



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 26-181

Meeting Date: 3/17/2026

TITLE:

JAMBOREE HOUSING CORPORATION'S REQUEST FOR ADDITIONAL FUNDS FOR THE DEVELOPMENT OF THE COSTA MESA SENIOR PROJECT

DEPARTMENT: CITY MANAGER'S OFFICE

PRESENTED BY: HADASSA JAKHER, ASSISTANT TO THE CITY MANAGER

CONTACT INFORMATION: HADASSA JAKHER, (714)754-4885

RECOMMENDATION:

Staff recommends the City Council:

1. Provide direction on the amount and source of funding, if any, to provide to Jamboree Housing Corporation for the development of the Costa Mesa Senior Project.
2. Authorize the City Manager to execute a funding commitment letter with Jamboree Housing Corporation for an authorized by the City Council for the development of the Costa Mesa Senior Project.
3. Authorize revenue and expense appropriations, and allocate the funds approved by the City Council for the Costa Mesa Senior Project.

BACKGROUND:

On March 18, 2025, the City Council approved Jamboree's 70-unit affordable multi-family residential project for seniors. The proposed units are at varying income levels and funded through various means:

- 1 unit for an on-site manager
- 69 affordable housing units
 - 34 one-bedroom units - 30% or below Area Median Income, for permanent supportive housing
 - 23 units include wrap-around social services
 - 10 units financed by Mental Health Services Act (MSHA)
 - 13 units financed by the County
 - 11 units without wrap-around social services
 - 11 units financed by Local Housing Trust Fund (LHTF)
 - 1 two-bedroom unit (30% or below Area Median Income) for a small family or senior with a full-time caregiver

- 34 units - 60% or below AMI

On December 3, 2025, the OC Housing Trust Fund Board noted that Jamboree’s project would be ineligible for 2024 LHFT funding due to the City of Costa Mesa’s Housing Element not being certified by the State at the time. Thus, the MHSA matching funds would need to be reserved for future eligible LHFT projects.

Project Name	MHSA Match	2024 LHFT Original	Total
Costa Mesa Senior	\$1,844,340	\$1,655,660	\$3,500,000

The OC Housing Trust Fund Board voted to reallocate the LHFT funds, but preserve the MHSA funds for Jamboree, with the condition that Jamboree would not reduce the number of units of the project.

ANALYSIS:

In early 2026, Jamboree requested a commitment letter from the City for additional funding by April in order to meet requirements for their application with the California Tax Credit Allocation Committee (TCAC). This commitment letter was requested in order to cover the funds lost from the OC Housing Finance Trust’s LHFT, due to the City’s extended timeline for Housing Element compliance with the State.

Jamboree has asked for a total commitment of \$3,250,000 from the City prior to the April 7, 2026 TCAC deadline, in the form of long-term loans. For example, Jamboree would request:

- \$750,000 in HOME Investment Partnerships Program (HOME) funds*
- \$2,500,000 in other funds

**Based on the amount recommended as part of the Request for Proposals (RFP) #26-03.*

The requested long-term loan (Attachment 1) includes the following provisions:

- 3% annual interest rate.
- Permanent term of 55 years.
- Commitment expiration date of December 31, 2028.

The \$750,000 in HOME funds was recommended in connection with the City’s Request for Proposals #26-03, which is a separate agenda item. Jamboree’s Pro Forma is Attachment 2.

The remaining amount (expected to be \$2,500,000), may be determined upon direction from the City Council. Funding would need to be available as early as December 1, 2026. The City has identified a number of sources available for the remaining amount requested by Jamboree:

- **Housing Trust Fund:** The City’s Housing Trust Fund was created to set aside funding for the development of affordable housing. This Fund is meant to create a pathway to achieve the long-term goal of housing affordability for different income levels, including seniors. The amount available in this fund is approximately \$2.1 million.

- **Development Agreements:** The City has entered into development agreements that provide additional funding to specific causes. The Development Agreement for the One Metro West project includes a \$3 million “Economic Recovery and Community Enhancement Fund” intended to assist community enhancement programs and projects related to economic sustainability and recovery, to support essential government functions, or other community enhancement efforts. One Metro West have stated they are amenable to providing a portion of the needed funding to Jamboree from this fund by the deadline indicated. The amount identified from the fund is \$1,000,000.

ALTERNATIVES:

The City Council may decline to provide any additional letter of commitment or funding.

FISCAL REVIEW:

Jamboree Housing is requesting the City’s commitment of \$3,250,000 for the Costa Mesa Senior Project prior to their TCAC application deadline of April 7, 2026. Staff has identified the potential use of the HOME Program Fund (Fund 205) for approximately \$750,000 from the U.S. Department of Housing and Urban Development grant program.

A portion of the additional requested amount can be funded by the City’s Housing Trust Fund (Fund 226), which has a fund balance of approximately \$2.1 million. The City’s Housing Trust Fund was created during the Fiscal Year 2024-25 budget when the City allocated \$2.5 million for affordable housing, to create a pathway for housing affordability for different income levels.

Another portion of the additional funding request can be funded through the Development Agreement with One Metro West Project (OMW), which includes a \$3 million “Economic Recovery and Community Enhancement Fund.” The developer is amenable to the City’s request to use \$1 million from the fund to cover the funding gap necessary to meet Jamboree Housing’s deadline. This would result in a reduction to the total “Economic Recovery and Community Enhancement Fund” to \$2 million that the City anticipates receiving from the OMW Project.

LEGAL REVIEW:

The City Attorney has reviewed this report and approves it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item achieves the City Council goals to:

- Diversify, stabilize and increase housing to reflect community needs.
- Strengthen the public’s safety and improve the quality of life.

CONCLUSION:

Staff recommends the City Council:

1. Provide direction on the amount and source of funding, if any, to provide to Jamboree Housing Corporation for the development of the Costa Mesa Senior Project.

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