehabilitation of a 296 unit apartment complex (Harbor Park Apartments). The Agency's 2.5 million dollar loan assisted in retaining the affordability of the units and transfer of ownership to a capable developer.

- Program 7 – Pursue State and Federal Funding: The City/Agency applied for and was awarded the following grant applications during the reporting period: an $800,000 HOME First Time Homebuyer Project application; a $20,000 CDBG PTA application for a 10-Year Homeless Plan; a $15,000 CDBG PTA application for a Housing Conditions Survey; a $2.2 million loan from the Residential Development Loan Program for the construction of 15 affordable units within the Landmark Lofts project; and a $1 million HUD HOPE VI Main Street Grant for the development of a new affordable housing project (Parkside Apartments) containing 62 affordable rental units and 15 market rate for-sale units. An additional $2 million HOME Project application for the Parkside Apartments project was submitted but not awarded.

- Program 8 – Local, State and Federal Funding for Infrastructure: A Workforce Housing Reward Grant (WFH) Program application was submitted to HCD and approved. The award amount, $54,880, was designated for infrastructure improvements along the West Capitol Avenue Corridor. WFH grants were also received in 2005 and 2004.

- Program 26 – Preservation of Affordable Rental Housing: The Redevelopment Agency approved a $2.5 million dollar loan for the acquisition and rehabilitation of a 296 unit apartment complex known as Harbor Park. After years of neglect and mismanagement by the current and past owners and with almost 80 of its units red-tagged by the City's Code Enforcement Department, Harbor Park was at risk of foreclosure. The City filled a lawsuit against the former owner who was forced to sell the property. The Agency approved the $2.5 million loan to the new owner, a well known affordable housing developer, to support the project and maintain the affordable units.

- Program 31 – Mixed-Use Development: During the reporting period, City staff worked on a Development Agreement (DA) with regulatory incentives for water front property along West Capitol Avenue, but the housing collapse caused the developer to withdrawal the application. The City acquired a 40-unit motel along West Capitol Avenue in June of 2007 and an adjacent property with nine dilapidated apartment units. The motel has since been boarded up and the tenants in the adjacent property are being relocated. Following an RFP process, a contractor was selected for the demolition of the motel and the apartment units. Once demolished, the City will initiate an RFP for the development of the two sites.

The Report will highlight other areas where the City has made progress and where program objectives have not been met. Be assured that City Staff is working arduously to meet our Housing Element program objectives. Should you have any questions on the Report, please do not hesitate to contact Raul Huerta at 916-617-4555.

Sincerely,

Tina Gontarski,
Director of Housing and Community Investment

enclosure

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of West Sacramento

Reporting Period 1-Jan-07 - 31-Dec-07

Table A

Annual Building Activity Report
Very Low-, Low-, and Moderate-Income Units and Mixed-Income Multifamily Projects

Housing Development Information								Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income		See Instructions	See Instructions	
Ironworks (893 & 897 Argon Lane)	2-4	O			2		2	None	Inc	NA
Ironworks (809 & 813 Platinum Lane)	2-4	O			2		2	None	Inc	NA
The River's Senior Apts.	5+	R	60	59		1	120	HOME	Inc/HOME	NA
Rivercrest (1945 Linden Road)	SF	O		1			1	None	Inc	NA
Rivercrest (1925 Linden Road)	SF	O		1			1	None	Inc	NA
Rivercrest (2870 Mojave Drive)	SF	O		1			1	None	Inc	NA
Rivercrest (1959 Muscovy Road)	SF	O		1			1	None	Inc	NA
Rivercrest (2005 Egret Road)	SF	O		1			1	None	Inc	NA
Rivercrest (2835 Stonegate Drive)	SF	O		1			1	None	Inc	NA
Rivercrest (2063 Muscovy Road)	SF	O			1		1	None	Inc	NA
Rivercrest (1991 Muscovy Road)	SF	O			1		1	None	Inc	NA

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Marshall Crossing (3355 Seymour Court)	SF	O	1				1	None	Inc	NA
Marshall Crossing (3365 Seymour Court)	SF	O	1				1	None	Inc	NA
Marshall Crossing (3215 Stable Drive)	SF	O	1				1	None	Inc	NA
Marshall Crossing (3225 Stable Drive)	SF	O	1				1	None	Inc	NA
Marshall Crossing (3045 Stable Drive)	SF	O	1				1	None	Inc	NA
Marshall Crossing (3055 Stable Drive)	SF	O	1				1	None	Inc	NA
Hideaway (3577 Hume Street)	SF	O	1				1	None	Inc	NA
Hideaway (3601 Hume Street)	SF	O	1				1	None	Inc	NA
(9) Total of **Above Moderate** from Table A2 ► ► ► ► ► ►						325	325			
(10) Total by income units (Field 5) Table A ► ► ►			60	73	6	326	465			

ANNUAL ELEMENT PROGRESS REPORT
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Jurisdiction City of West Sacramento

Reporting Period 1-Jan-07 - 31-Dec-07

Table A2

Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	Single Family	2 - 4 Units	5+ Units	Second Unit	Mobile Homes	Total
No. of Units Permitted for Above Moderate	268	14	42		1	325

TABLE C

PROGRAM IMPLEMENTATION STATUS

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including progress in removing regulatory barriers as identified in Housing Element.		
Name of Program	**Objective**	**Dead line in H.E.**	**Status of Program Implementation**
1. Adequate Sites to Accommodate Future Housing Needs	To ensure sufficient land at various densities to allow for the construction of sufficient housing to meet its SACOG regional housing allocation between 2000 and 2007	On-going	The City began negotiating two large scale development agreements. The City developed a Geographic Information System which included a land inventory and a parcel and zoning layer. The GIS Land Inventory is updated bi-annually; however, annual updates can be performed using the City's Permit Plus System. An annual review of the land inventory was not completed, but it will be reviewed as part of the housing element update. There were no zoning changes during the reporting period to permit housing on non-residentially zoned parcels.
2. Affordable Housing Requirements for Residential Developments	To promote the construction of affordable housing. The City will adopt an implementing ordinance setting forth procedures and standards for compliance with affordable housing requirements.	On-going	During the reporting period, 60 very-low income units, 73 low-income unit and six moderate income units received building permits. The permit activity represented the following projects: Ironworks, The River's Senior Apartments, Rivercrest, Marshall Crossing and Hideaway. City staff continues to work with developers for the implementation of the Inclusionary Housing Ordinance. The Ordinance and the Implementation Guidelines can be accessed on the Housing and Community Investment website: http://www.cityofwestsacramento.org/cityhall/departments/hci/inclusionary_housing.cfm
3. Density Bonus	To encourage the construction of housing affordable to very low- and low-income persons.	On-going	During the reporting period, Alura at Washington (70 units) received a density bonus and modified development standards. Planning staff openly discuss density bonus options with developers when a project has the potential to increase density in new growth areas and infill developments.
4. Redevelopment Project Area Goals	To continue implementing Chapter 15.10 of the West Sacramento Municipal Code	On-going	The City continues to implement Chapter 15.10 of the Municipal Code regarding inclusionary housing requirements in the Redevelopment Project Area. An affordable housing agreement was completed for B

		regarding inclusionary housing requirements in the West Sacramento Redevelopment Project Area.		Street West, a 29 unit project in the Redevelopment Project Area. In addition, the Redevelopment Agency approved a $2.5 million dollar loan to a well known affordable housing developer for the acquisition and rehabilitation of a 296 unit apartment complex. The Agency had filed a lawsuit against the previous owner due to mismanagement of the complex and the substandard conditions of several units. The Agency's $2.5 million dollar loan assisted in retaining the affordability of the units and transfer of ownership to a capable developer.
5.	Secondary Dwelling Units	To promote the construction of secondary dwelling units as a potential source of additional affordable housing.	On-going	The minimum lot size to allow for a second dwelling unit was reduced from 6,000 square feet to 5,000 square feet. While the Community Development Department believes that some secondary dwelling units were completed during the reporting period, a separate tracking system for the development of secondary units has not been implemented.
6.	Vacant Land Inventory	To ensure sufficient land at various densities to allow for the construction of sufficient housing to meet its SACOG regional housing allocation between 2000 and 2007	On-going	The City completed a land inventory in 2005, which included a survey of vacant land. The land inventory is physically updated bi-annually; however, annual updates can be performed using the City's Permits Plus system.
7.	Pursue State and Federal Funding	To support efforts to meet new construction needs of very low-, low-, and moderate-income households.	On-going	The City/Agency applied for and was awarded the following grant applications during the reporting period: an $800,000 HOME FTHB Project application; a $20,000 CDBG PTA application for a 10-Year Homeless Plan; a $15,000 CDBG PTA application for a Housing Conditions Survey; a $2.2 million loan from the Residential Development Loan Program for the construction of 15 affordable units within the Landmark Lofts project; and a $1 million HUD HOPE VI Main Street Grant for the development of a new affordable housing project (Parkside Apartments). An additional $2 million HOME Project application for the Parkside Apartments project was submitted but not awarded.
8.	Local, State and Federal Funding for Infrastructure	To subsidize on-and off-site infrastructure improvements directly or specifically benefiting housing projects containing units affordable to very low-, low-, or moderate-income households.	On-going	The City submitted a $7 million application to the Sacramento Area Council of Governments (SACOG) for infrastructure improvements along West Capitol Avenue, from Garden Street to Jefferson Boulevard. A Workforce Housing Reward Grant (WFH) Program application was also submitted to HCD and approved. The award amount, $54,880, was designated for infrastructure improvements along the West Capitol Avenue Corridor. Garden Street (formerly Riske Lane) was also completed during the reporting period. The completion of Garden Street is part of the Tower Bridge Gateway Intersections, which converted what was a former highway facility (Route 275) to a city boulevard by creating three new at-grade intersections. The completion of Garden Street will benefit two residential projects, one recently entitled for 88 residential units and the

				other under an Exclusive Negotiating Agreement (ENA) for a mixed use project (residential and commercial).
9.	Site Assembly by the City/Redevelopment Agency	To maintain a list of potential sites that would be appropriate to assemble and sell to developers of housing affordable to very low-, low-, or moderate-income households.	On-going	The City maintains a Land and Vacant Land Inventory to assist in assessing potential sites for development. The City purchased two adjacent sites along West Capitol Avenue which contained a 40-unit motel and nine dilapidated apartment units. The two sites will be combined for a future mixed-use development. No sites were purchased/assembled by the Redevelopment Agency during the reporting period.
10.	Manufactured Homes	To provide for the development of manufactured homes with permanent foundations on individual lots and in manufactured home parks in all residential zoning districts.	On-going	While no marketing brochure has been created to specifically market manufactured housing, information on the development of manufactured housing is provided at the City's permit counter and is available on the City's website. No sites have been identified for a new Mobile Home Park.
11.	Preservation of Mobile Home Parks	The City will use the findings of its 1997 mobile home park study to identify mobile home parks in appropriate locations in which the park infrastructure and majority of the units are feasible to preserve.	On-gong	A city-wide Mobile Home Park Study, consisting of a resident census and condition survey, was completed during the reporting period. Findings of the Study were presented to the City Council in June 2007. The Council directed staff to establish, with collaboration from the City's Housing Advisory Committee (HAC), a Mobile Home Park Strategy using the findings of the Study. A HAC sub-committee was formed to begin developing the Strategy. After several meetings with the sub-committee, a Mobile Home Park Strategy was presented to and approved by the City Council in February 2008. In addition, as part of the preservation efforts, park owners were contacted to discuss the long-term goals for their properties. The City has also explored, but not secured, financing resources for park infrastructure improvements. Resident park ownership will also be explored in 2008 as part of the Mobile Home Park Strategy. During the reporting period, the City did not rezone existing mobile home park uses to residential districts.
12.	Weatherization and Energy Conservation	To promote energy conservation programs to residents and property owners.	On-going	Energy efficiency information distributed through the City's newsletter, utility billings and municipal offices. Information on Pacific Gas & Electric services, including energy efficiency improvements, is available through a link from the City's website: http://www.cityofwestsacramento.org/cityhall/departments/redev/ed/Util_serv.cfm
13.	Energy Conservation for New Development	To promote and encourage energy conservation measures in new residential projects relating to sitting of buildings, landscaping and solar access; to continue to enforce state requirements for energy conservation.	On-going	City Community Development and Public Works continue to enforce Title 24 energy conservation requirements in all residential projects.
14.	Standards for	To improve the personal security	On-	A Crime Prevention Through Environmental Design Program (CPTED)

	Residential Security	of residents and discouraging criminal activity via standards applicable to all new residential projects.	going	Group has been formed and meets on a regular basis. The CPTED Group is comprised of members of the City Police Department, Code Enforcement Department, Engineering Department, Housing and Community Investment Department and Facilities Department. Members of the CPTED Group also attend Project Review Committee (PRC) meetings to coordinate concerns on unit access and safety.
15.	Homebuyer Assistance	To encourage and promote homebuyer assistance programs for low- and moderate-income households.	On-going	The City contracts with the Home Loan Counseling Center to administer the First Time Homebuyer Program and provide First Time Homebuyer courses to applicants. A total of 16 first time homebuyer loans were approved during the reporting period using funds from the Community Development Block Grant (CDBG) Program, the HOME Program and the CalHOME Program. The city did not investigate the feasibility of establishing a homebuyer assistance program by issuing mortgage revenue bonds. The city didn't pursue a lease to own program through the Pacific Housing Finance Agency. The Pacific Housing Finance Agency is no longer operating new lease to own programs. The city didn't establish an assistance program with a financial institution such as the Federal Home Loan Bank.
16.	CRA Compliance by Financial Institutions	To solicit interest in providing financing for very low-, low-, and moderate-income housing as part of their responsibilities under the Federal Community Reinvestment Act (CRA).	On-going	Staff continues to solicit financial institutions to provide financing for low and moderate-income housing. First Northern Bank and Bank of America provide first deeds of trust for the City's Shared Equity Housing Program (SEHP).
17.	Relocation in the Redevelopment Project Area	To implement policies and procedures establishing relocation benefits and services for residents displaced by development projects in the Redevelopment Project Area.	On-going	Three relocation projects were undertaken by the City in the Redevelopment Project Area during the reporting year. Two relocation projects are temporary relocations relating to substantial rehabilitation of apartment units. The third relocation project is a permanent relocation relating to the demolition of newly-acquired substandard property by the City. Three separate relocation plans were drafted and taken through the public review process, approved by the City's Housing Advisory Committee, the Project Area Committee and the City Council.
18.	Relocation by Private Property Owners	To establish a program by ordinance requiring owners of rental units that are vacated for violation of housing and building codes to pay the costs of relocating displaced residents.	On-going	Relocation by private property owners has been incorporated into the Nuisance Abatement Ordinance under Title 19 of the Municipal Code.
19.	Guidelines for Demolition of Residences	To implement procedures for evaluating applications for demolition of substandard	On-going	The City acquired a 40-unit motel along West Capitol Avenue in June of 2007 and an adjacent property with nine dilapidated apartment units. The motel has since been boarded up and the tenants in the adjacent

		residential structures.		property are being relocated by the City. Following an RFP process, a contractor was selected for the demolition of the motel and the apartment units.
20.	Annual Report Housing Element Implementation	To report to the City Council (and meet Government Code Section 65400 requirements) on achievements in implementing housing programs and meeting the objectives of the City's Housing Element.	On-going	This report is being prepared for review by the City Council. Staff submits the Housing Element Annual Report every year for review.
21.	Yolo County Homeless Services Coordinator Program	To seek a cooperative effort to develop additional homeless services/facilities capacity on a dispersed basis throughout the County as needed to address homeless needs.	On-going	The City continues to provide $20,029 annually to fund the Homeless Service Coordination Project. In addition, the cities of West Sacramento and Winters and Yolo County applied for a $60,000 State CDBG Planning and Technical Assistance grant to conduct the planning process and write a 10 Year Plan. The CDBG funding was awarded and, once the contract is received from HCD, a consultant will be hired. The Yolo County Homeless Coalition has changed its name to the Yolo County Homeless and Poverty Action Coalition (HPAC). City staff attends monthly meetings and sits on the Executive Committee. Staff also participates in quarterly Northern California Homeless Roundtable workshops.
22.	Section 8 Rental Assistance	To continue to cooperate with the Yolo Housing Authority in its administration of the Section 8 rental assistance program.	On-going	As part of the Affordable Housing Monitoring Program, City staff continues to work with properties with Regulatory Agreements to inform them about Section 8 Vouchers. In addition, during the reporting period, a low-income family on the Section 8 Program was able to purchase a house in West Sacramento using their Voucher and the City's First Time Homebuyer Program. City staff worked arduously with Section 8 Program Staff, the buyer and the lender to finalize the purchase of the home.
23.	Equal Housing Opportunity	To continue to promote equal housing opportunity for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, disability, familial status, source of income or sexual orientation.	On-going	The Human Rights-Fair Housing Commission of Sacramento continues to provide and promote fair housing services in West Sacramento. The City participates in a bi-annual fair housing event sponsored by the Human Rights/Fair Housing Commission of Sacramento. Fair housing information and links are available on the City's website at: http://www.cityofwestsacramento.org/cityhall/departments/hci/services.cfm
24.	Emergency Shelter and Transitional Housing	To continue to allow existing and new emergency shelter/transitional housing according to Chapter 17.23 of the West Sacramento Municipal	On-going	No applications have been received for new homeless facilities.

		Code.		
25.	Cooperation with Affordable Housing Providers	To develop, acquire, rehabilitate, and/or manage housing affordable housing to very low-, low-, or moderate-income households.	On-going	The City approved a $1.9 million gap loan to the West Sacramento Housing Development Corporation for the acquisition and rehabilitation of 23 substandard housing units. Units will be affordable at 50% and 60% of AMI. The Redevelopment Agency of the City of West Sacramento awarded a $2.5 million loan to CFY Development, a well known affordable housing developer, for the acquisition and rehabilitation of a 296 apartment complex (Harbor Park Apartments). The Agency's loan will enable the complex to remain an affordable apartment and assist with much needed rehabilitation work.
26.	Preservation of Affordable Rental Housing	To continue efforts to mitigate the potential loss of very low-, and low-income housing units through the conversion of subsidized rental housing projects to market-rate housing.	On-going	The Redevelopment Agency (Agency) of the City of West Sacramento approved a $2.5 million dollar loan for the acquisition and rehabilitation of a 296 unit apartment complex known as Harbor Park. After years of neglect and mismanagement by the current and past owners and with almost 80 of its units red-tagged by the City's Code Enforcement Department, Harbor Park was at risk of foreclosure. The City filled a lawsuit against the former owner who was forced to sell the property. The Agency approved the $2.5 million loan to the new owner, a well known affordable housing developer, to support the project and maintain the affordable units.
27.	Affordable Housing Design	To require that affordable housing projects be designed so that there is no discernable exterior difference in style or design between such projects and market-rate housing projects.	On-going	The Inclusionary Housing Policy requires that an Affordable Housing Agreement be executed between the developer and the City/Agency. Housing and Planning staff coordinate efforts to ensure inclusionary housing units are architecturally and visually similar to market rate units within the same subdivision. In addition, for rental units, the Affordable Housing Agreement has a monitoring component which reviews, among other things, the management plan for the rental property.
28.	Accessibility for Persons with Disabilities	To implement state requirements to include accessibility in housing and public facilities for persons with disabilities.	On-going	The City's Planning and Building Divisions enforce State and Federal accessibility requirements on new developments.
29.	Special Housing Needs	To ensure that special housing needs are addressed for seniors, large families, female-headed households, singe-parent households with children, persons with disabilities, homeless individuals and families and farmworker families.	On-going	City staff work with builders on inclusionary housing requirements to ensure housing will meet the needs of household types. City did not seek funding through the HOPWA, Child care facilities finance program or other special needs funding. While staff works with housing developers to provide affordable housing for special needs groups, no specific incentives have been created for special needs housing.

30. Housing Rehabilitation	To continue to provide housing rehabilitation assistance to very low- and low-income homeowners and to rental owners with very low- or low-income tenants.	On-going	Following an RFP process, the City secured the services of Mercy Housing California in July 2007 to administer the City's Residential Rehabilitation Program. The Program provides low interest loans of up to $60,000 to low income owner-occupant single family residents and energy grants of up to $5,000 to mobile home owners. A total of two loans and three grants were approved during the reporting period. In addition, the City provided a $1.9 million bridge loan to the West Sacramento Housing Development Corporation (WSHDC) for the acquisition and rehabilitation of 23 substandard apartment units. The units will be owned and managed by the WSHDC and affordable at 50% and 60% of AMI. A Multifamily Housing Rehabilitation Program is also administered by the Housing and Community Investment Department. Due to limited funding, applications for the MFH Rehabilitation Program are accepted on a case-by-case basis.
31. Mixed-Use Development	To promote mixed-use residential/commercial development along West Capitol Avenue, in the Waterfront zone, and in appropriate commercial zones.	On-going	During the reporting period, City staff worked on a Development Agreement (DA) with regulatory incentives for water front property along West Capitol Avenue, but the housing collapse caused the developer to withdrawal the application. The City acquired a 40-unit motel along West Capitol Avenue in June of 2007 and an adjacent property with nine dilapidated apartment units. The motel has since been boarded up and the tenants in the adjacent property are being relocated. Following an RFP process, a contractor was selected for the demolition of the motel and the apartment units. Once demolished, the City will initiate an RFP for the development of the two sites.