

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A CONDITIONAL COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$2,220,000 TO PETALUMA ECUMENICAL PROPERTIES DBA PEP HOUSING FOR PRESERVATION AND REHABILITATION RELATED COSTS FOR VIGIL LIGHT APARTMENTS, 1940 LONG DRIVE, SANTA ROSA, CALIFORNIA; APNS 181-190-001 AND 181-220-046

WHEREAS, the Housing Authority issued a Notice of Funding Availability (“NOFA”) on April 4, 2022, announcing approximately \$10,600,000 of federal and local funds for rehabilitation and new construction of affordable housing, and applications were due on April 29, 2022; and

WHEREAS, the Housing Authority received ten applications requesting over \$21,000,000; and

WHEREAS, PEP Housing submitted an application requesting \$2,220,000 for preservation and rehabilitation costs associated with 49 existing affordable senior housing units, located at 1940 Long Drive, Santa Rosa, California, APNs 181-090-001 and 181-221-046; and

WHEREAS, the Housing Authority chair appointed commissioners LaPenna, Owen and Rawhouser to a NOFA Ad Hoc Review Committee; the Committee and staff reviewed the applications on June 13, 2022, to make a funding recommendation to the Housing Authority; 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 NOFA Ad Hoc Review Committee and staff recommend funding for Vigil Lights because it best meets the selection criteria evaluation and scoring factors described in the NOFA.

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 Two Million Two Hundred Twenty Thousand and No/100 Dollars (\$2,220,000.00) to PEP Housing for preservation and rehabilitation-related costs, subject to the conditions and terms including but not limited to the items listed below.
2. The agreement to provide funds to the project is conditioned on the Responsible Entity’s determination to proceed with, modify, or cancel the project based on the results of the subsequent environmental review that will be conducted in compliance with the National Environmental Policy Act of 1969 (NEPA), NEPA related laws and authorities, and the implementing regulations (24 CFR Part 58).

3. 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.
4. 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 48 units targeted to senior households with incomes up to 50% of Area Median Income (“AMI”) and one un-restricted manager unit.
7. The loan shall be due and payable in full if rehabilitation has not commenced by July 31, 2023, and is not completed by August 31, 2024, unless these dates are extended, in writing, by the Executive Director.

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 authorizes the Executive Director to execute agreements and related loan documents for the Project consistent with this Resolution.

