

RESOLUTION NO. 2016-81

**RESOLUTION OF THE BOARD OF SUPERVISORS OF NAPA COUNTY
RESERVING \$1.3 MILLION FROM THE NAPA COUNTY
AFFORDABLE HOUSING FUND TO ASSIST IN FUNDING IDAHO
PACIFIC WEST COMMUNITIES IN THE DEVELOPMENT OF
AFFORDABLE HOUSING UNITS LOCATED AT 535 COOMBSVILLE
ROAD, CITY OF NAPA**

WHEREAS, on January 31, 2006, the Napa County Board of Supervisors adopted Resolution No. 06-23, approving a loan of One Million Three Hundred Thousand Dollars (\$1,300,000) from the County of Napa Affordable Housing Fund to a local nonprofit affordable housing provider, to assist with the acquisition and predevelopment costs associated with the purchase and development of affordable housing located at 535 Coombsville Road, located within the incorporated limits of the City of Napa ("Property"); and

WHEREAS, Napa County thereafter obtained ownership of the Property when the local nonprofit affordable housing provider was unable to develop the contemplated affordable housing project due to various factors; and

WHEREAS, Idaho Pacific West Communities, Inc., an Idaho corporation ("Developer") has received entitlements and approval of a Mitigated Negative Declaration ("MND") from the City of Napa on February 16, 2016 for a 20-unit affordable housing project on the Property, with a mix of one, two and three bedroom units, and intends to receive nine percent (9%) tax credits as financing, thus allowing the project to provide some units affordable to extremely low income households; and

WHEREAS, on March 1, 2016, Napa County approved Resolution No. 2016-21 authorizing sale of the Property to Developer, upon the terms and conditions set forth in Resolution No. 2016-21, and executed a Development and Disposition Agreement ("DDA") with the Developer; and

WHEREAS, the Developer has requested additional funding in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) so that Developer's project (known as the Napa Courtyards project) can be competitive in the next nine percent (9%) tax credit round; and

WHEREAS, County is willing to contribute an additional One Million Three Hundred Thousand Dollars (\$1,300,000) from the Affordable Housing Fund to raise the tiebreaker score; and

WHEREAS, the City of Napa has adopted a MND for the project. No subsequent or supplemental environmental review is required for the County's approval of the loan commitment, in that no changes have been made in the development approved by the City; and there is no substantial evidence that any of the conditions listed in CEQA Guidelines Section 15162 exist that would require further environmental review, in that there are no changes in the project; no changed circumstances since the MND was adopted that would involve new

significant effects; and no new information that shows that the development will have significant effects not discussed in the MND.

NOW, THEREFORE, BE IT RESOLVED by the Napa County Board of Supervisors hereby reserves a total of One Million Three Hundred Thousand Dollars (\$1,300,000) from its Affordable Housing Fund to assist with the development of the project subject to the following terms and conditions:

1. All the conditions and requirements set forth in Resolution No. 2016-21 and in the DDA must be satisfied;
2. Any loans resulting from this reservation of funds may not be approved until there is confirmation that the application conforms to the County's underwriting standards and guidelines;
3. Consistent with the DDA, this reservation of funds shall expire on December 31, 2017, unless the County Executive Officer extends the reservation for up to six months, or until June 30, 2018, if, in the County Executive Officer's reasonable discretion, the Developer has made good faith progress in meeting all of the predisposition conditions. Further extensions must be approved by the Board of Supervisors;
4. A 55 year affordability covenant shall be recorded requiring that all of the units except a manager's unit must be occupied by households with incomes between 30% and 60% of annual median income.
5. The County's contribution shall be provided at close of construction financing and structured as a loan with three percent simple interest calculated annually.
6. The loan shall be evidenced by a Promissory Note and secured by a Deed of Trust and a Regulatory Agreement recorded against the Property. All documents shall be in a form acceptable to County Counsel.

BE IT FURTHER RESOLVED that the Board of Supervisors of the County of Napa hereby authorizes the Chair to execute all necessary loan documents to affect the County's loan and all related documents required for ongoing future maintenance and monitoring of the development project, in a form approved by County Counsel.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED

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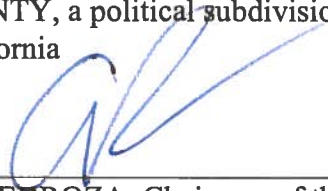
by the Napa County Board of Supervisors, State of California, at a regular meeting of the Board held on the 21st day of June, 2016, by the following vote:

AYES: SUPERVISORS WAGENKNECHT, LUCE, DILLON,
CALDWELL and PEDROZA

NOES: SUPERVISORS NONE

ABSENT: SUPERVISORS NONE

NAPA COUNTY, a political subdivision of the
State of California



ALFREDO PEDROZA, Chairman of the
Board of Supervisors

APPROVED AS TO FORM Office of County Counsel By <u>S. Darbinian</u> Deputy Date: June 17, 2016	APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS Date: June 21, 2016 Processed By:  _____ Deputy Clerk of the Board	ATTEST: GLADYS I. COIL Clerk of the Board of Supervisors By: 
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