

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, SUPPORTING THE HOUSING AUTHORITY OF THE CITY OF FRESNO'S SUBMISSION OF A LOW-INCOME HOUSING TAX CREDIT APPLICATION FOR THE CONSTRUCTION OF AFFORDABLE HOUSING AT 7521 N. CHESTNUT AND EXPRESSING THE CITY'S INTENT TO CONTRIBUTE TO THE PROJECT IN AN AMOUNT NOT TO EXCEED \$3,000,000 UPON FULL AWARD OF TAX CREDIT FUNDING FOR THE PROJECT

WHEREAS, the Housing Authority of the City of Fresno (Developer) desires to apply for Low-Income Housing Tax Credits (LIHTC) to develop and construct 60 units, located at 7521 N. Chestnut in Fresno, California (Project); and

WHEREAS, Developer intends to file a LIHTC application on or before the March 2022 deadline; and

WHEREAS, one of the key scoring criteria for the LIHTC application is the applicant's ability to locate and leverage affordable housing resources; and

WHEREAS, the City of Fresno (City) will not be an applicant or co-applicant with Developer's LIHTC application for the Project, but is supportive of the Project; and

WHEREAS, the City released a Notice of Funding Availability (NOFA) for HOME Investment Partnerships Program (HOME) and Permanent Local Housing Allocation (PLHA) funds on June 14, 2021, whereby the City received 11 responses by the NOFA deadline on July 16, 2021, including a response from Developer, and

WHEREAS, the City is recommending Developer for PLHA funding as a result of the City's NOFA; and

1 of 4

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:



Resolution No.

WHEREAS, the City will appropriate an amount not to exceed Three Million Dollars (\$3,000,000) in order to assist Developer's ability to obtain and leverage funding for the Project; and

WHEREAS, the City and Developer, in compliance with The California Tax Credit Allocation Committee (TCAC) regulation 10325(f)(8) intend to enter into a Funding Agreement in a total amount not to exceed Three Million Dollars (\$3,000,000) upon award of Developer's full LIHTC allocation and a showing that the Project is fully funded; and

WHEREAS, the City's commitment shall terminate if Developer's Project is not awarded its full LIHTC allocation during the March 2022 TCAC funding round.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The Council authorizes and supports Developer's LIHTC application for the Project.

2. The Council has adopted a resolution to fund the Project in an amount not to exceed Three Million Dollars (\$3,000,000). This commitment is subject to the full allocation of Tax Credits by TCAC to the Project and City's execution and recordation of one or more funding agreements, which shall be provided by City, consistent with the following terms and conditions:

- a. The terms of affordability for the units shall be no less than 55 years
- b. The loan shall be a residual receipts loan
- c. The loan shall have an interest of 3% annually
- d. The loan shall be for a term of 55 years
- e. The Project shall undergo and successfully pass underwriting

f. The Developer will ensure the appropriate number of affordable units depending on the funding source.

3. The City's commitment shall terminate if Developer's Project is not awarded its full LIHTC allocation during the March 2022 TCAC funding round.

4. This resolution is subject to all applicable City rules and regulations.

5. This resolution shall be effective upon final approval.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____, 2022.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2022
Mayor Approval/No Return: _____, 2022
Mayor Veto: _____, 2022
Council Override Vote: _____, 2022

TODD STERMER, CMC
City Clerk

BY: _____
Deputy

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

BY: _____
Tracy N. Parvanian Date
Senior Deputy City Attorney