RESOLUTION NO. 2011-03

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LEMOORE AUTHORIZING THE COMMITMENT OF A LOAN OF $2,680,000 LOW AND MODERATE INCOME HOUSING FUNDS FOR CONSTRUCTION AND DEVELOPMENT OF THE CINNAMON VILLAS AFFORDABLE HOUSING PROJECT, AND THE NEGOTIATION AND EXECUTION OF LOAN DOCUMENTS

The Board of the Redevelopment Agency of the City of Lemoore resolves, finds and determines as follows:

1. The Board authorizes and approves a loan in the amount of $2,680,000 (the "Loan") from the Agency's Low and Moderate Income Housing Fund to Pacific West Communities, Inc. (the "Developer") or its limited partnership affiliate to assist with financing the construction and development of Cinnamon Villas (the "Project"), an 80-unit low and moderate income rental housing project at the southeast corner of Fox Street and Cinnamon Drive in the City of Lemoore to meet the housing production goals for low and moderate income persons.

2. The interest on the Loan shall be 3 percent per annum and commence accruing upon disbursement of the funds to the Developer.

3. The Loan will have a term of 360 months, with all unpaid principal and interest due and payable in full at the end of the 360-month term.

4. The Loan utilize a 660-month amortization schedule.

5. The Loan shall not be disbursed to the Developer until financing has been acquired to complete the Project to the satisfaction of the Agency.

6. The Loan to the Developer will be repaid to the Agency from residual receipts of which the Agency's loan payment will be fifty percent (50%) of receipts.

7. Agency staff and legal counsel are authorized to negotiate the Loan Agreement, Note, Deed of Trust and Security Agreement and Regulatory Agreement (collectively, the "Loan Documents") in accordance with the terms listed above. The Loan Documents shall be in accordance with Health & Safety Code legal requirements and other requirements governing execution and implementation of the Loan Documents. Pacific West Communities shall fulfill all conditions with respect to the Loan Documents including successfully securing all other funding sources as set forth in the Commitment Letter. The Commitment Letter is incorporated herein by this reference. The Executive Director of the Agency is authorized and directed to execute the Loan Documents on behalf of the Agency, after consulting with Agency legal counsel, and the City Clerk, as Secretary of the

Agency, is authorized and directed to attest thereto.

8. The Executive Director, the Secretary and all other officers and employees of the Agency are further authorized and directed to execute all other documents and take all other steps necessary or appropriate to carry out the obligations of the Agency under the Loan Documents, and to finalize and carry out the intent and purposes of the Agency Board pursuant to this resolution. If the terms of the Loan Documents are not accepted by Pacific West Communities, Inc. or its limited partnership affiliate as set forth herein, this resolution shall be null and void.

9. The sum of $2,680,000 is hereby appropriated from the Agency's Low and Moderate Income Housing Fund to fund the Loan as provided in, and subject to, the Loan Documents.

Passed and adopted at a regular meeting of the Board of the Redevelopment Agency of the City of Lemoore held on March 15, 2011, by the following vote:

AYES:
NOES:
ABSTAINING:
ABSENT:

APPROVED:

_____
Willard Rodarmel, Chairman

ATTEST:

_____
Nanci C.O. Lima, Secretary

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, NANCI C.O. LIMA, Secretary of the Lemoore Redevelopment Agency, do hereby certify the foregoing resolution of the Redevelopment Agency of the City of Lemoore was duly passed and adopted at a regular meeting of the Lemoore Redevelopment Agency held on March 15, 2011.

DATED: March 16, 2011

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Nanci C.O. Lima, City Clerk/Secretary