

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A CONDITIONAL COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$1,073,583 TO PETALUMA ECUMENICAL PROPERTIES DBA PEP HOUSING FOR ACQUISITION, PRESERVATION AND REHABILITATION-RELATED COSTS FOR VIGIL LIGHT APARTMENTS, 1945 LONG DRIVE, SANTA ROSA, CALIFORNIA; APNS 181-190-001 AND 181-220-046

WHEREAS, the Housing Authority issued two Notices of Funding Availability (“NOFA”) on May 10, 2023, announcing approximately \$8,700,000 combined from federal, state, and local funds for acquisition, rehabilitation and new construction of affordable housing, and applications were due on June 9, 2023; and

WHEREAS, the Housing Authority received five applications requesting approximately \$13,000,000; and

WHEREAS, four of the five applications submitted were complete and reviewed by a Housing Authority Ad-Hoc Application Review Committee; and

WHEREAS, PEP Housing submitted an application requesting \$1,073,583 for acquisition, preservation and rehabilitation-related costs associated with 48 existing affordable senior housing units, located at 1945 Long Drive, Santa Rosa, California, APNs 181-090-001 and 181-220-046 (“Project”); and

WHEREAS, Chair Owen appointed Vice-Chair LaPenna and Commissioner Newton to the Ad-Hoc Committee which met with staff on July 7, 2023 to review the applications and make a funding recommendation to the Housing Authority; and

WHEREAS, following review and ranking of the funding requests, the Project received a score of 76%, and was ranked second among the applications received; and

WHEREAS, the Project received a conditional award of loan funds from the Housing Authority on June 20, 2022 in the amount of \$2,220,000.00 for preservation and rehabilitation-related costs and PEP Housing has made a request to utilize the funds for acquisition as well; and

WHEREAS, the Project is an existing 48- unit senior rental complex and rehabilitation of the units exempt from environmental review pursuant to the to the California Environmental Policy Act (“CEQA”) Government Code Section 15301 (a); and

WHEREAS, the Project completed an Environmental Review and is categorically excluded subject to Section 58.5 of the National Environmental Policy Act of 1969 (“NEPA”).

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 in the amount of One Million Seventy-Three Thousand Five Hundred Eighty-Three and No/100 Dollars (\$1,073,583.00) to PEP Housing for acquisition, preservation and rehabilitation-related costs for the Project, subject to the conditions and terms including but not limited to the items listed below.
2. The conditional commitment of the loan funds 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 Low-Income Housing Production Subsidy Program Policy Maximum Cost Schedule and the Loan Schedule are waived, as costs have increased since the Policy was approved.
5. A loan term of 55 years at 3% simple interest per annum, deferred payments, residual cash receipts, secured by a Deed of Trust; and a 55-year term of affordability through a Regulatory Agreement recorded against the property.
6. Affordability mix is 24 units targeted to senior households with incomes up to 30% of Area Median Income (“AMI”), 24 units targeted to senior households with incomes up to 50% of AMI and one non-restricted manager unit.
7. The unit mix of the Project includes 12 studio units, 36 one-bedroom units, and one two-bedroom manager’s unit.
8. The loan shall be due and payable in full if rehabilitation has not commenced by December 1, 2023, and is not completed by December 1, 2024, unless these dates are extended, in writing, by the Executive Director.
9. This loan award shall be conditioned upon the Project receiving a tax credit award from the developer’s May 2023 application to the Tax Credit Allocation Committee (TCAC).

BE IT FURTHER RESOLVED that the Housing Authority that the Housing Authority hereby approves subordination of Housing Authority loan(s) 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 approves the acquisition-related costs to be an allowable use of loan funds from the conditional commitment of \$2,220,000.00 on Housing Authority Resolution No. 1746.

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 One Million Seventy-Three Thousand Five Hundred Eighty-Three and No/100 Dollars (\$1,073,583.00) to PEP Housing from the following Key Number(s) or as otherwise determined by the Executive Director:

Source	Fund	Key	Loan No.	Amount
Housing Impact	2296	340104	9923-3695-23	\$1,073,583.00
Total				\$1,073,583.00

IN HOUSING AUTHORITY DULY PASSED this 24th day of July, 2023.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____ APPROVED: _____
Secretary Chair

APPROVED AS TO FORM: _____
City Attorney