

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A CONDITIONAL COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$690,000 TO PETALUMA ECUMENICAL PROPERTIES FOR LINDA TUNIS SENIOR APARTMENTS, 600 ACACIA LANE – LOAN NUMBER 9022-3195-19

WHEREAS, the Housing Authority issued a Notice of Funding Availability (“NOFA”) on August 6, 2019, announcing the availability of \$2,479,000 of local and federal funds (Community Development Block Grant and HOME Investment Partnership Program) and 75 Project Based Vouchers (“PBVs”) for affordable housing; and

WHEREAS, PEP Housing, the legal name of which is Petaluma Ecumenical Properties, submitted an application for funds in the amount of \$690,000 for acquisition and conversion of an existing structure to 26 senior housing units (the “Project”) located at 600 Acacia Lane, APN 182-520-088 (the “Property”); and

WHEREAS, the Housing Authority chair appointed commissioners Owen and Test to a NOFA Ad Hoc Committee. The Committee and staff reviewed the applications on November 21, 2019, and January 16, 2020, to make recommendations to the Housing Authority; and

WHEREAS, the Housing Authority considered written materials, verbal presentations, recommendations of staff and an Ad Hoc committee, and comments by those wishing to be heard at the Housing Authority meeting of January 27, 2020; and

WHEREAS, the Planning and Economic Development Department of the City of Santa Rosa (“PED”) approved a 5-year temporary used permit for 26 senior housing units, and PEP Housing intends to apply for permanent entitlements; and

WHEREAS, the temporary use permit was granted pursuant to CEQA Guidelines Section 15061(b)(3): the activity is covered by the common-sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment; where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Future approvals for permanent entitlement of 26 units on the site will qualify for a Class 32 exemption from CEQA pursuant to CEQA Guidelines Section 15332, In-Fill Development Projects, as indicated by PED staff.

NOW, THEREFORE, BE IT RESOLVED that the Housing Authority of the City of Santa Rosa hereby approves the following:

1. A conditional commitment of loan funds to Petaluma Ecumenical Properties in the amount of Six Hundred Ninety Thousand and No/100 Dollars (\$690,000) for Project acquisition costs.

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2. The loan commitment is subject to the General Loan Conditions adopted by the Housing Authority by Resolution No. 806 on January 23, 1995, including satisfaction of all loan underwriting conditions and the applicable funding guidelines.
3. The loan commitment is conditioned upon completion of environmental review pursuant to the National Environmental Policy Act.
4. The loan commitment is conditioned upon approval by the City of Santa Rosa of permanent entitlements for the Project on the Property.
5. The loan shall be secured by a deed of trust and recorded against the property.
6. The loan term is fifty-five (55) years, commencing with the recordation of the deed of trust (the "Loan Term").
7. Interest shall accrue at three percent (3%) simple per annum, commencing with the recordation of the deed of trust.
8. Payments are deferred for the loan term, except that payments shall be made based upon residual receipts.
9. Term of Affordability: The Project shall remain affordable for fifty-five (55) years, governed by a Regulatory Agreement recorded against the property.
10. An allocation of 25 Article XXXIV units.

BE IT FURTHER RESOLVED that the Housing Authority hereby approves subordination of Housing Authority loans to senior financing in a form approved by Housing Authority General Counsel, if required by other lenders.

BE IT FURTHER RESOLVED that the Housing Authority hereby authorizes the Executive Director to execute agreements and related loan documents for the Project consistent with this Resolution.

BE IT FURTHER RESOLVED that the Housing Authority hereby authorizes the Chief Financial Officer to pay all claims for the loan in an amount not to exceed \$690,000 from the following Key Number(s) or as otherwise determined by the Executive Director:

Fund	Key	Source	Amount	Loan No.
2280	340302-5373	CDBG	\$690,000	9022-3195-19
Total Loan Amount			\$690,000	

DULY AND REGULARLY ADOPTED by the Housing Authority of the City of Santa Rosa this 27th day of January 2020.

AYES:

NOES:

ABSENT: ABSTAIN:

APPROVED: _____
Chair

ATTEST: _____
Secretary