

RESOLUTION NO. 2003-252

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
TO APPROVE THE LOAN DOCUMENTS AND REGULATORY AGREEMENT TO
IMPLEMENT THE CITY'S FINANCIAL COMMITMENT FOR THE VINTAGE LAGUNA
SENIOR APARTMENTS PROJECT**

WHEREAS, the City of Elk Grove approved a financial commitment of \$2,036,572 in an Affordable Housing Trust Fund loan and fee exemption assistance to USA Properties Fund, Inc. for the Vintage Laguna Senior Apartments multifamily housing project on July 2, 2003; and

WHEREAS, the City of Elk Grove has recognized the need to provide housing affordable to all economic segments of the City; and

WHEREAS, the City has established an Affordable Housing Trust Fund Fee, recognizing the need for market rate residential development to pay for its proportional share of the City's affordable housing needs; and

WHEREAS, the commitment of financial resources is not a "project" subject to the California Environmental Quality Act because it is a funding mechanism having no physical effect on the environment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELK GROVE:

1. The City of Elk Grove shall loan up to \$1,750,000 to the Vintage Laguna Senior Apartments project (Funding Commitment).
2. The Administrative Services Director is authorized to transfer from the Affordable Housing Trust Fund up to \$1,750,000 to the Vintage Laguna Seniors project.
3. The City Manager is authorized to prepare and execute any and all documents required for the making of the Funding Commitment (including without limitation the documents necessary for the use of the allocated funds and the documents necessary to make, reasonably administer, and enforce the affordability requirements of the Funding Commitment, such as a Promissory Note, Affordable Housing Loan Agreement, Intercreditor and Subordination Agreement, and Regulatory Agreement; provided however that the Funding Commitment and other agreements shall be made in accordance with all applicable law, regulations, and policies regarding the making of the loan and use of the allocated funds.
4. The City Manager is authorized to make technical amendments to said agreements and documents when such amendments are in accordance

with the Funding Commitment, with City policy, with this resolution, and good legal practices for the making of such a loan.

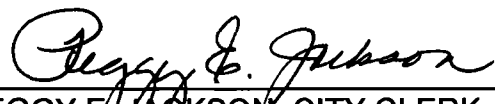
5. The Funding Commitment is contingent upon USA Properties Fund, Inc. providing or demonstrating to the satisfaction of the City:
 - a. Title Insurance,
 - b. Absence, or remediation of, any hazardous substances on the project site,
 - c. Soils report,
 - d. Development plans and color scheme; and
 - e. Organizational and financial documents of USA Properties Fund, Inc. and Laguna Senior Apartments, L.P.

PASSED AND ADOPTED by the City Council of the City of Elk Grove on this 17th day of December 2003.




SOPHIA SCHERMAN, MAYOR OF THE
CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,
CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2003-252**

**STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)**

I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on the 17th day of December 2003 by the following vote:

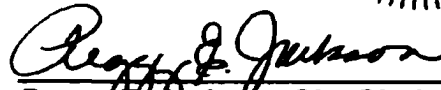
AYES 4: COUNCILMEMBERS: Scherman, Soares, Briggs, Leary

NOES 0: COUNCILMEMBERS:

ABSTAIN 0: COUNCILMEMBERS:

ABSENT 1: COUNCILMEMBERS: Cooper





**Peggy E. Jackson, City Clerk
City of Elk Grove, California**