

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A FURTHER ADVANCE OF FUNDS IN THE AMOUNT OF \$200,000 TO DANCO COMMUNITIES, FOR CONSTRUCTION RELATED COSTS OF BOYD STREET APARTMENTS, 811 BOYD STREET, APN 037-101-003 LOAN NOS. 9031-3055-18, 9931-3065-18 and 9931-3075-18

WHEREAS, the Housing Authority issued a Notice of Funding Availability (“NOFA”) on July 26, 2018, announcing approximately \$4.1 million of federal and local funds for affordable housing, and applications were due on August 31, 2018; and

WHEREAS, the Housing Authority received 11 applications requesting almost \$22 million; and

WHEREAS, Danco Communities (“Danco”) submitted an application requesting \$4,000,000 for constructions costs associated with 46 new affordable multifamily housing units, located at 811 Boyd Street, Santa Rosa, California, 95407, APN 037-101-003 (the “Project”); and

WHEREAS, the Housing Authority chair appointed Commissioners Burke, Johnson-Morgan and himself to a NOFA Ad Hoc Subcommittee to review the applications with staff and make funding recommendations to the Housing Authority; and

WHEREAS, on October 22, 2018, the Housing Authority approved Round 1 funding for two projects, totaling \$3.7 million, deferring consideration of the remaining funds; and

WHEREAS, the applicant reduced the requested amount to \$200,000; and

WHEREAS, on December 12, the NOFA Ad Hoc Committee (Commissioners Burke and Johnson-Morgan present) and staff reviewed the remaining nine applications and selected four applications for further analysis and consideration of the remaining NOFA

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

1. A commitment of loan funds in the amount of Two Hundred Thousand and No/100 Dollars (\$200,000.00) to Danco Communities for Project construction-related costs.
2. The 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. A loan term of 55 years 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.
4. Affordability mix that includes 8 units targeted to households with incomes up to 30% of Area Median Income (“AMI”); 37 units targeted to household incomes up to 50%; and one non-restricted manager unit.
5. The loan shall be due and payable in full if construction has not commenced by March

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31, 2020, and is not completed by March 31, 2021, unless these times are extended by the Executive Director.

6. An allocation of 45 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 Two Hundred Thousand and No/100 Dollars (\$200,000.00) from the following Key Number(s) or as otherwise determined by the Executive Director:

Fund	Key	Source	Amount	Loan No.
2130	340708	Reserves	\$58,000	9031-3055-18
2284	340902	RPTT	\$37,000	9931-3065-18
2296	340104	In-lieu	\$105,000	9931-3075-18
Total Loan Amount			\$200,000	

DULY AND REGULARLY ADOPTED by the Housing Authority of the City of Santa Rosa this 25th day of February 2019.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____
Chair

ATTEST: _____
Secretary