

RESOLUTION NO. 2007-106

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE TO RENEW
A FINANCIAL COMMITMENT OF EIGHT MILLION FIFTY FOUR THOUSAND SIX
HUNDRED TWENTY DOLLARS (\$8,054,620) AND THE IMPLEMENTING LOAN
DOCUMENTS AND REGULATORY AGREEMENT FOR THE STONERIDGE AT
ELK GROVE APARTMENT PROJECT**

WHEREAS, Urban Housing Communities (UHC) submitted a request for financial assistance from the City of Elk Grove for Stoneridge at Elk Grove, a proposed affordable multifamily housing project; 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 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 proposed Stoneridge at Elk Grove project would provide housing affordable to low and very low income households consistent with the intent of the Resolution establishing the Affordable Housing Fund Fee; and

WHEREAS, the proposed Stoneridge at Elk Grove project would provide housing that furthers the goals and policies of the City of Elk Grove's Housing Element; 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; and


WHEREAS, the City Council of the City of Elk Grove had previously approved a financial commitment of eight million fifty four thousand six hundred twenty dollars (\$8,054,620) and the implementing loan documents and regulatory agreement for the proposed Stoneridge at Elk Grove project on September 14, 2005 and UHC did not meet the deadline for execution of the loan documents and this previous financial commitment expired; and

WHEREAS, the City Council of the City of Elk Grove will renew the financial commitment of eight million fifty four thousand six hundred twenty dollars (\$8,054,620) and the implementing loan documents and regulatory agreement for the proposed Stoneridge at Elk Grove project as UHC remains committed to completing construction of the proposed Stoneridge at Elk Grove project;

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Elk Grove of the City of Elk Grove does hereby determine that:

1. The City of Elk Grove shall loan up to \$8,054,620 to the Stoneridge at Elk Grove project (Funding Commitment).
2. The Budget Manager is authorized to transfer from the Affordable Housing Fund up to \$8,054,620 to the Stoneridge at Elk Grove 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, and specifically including a Secured Promissory Note, Affordable Housing Loan Agreement, Regulatory Agreement, and Subordination Agreement, and Deed of Trust substantially in the form presented to the City Council May 9, 2007); 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 but non-substantive 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 Urban Housing Communities, 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, and
 - d. Organizational and financial documents of Urban Housing Communities, Inc. and UHC Elk Brown, L.P.

PASSED AND ADOPTED by the City Council of the City of Elk Grove on this 9th day May 2007.



JAMES COOPER, MAYOR of the
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:



PEGGY E. JACKSON, CITY CLERK



JONATHAN P. HOBBS,
INTERIM CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2007-106**

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 May 9, 2007 by the following vote:

AYES : COUNCILMEMBERS: Cooper, Scherman, Davis, Leary, Hume

NOES: COUNCILMEMBERS: None

ABSTAIN : COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None


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

