

**RESOLUTION NO. 40-15**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AMENDMENT TO HOME INVESTMENT PARTNERSHIP PROGRAM AND CITY FUND LOAN AGREEMENT WITH THE RHA HOUSING CORPORATION FOR THE TRIANGLE COURT AND FRIENDSHIP MANOR RENTAL ASSISTANCE DEMONSTRATION (RAD) REHABILITATION PROJECTS FOR AN AMOUNT NOT TO EXCEED \$5,800,000**

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WHEREAS, PURSUANT TO Resolution # 87-14 dated 10/7/14 the City of Richmond pledged \$3,000,000 to the Friendship Manor and Triangle Court RAD Project to provide gap financing and fulfill prerequisites to complete the financial closing for the project; and

WHEREAS, as the RHA proceeded toward financial close, the Investor (The Richman Group) and Lender (Chase Bank) determined that additional scoping items needed to be included in the project; and

WHEREAS, the additional scope required by the Investor and Lender cost approximately \$2,800,000; and

WHEREAS, the Richmond Housing Authority (RHA) under its nonprofit affiliate, RHA Housing Corporation, has applied for and received approval of additional 4% tax credits and bond financing from the California Housing Finance agency to support the increase of funding related to the additional funding needs; and

WHEREAS, Housing and Community Development (HCD) and RHA staff in conjunction with Finance department staff have worked diligently to assess the funding needs and initiate the completion of requisite U.S. Department of Housing and Urban Development (HUD) and other requirements necessary to enter into the loan documents, including the loan agreement, regulatory agreement, promissory notes and deeds of trusts to support the additional funding request for the RAD Project; and

WHEREAS, the amount of \$2,800,000 will be added to the prior City commitment of \$3,000,000 for a total of \$5,800,000 or 17% of the total project financing in the amount of \$34,005,038; and

WHEREAS, the total City financing in the RAD Project includes, \$700,000 in Tax Increment funds \$2,800,000 in In-lieu funds and \$2,300,000 in HOME Investment Partnership Program funds to cover all existing financial gaps not covered by other sources; and

WHEREAS, by the agenda report in support of this Resolution (Agenda Report), the City Council has been provided with additional information upon which the findings and actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Richmond, California, hereby finds the above recitals are true and correct and have served, together with the Agenda Report, as the basis for the findings and actions set forth in this Resolution.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City Council hereby approves and authorizes the City Manager to negotiate and execute an amendment to the loan documents between the City and the RHA Housing Corporation including, a loan agreement, regulatory agreement, promissory notes and deeds of trusts required to effectuate the City loans for the RAD Project in an amount not to exceed \$5,800,000.

I certify that the foregoing resolution was adopted by the City Council of the City of Richmond at a regular meeting held on April 21, 2015:

AYES: Councilmembers Beckles, Martinez, McLaughlin, Pimplé, Vice Mayor Myrick, and Mayor Butt.

NOES: None.

ABSTENTIONS: None.

ABSENT: Councilmember Bates.

PAMELA CHRISTIAN  
CLERK OF THE CITY OF RICHMOND  
(SEAL)

Approved:

TOM BUTT  
Mayor

Approved as to form:

BRUCE GOODMILLER  
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. 40-15**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on April 21, 2015.