

RESOLUTION NO. 2006-320

Adopted by the Sacramento City Council

May 9, 2006

VALENCIA POINT APARTMENTS: APPROVAL OF \$1,000,000 LOAN; EXECUTION OF LOAN AGREEMENT AND RELATED DOCUMENTS WITH VALENCIA SACRAMENTO L.P.; RELATED BUDGET AMENDMENT

BACKGROUND

- A. Valencia Sacramento, L.P. has requested allocation of One Million Dollars (\$1,000,000) from City of Sacramento Housing Trust Funds to the Valencia Point Apartments project to assist in funding the acquisition and development of a 168 unit multifamily housing project that will include 110 very low income and 56 low income units.

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 transfer \$1,000,000 from the City Housing Trust Fund to the Valencia Point Apartments project.

Section 3. The Loan Commitment for financing the Valencia Point Apartments project with Housing Trust Funds in the amount of \$1,000,000, a copy of which is attached to the staff report that accompanies this resolution, is approved and the Agency is authorized to execute and transmit the Loan Commitment to Valencia Sacramento L.P.

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 of the \$1,000,000 Loan for a term of 28 years, with an interest rate of 4% (simple), and a loan repayment deferral until the beginning of the 18th year with Valencia Sacramento L.P. to fund the acquisition and construction of the Valencia Point 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.

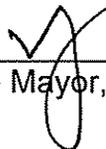
Adopted by the City of Sacramento City Council on May 9, 2006 by the following vote:

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

Noes: None.

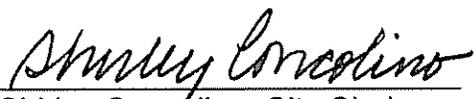
Abstain: None.

Absent: Mayor Fargo.



Vice Mayor, Robert King Fong

Attest:



Shirley Concolino, City Clerk