The City Council of the City of Stockton (the "Council") adopted the Amended and Restated Redevelopment Plan for the North Stockton Project Area (the "Project Area") by Ordinance No. 012-04 on July 13, 2004, as amended (the "Redevelopment Plan"); and

The Redevelopment Agency of the City of Stockton (the "Agency") is vested with the responsibility pursuant to the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California) (the "Law") to implement the Redevelopment Plan in the Project Area; and

The Agency, in causing redevelopment of the Project Area, seeks to make housing available at affordable housing cost to very low, low and moderate income households; and

The Agency has established the Low and Moderate Income Housing Fund for the Project Area (the "Housing Fund") pursuant to California Health and Safety Code section 33334.3; and

Community Housing Development Group, LLC, (the "Borrower") proposes to construct an 82-unit affordable rental housing complex at 1545 Rosemarie Lane (the "Site") designed to create a community atmosphere for clients with special needs, such as the developmentally disabled and those with long-term illnesses, including on-site management (the "Development"); and

The Borrower desires to borrow from the Agency $1,900,000 from the Redevelopment Low and Moderate Income Housing Set-aside Fund (the "Agency Loan") for acquisition and pre-development activities of the Development; and

Future lenders for the Development may require subordination of the Agency loan documents to their loan; and

The Development will benefit the Project Area and serve major goals and objectives of the Redevelopment Plan by increasing the amount of housing available at affordable housing cost in the community thereby decreasing the market pressure on the supply of affordable housing in the community and the Project Area and by alleviating blight in the Project Area; and

City Atty:
Review
Date February 13, 2009
The Development will be consistent with the Implementation Plan adopted by the Agency pursuant to Health and Safety Code section 33490 (the "Implementation Plan"); and

The 82-unit, $18.4 million Development combines State Department of Housing and Community Development Multi-family Housing Program Funds, California Housing Finance Agency Mental Health Services Act funds, tax exempt bonds, and low income housing tax credits with the $1,900,000 Agency funds; and

The Borrower has requested the Agency loan Redevelopment Low and Moderate Income Housing Set-aside funds to support its Multi-family Housing Program, Mental Health Services Act, and tax credit applications and meet the project gap in funding to complete the Development; and

The California Environmental Quality Act, Public Resources Code sections 2100, et. seq. (collectively “CEQA”), imposes no conditions on the Agency’s consideration and approval of this Loan, because the Development is exempt from CEQA pursuant to Section 15332 of the CEQA Guidelines; and

Forty-four (44) of the Development’s units will be applied towards meeting the City’s Price Case (Richard Price, et al. v. City of Stockton, et al. (2004) 390 F.3d 1105) settlement agreement requirement of producing housing units restricted to those with a household income of thirty percent (30%) or below Area Median Income; and

By the staff report accompanying this Resolution and incorporated into this Resolution by this reference (the “Staff Report”), the Agency has been provided with additional information upon which the findings and actions set forth in this Resolution are based; now, therefore,

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Based on information and analysis set forth in the above recitals and contained in the Staff Report, the Agency hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the Agency set forth below.

2. The Agency finds that the Agency Loan is consistent with the Implementation Plan.

3. The Agency hereby approves the Agency Loan as conditioned below.

4. The Executive Director is hereby authorized to execute all agreements and other documents, including a regulatory agreement, and take such other actions as are appropriate to carry out the intent and purpose of this Resolution. All loan documents shall be approved as to form by the City Attorney with the following terms and conditions:
a. Conditions: The Borrower must first obtain the Multi-family Housing Program funding, Mental Health Services Act funding, and be awarded 4% tax credits through the Tax Credit Allocation Committee no later than December 31, 2010.

b. Terms: Redevelopment Agency Low and Moderate Income Housing Set-aside funds will be loaned in the amount of $1,900,000 at a 5% repayment term with an interest rate of three percent (3%); if requested, the City’s loan will be in a junior position to the Multi-family Housing Program, Mental Health Services Act, and Tax Credit Allocation Committee funding; such other terms as are generally accepted by the Agency for the loan of Agency funds.

PASSED, APPROVED, and ADOPTED _______ FEB 24 2009 ________

ANN JOHNSTON, Chairperson
of the Redevelopment Agency of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
Secretary of the Redevelopment Agency