

RESOLUTION NO. 55-24

**A RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,
AUTHORIZING A JOINT APPLICATION TO AND PARTICIPATION IN THE
HOMEKEY PROGRAM AND RATIFYING EXECUTED AMENDMENTS 2 AND 3 TO
THE PURCHASE AND SALE AGREEMENT**

WHEREAS, the Department of Housing and Community Development (“**Department**”) has issued a Notice of Funding Availability, dated March 29, 2023 (“**NOFA**”), for the Homekey Program (“**Homekey**” or “**Program**”). The Department issued the NOFA for Homekey grant funds pursuant to Health and Safety Code section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20.); and

WHEREAS, the City of Richmond (“**Applicant**”) desires to jointly apply for Homekey grant funds with 425 Civic Center LP (“**Co-Applicant 1**”), a California limited partnership in which Trinity Center Walnut Creek, a California non-profit corporation (“**Co-Applicant 2**”) serves as managing general partner and Novin Development Corp. (“**Novin**”) serves as limited partner. Therefore, Applicant is joining Co-Applicant 1 and Co-Applicant 2 in the submittal of an application for Homekey funds (“**Application**”) to the Department for review and consideration; and

WHEREAS, the Department is authorized to administer Homekey pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Homekey funding allocations are subject to the terms and conditions of the NOFA, the Application, the Department-approved STD 213, Standard Agreement (“**Standard Agreement**”), and all other legal requirements of the Homekey Program; and

WHEREAS, under authorities granted to the City Manager in Resolution No. 62-23 and Resolution No. 87-23 by the City Council, the City Manager executed Amendments 2 and 3 (incorporated by reference) to the Purchase and Sale Agreement for the City’s acquisition of the Property (PSA) to extend the due diligence period and closing date pending review of the City’s Homekey application by Department; and

WHEREAS, Department has requested some minor revisions to Resolution No. 62-23 to specifically name Co-Applicant 2 in the Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE RICHMOND CITY COUNCIL, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, THAT:

1. Applicant is hereby authorized and directed to submit a joint Application with Co-Applicant 1 and Co-Applicant 2 to the Department in response to the NOFA, and to jointly apply for Homekey grant funds in a total amount not to exceed **\$23,000,000** for the development of a permanent supportive housing project at 425 24th Street, Richmond, California (the “**Property**”) consisting of 48 units for people experiencing homelessness or at-risk of homelessness and one manager’s unit (the “**Project**”).
2. If the Application is approved, Applicant is hereby authorized and directed to enter into, execute, and deliver a Standard Agreement in a total amount not to exceed **\$23,000,000**, and any and all other documents required or deemed necessary or appropriate to secure the Homekey funds from the Department and to participate in the Homekey Program, and all amendments thereto (collectively, the “**Homekey Documents**”).
3. Applicant acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and Application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.

4. City Council acknowledges and ratifies the executed PSA Amendments 2 and 3.

5. The City Manager of the City of Richmond is authorized to execute the Application and the Homekey Documents, and any amendments or modifications thereto, on behalf of the City as Applicant for participation in the Homekey Program.

6. If the Application is approved, the City agrees to provide funding for the Project in an amount up to **\$4,900,000**, which may include capital funding and an operating subsidy, a waiver of transfer taxes, and waiver of outstanding Transient Occupancy Taxes (TOT) and late fees in an amount up to \$177,185.

7. If the Application is approved, and contingent upon City Manager approval of due diligence, the City Manager is authorized to acquire the Property and enter into a ground lease of the Property and either a lease or sale of the improvements located thereon to the Co-Applicant 1 and Co-Applicant 2 for implementation of the Project.

7. The City Manager is hereby authorized and directed to take all such other actions and to execute, acknowledge, deliver, and record such other instruments, as the City Manager may deem necessary or appropriate in order to carry out and perform the purposes and intent of the foregoing resolutions, including without limitation, loan and grant agreements, a regulatory agreement, and Project implementation agreements, including a Memorandum of Understanding with Co-Applicant 1 and Novin, a purchase and sale agreement, ground lease, and certificate of acceptance.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held June 18, 2024, by the following vote:

AYES: Councilmembers Bana, McLaughlin, Robinson, Willis, Zepeda, Vice Mayor Jimenez, and Mayor Martinez.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND

(SEAL)



Approved:

EDUARDO MARTINEZ
Mayor

Approved as to form:

DAVE ALESHIRE
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 55-24**, finally passed and adopted by the Council of the City of Richmond at a regular meeting held on June 18, 2024.

Pamela Christian, Clerk of the City of Richmond