

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A CONDITIONAL COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$1,000,000.00 TO BURBANK HOUSING DEVELOPMENT CORPORATION FOR REHABILITATION COSTS FOR WEST AVENUE APARTMENTS, 1400 WEST AVENUE, SANTA ROSA, CALIFORNIA; APN 125-351-027

WHEREAS, the Housing Authority issued a Notice of Funding Availability (“NOFA”) on July 9, 2024, announcing approximately \$3,100,000 combined from federal, state, and local funds for acquisition, rehabilitation and new construction of affordable housing, and applications were due on August 9, 2024; and

WHEREAS, the Housing Authority received five applications requesting approximately \$4,580,000; and

WHEREAS, the five applications submitted were reviewed by a Housing Authority Ad-Hoc NOFA Application Review Committee (“Ad-Hoc”); and

WHEREAS, Burbank Housing Development Corporation submitted an application requesting \$1,000,000.00 for rehabilitation costs for 39 affordable housing units, located at 1400 West Avenue, Santa Rosa, California, APN 125-351-027 (“Project”); and

WHEREAS, Chair Newton appointed Commissioners Conte and Smith to the Ad-Hoc which met with staff on October 3, 2024 to review the applications and make a conditional funding recommendation to the Housing Authority; and

WHEREAS, following review and ranking of the funding requests, the Project received a score of 70%, and was ranked third among the applications received, resulting in a full funding recommendation by the Ad-Hoc; and

WHEREAS, the Project is exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15301, Existing Facilities; and

WHEREAS, the Project must complete a National Environmental Policy Act (“NEPA”) review to utilize federal funds.

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 and No/100 Dollars (\$1,000,000.00) for rehabilitation costs to Burbank Housing Development Corporation for the Project, 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 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, with payments from 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 that includes 9 units targeted to households with incomes up to 30% of Area Median Income ("AMI"), 1 unit targeted to households with incomes up to 50% of AMI, and 29 units targeted to households with incomes up to 60% of AMI and one unrestricted manager's unit.
7. The unit mix includes 34 two-bedroom units and 5 three-bedroom units.
8. The loan shall be due and payable in full if construction has not commenced by April 1, 2025, and is not completed by March 31, 2026, unless these dates are extended, in writing, by the Executive Director.

BE IT FURTHER RESOLVED 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.

