

## RESOLUTION NO. 15-26

### A RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND AUTHORIZING THE PROVISION OF ADDITIONAL FUNDING FOR A LOAN TO 425 CIVIC CENTER LP TO PROVIDE CAPITAL SUBSIDIES FOR THE CIVIC CENTER APARTMENTS PROJECT

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**WHEREAS**, the Department of Housing and Community Development (“HCD”) issued a Notice of Funding Availability for the Homekey Program (“Homekey”) pursuant to Health and Safety Code section 50675 *et seq.*; and

**WHEREAS**, in response to an application jointly submitted by the City and 425 Civic Center LP, a California limited partnership (“Developer”), HCD awarded \$14,512,660 in Homekey funds to support the acquisition, rehabilitation, and operation of a permanent supportive housing project at 425 24<sup>th</sup> Street (the “Property”) consisting of 48 units for people experiencing homelessness or at-risk of homelessness and one manager’s unit (the “Project”) on the Property; and

**WHEREAS**, the City Council previously authorized the provision of funding for the Project via three loans, consisting of a seller carryback loan in the amount of Three Million, One Hundred Thirty-Six Thousand, Five Hundred Sixty-One Dollars (\$3,136,561) to finance Borrower's acquisition of the Improvements (the “Seller Carryback Loan”), (ii) a loan funded with City of Richmond affordable housing funds in the amount of Eight Million, Three Hundred Thousand Dollars (\$8,300,000) (the “Original Affordable Housing Funds Loan”), and (iii) a loan for Project rehabilitation and operating costs that Lender will provide using Eight Million, Two Hundred Sixty Thousand, One Hundred Sixty Dollars (\$8,260,160) in funds that Lender receives from the State Department of Housing and Community Development (“HCD”) pursuant to the Standard Agreement (defined below) (the “Homekey Loan”); and

**WHEREAS**, the provision of an operating subsidy and a capital subsidy for the Project are allowable uses of inclusionary housing and affordable housing linkage fees collected by the City and deposited into City’s Affordable Housing Fund established pursuant to Richmond Municipal Code Section 15.04.603.130 (the “Affordable Housing Fund”); and

**WHEREAS**, due to water damage and other unexpected conditions discovered on the Property during construction of the Project, additional funds are needed for rehabilitation of the Project; and

**WHEREAS**, the Developer has requested, and the City desires to provide, up to an additional Two Million Dollars from housing funds as additional principal to the Original Affordable Housing Fund Loan to be used for Project construction, which would result in a loan from the City to Developer in the amount of up to Ten Million, Three Hundred Thousand Dollars (\$10,300,000) (the “Amended Affordable Housing Funds Loan”).

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

1. The City will provide an increased loan to Developer up to an additional Two Million Dollars (\$2,000,000) to provide an increased capital subsidy for the Project, which will increase the Amended Affordable Housing Funds Loan to a total principal amount of up to Ten Million, Three Hundred Thousand Dollars (\$10,300,000) to provide a capital and operating subsidy for the Project.
2. The City Manager is hereby authorized to execute and implement amendments to the Amended Affordable Housing Funds Loan documents, which include a loan agreement, promissory note, deed of trust, and regulatory agreement, to secure the City’s interest in the Amended Affordable Housing Funds Loan and Developer’s performance of its obligations thereunder.

3. The City Manager is hereby authorized and directed to take all such actions and to execute, acknowledge, deliver, and record such instruments as the City Manager may deem necessary or appropriate in order to carry out and perform the purposes and intent of this Resolution.

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I certify that the foregoing resolution was passed and adopted by the City Council of the City of Richmond at a regular meeting thereof held on February 17, 2026, by the following vote:

AYES: Councilmembers Bana, Brown, Jimenez, Wilson, Zepeda,  
Vice Mayor Robinson, and Mayor Martinez.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

PAMELA CHRISTIAN  
CLERK OF THE CITY OF RICHMOND

Approved: (SEAL)

EDUARDO MARTINEZ  
Mayor

Approved as to form:

SHANNON MOORE  
Interim 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. 15-26**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on February 17, 2026.

  
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Pamela Christian, Clerk of the City of Richmond