

RESOLUTION NO. 2002-129

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE TO APPROVE A COMMITMENT OF VERY LOW INCOME HOUSING TRUST FUND, AFFORDABLE HOUSING TRUST FUND, AND INTERIM AFFORDABLE HOUSING FEE WAIVERS TO TERRACINA PARK MEADOWS PROJECT

WHEREAS, USA Properties Fund, Inc. has requested City financial assistance in support of its Terracina Park Meadows project affordable housing development;

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

WHEREAS, the Sacramento Area Council of Government's (SACOG) Regional Housing Needs Determination (RHND) process has assigned housing for new residential construction needs by income level for the City;

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

WHEREAS, the City has established a Very Low Income Housing Trust fund to collect impact fees for the very low income housing need generated by non-residential development; 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.

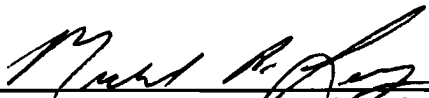
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELK GROVE:

- 1. The Administrative Services Director is authorized to transfer \$700,000 from the Very Low Income Housing Trust Fund and \$864,620 from the Affordable Housing Trust Fund to the Terracina Park Meadows project.**
- 2. Approve a loan commitment not-to-exceed \$1,050,000 and a grant not-to-exceed \$514,620 for the financing of the Terracina Park Meadows project (Funding Commitment) and direct the Administrative Services Director 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); provided, however that:**
 - a. The Funding Commitment shall be made in accordance with all**

applicable laws, regulations, and policies regarding the making of the loan and use of the allocated funds.

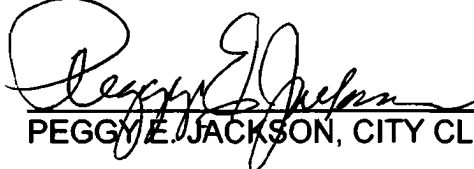
3. The Administrative Services Director is authorized to execute the Funding Commitment and to execute the loan document in a form approved by the City Council and to enter into other agreements, execute other documents (including, but not limited to, a Regulatory Agreement and/or Promissory Note), and perform other actions necessary to fulfill the intent of the staff report that accompanies this resolution, the Funding Commitment, and to ensure proper repayment of City funds, including without limitation, subordination, extensions and restructuring of payments, all as approved by City Council.
4. The Administrative Services Director is authorized to make technical amendments to said agreements and documents with the approval of City Council, which amendments are in accordance with the Funding Commitment, with City policy, with this resolution, with good legal practices for the making of such a loan and grant.
5. The Terracina Park Meadows project shall be exempt from the Interim Affordable Housing Fee, or other affordable housing fees as adopted by City Council.
6. City staff is authorized to request that the Sacramento Housing and Redevelopment Agency commit \$600,000 of HOME Investment Partnership Funds to the Terracina Park Meadows project.

Passed and approved on this 17th day of July 2002.



MICHAEL P. LEARY, MAYOR of the
CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,
CITY ATTORNEY

AYES: Leary, Cooper, Scherman,
Briggs, Soares
NOES: None
ABSTAIN: None
ABSENT: None