

# Stanislaus Regional Housing Authority

*Alpine ■ Amador ■ Calaveras ■ Inyo ■ Mariposa ■ Mono ■ Stanislaus ■ Tuolumne Counties*

DATE: March 4, 2019  
TO: Board of Commissioners  
FROM: Barbara S. Kauss, Executive Director  
SUBJECT: Action Item # 1 - Consider Approving a Development Loan to Oakleaf Meadows Development  
PREPARED BY: Mary Ramirez, Asset Manager  
RESOLUTION NO: 18-19-21

## **RECOMMENDTION:**

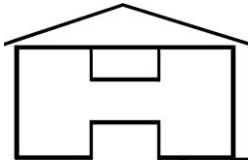
Staff recommends that the Board of Commissioners approve an affordable housing development loan for the Oak Leaf Meadows Tax Credit Development. The \$500,000 loan will be made to Oak Leaf Meadows LP for a term of eight (8) years at interest rate of three (3) %. The loan will be utilized for development expenses.

## **BACKGROUND**

Oak Leaf Meadows Tax Credit Development (Oakleaf Meadows Apartments) is being constructed by the Oakleaf Meadows Limited Partnership (LP) which consists of the Limited Liability Corporations (LLC) of Great Valley Housing Development Corporation (GVHDC) and Visionary Home Builders Inc. (VHB) Oak Leaf Meadows Apartments will be a 56-unit multi-family apartment complex serving low income families. The complex will also provide a Community Center with onsite childcare services. The land being used to construct these affordable units is owned by the Housing Authority of the County of Stanislaus (HACS) and is currently being leased to GVHDC.

The bid for construction was issued in December 2018 and closed in January 2019. Bid results for the construction were significantly higher than originally estimated due largely to the length of time from the initial development proforma that was prepared for the Tax Credit application in 2017. To mitigate the gap in financing the Oakleaf Meadows Partnership is requesting that the investor partners increase their contribution and is applying for an Affordable Housing Program (AHP) loan. In the interim period between obtaining the AHP loan Oakleaf Meadows LP lenders would require the Housing Authority to provide a letter of assurance until the AHP loan has closed. Oakleaf Meadows LP is also requesting a \$500,000 loan from the Housing Authority for a period of eight (8) years and at an interest rate of three (3)% to move forward with this project. the \$500,000 loan would include the \$400,000 short term loan that was approved at the October 11,2018 board meeting via resolution 18-19-05 and is scheduled to be repaired at the Tax Credit closing on March 18, 2019.





# Stanislaus Regional Housing Authority

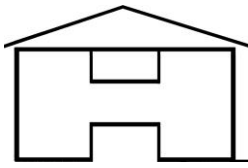
*Alpine ■ Amador ■ Calaveras ■ Inyo ■ Mariposa ■ Mono ■ Stanislaus ■ Tuolumne Counties*

Housing Authority staff is asking for the Board of Commissioners approval to loan the \$400,000 in short term loan funds back to the project and an additional \$100,000 for the total of \$500,000. The Housing Authority has loaned funds to previous Tax Credit Projects that it has been involved with. In November 2001 the Housing Authority loaned the Woodstone Tax Credit Development \$1,305,440.73 payable upon residual receipts. In March of 2007 the Housing Authority loaned Las Palmas project \$1,327,227.00 payable upon residual receipts.

## **Fiscal Impact:**

The funding is available through Local Account.





# Stanislaus Regional Housing Authority

*Alpine ■ Amador ■ Calaveras ■ Inyo ■ Mariposa ■ Mono ■ Stanislaus ■ Tuolumne Counties*

## RESOLUTION NO.18-19-21

### RESOLUTION APPROVING A DEVELOPMENT LOAN TO OAKLEAF MEADOWS DEVELOPMENT

**WHEREAS**, the Housing Authority of the County of Stanislaus, with the concurrence of the Commission, desires to approve a \$500,000 development loan to Oakleaf Meadows LP for development cost; and

**WHEREAS**, this loan to Oakleaf Meadows Development will help meet the goal of providing decent and affordable housing for the community it serves;

**NOW THEREFORE BE IT RESOLVED** by the Board of Commissioners of the Housing Authority of the County of Stanislaus, that

1. The Executive Director is hereby authorized to establish a loan with Oak Leaf Meadow from local funds in the amount of \$500,000 for a period of eight (8) years at an interest rate of three (3)%, and
2. The Executive Director is authorized to provide a letter of commitment for the Affordable Housing Program loan application amount until such loan amounts are received.
2. This Resolution shall take effect immediately.

**DULY AND REGULARLY ADOPTED** by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 4th day of March 2019.

On motion of Commissioner \_\_\_\_\_, seconded by \_\_\_\_\_, and on the following roll call vote:

AYES:

NAYS:

ABSTAIN

ABSENT:

Approved: \_\_\_\_\_ Attest: \_\_\_\_\_  
Chairperson Secretary

