File #: 12-323, **Version:** 1

ADOPT: Resolution Authorizing the City Manager to Execute a HOME Investment Partnerships Program (HOME) Loan Agreement with Alameda Housing Associates, L.P., for the Financing of the Construction of an Affordable Rental Housing Project Located at 1400 San Leandro Boulevard (authorizes the execution of a $650,000 HOME loan agreement for the Cornerstone at San Leandro Crossings)

WHEREAS, the City of San Leandro (the "City") seeks development of certain real property located in the City , identified as Alameda County Assessor's Parcel No. 075-0039-007-05, and more particularly described in <u>Exhibit A</u> attached hereto (the "Property");

WHEREAS, Alameda Housing Associates, L.P., a California limited partnership ("Developer") owns or has the right to acquire the Property, and proposes to develop a 200-unit multifamily residential project (the "Project") that will include apartments or townhouses that will be rented at affordable rents to very low-, low-, and moderate-income households as more particularly described in an Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants to be recorded against the Property and the Project;

WHEREAS, pursuant to Resolution 2012-073 adopted by the City Council on June 18, 2012, the City, acting in its capacity as Successor Agency to the dissolved Redevelopment Agency of the City of San Leandro, approved an Amended and Restated Owner Participation and Loan Agreement with Developer for development of the Property, including provision of a loan to Developer in the maximum aggregate amount of Nine Million, One Hundred Thousand Dollars ($9,100,000) for predevelopment, construction and permanent financing of the Project;

WHEREAS, City is a participating jurisdiction in the Alameda County HOME Consortium and is a recipient of funds pursuant to the HOME Investment Partnership Act, established by the National Affordable Housing Act of 1990 (42 USCA §12471, *et seq.*) that are subject to certain restrictions established by the United States Department of Housing and Urban Development under 24 CFR 92;.

WHEREAS, Developer has requested a HOME loan from the City in the principal amount of Six Hundred Fifty Thousand Dollars ($650,000) for construction of the Project (the "HOME Loan");

WHEREAS, the terms and conditions of the HOME loan, including Developer's required provision of eleven (11) apartments to be rented at affordable rents to very low-income households for a minimum period of twenty (20) years, are more particularly described in a proposed Loan Agreement ("Agreement") between the City and Developer, copies of which have been provided to the City Council;

WHEREAS, Developer and City staff have negotiated the terms and conditions of the Agreement, a Regulatory Agreement ("Regulatory Agreement") which restricts rents for the HOME-assisted units in the Project, a Promissory Note ("Note") which provides for repayment of the HOME

Loan on a residual receipts basis, and a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing ("Deed of Trust") pursuant to which the City will be provided a security interest in the Project to secure repayment of the HOME Loan.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. The HOME loan, pursuant to the terms and conditions set forth in the Agreement, is hereby approved.

2. The City Manager or designee, on behalf of the City, is hereby authorized to execute and deliver the Agreement substantially in the form on file with the City Clerk.

3. The Regulatory Agreement, Note, and Deed of Trust, is hereby approved, and the City Manager or designee is hereby authorized to execute and deliver each such document to which the City is a party, substantially in the form on file with the City Clerk.

4. The City Manager or designee is hereby authorized to execute and deliver such other instruments and to take such other actions, including recordation of documents, as necessary to carry out the intent of this Resolution.