

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
APPROVING AN AMENDMENT TO THE LOAN AGREEMENT
BETWEEN THE CITY OF SANTA CLARA AND MONROE STREET
HOUSING PARTNERS, L.P. FOR THE MONROE APARTMENTS
PROJECT LOCATED AT 2330 MONROE STREET, SANTA CLARA**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the Applicant applied for Architectural Review of a 65-unit affordable residential project for low or very-low income residences (“Project”);

WHEREAS, on January 28, 2020, the City Council approved a General Plan Amendment, Rezoning, and Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) for the proposed project at 2330 Monroe Street (“Project Site”);

WHEREAS, on February 5, 2020, the Architectural Committee approved the project’s application;

WHEREAS, on April 1, 2022, the parties entered into a Loan Agreement in the amount of \$6.5 million to provide financial assistance for the development of the project;

WHEREAS, the Loan Agreement contemplates that implementation of the Project will require a myriad of permits, approvals, entitlements, agreements, permits to enter, utility services, subdivision maps, building permits, and other authorizations in order to implement the Project, including but not limited to an amendment to the Loan Agreement, Deed of Trust, Promissory Note, Affordable Housing Agreement and Regulatory Agreement (together, the “Project Documents”);

WHEREAS, City staff have determined that the City’s existing infrastructure would not support the fire suppression demand if a fire were to occur during peak water usage times once the affordable housing development is placed in service, and that a water main upsize for health and safety purposes is required;

WHEREAS, the parties desire to amend the original loan agreement to increase the loan

amount by up to \$3.0 million to support funding the upgrade of approximately 1,860 lineal feet of water main to support the construction of a residential affordable housing project at 2330 Monroe Street;

WHEREAS, the Project Documents, including the amendment to the Loan Agreement, will help address the City's housing needs at a broad range of income levels by providing the City with 65 housing units, of which 100% will be affordable to households with Area Median Income (AMI) levels ranging from 25% to 80% AMI; and,

WHEREAS, on November 1, 2022, the City Council conducted a duly noticed public hearing, at which time all interested persons were invited to provide testimony and evidence, both in support of and in opposition to the proposed amendment to the Loan Agreement.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.
2. That the City Council hereby approves and authorizes the City Manager to execute the amendment to the Loan Agreement, substantially in the form attached hereto as Exhibit "Term Sheet for Amendment #1 to Loan Agreement," subject to such minor and clarifying changes consistent with the terms thereof as may be approved by the City Attorney prior to execution thereof.
3. That this Resolution, including Amendment #1 to the Loan Agreement approval described in Section 2 above, is based on the findings set forth above.
4. That the City Manager and/or designee is hereby authorized and directed to perform all acts to be performed by the City in the administration of Amendment #1 to the Loan Agreement pursuant to the terms of the negotiated Term-sheet. The City Manager is further authorized and directed to perform all other acts, negotiate and execute all documents (including deeds of trust, promissory notes, and affordable housing agreement) necessary or convenient to close escrow

and carry out the purposes of this Resolution and the Amendment to the Loan Agreement.

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 2022, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Term Sheet for Amendment #1 to Loan Agreement