

**RESOLUTION NO. 2008-27**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE APPROVING A FINANCIAL COMMITMENT OF ONE HUNDRED SEVENTY ONE THOUSAND DOLLARS (\$171,000) FROM THE CITY'S VERY LOW INCOME HOUSING TRUST FUND, AND AMENDING THE LOAN DOCUMENTS AND REGULATORY AGREEMENT FOR THE STONERIDGE AT ELK GROVE APARTMENT PROJECT BY UHC ELK BROWN L.P.**

**WHEREAS**, the City of Elk Grove (the "City") has recognized the need to provide affordable housing to all economic segments of the City; and,

**WHEREAS**, the City's Very Low Income Housing Trust Fund ("VLIHTF") provides financial resources to promote and assist in the development of new affordable housing in the City; and,

**WHEREAS**, the VLIHTF monies must be used to provide assistance with new rental residential development costs for very low-income housing; and,

**WHEREAS**, the Elk Grove City Council adopted on May 9, 2007 Resolution 2007-106 to authorize a loan in the amount of eight million fifty four thousand six hundred twenty dollars (\$8,054,620) to UHC Elk Brown L.P., a California limited partnership to develop Stoneridge at Elk Grove, a ninety six (96) unit affordable housing project; and,

**WHEREAS**, the developer, UHC Elk Brown, L.P., of the Stoneridge at Elk Grove project, has submitted a request to the City for \$171,000 of additional financial assistance from the City for developer expenses for fees and to help achieve financial feasibility for the project and maximize the affordability of project units; and,

**WHEREAS**, the use of the City's housing funds in the manner described below will be of benefit to the City in assisting in the development of affordable housing opportunities for low and very low-income households; and,

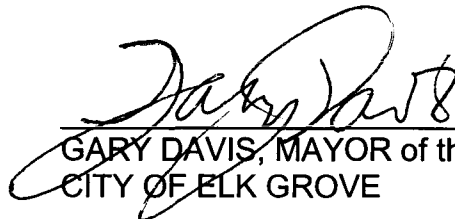
**WHEREAS**, the Stoneridge at Elk Grove project would provide housing that furthers the goals and policies of the City's General Plan Housing Element in a manner consistent with the state mandated Regional Housing Needs Allocation requirement determined by the Sacramento Area Council of Governments, for the City; and,

**WHEREAS**, the commitment of financial resources is not a "project" subject to the California Environmental Quality Act because it is a funding mechanism having no physical effect on the environment.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Elk Grove hereby approves the additional loan request for the Stoneridge at Elk Grove Apartments affordable housing development and does hereby determine that:


1. The City shall loan up to an additional ONE HUNDRED SEVENTY ONE THOUSAND DOLLARS (\$171,000) to the Stoneridge at Elk Grove Apartment Affordable Housing Project ("Funding Commitment").
2. The Director of Finance is authorized to transfer from the Very Low Income Housing Trust Fund (VLIHTF) up to ONE HUNDRED SEVENTY ONE THOUSAND DOLLARS (\$171,000) to the Stoneridge at Elk Grove Apartment Affordable Housing Project based on the disbursement schedule identified in the Amended Loan Agreement.
3. The City Manager is authorized to execute any and all documents required for the making of the Funding Commitment (including without limitation, the documents necessary for the use of the allocated funds and the documents necessary to make, reasonably administer, and enforce the affordability requirements of the Funding Commitment, such as an Amended Affordable Housing Loan Agreement, Secured Promissory Note, and Amended Deed of Trust, Regulatory Agreement (the "Loan Documents") in the same substantial form as the Loan Documents attached to the January 23, 2008 City Council staff report; provided however, that the Funding Commitment and other agreements shall be made in accordance with all applicable law, regulations, and policies regarding the making of the loan and use of the allocated funds.
4. The City Manager is authorized to make technical and other minor non-substantive amendments to the Loan Documents when such amendments are in accordance with the Funding Commitment, with City policy, with this resolution, and good legal practices for the making of such a loan.
5. The Funding Commitment is contingent upon UHC Elk Brown, L.P. providing to the satisfaction of the City, an updated title report including endorsements for the Stoneridge at Elk Grove project.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 23rd day of January 2008.

  
GARY DAVIS, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:

  
PEGGY E. JACKSON, CITY CLERK

  
SUSAN COCHRAN, CITY ATTORNEY

**CERTIFICATION  
ELK GROVE CITY COUNCIL RESOLUTION NO. 2008-27**

STATE OF CALIFORNIA       )  
COUNTY OF SACRAMENTO    )       ss  
CITY OF ELK GROVE         )


*I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on January 23, 2008 by the following vote:*

**AYES :**       **COUNCILMEMBERS:**       *Davis, Hume, Scherman, Cooper*

**NOES:**       **COUNCILMEMBERS:**       *None*

**ABSTAIN :**   **COUNCILMEMBERS:**       *None*

**ABSENT:**    **COUNCILMEMBERS:**       *Leary*

  
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**Peggy E. Jackson, City Clerk**  
**City of Elk Grove, California**

