

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

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA  
APPROVING A MODIFICATION OF THE LOAN TERMS FOR THE PREVIOUSLY  
APPROVED COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$600,000.00 TO  
STONY POINT FLATS, LP FOR CONSTRUCTION-RELATED COSTS FOR STONY POINT  
FLATS APARTMENTS, 2270 STONY POINT ROAD, SANTA ROSA, CALIFORNIA; APN  
125-521-008

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, Stony Point Flats, LP (“Developer”) submitted an application requesting \$600,000.00 for construction-related costs for 49 affordable housing units, located at 2270 Stony Point Road, Santa Rosa, California, APN 125-521-008 (“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 funding recommendation to the Housing Authority; and

WHEREAS, following review and ranking of the funding requests, the Project received a score of 78%, and was ranked first among the applications received, resulting in a full funding recommendation by the Ad-Hoc; and

WHEREAS, in September 2021 the Project received Design Review Board approval and the Design Review Board adopted the Stony Point Flats Environmental Impact Report Addendum dated August 2021 which complies with the requirements of the California Environmental Quality Act (“CEQA”); and

WHEREAS, the Project does not require a National Environmental Policy Act (“NEPA”) review; and

WHEREAS, on October 28, 2024, the Housing Authority adopted Resolution 1784 awarding an additional \$600,000 to the Developer for the Project on the terms set forth therein; and

WHEREAS, the Developer has requested that the Housing Authority modify the loan

terms to increase the interest rate from 3% to 4.1%; and

WHEREAS, to expedite conversion to permanent financing, City staff recommends that the source of funds for the further advance be changed from California Department of Housing and Community Development's (HCD) Permanent Local Housing Allocation (PLHA) program. to In-Lieu Fees, a local funding source.

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 Six Hundred Thousand and No/100 Dollars (\$600,000.00) for construction-related costs to Stony Point Flats, LP for the Project, subject to the conditions and terms including but not limited to the items listed below.
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.
5. A loan term of 55 years at 4.1% simple interest per annum, with payments from residual cash receipts evidenced by a Promissory Note, 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 10 units targeted to households with incomes up to 30% of Area Median Income ("AMI"), 20 unit targeted to households with incomes up to 50% of AMI, and 19 units targeted to households with incomes up to 60% of AMI and one unrestricted manager's unit.
7. The unit mix includes 12 one-bedroom units, 24 two-bedroom units, and 13 three-bedroom units.
8. The loan shall be due and payable in full if the Developer has not completed Project construction and converted to permanent financing 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, in forms approved by Housing Authority General Counsel.

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 Six Hundred Thousand and No/100 Dollars (\$600,000.00) to Stony Point Flats, LP, from the following Key Number(s) or as otherwise determined by the Executive Director:

Source	Fund	Key	Loan No.	Amount
In-Lieu/Impact Fees	2294	340104	9931-3765-24	\$595,239.00
Housing Grant Fund	2282	340110	9931-3775-24	\$4,761.00
Total				\$600,000.00

BE IT FURTHER RESOLVED that this resolution supersedes in its entirety Resolution No. 1784 adopted by the Housing Authority on October 28, 2024.

IN HOUSING AUTHORITY DULY PASSED this 16th day of December, 2024.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_ APPROVED: \_\_\_\_\_  
Secretary Chair

APPROVED AS TO FORM: \_\_\_\_\_  
Housing Authority General Counsel