

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA
MODIFYING A PRIOR LOAN COMMITMENT IN THE AMOUNT OF \$3,100,000 TO
DUTTON FLATS, LP FOR ALL PROJECT COSTS FOR DUTTON FLATS, 206, 208
AND 214 WEST THIRD STREET, APNs 125-061-026, 125-061-027 and 125-061-028 –
LOAN NO. 9030-3085-18

WHEREAS, the Housing Authority issued a Focused Notice of Funding Availability (“NOFA”) on April 1, 2019, announcing approximately \$3,700,000 of local funds targeting new affordable housing projects that were also seeking competitive state funding under the 9% Tax Credit Allocation Program or the Multifamily Housing Program; and

WHEREAS, Dutton Flats, LP, submitted an application requesting \$3,100,000 for construction-related costs associated with 41 new affordable multifamily housing units, located at 206, 208 and 214 West Third Street, Santa Rosa, California, 95401, APN’s 125-061-026, 125-061-027 and 125-061-028, (the “Project”); and

WHEREAS, a NOFA Ad Hoc Committee and staff recommended funding for Dutton Flats because it best meets the selection criteria evaluation factors described in the NOFA; and

WHEREAS, the Housing Authority adopted Resolution No. 1666 on June 17, 2019, approving a conditional commitment of loan funds in the amount of \$3,100,000 to Dutton Flats, LP, for construction-related costs for Dutton Flats; and

WHEREAS, on September 25, 2019, Dutton Flats received an allocation of 9% tax credits by the California Tax Credit Allocation Committee; and

WHEREAS, on June 20, 2019, the Zoning Administrator approved Resolution No. DR19-028, approving a design review application and determining that the Project has been reviewed in compliance with the California Environmental Policy Act (“CEQA”) under California Government Code Section 65457 and Section 15182 (Residential Projects Pursuant to a Specific Plan) of the State CEQA Guidelines.

WHEREAS, on December 2, 2019, Dutton Flats, LP, requested that terms of the conditional loan commitment approved by Resolution No. 1666 be modified to 1) allow the funds to be utilized for all project costs and 2) extend the construction start and completion dates by two months to March 31, 2020, and May 31, 2021, respectively; and

WHEREAS, environmental review pursuant to the National Environmental Policy Act (“NEPA”) is not required for Dutton Flats, as there are no federal funds in the Project; and

NOW, THEREFORE, BE IT RESOLVED that the Housing Authority of the City of

Reso. No. _____

Santa Rosa hereby approves the following:

1. A commitment of loan funds in the amount of Three Million One Hundred Thousand and No/100 Dollars (\$3,100,000.00) to Dutton Flats, LP for all project costs, which include acquisition, predevelopment and/or construction 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. 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.
4. 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 through a Regulatory Agreement.
5. Affordability mix that includes 9 units targeted to households with incomes up to 30% of Area Median Income ("AMI"), 17 units targeted to household incomes up to 50% AMI, 14 units targeted to household incomes up to 60% AMI and one non-restricted manager unit.
6. The loan shall be due and payable in full if construction has not commenced by March 31, 2020, and is not completed by May 31, 2021, unless these times are extended by the Executive Director.

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 Three Million One Hundred Thousand and No/100 Dollars (\$3,100,000.00) to Dutton Flats, LP from the Key Number(s) set forth in Resolution No. 1666, or as otherwise determined by the Executive Director.

DULY AND REGULARLY ADOPTED by the Housing Authority of the City of Santa Rosa this 16th day of December 2019.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____
Chair

ATTEST: _____
Secretary