

RESOLUTION NO. 2010-005

Adopted by the Redevelopment Agency
of the City of Sacramento

January 12, 2010

NORWOOD AVENUE APARTMENTS: APPROVAL OF \$1,250,000 LOAN COMMITMENT (REDEVELOPMENT PROJECT AREA FUNDS); REALLOCATION OF \$333,000 OF REDEVELOPMENT PROJECT AREA FUNDS; CONSOLIDATION AND RESTRUCTURING OF OUTSTANDING LOANS AND ASSUMPTION OF OBLIGATIONS BY NORWOOD HOUSING ASSOCIATES, L.P., OR RELATED ENTITY; TRANSFER OF PROPERTY TO NORWOOD HOUSING ASSOCIATES, L.P. OR RELATED ENTITY; EXECUTION OF LOAN COMMITMENT AND RELATED DOCUMENTS; EXECUTION OF OWNER PARTICIPATION AGREEMENT AND RELATED DOCUMENTS WITH NORWOOD HOUSING ASSOCIATES, L.P., OR RELATED ENTITY

BACKGROUND

- A. Norwood Housing Associates, L.P., has applied for an Agency Loan in the amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) of Tax Increment (TI) funds, comprised of Four Hundred Twelve Thousand Six Hundred Eighty Dollars (\$412,680) of Alkali Flat Low/Moderate TI Set-aside tax-exempt bond funds and Eight Hundred Thirty-seven Thousand Three Hundred Twenty Dollars (\$837,320) of North Sacramento Low/Moderate TI Set-aside tax-exempt bond funds, to assist in the acquisition and rehabilitation of the 28-unit Norwood Avenue Apartments ("Project");
- B. The Agency desires to utilize Alkali Flat and North Sacramento Redevelopment Project Area funds for the development of the Project;
- C. The Agency finds that the Project, which is located in the Del Paso Heights Project Area and within the City's jurisdiction, will eliminate blight, promote affordable housing, and preserve the community's supply of low income housing available at an affordable housing cost to persons that are very low and low income households which will be of benefit to Project Areas;
- D. The Agency finds that the TI set-aside funds used to fund the Project are needed to make the housing units affordable, and it is not economically feasible to provide the artwork. Therefore, the project is not required to provide Art in Public Places;
- E. The Project currently has three Agency loans outstanding: (1) a TI and Community Development Block Grant (CDBG) loan of \$215,000 plus accrued interest; (2) a CDBG loan of \$190,100 with no accrued interest; and (3) accrued interest of \$38,740 on a TI loan of which the original principal balance of \$596,000 has been paid off;
- F. The original Agency signatory for the three outstanding Agency loans was the Redevelopment Agency of the City of Sacramento. In order to maintain consistency with the previous transaction, the Redevelopment Agency of the City of Sacramento will also be the Agency signatory for this transaction

- G. The Agency has determined that the project is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15310 and 15301(a) and (d) which exempts bond and loan financing and rehabilitation of existing facilities where the use remains unchanged.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

- Section 1. The proposed action is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15310 and 15301(a) and (d) which exempts bond and loan financing and rehabilitation of existing facilities where the use remains unchanged.
- Section 2. It is found and determined that the use of Project Area funds to develop the Project will improve and preserve affordable housing for very low and low income individuals in the Project Area.
- Section 3. It is found and determined that the TI housing set-aside funds that will be used for the project are needed to make the units affordable and it is not economically feasible to provide for artwork. The Project, therefore, is exempt from providing Art in Public Places.
- Section 4. The Loan Commitment, attached to and incorporated in this resolution by this reference (Exhibit A), for financing the Norwood Avenue Apartments project with Low/Mod TI Funds not to exceed \$1,250,000 is approved and the Executive Director, or her designee, is authorized to execute and transmit the Loan Commitment to Norwood Housing Associates, L.P., or related entity. The Loan is to be forgivable after satisfactory completion of the project. The Loan may be subordinated if such subordination is required to obtain primary financing.
- Section 5. The consolidation and restructuring of outstanding Agency loans in the amounts of \$215,000 principal, plus accrued interest; \$190,100 principal; and \$38,740 interest, into a deferred payment loan at 0% interest with an extended maturity date and the assumption of the obligation by Norwood Housing Associates, L.P., in order to ensure the continued viability of the development is approved. The loan may be subordinated if such subordination is required to obtain primary financing.
- Section 6. The Owner Participation Agreement ("OPA") attached to and incorporated in this resolution by this reference (Exhibit B), is approved. The Executive Director, or her designee, is authorized to execute the OPA substantially in the form attached to this resolution and execute other documents and perform other actions necessary in relation to and consistent with the OPA. Termination of past agreements and related documents, including reconveyance of associated deeds of trust, is approved.

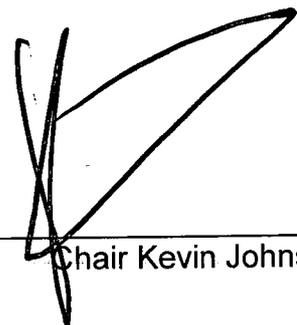
- Section 7. Reallocation of \$333,000 of North Sacramento Low/Moderate TI Housing Set-aside Tax-exempt bond funds to the Project from the Norwood Estates Project to replace City Home Investment Partnership Program (HOME) funds that are being defunded is approved and the Executive Director is authorized to amend the Agency budget.
- Section 8. Transfer of the property to Norwood Housing Associates, L.P., or related entity is approved.
- Section 9. The Executive Director, or her designee, is authorized to execute standard agency loan documents in a form approved by Agency Counsel and in accordance with the OPA, the Loan Commitment accompanying this resolution, and in accordance with all applicable laws, regulations, and policies regarding the making of the Loan and the use of the allocated funds the Project.

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- Exhibit A: Loan Commitment
Exhibit B: Owner Participation Agreement

Adopted by the Redevelopment Agency of the City of Sacramento on January 12, 2010 by the following vote:

- Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.
- Noes: None.
- Abstain: None.
- Absent: None.



Chair Kevin Johnson

Attest:


Shirley Concolino, Secretary

EXHIBIT 1
Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

All that portion of Lot 8 in Block 58 of West Del Paso Heights, according to the Amended Plat thereof, filed in the Office of the Recorder of Sacramento County, California, on December 5, 1911 in Book 12 of Maps, Map No. 52, described as follows:

Beginning at the Northwest corner of said Lot 8, being the intersection of the East line of Norwood Avenue, formerly Sully Street, with the South line of Carroll Avenue, as shown on said plat; thence from said point of beginning, along the North line of said Lot 8 and the South line of said Carroll Avenue, East 96.50 feet; thence parallel with the West line of said Lot 8 and the East line of said Norwood Avenue, South 160.00 feet; thence parallel with the North line of said Lot 8 and the South line of said Carroll Avenue, West 96.50 feet to the West line of said Lot 8 and the East line of said Norwood Avenue; thence along the West line of said Lot 8 and the East line of said Norwood Avenue, North 160.00 feet to the point of beginning.

APN: 250-0250-001-0000

Lot 106, as shown on the "Plat of Strawberry Terrace", recorded March 8, 1961 in Book 64 of Maps, Map No. 18, records of said County.

APN: 250-0314-032-0000

Date: January 12, 2010

Exhibit A

Ms. Rachel Iskow
Norwood Housing Associates, a California Limited Partnership
8001 Fruitridge Road
Sacramento, CA 95820

**RE: Norwood Avenue Apartments
Conditional funding commitment**

Dear Ms. Iskow:

On behalf of Sacramento Housing and Redevelopment Agency and the Redevelopment Agency of the City of Sacramento (together "Agency"), we are pleased to advise you of its commitment to consolidate existing Agency debt (Consolidated Loan) and to loan Redevelopment Project Area Tax Increment (TI) funds (Forgivable Loan) for the purpose of financing the acquisition and rehabilitation of that certain real property known as Norwood Avenue Apartments located at 3257 Norwood Avenue and 402 Carroll Avenue, Sacramento, California ("Property"). Agency's decision is based on your application, and all representations and information supplied by you to it. If these representations and information change in a material manner without written approval of Agency, this commitment is void. Agency's obligation to make the Loans is subject to satisfaction of all the following terms and conditions and Borrower's execution of documentation that is in a form and in substance satisfactory to the Agency.

The Loans shall be made on standard Agency loan documents. No loan terms not in this funding commitment and the attached loan document forms shall be included in the final loan documents without additional environmental review and governing board approval. In the event of any discrepancies between terms stated in this commitment and the attached loan documents, the terms stated in the loan commitment letter shall be deemed to be terms of this commitment.

Unless otherwise agreed in writing by the Agency in exercise of its absolute discretion, the following shall be considered conditions to Agency approval of a financing commitment. The Agency may, in exercise of its absolute discretion, modify its requirements upon written notice to Borrower given at least sixty days prior to close of escrow for the Property.

This commitment will expire July 31, 2010.

1. **PROJECT DESCRIPTION:** The project is the acquisition and rehabilitation of a 28-unit affordable apartment project known as Norwood Avenue Apartments located at 3257 Norwood Avenue and 402 Carroll Avenue, Sacramento, California.
2. **BORROWER:** The name of the Borrower for the Loans is Norwood Housing Associates, LP, or related entity.
3. **PURPOSE OF LOANS:** (a) The Consolidated Loan is for the purpose of consolidating the outstanding principal and interest balances of three (3) existing Agency loans on the Property;

(b) The Forgivable Loan is to be used by Borrower solely to pay the costs of acquisition and rehabilitation and for such other purposes as Agency expressly agrees to in the loan agreement for the Loan, and such other agreements as may be generally required by the Agency for the use of the funding source for the Loan.

4. PRINCIPAL AMOUNT: (a) The total principal amount of the Consolidated Loan will be equal to the combined principal and accrued interest balances of three (3) existing Agency loans on the Property on the date of closing;
(b) The total principal amount of the Forgivable Loan will be the lesser of (i) One Million Two Hundred Fifty Thousand Dollars (\$1,250,000); or (ii) an amount to be determined prior to close of the Loan based on a project budget approved by Agency.
5. TERM OF LOAN: The Loans shall mature on **September 30, 2043** to coincide with the maturity of the senior loan from the California Department of Housing and Community Development, however, the Forgivable Loan is forgivable upon satisfactory completion of the rehabilitation of the project in accordance with the terms of the Owner Participation Agreement.
6. INTEREST RATE: (a) The Consolidated Loan will accrue no interest;
(b) The Forgivable Loan will accrue simple interest at four percent (4.0%) per annum. Interest shall be calculated on the basis of a 365-day year and actual days elapsed.
7. AMORTIZATION: (a) The Consolidated Loan shall have a deferred payment with all outstanding principal and accrued interest due and payable at maturity;
(b) The Forgivable Portion is forgivable upon satisfactory completion of the rehabilitation of the project in accordance with the terms of the Owner Participation Agreement.
8. MONTHLY PAYMENT: Not applicable.
9. SOURCE OF LOAN FUNDS: Agency is making the Loan from the following sources of funds, and the Loan is subject to all requirements related to the use of such, whether Agency requirements or otherwise:

Consolidated Loan (Original sources of funds)
Community Development Block Grant (CDBG)
Redevelopment Project Area Tax Increment (TI)

Forgivable Loan
Alkali Flat Low/Moderate TI Housing Set-aside tax-exempt bond funds
North Sacramento Low/Moderate TI Housing Set-aside tax-exempt bond funds

The Loans are conditioned upon Borrower's acceptance of Agency's requirements and conditions related to such lending programs and funding sources, including among others, the required forms of agreements for the Loans; the requirements for covenants, conditions and restrictions upon the Property; and insurance and indemnity requirements.

Borrower acknowledges that, as a condition of the Agency's making of the Loans, the Property will be subject to restrictions on future sales and rentals which may

result in less income to Borrower than could otherwise be realized, and that such restrictions run with the land, and during their operational term, will bind all successors in interest.

_____ (Borrower Initial)

Borrower acknowledges that every contract for new construction or rehabilitation construction of housing that includes 12 or more units assisted with HOME funds will contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-5), to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708); (24 C.F.R. 92.354). Borrower also acknowledges that any project containing a "subsidy" may be subject to state prevailing wages, which are the responsibility of the Borrower and Borrower's contractor.

_____ (Borrower Initial)

10. ACCELERATION: Agency shall have the right to accelerate repayment of the Loan in the event of a default under any Loan Document or upon sale, transfer or alienation of the Property except as specifically provided for in the Loan documents.
11. SECURITY: The Loans shall be evidenced by promissory note(s) secured by a deed of trust with assignment of rents against the fee and/or leasehold interest in the Property and Improvements, which shall be a lien upon the Property and Improvements subject only to liens senior to the Agency's lien securing loans from Community Housing Capital, Incorporated and the California Department of Housing and Community Development (Family Housing Demonstration Program) and such other items as the Agency may approve in writing. The Loan shall also be secured by security agreements. The Agency may subordinate said deeds of trust in order to accommodate completion of rehabilitation of the Property.
12. LEASE AND RENTAL SCHEDULE: All leases of the Property and Improvements shall be subject to Agency's approval prior to execution. Rental schedules shall at all times be in conformance with the requirements of the regulatory agreements on the Property.
13. PROOF OF EQUITY: Borrower shall provide proof of equity in the Property and Improvements in the form of Operating and Replacement Reserves in the total amount of not less than \$200,000 at the time of closing, if requested by Agency.
14. OTHER FINANCING: Borrower, as a requirement of the Loan, shall procure and deliver to Agency evidence satisfactory to Agency that Borrower has obtained the following described financing which may be secured by a lien upon the Property and Improvements superior or subordinate to Agency's liens, and which shall be otherwise on terms and conditions acceptable to Agency:

- (1) Commitment for new senior permanent financing in the amount of no less than \$360,000 for a term of not less than 30 years and fully amortized;
- (2) Approval from California Department of Housing and Community Development for assumption of the existing Family Housing Demonstration Program loan in the principal amount of approximately \$1,522,000 plus accrued interest.

Such commitments for financing shall not require modification of Agency loan documents, or any term of this commitment letter.

Such commitments shall not be based upon sources and uses of Project funds that are different from those approved by Agency for the project or be subject to conditions which require amendment of the Owner Participation Agreement or other agreements.

15. EVIDENCE OF FUNDS: Prior to the first disbursement of the Loans Borrower must demonstrate evidence of adequate and assured funding to complete the development of the Project in accordance with the Agency's requirements. Borrower's evidence of available funds must include only one or more of the following: a) Borrower equity; b) firm and binding commitments for the Project from financial institution(s) or from other lender(s) approved by Agency in its absolute discretion; and c) Agency's contribution, provided, however, that Agency is not obligated by this letter to make any contribution not stated in the terms of the letter.
16. SOILS AND TOXIC REPORTS: Borrower must submit to Agency, if requested, a hazardous substances report made in accordance with the American Society for Testing and Materials "Standard Practice for Environmental Site Assessments; Phase I Environmental Site Assessment Process" (Designation E1527-93) prepared by a licensed or registered environmental engineer or other qualified party prior to Loan closing. Borrower must, as a condition of disbursement of Loan funds, give assurances satisfactory to the Agency that hazardous materials are not present on the Property or that any hazardous materials on the Property have been remediated and that no further remediation is then required by the environmental agency having responsibility for monitoring such remediation.
17. LOAN IN BALANCE: Borrower will be required to maintain the Loan is "in balance". The Loan is "in balance" whenever the amount of the undisbursed Loan funds, the remaining sums to be provided by the Borrower and the loan funds from other project lenders are sufficient, in the sole judgment of the Agency, to pay for the remainder of the work to be done on the project as required by written agreement with the Agency. Should the Agency determine that the Loan is not "in balance," the Agency may declare the Loan to be in default.
18. PLANS AND SPECIFICATIONS: Final plans and specifications, if any, for the project must be in accord with the proposal approved as part of the Loan application. Final plans and specifications will be subject to Agency's final approval prior to the disbursal of Agency Loan funds. Borrower must obtain Agency's prior written consent to any change in the approved plans and specifications or any material deviation in construction of the project.

19. ARCHITECTURAL AGREEMENT: The architectural agreement ("Agreement"), if any, for the preparation of the plans and specifications and other services shall be subject to Agency's approval. Agency may require an assignment of Borrower's interest in and to the Agreement as security for the Loan.
20. CONSTRUCTION CONTRACT: The construction contract ("Contract"), if any, and any change orders issued thereunder, and the contractor ("Contractor") to be retained by Borrower to construct the Improvements shall be subject to Agency's approval. Agency may require an assignment of Borrower's interest in and to the Contract as security for the Loans. Agency may require Contractor to provide a performance and payment bond in a form acceptable to Agency for the amount of the Contract.
21. RETENTION AMOUNT: The Agency shall retain ten percent (10.0%) as retention from each disbursement of the Forgivable Loan, not to exceed a total of ten percent (10.0%) of the total amount of the Loan.
22. COST BREAKDOWN: Borrower shall deliver to Agency for Agency's approval prior to commencement of work a detailed cost breakdown of the cost of constructing, financing and other costs of developing the Improvements, which breakdown conforms to the project plans and specifications and the budget approved with this commitment. Borrower shall also deliver a list of all contractors and subcontractors to be employed in connection with the construction of the Improvements. If required by the Agency, Borrower shall also submit copies of all bids received for each item of work to be performed as well as copies of executed contracts and subcontracts with acceptable bidders.

If required by the Agency, Borrower shall submit copies of all contracts, subcontracts, contractors, and subcontractors for approval prior to close of the Loan. Agency also reserves the right to require performance and material payment bonds on any or all contractors, or in lieu of bond a letter of credit acceptable to Agency.

Agency shall make disbursements of the Loan based on a cost breakdown that lists line items in cost categories. Agency shall require that Borrower provide documentation supporting all requests for disbursement of Loan funds, including proof of work done and actual expenditure. Agency shall conduct inspections of the Property to assure that the work was done before making a disbursement.

23. COST SAVINGS: At completion of construction, Borrower shall submit to Agency a cost certification which shall indicate the amounts actually spent for each item in the cost breakdown. If there is an aggregate savings in the total of all such cost breakdown items from the cost breakdown items in the original budget approved by the Agency, the Agency shall withhold for itself as loan repayment, one-half of such savings from the amount of retention then held by the Agency, and the Loan balance shall be reduced by the amount so withheld. The Agency, in its sole discretion, shall determine any reduction and/or repayment of the Agency loan based upon this cost certification and the original approved budget for the project.

24. START OF CONSTRUCTION: Borrower shall commence construction at the earliest possible date subject to the conditions of this Agency and other involved lenders, but no later than July 31, 2010.
25. COMPLETION OF CONSTRUCTION: Borrower shall complete the construction no later than July 31, 2011.
26. SECURITY CAMERAS AND OUTSIDE LIGHTING: Project shall include installation of a security camera system at vehicular driveways and additional exterior lighting, all as approved by the Agency.
27. HAZARD INSURANCE: Borrower shall procure and maintain fire and extended coverage insurance and during construction Builder's Risk completed value insurance, if required by Agency, in a form and substance approved by Agency. Coverage shall be for protection against loss of, or damage to the Improvements or materials for their construction to their full insurable value. Borrower shall also procure and maintain insurance against specific hazards affecting Agency's security for the Loan as may be required by Agency, governmental regulations, or any permanent lender. All such policies shall contain a standard mortgagee loss payable clause in favor of Agency. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000.00).
28. PUBLIC LIABILITY AND OTHER INSURANCE: Borrower must procure and maintain public liability and property damage insurance (with Agency named as additional insured) in a form approved by Agency. Coverage must be approved by Agency and must be in at least the following limits of liability: (1) Commercial General Liability insurance in Insurance Services Office ("ISO") policy form CG 00 01 Commercial General Liability (Occurrence) or better with limits of liability, which are not less than \$1,000,000, per occurrence limit; \$5,000,000 general aggregate limit, and \$5,000,000 products and completed operations aggregate limit, all per location of the Project; (2) Property damage liability of \$1,000,000 each occurrence, \$1,000,000 single limit and \$1,000,000 aggregate; (3) Contractual liability for Bodily Injury of \$1,000,000 each occurrence, for Property-Damage of \$1,000,000 each occurrence and \$1,000,000 aggregate, and Personal Injury with Employment Exclusion Deleted of \$1,000,000 aggregate; and (4) Comprehensive Automobile Liability for any vehicle used for or in connection with the Work of \$1,000,000. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000). Borrower must also procure and maintain workers' compensation and all other insurance required under applicable law, as required by law and as approved by Agency.
29. TITLE INSURANCE: Borrower must procure and deliver to Agency an ALTA Lender's Policy of Title Insurance, together with such endorsements as Agency may require, including but not limited to CLTA endorsement nos. 100, 116, and 102.5/102.7 insuring Agency in an amount equal to the principal amount of the Loans, that Agency's Deeds of Trust constitute liens or charges upon the Property and Improvements subject only to such items as shall have been approved by Agency. There must be no exceptions permitted for mechanics liens. Title insurance for the Loans must be issued by a title insurer approved by Agency.

30. ORGANIZATIONAL AGREEMENTS: Borrower must submit to Agency certified copies of all of Borrower's organizational documents, including all amendments, modifications or terminations: if a corporation, Borrower's Articles of Incorporation and By-Laws; if a partnership, its Partnership Agreement and, as applicable, Certificate of Limited Partnership or Statement of Partnership; if a Limited Liability Company, its Articles of Organization and its Operating Agreement; and in all cases with all exhibits and amendments to such documents, fictitious business name statements, other related filings or recorded documents and such related documents as Agency may request. If it is a corporation, Borrower must submit a corporate borrowing resolution referencing this Loan. If Borrower is other than a corporation, Borrower must submit such proof of authority to enter this Loan as may be required under the organizational documents.
31. PURCHASE OF PROPERTY: Borrower shall provide Agency with copies of all documents relating to Borrower's purchase of the Property.
32. FINANCIAL INFORMATION: During the term of the Loan, Borrower shall deliver to Agency within 120 days of the end of each fiscal year an audited income and expense statement, a balance sheet, and a statement of all changes in financial position signed by authorized officers of Borrower. Prior to close of the Loan and during its term, Borrower must deliver to Agency such additional financial information as may be requested by Agency. Agency reserves the right to review and approve financial statements and other credit information and references prior to closing. During the term of the Loan, Borrower must deliver to Agency upon request a monthly rent-roll including household composition information and operating statements with respect to the Property and Improvements.
33. MANAGEMENT AGREEMENT: Prior to execution, Borrower must submit to Agency any agreement providing for the management or operation of the Property or Improvements by a third party which agreement is subject to Agency Approval.
34. LOW INCOME HOUSING TAX CREDITS ("LIHTC"): Not applicable.
35. FEDERAL HOME LOAN BANK AFFORDABLE HOUSING GRANT: Not applicable.
36. DOCUMENTATION: This letter is not intended to describe all of the requirements, terms, conditions and documents for the Loan, which shall also include customary provisions and documents for an Agency transaction of this type. All documents to be delivered to or approved by Agency must be satisfactory to Agency in all respects. Borrower must promptly deliver to Agency any further documentation that may be required by Agency.
37. CONSISTENCY OF DOCUMENTS: As a material obligation under this commitment letter, Borrower shall assure that the loan documents for the Project are consistent with lender's commitment approved by the Agency and comply, in all respects, with this commitment letter.
38. CHANGES OR AMENDMENTS: No documents or contracts which are to be delivered to Agency or are subject to Agency's review or approval shall be modified or terminated without the prior written approval of Agency.

39. SOCIAL SERVICES PLAN: Borrower shall provide Agency with a detailed social services plan including, but not limited to, the following information: 1) identification of all entities responsible for providing social services to Project tenants and each entity's role in the provision of those services; 2) confirmation the services for Norwood Avenue Apartments and Norwood Estates together will be provided for a minimum of 17 hours per week, including a minimum of 8 hours per week of after school activities; 3) a description of the programs to be offered, and; 4) social services budget.
40. ACCEPTANCE OF THIS COMMITMENT: Borrower's acceptance of this Commitment shall be evidenced by signing and delivering to Agency the enclosed copy of this letter. Until receipt of such acceptance by Agency, Agency shall have no obligation under this letter. Agency may withdraw this commitment at any time prior to Borrower's acceptance.

Yours truly,

LaShelle Dozier
Executive Director
Sacramento Housing and Redevelopment Agency

LaShelle Dozier
Executive Director
Redevelopment Agency of the City of Sacramento

The undersigned acknowledges and accepts the foregoing Commitment and its terms and conditions.

Dated:

BORROWER:

Norwood Housing Associates, a California Limited Partnership

By: Mutual Housing Corporation,
A California Nonprofit Public Benefit Corporation
Its Managing Member

By: _____
Rachel Iskow, Executive Director