

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A CONDITIONAL COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$1,238,310 TO APPLE VALLEY OLIVE GROVE, L.P. FOR REHABILITATION COSTS FOR APPLE VALLEY SCATTERED SITES: 2820 - 2838 PAPAGO COURT, 2852 AND 2860 APPLE VALLEY LANE; 2808, 2809, 2812, 2813, 2816, 2820, 2824, 2828, 2833, AND 2841 APPLE VALLEY LANE AND 2459 AND 2501 WEST STEELE LANE; 2862 AND 2866 APPLE VALLEY LANE, 2870 AND 2874 APPLE VALLEY LANE, AND 1905 - 1985 ZINFANDEL AVENUE SANTA ROSA, CALIFORNIA; APNs 015-520-017, 015-520-035, 015-520-023, 015-520-051, 015-520-024, 015-520-025, 015-520-026, 015-520-027, 015-520-055, 015-520-042, 015-520-044, 015-520-049, 015-520-050, 015-520-038, 015-520-039, 152-110-016, AND 152-110-017

WHEREAS, the Housing Authority issued a Notice of Funding Availability (“NOFA”) on June 25, 2025, announcing approximately \$3,500,000 combined from federal, state, and local funds for acquisition, rehabilitation and new construction of affordable housing, and applications were due on July 25, 2025; and

WHEREAS, the Housing Authority received four applications requesting approximately \$5,100,000; and

WHEREAS, the four 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 \$2,000,000 for rehabilitation costs for 228 affordable housing units, located at 2820 - 2838 Papago Court, 2852 and 2860 Apple Valley Lane; 2808, 2809, 2812, 2813, 2816, 2820, 2824, 2828, 2833, and 2841 Apple Valley Lane and 2459 and 2501 West Steele Lane; 2862 and 2866 Apple Valley Lane, 2870 and 2874 Apple Valley Lane; and 1905 - 1985 Zinfandel Avenue Santa Rosa, California; APNs 015-520-017, 015-520-035, 015-520-023, 015-520-051, 015-520-024, 015-520-025, 015-520-026, 015-520-027, 015-520-055, 015-520-042, 015-520-044, 015-520-049, 015-520-050, 015-520-038, 015-520-039, 152-110-016, and 152-110-017 (“Project”); and

WHEREAS, Vice-Chair Downey and Commissioner Cappio were appointed to the Ad-Hoc which met with staff on August 12, August 15 and August 26, 2025, 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 72%, and was ranked fourth among the applications received, resulting in a partial 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 Two Hundred Thirty-Eight Thousand Three Hundred Ten and No/100 Dollars (\$1,238,310.00) for rehabilitation costs to Apple Valley Olive Grove, L.P. 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 48 units targeted to households with incomes up to 30% of Area Median Income (“AMI”), 1 unit targeted to households with income up to 35% of AMI, 1 unit targeted to households with income up to 40% of AMI, 63 units targeted to households with incomes up to 50% of AMI, and 115 units targeted to households with incomes up to 60% of and four unrestricted manager’s units.
7. The unit mix includes 12 zero-bedroom units, 25 one-bedroom units, 144 two-bedroom units, 49 three-bedroom units and 2 four-bedroom units.
8. The loan shall be due and payable in full if construction has not commenced by July 1, 2026, and is not completed by February 29, 2028, 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.

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 One Million Two Hundred Thirty-Eight Thousand Three Hundred Ten and No/100 Dollars (\$1,238,310.00) to Apple Valley Olive Grove, L.P., from the following Key Number(s) or as otherwise determined by the Executive Director:

Source	Fund	Key	Loan No.	Amount
Community Development Block Grant (CDBG)	2280	340302	9929-3885-25	\$1,082,310
HOME	2293	340105	9929-3905-25	\$156,000
Total				\$1,238,310

IN HOUSING AUTHORITY DULY PASSED this 22nd day of September, 2025.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____ APPROVED: _____
Secretary Chair

APPROVED AS TO FORM: _____
Authority General Counsel