

Resolution No. \_\_\_\_\_

Date: \_\_\_\_\_

CONCURRENT RESOLUTION OF THE SONOMA COUNTY (COUNTY) BOARD OF SUPERVISORS AND THE SONOMA COUNTY COMMUNITY DEVELOPMENT COMMISSION (COMMISSION), IN ITS CAPACITY AS THE GOVERNING BODY OF THE SONOMA COUNTY COMMUNITY REDEVELOPMENT AGENCY, CONDITIONALLY APPROVING A \$1,175,000 REDEVELOPMENT LOW- AND MODERATE-INCOME HOUSING FUND LOAN, A \$1,465,000 COUNTY FUND FOR HOUSING (CFH) LOAN, A \$750,000 CFH-HELP SHORT-TERM LOAN, AND A \$470,000 CFH CONTINGENCY LOAN TO BURBANK HOUSING DEVELOPMENT CORPORATION TO PAY A PORTION OF THE PREDEVELOPMENT AND CONSTRUCTION COSTS FOR THE FIFE CREEK COMMONS PROJECT, MAKING CERTAIN FINDINGS RELATING TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AUTHORIZING THE COMMISSION'S EXECUTIVE DIRECTOR, SUBJECT TO COUNTY COUNSEL REVIEW AND APPROVAL AS TO FORM, TO EXECUTE LOAN DOCUMENTS AND AGREEMENTS, AND ANY FUTURE LOAN MODIFICATIONS, ASSIGNMENTS, ASSUMPTIONS, OR SUBORDINATION AGREEMENTS; AND AUTHORIZING THE COMMISSION'S EXECUTIVE DIRECTOR TO EXECUTE AND FILE NOTICES OF DETERMINATION.

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WHEREAS, on July 11, 2000, the Sonoma County Board of Supervisors (Board) established the Russian River Redevelopment Project and established the Russian River Redevelopment Oversight Committee (RRROC) to make recommendations regarding Redevelopment funding for Projects in the Redevelopment Project Area; and

WHEREAS, on August 28, 2007, the Commission approved an \$890,000 Redevelopment Low/Mod Housing fund loan to Burbank Housing Development Corporation (BHDC) to pay a portion of the site acquisition cost of Fife Creek Commons (formerly known as Guerneville Fifth and Mill), located at 14119 Mill Street and 16312 5<sup>th</sup> Street in Guerneville (Property); and

WHEREAS, the applicant, Burbank Housing Development Corp., filed an application with the Sonoma County Permit and Resource Management Department for 1) a General Plan Amendment from Urban Residential 10 units per acre to Urban Residential 15 units per acre; 2) a Zone Change on 1.71 acres from R2 (Medium Density Residential, B6-10 dwelling units per acre), F2 (Floodplain Combining District), VOH (Valley Oak Habitat) to R3 (High Density residential, B6-15 dwelling units per acre, F2 (Floodplain Combining District), VOH (Valley Oak Habitat); and 3) Design Review for a 48 unit affordable apartment complex, consisting of 36 single story flats and 12 two story townhome units; and

WHEREAS, a Mitigated Negative Declaration was prepared and posted for the proposed project in accordance with the appropriate law and guidelines; and

WHEREAS, at its regularly scheduled meeting on March 19, 2009, the Sonoma County Planning Commission, with a 5-0 vote, recommended that the Board of Supervisors approve the request; and

WHEREAS, in accordance with the provisions of law, the Board of Supervisors held a public hearing on May 5, 2009, at which time all interested persons were given an opportunity to be heard; and

WHEREAS, on May 5, 2009, the Board of Supervisors adopted Resolution No. 09-0432, which approved the project, adopted a Mitigated Negative Declaration based upon an Initial Study and a Mitigation Monitoring Program set forth in the Conditions of Approval, and certified that the Mitigated Negative Declaration had been completed, reviewed, and considered, together with comments received during the public review process, in compliance with CEQA State and County guidelines; and

WHEREAS, on July 16, 2009, the RRROC recommended Commission approval of up to an additional \$1,175,000 of Russian River Redevelopment Housing Set Aside funds to provide a loan to BHDC to pay a portion of the predevelopment and construction costs of the proposed Fife Creek Commons (FCC); and

WHEREAS, on August 28, 2007, the Board approved a \$1,110,000 County Fund for Housing (CFH) loan to BHDC to pay a portion of the site acquisition and predevelopment costs of FCC; and

WHEREAS, on July 14, 2009, the Commission's Community Development Committee recommended funding of a CFH loan of up to an additional \$1,465,000, and a CFH-HELP short-term loan of up to \$750,000, and further recommended a CFH loan of \$470,000 contingent on FCC receiving an award of low-income housing tax credits from the California Tax Credit Allocation Committee and not receiving an award of Federal Home Loan Bank Affordable Housing Program (AHP) funds in the amount of \$470,000, for BHDC to pay for a portion of the predevelopment and construction costs of the proposed FCC; and

WHEREAS, the proposed FCC will provide approximately 47 units of affordable and special needs housing in the Russian River Redevelopment Project Area, in accordance with CHF Program Guidelines and the California Community Redevelopment Law, with 17 proposed units reserved for extremely low-income special needs households, such as persons with mental disabilities and HIV/AIDS who earn less than 30% of the median area income (MAI), and 30 proposed units affordable to households who earn less than 60% of MAI, for a period of 55 years; and

WHEREAS, FCC is consistent with the Agency's Implementation Plan for the Project Area (the "Implementation Plan") and will increase the supply of low- and moderate-income housing available at an affordable housing cost within the project area; and

WHEREAS, the maximum loan-to-value ratio allowed for the \$750,000 CFH-HELP predevelopment loan is 150% of the Property's "as is" appraised value, less any existing liens recorded against the Property; and

WHEREAS, the \$1,175,000 Redevelopment loan, and the \$1,465,000 and \$470,000 CFH loans, must be fully secured by the post-construction value of the Property;

NOW, THEREFORE, BE IT RESOLVED that:

1. The foregoing recitals are true and correct.

2. The Commission has considered the Initial Study and the Mitigated Negative Declaration, and finds and determines that the Initial Study and Mitigated Negative Declaration identify and evaluate all of the potential environmental effects of the Proposed Project, and therefore, constitute an adequate, accurate, objective, and complete Mitigated Negative Declaration, and represents a good faith effort to achieve completeness and full environmental disclosure for the project. Based on the information contained in the Initial Study included in the project file, it has been determined that there will be no significant environmental effect resulting from this project, because Mitigation Measures are incorporated into the project as Conditions of Approval which avoid or substantially lessen the significant environmental effects identified in the Initial Study.
3. The Board and Commission find and determine that no substantial changes are proposed in the project which will require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; that no substantial changes have occurred with respect to the circumstances under which the project is undertaken which will require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and that no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the negative declaration was adopted, shows that the project will have one or more significant effects not discussed in the previous negative declaration.
4. The Commission hereby approves a Russian River Redevelopment Low- and Moderate-income Housing Fund loan of \$1,175,000 to Burbank Housing Development Corporation to pay a portion of the predevelopment and construction costs of the Fife Creek Commons Project, subject to the conditions contained in the loan documents and agreements executed pursuant to paragraph 6 of this Resolution.
5. The Board hereby approves a County Fund for Housing – HELP short-term loan of up to \$750,000 for predevelopment expenses, and County Fund for Housing long-term loans of \$1,465,000 and \$470,000 to Burbank Housing Development Corporation to pay a portion of the predevelopment and construction costs of the Fife Creek Commons Project, subject to: 1) the conditions contained in the loan documents and agreements executed pursuant to paragraph 6 of this Resolution, and 2) contingent upon BHDC receiving an award of low-income housing income tax credits and not receiving an award of AHP funds by August 1, 2010 for the \$470,000 CFH loan.
6. The principal amount of the CFH-HELP predevelopment loan shall not exceed 150% of the property's appraised "as is" value, less any existing liens recorded against the property.
7. The Redevelopment loan and the CFH loans are subject to the condition that the post-construction value of the Project shall fully secure the principal amount of all three loans.
8. The Board and Commission authorize the Commission's Executive Director or designee, subject to County Counsel review and approval as to form, to execute all loan documents and agreements, and any future loan modifications, assignments, assumptions, or subordination agreements consistent with and necessary to carry out the purposes of this Resolution.

9. The Board and Commission designate the Clerk of the Board as the custodian of the documents and other material which constitute the record of proceedings upon which the decision herein is based. These documents may be found at the office of the Clerk of the Board, 575 Administration Drive, Room 100-A, Santa Rosa, California 95403.
10. The Executive Director of the Commission is authorized and directed to execute and file Notices of Determination on behalf of the Board and the Commission.

COMMISSIONERS:

BROWN\_\_\_\_\_KERNS\_\_\_\_\_ZANE\_\_\_\_\_CARRILLO\_\_\_\_\_KELLEY\_\_\_\_\_

AYES\_\_\_\_\_NOES\_\_\_\_\_ABSTAIN\_\_\_\_\_ABSENT\_\_\_\_\_

SUPERVISORS:

BROWN\_\_\_\_\_KERNS\_\_\_\_\_ZANE\_\_\_\_\_CARRILLO\_\_\_\_\_KELLEY\_\_\_\_\_

AYES\_\_\_\_\_NOES\_\_\_\_\_ABSTAIN\_\_\_\_\_ABSENT\_\_\_\_\_

SO ORDERED.