

City of San Leandro

Civic Center 835 East 14th Street San Leandro, California

Legislation Details (With Text)

File #: 20-286 Version: 1 Name: HUD CDBG FY 2019-2020 Capital Improvement

Project Contract - Reso

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In control: City Council

On agenda: 7/6/2020 **Final action:** 7/6/2020

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Title: RESOLUTION of the City of San Leandro City Council to Approve a Loan for \$143,725 from CDBG

Funds to the Building Futures for Women and Children, and to Authorize the City Manager to Execute

the Loan Agreements

Sponsors: Tom Liao

Indexes:

Code sections:

Attachments: 1. CDBG Loan Agreement BFWC FINAL 2020.06.23

Date	Ver.	Action By	Action	Result
7/6/2020	1	City Council	Adopted	Pass

RESOLUTION of the City of San Leandro City Council to Approve a Loan for \$143,725 from CDBG Funds to the Building Futures for Women and Children, and to Authorize the City Manager to Execute the Loan Agreements

WHEREAS, Saint Leander's Church owns the property located at 501 Davis Street, San Leandro, California (the "Property"); and

WHEREAS, Building Futures for Women and Children ("BFWC") leases the building where it operates the San Leandro Shelter, a 30-bed homeless shelter located on the grounds of St. Leander Catholic Church in San Leandro, that serves women and children who are homeless or victims of domestic violence; and

WHEREAS, BFWC seeks City's assistance to undertake certain capital improvements to renovate and repair the San Leandro Shelter, including replacement of the exterior ramp, stairs and entryway landing; rebuilding four bathroom shower stalls and subfloors, including the ADA shower stall; and, replacing the floors in the common area; and

WHEREAS, the City receives funds from the United States Department of Housing and Urban Development under Title I of the Housing and Community Development Act of 1974, as amended ("CDBG"), and will provide CDBG funded loans to qualified local nonprofit organizations, like BFWC, to assist such organizations with capital improvement projects, in conformance and accordance with CDBG and HUD laws and regulations; and

WHEREAS, the City Council has also determined that the improvements to be undertaken by BFWC will serve women and children who are homeless or victims of domestic violence from the San Leandro Community; and

WHEREAS, the City Council desires to provide BFWC with a forgivable loan of CDBG funds in the amount of One Hundred Forty-Three Thousand Seven Hundred Twenty-Five Dollars (\$143,725) (the "CDBG

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Loan"); and

WHEREAS, the CDBG Loan will be for ten years at three percent (3%) interest, but will be forgiven at the end of the loan term if BFWC is not in default on any of the Loan's covenants, conditions, and requirements; and

WHEREAS, because BFWC leases the Property from Saint Leander's Church and does not own the Property, the CDBG Loan cannot be secured by a deed of trust and will be an unsecured loan.

NOW THEREFORE, the City Council of the City of San Leandro hereby RESOLVES that:

- 1. The above recitals are true, correct, and a part of this Resolution.
- 2. The CDBG Loan is approved and the City Manager is authorized to execute the CDBG Loan Agreement, substantially in the form attached hereto as <u>Exhibit A</u>, after approval as to form by the City Attorney.
- 5. The City Manager, or his designee, is authorized to use Fiscal Year 2019-20 appropriated funds of \$143,725 from CDBG fund account 165-43-135-5240, to execute such documents and to take such other actions necessary to carry out the intent of this Resolution.
- 6. This Resolution takes effect immediately upon its adoption.