

RESOLUTION NO. 2006-317

Adopted by the Sacramento City Council

May 9, 2006

RIVERSIDE COMMONS APARTMENTS: APPROVAL OF ACQUISITION AND CONSTRUCTION LOAN; LOAN AGREEMENT AND RELATED DOCUMENTS WITH CAPITAL VALLEY INVESTMENTS OR RELATED ENTITY; RELATED BUDGET AMENDMENT

BACKGROUND

- A. Capital Valley Investments has requested allocation of Two Million Two Hundred Thousand Dollars (\$2,200,000) from City HOME Funds to the Riverside Commons Apartments project to assist in funding the costs of acquisition and construction of a 100 unit family housing project that will include 20 very low income and 80 low income units.
- B. The Riverside Commons Apartments project qualifies for HOME funding under the applicable HUD regulations.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. All of the evidence presented having duly considered, the findings, including the environmental findings regarding this action are approved.

Section 2. The Sacramento Housing and Redevelopment Agency ("Agency") is authorized to amend the Agency Budget to decrease the HOME Loan Fund by \$2,200,000 and to allocate those funds to the Riverside Commons Apartments project.

Section 3. The Loan Commitment, a copy of which is attached to the staff report that accompanies this resolution, for financing the Riverside Commons Apartments project in HOME Loan Funds in the amount of \$2,200,000 is approved and the Agency is authorized to execute and transmit the Loan Commitment to Capital Valley Investments.

Section 4. Subject to the satisfaction of conditions in the Loan Commitment, the Agency is authorized to prepare and execute all Loan documents required for making the \$2,200,000 Loan for a term of 33 years, with an interest rate of 4% (simple), and a loan repayment deferral until the beginning of the 18th year with Capital Valley Investments, or related entity to fund the acquisition and construction of the Riverside Commons Apartments.

Section 5. The Agency is authorized to enter into and execute other documents and perform other actions necessary to fulfill the intent of the staff report that accompanies this resolution, the Loan Commitment, in accordance with their respective terms, and to ensure proper repayment of the Agency funds including without limitation, subordination, extensions and restructuring of payments, all as approved by Agency Counsel.

Section 6. The Agency is authorized to make technical amendments to said agreements and documents with approval of Agency Counsel, which amendments are in accordance with the Loan Commitment, with Agency policy, with this resolution, with good legal practices for making of such a loan, and with the staff report that accompanies this resolution.

Adopted by the City of Sacramento City Council on May 9, 2006 by the following vote:

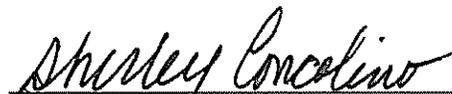
Ayes: Councilmembers Cohn, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Vice Mayor Fong.

Noes: None.

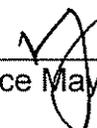
Abstain: None.

Absent: Mayor Fargo.

Attest:



Shirley Concolino, City Clerk



Vice Mayor, Robert King Fong