

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPROVING THE STATE OF CALIFORNIA AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM LOAN AND GRANT AGREEMENTS, APPROVING A DISBURSEMENT AGREEMENT, APPROVING AN INDEMNIFICATION AND PROJECT FUNDING AGREEMENT, RESCINDING RESOLUTION NO. 2016-07-12-1205, AND AUTHORIZING THE EXECUTION OF THE AGREEMENTS WITH VISIONARY HOME BUILDERS OF CALIFORNIA, INC., AS JOINT APPLICANTS

On January 29, 2016, the Strategic Growth Council (SGC) and the State of California Department of Housing and Community Development (Department) have issued a Notice of Funding Availability ("NOFA") under the Affordable Housing and Sustainable Communities (AHSC) Program; and

On March 16, 2016, the City and Visionary Home Builders of California, Inc., as joint applicants, submitted a AHSC Program Concept Proposal to acquire funding through the AHSC Program; and

The City is an Eligible Joint Applicant/Sponsor along with Visionary Home Builders of California, Inc. under the AHSC Program, and was awarded an AHSC Program loan in an amount not to exceed \$8,228,370 (AHSC Loan) and an AHSC Program grant in an amount not to exceed \$713,000 (AHSC Grant) as a joint applicant for an aggregate amount not to exceed \$8,941,370, under the above described NOFA; and

Pursuant to the AHSC Loan, award Vision 17 L.P., a California limited partnership, a single purpose entity formed by Visionary Home Builders of California, Inc., will be the recipient and borrower of the AHSC Loan funds; and

The City as a joint applicant shall be subject to the terms and conditions as specified in the Standard Agreement(s) authorized in 2 and 3 below and funds are to be used for allowable capital asset project expenditures to be identified in Exhibit 1 of such Standard Agreement(s); and

The application in full is incorporated as part of the Standard Agreements(s) authorized in 2 and 3 below and any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement(s); and

The City hereby agrees to use the funds for eligible capital asset(s) in the manner presented in the application as approved by the Department and in accordance with the NOFA, Program Guidelines, and application package; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council hereby authorizes and directs the City to act on its own behalf and as a joint applicant in connection with the Department's loan of AHSC funds to Vision 17, L.P., a California limited partnership (the "Borrower") pursuant to the above mentioned NOFA in an amount not to exceed \$8,228,370.

2. The City Council hereby authorizes and directs the City to act on its own behalf and as a joint applicant to enter into, execute, and deliver a State of California Standard Agreement in the amount not to exceed \$8,228,370, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of this resolution in order to evidence the AHSC Loan and all amendments thereto (collectively, the "AHSC Loan Documents").

3. The City Council hereby authorizes and directs the City, as a joint applicant, to incur an obligation for the AHSC Grant. In connection with the AHSC Grant, the City Council authorizes and directs the City as a joint applicant to enter into, execute, and deliver a State of California Standard Agreement in the amount not to exceed \$713,000, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of this resolution, in order to evidence the AHSC Grant, the City's obligations related thereto, and the Department's security therefore; including, but not limited to, a disbursement agreement, a covenant and certain other documents required by the Department as security for, evidence of or pertaining to the AHSC Grant, and all amendments thereto (collectively, the "AHSC Grant Documents").

4. The City Council authorizes the City Manager to execute the AHSC Loan Documents and the AHSC Grant Documents, otherwise known as the Standard Agreements referenced in 2 and 3 above, and any amendment or modifications thereto, on behalf of the City for itself, a copy of which is attached as Exhibit 1 and incorporated by this reference.

5. The City Council approves a Disbursement Agreement between the City of Stockton and Visionary Home Builders of California, Inc. for the Hunter Street Apartments Project, a copy of which is attached as Exhibit 2 and incorporated by this reference.

6. The City Council approves an Agreement regarding Project Funding, Project Completion, and Indemnification Agreement between the City of Stockton and Visionary Home Builders of California, Inc. for the Hunter Street Apartments Project, a copy of which is attached as Exhibit 3 and incorporated by this reference.

7. The City Council authorizes the rescission of Resolution No. 2016-07-12-1205 previously adopted by the City Council on July 12, 2016.

8. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this resolution.

PASSED, APPROVED, and ADOPTED August 21, 2018.

MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:

CHRISTIAN CLEGG, Deputy City Manager/
Interim City Clerk of the City of Stockton