



Stanislaus Regional Housing Authority

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DATE: April 10, 2025
TO: Board of Commissioners
FROM: Jim Kruse, Executive Director
SUBJECT: Action Item #1:
A RESOLUTION OF THE STANISLAUS REGIONAL HOUSING AUTHORITY (“AUTHORITY”) APPROVING AND AUTHORIZING ITS EXECUTIVE DIRECTOR OR DESIGNEE TO EXECUTE AND TAKE ALL NEEDED ACTIONS IN CONSULTATION WITH AUTHORITY’S GENERAL COUNSEL RELATIVE TO THE AMENDMENT OF THE STANISLAUS REGIONAL HOUSING AUTHORITY “SELLER CARRYBACK LOAN” DOCUMENTS TO INCREASE THE INTEREST RATE, IN CONNECTION WITH THE 1612 APARTMENTS AFFORDABLE HOUSING PROJECT.

PREPARED BY: Kim Ryan, Deputy Executive Director

RESOLUTION NO: 24-25-05

History:

Stanislaus Regional Housing Authority provided a loan in the amount of \$5,098,549 (known as the Seller Carryback loan) as part of the financing pool for the 1612 Apartments affordable housing development. This action was approved by the Board of Commissioners by Resolution 23-24-03 dated January 11th, 2024. The attached Resolution 24-25-05 is presented to the Board of Commissioners today to consider approval of an increase in the interest rate of the loan from 7.00% to 8.00% at the request of the tax credit investor.

Reason:

Staff is working on closing the Department of Developmental Services (DDS-VMRC) loan that was brought to the Board under Resolution 24-25-01 and approved January 15th, 2025. The amount of the DDS loan is \$1,600,000 \$1,400,000 will pay off the Stan Regional gap financing loan and the remaining \$200,000 will be infused into the construction budget for the project. The additional funds produced an increase to the investor’s yield that was not within the parameters of the tax credit structure. Increasing the interest rate of the Seller Carryback loan is a mechanism to maintain the investor’s yield at an acceptable level.

Recommendation:

Staff recommends approval of Resolution 24-25-05.

The Resolution authorizes the Executive Director (or designee) to take all needed action, including execution and delivery, in consultation with Housing Authority’s General Counsel relative to the Stanislaus Regional Loan Documents for the purpose of amending the interest rate from 7% to 8%.

Attachments:

Resolution 24-25-05



STANISLAUS REGIONAL HOUSING AUTHORITY

RESOLUTION NO. 24-25-05

A RESOLUTION OF THE STANISLAUS REGIONAL HOUSING AUTHORITY (“AUTHORITY”) APPROVING AND AUTHORIZING ITS EXECUTIVE DIRECTOR OR DESIGNEE TO EXECUTE AND TAKE ALL NEEDED ACTIONS IN CONSULTATION WITH AUTHORITY’S GENERAL COUNSEL RELATIVE TO THE AMENDMENT OF THE STANISLAUS REGIONAL HOUSING AUTHORITY “SELLER CARRYBACK LOAN” DOCUMENTS TO INCREASE THE INTEREST RATE IN CONNECTION WITH THE 1612 APARTMENTS AFFORDABLE HOUSING PROJECT.

WHEREAS, the Stanislaus Regional Housing Authority (the “Authority”) is authorized by Chapter 1 (commencing with Section 34200) of Part 2 of Division 24 of the Health and Safety Code of the State of California, as amended (the “Act”) to prepare, carry out, acquire, lease, finance and operate housing projects for persons of low income and to enter into agreements for the purpose of developing and providing financing for the development of multifamily rental housing facilities located within the jurisdiction of the Authority; and

WHEREAS, the Authority hereby finds and declares that it is necessary, essential and a public purpose for the Authority to Amend the Affordable Housing Loan – Seller Carryback loan documents in connection with the rehabilitation and operation of the 144-unit affordable residential rental housing project located at 1612 Sisk Road, Modesto, California (the “Project”); and

WHEREAS, Authority currently serves as the sole member and manager of Stan Regional 1612 Apartments, LLC, a California limited liability company (“LLC”), which serves as Administrative General Partner of the 1612 Apartments, L.P., a California limited partnership (“Partnership”) along with GVHDC 1612 Apartments, LLC, a California limited liability, which will serve as the Co-Administrative General Partner and Kingdom 1612, LLC, a California limited liability company, which will serve as the Managing General Partner of the Partnership; and

WHEREAS, First Amendment of Affordable Housing Loan documents have been placed on file with the Authority prior to this meeting and are available for public inspection and review; and

WHEREAS, the Authority has determined that the approval of this Resolution and the acts authorized herein is covered by the General Rule Exemption set forth in Section 15061(b)(3) of Division 6 of Title 14 of the California Code of Regulations that exempts those projects where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. As such, the approval of this Resolution is exempt from preparing an environmental document pursuant to the California Environmental Quality Act; and

WHEREAS, the Authority hereby finds and declares that this Resolution is being adopted by the Authority pursuant to the powers granted under the Act.

NOW, THEREFORE, BE IT RESOLVED by the Stanislaus Regional Housing Authority as follows:

1. The Authority hereby finds and declares that the above recitals are true and correct.
2. The Authority hereby authorizes Authority’s Executive Director or his designee to take all needed actions, including execution and delivery, in consultation with Authority’s General Counsel relative to the First Amendment of the Affordable Housing Loan – Seller Carryback Loan in connection with the 1612 Apartments Affordable Housing Project, for the purpose of acquiring, rehabilitating, maintaining, operating and financing the Project.

3. That the Executive Director is directed to prepare and file a Notice of Exemption with the County Clerk.

Passed and adopted this 10 day of April, 2025, by the following vote:

AYES:

NAYS:

ABSENT:

Carlos Estacio III, Chairperson

ATTEST:

James Kruse, Secretary/Executive Director