

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE LOAN DOCUMENTS BETWEEN THE CITY OF HAYWARD AND EAH, INC., IN AN AMOUNT NOT TO EXCEED TWO MILLION DOLLARS (\$2,000,000), FOR MATSYA FAMILY VILLAS LOCATED AT 22648 2ND STREET TO BUILD APPROXIMATELY FIFTY-SEVEN UNITS OF AFFORDABLE HOUSING

WHEREAS, In November 2016, Alameda County voters passed a \$580 million Countywide Housing Bond (Measure A1) which will fund countywide housing development programs, and

WHEREAS, \$425 million of the total Housing Bond is allocated to the Rental Housing Development Fund to assist in the creation and preservation of affordable rental housing for vulnerable populations and of that \$200 million is allocated as “Regional Pool” funds allocated to Alameda County regions based on a geographical allocation formula, for which the Mid-County Regional Pool allocation is approximately \$200 million, and

WHEREAS, Alameda County requires that all projects that receive funds under the Countywide Housing Bond receive local match funds and approval from the local jurisdiction, and

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects, and

WHEREAS, On June 29, 2018 EHA, Inc. (the “Developer”) submitted a proposal in response to the NOFA, and

WHEREAS, The Developer proposed to develop a 57-unit affordable rental housing project at 22648 2nd Street in the City of Hayward known as Matsya Family Villas (the “Project”), and

WHEREAS, The Project is consistent with the City’s project development guidelines as described in the NOFA, and

WHEREAS, The Developer is seeking at least \$4,700,000 of Measure A1 Bond funds, and

WHEREAS, The Developer has requested a commitment of \$2,000,000 from the City as match funds to leverage Measure A1 County Bond funds to help support the construction of 57 new affordable housing units, and

WHEREAS, Funds are available in the City's Inclusionary Housing Trust Fund to provide match funds to the project in an amount necessary to make the project eligible to compete for Mid-County Regional Pool Funds, and

WHEREAS, The Planning Commission on July 13, 2017 found that the project is categorically exempt as Infill Development (Class 32) under the City's adopted procedures for the California Environment Quality Act ("CEQA") and that no further environmental analysis is required, and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines that the Recitals above are true and correct and by this reference makes them a part hereof, and

BE IT FURTHER RESOLVED, that the City Council hereby approves a loan of up to Two Million dollars (\$2,000,000) to the Developer, or an affiliate entity approved by the City Manager, from the Inclusionary Housing Trust Fund, and

BE IT FURTHER RESOLVED, that the City Council hereby acknowledges support of the Project in its application to Alameda County for Measure A1 Regional Pool Funds, and

BE IT FURTHER RESOLVED, that the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Manager, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Manager or his or her designee determine are in the best interest of the City and the Project, and

BE IT FURTHER RESOLVED, that the loan funds shall be reserved for a period of no more that twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provide other assurances of adequate Project funding that the City Manager deems sufficient within his or her discretion, within the reservation period, and

BE IT FURTHER RESOLVED, that the City hereby authorizes the City Manager to conduct, negotiate, execute documents, and administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward