



INVESTING IN COMMUNITIES

**NOTICE OF SPECIAL MEETING**  
**Sacramento Housing and Redevelopment  
Commission**

**Monday, July 1, 2013 – 12:00 pm**  
**801 12<sup>th</sup> Street Sacramento, CA**

**ROLL CALL**

**APPROVAL OF AGENDA**

**CITIZENS COMMENTS**

1. While the Commission welcomes and encourages participation in the Commission meetings, it would be appreciated if you would limit your comments to three minutes so that everyone may be heard. Please fill out a speaker card and present it to the Agency Clerk if you wish to speak under Citizen Comments or on a posted agenda item. Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public at this time. Commission attendees are requested to silence any cell phones or pagers that they have in their possession.

**CONSENT ITEMS**

2. Approval of Agency Loan Commitment for the Sutterview Senior Apartments

**ITEMS AND QUESTIONS OF  
COMMISSION MEMBERS**

**ADJOURNMENT**

Staff reports are available for public review on the Agency's website [www.shra.org](http://www.shra.org) and include all attachments and exhibits. Hard copies are available at the Agency Clerk's office (801 12<sup>th</sup> Street) for 10 cents per page. A copy of materials for this agenda will be available at the meeting for public review. **Assistance for the Disabled:** Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Agency Clerk at (916) 440-1363 at least 48 hours prior to the meeting.



July 1, 2013

Sacramento Housing and Redevelopment Commission  
Sacramento, California

Honorable Members in Session:

**SUBJECT** Approval of Agency Loan Commitment for the Sutterview Senior Apartments

**RECOMMENDATION**

Staff recommends adoption of the attached resolution which: a) approves a \$5,725,000 seller carry-back loan for the financing of the acquisition of the improvements and the leasehold of the Sutterview Apartments Project and authorizes the Executive Director to execute and transmit the Loan Commitment to the SHARP/Bridge LLC or related tax credit entity, b) authorizes the Agency to enter into and execute other documents as approved to form by Agency Counsel, and perform other actions necessary to fulfill the intent of the Loan Commitment in accordance with its terms, and to ensure proper repayment of the Agency funds including without limitation, subordination, extensions, and restructuring of such a loan consistent with Agency adopted policy, c) authorizes the Agency to amend its budget to receive payments in accordance with the United States Department of Housing and Redevelopment (HUD) disposition approval dated October 8, 2009, and d) approves related findings.

**CONTACT PERSONS**

Bern Wikhammer, Senior Management Analyst, 440-1368

**SUMMARY**

On March 10, 2009, the Housing Authority adopted a resolution approving the disposition and transfer of Sutterview Apartments. The purpose of the disposition and transfer is to preserve the affordability of the former public housing units. Rehabilitation of the property and stabilization of operations were no longer feasible in the current realities of the HUD funding environment. The authorization required approval by HUD and certain other conditions that had to be met including, but not limited to, tenant protections and the award of vouchers. All of these conditions have been satisfied and a tax credit entity formed between Sacramento Housing Authority Repositioning Program Inc. (SHARP), an instrumentality of the Housing Authority, and BRIDGE Housing Corporation (BRIDGE), its Developer partner. SHARP/BRIDGE is ready to submit its application to the California Tax Credit Allocation Committee.

The March 2009 resolution was approved assuming that the Housing Authority would transfer the property for a nominal amount. However, the current transaction as

structured requires that the purchase of the improvements and leasehold be for fair market value resulting in an unanticipated additional benefit to the Housing Authority.

The Sacramento Housing and Redevelopment Agency (Agency) is proposing to assist with a seller carry-back loan of \$5,725,000 (the fair market value of the improvements). The project will permit rehabilitation and modernization of the existing units. The Loan Commitment to the Project is conditioned upon the award of the nine percent tax credits.

The rehabilitation of the Project is anticipated to be funded with nine percent Low Income Housing Tax Credits and permanent financing. The Low Income Housing Tax Credits, conventional Bank loan, and Agency carry-back loan together will ensure that 76 of the existing 77 units (excluding a resident manager's unit) will be completely rehabilitated and remain affordable to seniors including eight (8) units to seniors earning 30 percent or less of Area Median Income (AMI), 16 units to seniors earning 40 percent or less of AMI, and 52 units to seniors earning 50 percent or less of AMI.

The recommended actions are consistent with, and intended to further, the authorizations and approvals of the Housing Authority of the City of Sacramento and the United States Department of Housing and Urban Development in regard to the disposition, transfer, rehabilitation and operation of Sutterview Apartments. Regulatory restrictions on the property are specified in a Regulatory Agreement between the Developer and the Agency. Compliance with the Regulatory Agreement will be monitored by the Agency on a regular basis.

### **FINANCIAL CONSIDERATIONS**

Staff recommends an Agency seller carry back loan of \$5,725,000. A loan commitment letter is included as Exhibit A to the attached Resolution.

### **POLICY CONSIDERATIONS**

The recommended actions are consistent with the Agency's previously approved multifamily lending and mortgage revenue bond policies and the United States Department of Housing and Urban Development.

Regulatory restrictions on the property will be specified in regulatory agreements between the Developer and the Agency for a period of 55 years. Compliance with the regulatory agreements will be monitored by the Agency on a regular basis.

### **ENVIRONMENTAL REVIEW**

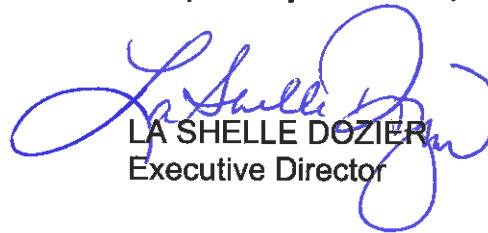
**California Environmental Quality Act (CEQA):** The actions recommended in this staff report are exempt pursuant CEQA Guidelines Section 15301 where rehabilitation to the existing facility involves no expansion or change to the existing use.

**National Environmental Policy Act (NEPA):** The proposed action is categorically excluded under the National Environmental Policy Act (NEPA) pursuant to 24 CFR Part 58.35(a)(3)(ii) and 24 CFR 58.34(a)(12) where the rehabilitation of multifamily residential units will not result in a change of density, land use and the estimated cost of rehabilitation is less than 75% of the total estimated cost of replacement after rehabilitation.

**M/WBE AND SECTION 3 CONSIDERATIONS**

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent applicable.

Respectfully submitted,



LA SHELLE DOZIER  
Executive Director

**Attachments**

- |   |                 |        |
|---|-----------------|--------|
| 1 | Resolution      | pg. 4  |
| 2 | Project Summary | pg. 14 |
| 3 | Project Map     | pg. 15 |

## RESOLUTION NO. SHRC-\_\_\_\_\_

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

**July 1, 2013**

### **SUTTERVIEW SENIOR APARTMENTS PROJECT (2526 L STREET): AUTHORIZING A \$5,725,000 SELLER CARRY-BACK LOAN COMMITMENT FOR THE IMPROVEMENTS AND LEASEHOLD AT FAIR MARKET VALUE; EXECUTION OF COMMITMENT AND RELATED DOCUMENTS WITH SHARP/BRIDGE, LLC, OR RELATED TAX CREDIT ENTITY; RELATED BUDGET AMENDMENT**

**WHEREAS**, the Housing Authority of the City of Sacramento adopted Resolution No. 2009-003 on March 10, 2009 which authorized an application to the United States Department of Housing and Urban Development (HUD) for disposition of Sutterview Apartments at 2526 L Street, Sacramento;

**WHEREAS**, said resolution also authorized the transfer of ownership of Sutterview Apartments to an instrumentality of the Housing Authority for ultimate further transfer to an entity that can benefit from the use of low-income housing tax credits to accomplish the necessary renovations to Sutterview;

**WHEREAS**, HUD approved the disposition of Sutterview and the instrumentality and entity have been established and are ready to apply for to the California Tax Allocation Committed for tax credits;

**WHEREAS**, the actions contemplated by this resolution are exempt from the California Environmental Quality Act (CEQA) pursuant CEQA Guidelines Section 15301 where rehabilitation to the existing facility involves no expansion or change to the existing use. These actions are also exempt pursuant to the National Environmental Policy Act (NEPA) pursuant to 24 CFR § 58.35(a)(3)(ii) and 24 CFR 58.34(a)(12).

**NOW, THEREFORE, BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:**

Section 1. All of the evidence having been duly considered, the findings, including the environmental findings, as stated above, are approved.

Section 2. The Loan Commitment, attached as (Exhibit A), for financing the acquisition of the improvements and leasehold at 2526 L Street for \$5,725,000, is approved, and the Executive Director is authorized to execute and transmit the Loan Commitment to the SHARP/Bridge LLC.

Section 3. The Executive Director, or her designee, is authorized to enter into and execute other documents, as approved to form by Agency Counsel, and perform other actions necessary to fulfill the intent of the Loan Commitment that accompanies this resolution, in accordance with its terms, and to ensure proper repayment of the Agency funds including without limitation, subordination, extensions, and restructuring of such a loan consistent with Agency adopted policy and with this resolution.

Section 4. The Agency is authorized to amend the Agency budget to receive and allocate payments to the Housing Authority of the City of Sacramento for use in a manner consistent with the United States Department of Housing and Urban Development Disposition Approval dated October 8, 2009

**Table of Contents:**  
Exhibit A - Commitment Letter

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CHAIR

ATTEST:

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CLERK



## EXHIBIT A

INVESTING IN COMMUNITIES

July 1, 2013

### **A Joint Powers Agency**

#### MEMBERS

City of Sacramento

County of Sacramento

Housing Authority of the  
City of Sacramento

Housing Authority of the  
County of Sacramento

James Shields, President  
Sacramento Housing Authority Repositioning Program, Inc.  
801 12<sup>th</sup> Street, 5<sup>th</sup> Floor  
Sacramento, CA 95814

Ann Silverberg, Senior Vice President  
BRIDGE Housing Corporation  
345 Spear Street, 7<sup>th</sup> Floor  
San Francisco, CA 94105

### **Re: Conditional Funding Commitment Sutterview Senior Apartments, 2526 L Street, Sacramento, CA**

Dear Mr. Shields and Ms. Silverberg:

On behalf of the Housing Authority of the City of Sacramento ("Agency"), we are pleased to advise you of its commitment in the amount of \$5,725,000 in the form of a non-recourse seller carry-back loan ("Loan") to a new tax credit partnership ("Borrower"), for the purpose of financing the acquisition of improvements located at 2526 L Street in Sacramento, California ("Property") commonly known as Sutterview Senior Apartments. Agency's decision is based on your application and all representations and information supplied by you in relation to it. If these representations and information change in a material manner without written approval of Agency, this commitment is void. Agency's obligation to make the Loan is subject to the satisfaction of all the following terms and conditions and Borrower's execution of documentation in a form and substance satisfactory to the Agency.

The Loan shall be made on standard Agency loan documents. No material loan terms other than those in this funding commitment shall be included in the final loan documents without additional environmental review and governing board approval, with the exception of changes the Agency is authorized to make in accordance with the City Council Resolution 2009-003 approved on March 10, 2009. In the event of any discrepancies between terms stated in this commitment and the loan documents, the terms stated in the loan documents shall be deemed to be terms of this commitment.

Unless otherwise agreed in writing by the Agency in exercise of its absolute discretion, the following shall be considered conditions to Agency approval of its financing commitment. This commitment will expire on December 31, 2013, but can be extended per Section 38.

1. **PROJECT DESCRIPTION:** The project is the acquisition and rehabilitation of an existing occupied property located at 2526 L Street in Sacramento, California. At least eight (8) units will be affordable to qualifying seniors earning not more than 30% of the area median income (AMI), at least 16 units will be affordable to qualifying seniors earning not more than 40% of AMI, at least 52 units will be affordable to qualifying seniors earning not more than 50% of AMI, and one resident manager unit which will be unrestricted.
2. **BORROWER:** The name of the Borrower for the Loan is anticipated to be Sutterview Housing Associates, LP or a similarly named related entity in which the general partner will initially be a limited liability company comprised of SHARP and an affiliate of BRIDGE Housing Corporation.
3. **PURPOSE OF LOAN:** The Loan is to be used by Borrower solely for financing the acquisition of improvements and leasehold on the Property.
4. **PRINCIPAL AMOUNT:** The total principal amount of the Loan will be Five Million Seven Hundred Twenty-Five Thousand Dollars (\$5,725,000).
5. **TERM OF LOAN:** The Loan shall mature 55 years from the permanent conversion date.
6. **INTEREST RATE:** The Loan shall bear interest at the Applicable Federal Rate at the time of escrow closing. Interest shall be calculated on the basis of a 360-day year and actual days elapsed. The current indicative rate is Two and Eighty Hundredths Percent (2.80%) compounded annually.
7. **LOAN REPAYMENT:** Commencing on January 1 following the Conversion Date, annual payments of interest and principal shall be due in arrears, in an amount equal to the Residual Receipts remaining, if any, after payment of all operating expenses and priority payments as further described below; provided that the annual payments shall payable and shall be made only to the extent of Residual Receipts, if any. All unpaid principal and interest amounts due but not payable shall accrue under the Note. All payments shall be applied first to accrued interest and thereafter to principal. All outstanding principal and interest is due and payable on the maturity date.
  - a. Residual Receipts is defined as the net income remaining in the period as stated in the annual audited financial statement after payment of all approved operating expenses and priority payments due in the period.
  - b. Priority Payments are defined as replacement reserve deposits, operating reserve deposits (if any), debt service payments, any asset management and partnership management fees, deferred developer fee payments (if any), ground lease payments, and guaranty reimbursements (if any) due in the period.



8. **SOURCE OF LOAN FUNDS:** The Acquisition Loan will be financed through seller carry-back financing from the Agency. This Acquisition Loan is conditioned upon Borrower's acceptance of Agency's requirements and conditions related to its lending programs, including among others, the required forms of agreements for the Acquisition Loan; the requirements for covenants, conditions and restrictions upon the Property, including but not limited to a Use Agreement approved by the United States Department of Housing and Urban Development, which shall not be subordinated; prevailing wages, and insurance and indemnity requirements, all as mutually agreed to by Agency and Borrower.

**Borrower acknowledges that, as a condition of the Agency's making of the Loan, the Property will be subject to restrictions on future sales and rentals which may result in less income to Borrower than could otherwise be realized, and that such restrictions run with the land, and during their operational term, will bind all successors in interest.**

\_\_\_\_\_ **(Borrower Initial)**

10. **ACCELERATION:** Agency shall have the right to accelerate repayment of the Loan in the event of a default under any Loan Document or upon sale, transfer or alienation of the Property except as specifically provided for in the Loan documents.
11. **SECURITY:** The Loan shall be evidenced by a promissory note secured by a deed of trust with assignment of rents against the leasehold interest in the Improvements, which shall be a subordinate lien upon the Improvements subject only to other items as the Agency may approve in writing. The Agency may subordinate said deeds of trust in order to accommodate completion of construction of the Property and the requirements of the permanent lender.
13. **LEASE AND RENTAL SCHEDULE:** Upon request, Agency shall have the right to review all leases of the Property and Improvements prior to execution. Borrower shall not deviate from the rental schedule presented in the staff report accompanying approval of this Loan Commitment Letter for the Loan without Agency's prior written approval; provided, however, that such approval shall not be required for annual adjustments to rental rates as permitted by the California Tax Credit Allocation Committee.
14. **PROOF OF EQUITY:** Borrower shall provide proof of equity for the Property and Improvements in the approximate amounts of \$12,945,000 in Low Income Housing Tax Credit Equity and Federal Energy Credit Equity and \$3,831,000 in Bank permanent financing at a rate and terms acceptable to the Agency.
15. **OTHER FINANCING:** Borrower, as a requirement of the Loan, shall procure and deliver to Agency evidence satisfactory to Agency that Borrower has obtained the following described financing which may be secured by a lien upon the Property and Improvements superior or subordinate to Agency's liens, and which shall be otherwise on terms and conditions acceptable to Agency:

(a) As a condition precedent to closing the Agency loan, construction financing from a private lender(s) in an amount(s) sufficient to complete construction of the Property according to a scope of work as approved by Agency and made for a term not less than that specified in the Schedule of Performances for completion of construction, and in any event not less than the time necessary to fulfill all conditions precedent to funding of the permanent financing.

(b) Commitments for permanent financing sufficient to repay the construction loan. Such commitments shall not be based upon sources and uses of Project funds that are different from those approved by Agency for the project or be subject to conditions which require amendment other Agency agreements.

16. EVIDENCE OF FUNDS: Prior to closing the Loan, Borrower must demonstrate evidence of adequate and assured funding to complete the development of the Project in accordance with the Agency's requirements. Borrower's evidence of available funds must include only one or more of the following: a) Borrower equity; b) firm and binding commitments for the Project from financial institution(s) or from other lender(s) approved by Agency in its reasonable discretion; and c) Agency's contribution, provided, however, that Agency is not obligated by this letter to make any contribution not stated in the terms of the letter.
17. FINANCING IN BALANCE: Borrower will be required to maintain the financing "in balance". The financing is "in balance" whenever the amount of the undisbursed Loan funds, the remaining sums to be provided by the Borrower and the loan funds from other project lenders are sufficient, in the sole judgment of the Agency, to pay for the remainder of the work to be done on the project as required by written agreement with the Agency. Should the Agency determine that the financing is not "in balance", the Agency may declare the Loan to be in default.
18. PLANS AND SPECIFICATIONS: Final plans and specifications for the project must be in accord with the proposal approved as part of the Loan application. Final plans and specifications will be subject to Agency's final approval. Borrower must obtain Agency's prior written consent to any material change in the approved plans and specifications or any material deviation in construction of the project.
19. ARCHITECTURAL AGREEMENT: The architectural agreement ("Agreement") for the preparation of the plans and specifications and other services shall be subject to Agency's approval. Agency may require an assignment of Borrower's interest in and to the Agreement as security for the Loan which assignment would be subordinate to the assignment to the institutional lender.
20. CONSTRUCTION CONTRACT: The construction contract ("Contract"), and any change orders issued thereunder, and the contractor ("Contractor") to be retained by Borrower to construct the Improvements shall be subject to Agency's approval. Agency may require an assignment of Borrower's interest in and to the Contract as security for the Loan.

21. **RETENTION AMOUNT:** The Agency shall require that the construction lender retain ten percent (10%) as retention from each disbursement for construction related expenses, not to exceed a total of ten percent (10%) of the total amount of the construction loan.
22. **COST BREAKDOWN:** Borrower shall deliver to Agency for Agency's approval prior to commencement of work a detailed cost breakdown of the cost of constructing, financing and other costs of developing the Improvements, which breakdown conforms to the project plans and specification and the budget approved with this commitment. Borrower shall also deliver a list of all contractors and subcontractors to be employed in connection with the construction of the Improvements. If required by the Agency Borrower shall also submit copies of all bids received for each item of work to be performed as well as copies of executed contracts and subcontracts with acceptable bidders.

All contracts, subcontracts, contractors, and subcontractors shall be subject to Agency's approval prior to close of the Loan.

23. **START OF CONSTRUCTION:** Borrower shall commence construction at the earliest possible date subject to the conditions of this Agency and other involved lenders, but no later than 60 days following the close of construction financing.
24. **COMPLETION OF CONSTRUCTION:** Borrower shall complete the rehabilitation of the Improvements no later than 24 months following the close of construction financing.
25. **HAZARD INSURANCE:** Borrower shall procure and maintain fire and extended coverage insurance or in lieu of such insurance, Builder's Risk completed value insurance in a form and substance approved by Agency. Coverage shall be for protection against loss of, or damage to the Improvements or materials for their construction to their full insurable value. Borrower shall also procure and maintain insurance against specific hazards affecting Agency's security for the Loan as may be required by Agency, governmental regulations, or any permanent lender. All such policies shall contain a standard mortgagee loss payable clause in favor of Agency. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000.00).
26. **PUBLIC LIABILITY AND OTHER INSURANCE:** Borrower must procure and maintain commercial general and property damage insurance (with Agency named as additional insured) in a form approved by Agency. Coverage must be approved by Agency and must be in at least the following limits of liability: (1) Commercial General Liability insurance in Insurance Services Office ("ISO") policy form CG 00 01 Commercial General Liability (Occurrence) or better with limits of liability, which are not less than \$1,000,000, per occurrence limit; \$5,000,000 general aggregate limit, and \$5,000,000 products and completed operations aggregate limit, all per location of the Project; (2) Property damage liability of \$1,000,000 each occurrence, \$1,000,000 single limit and \$1,000,000 aggregate; (3) Contractual liability for Bodily Injury of \$1,000,000 each occurrence, for Property Damage of \$1,000,000 each occurrence and \$1,000,000 aggregate, and Personal Injury with Employment Exclusion Deleted of \$1,000,000 aggregate; and (4) Comprehensive Automobile Liability for any vehicle used for or in

connection with the Work of \$1,000,000. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000). Borrower must also procure and maintain workers' compensation and all other insurance required under applicable law, as required by law and as approved by Agency.

27. TITLE INSURANCE: Borrower must procure and deliver to Agency a 2006 ALTA Policy of Title Insurance, together with such endorsements as Agency may require, including but not limited to CLTA endorsement nos. 100, 116, and /102.7 insuring Agency in an amount equal to the principal amount of the Loan, that Agency's Deed of Trust constitutes a third lien or charge upon the Property and Improvements subject only to such items as shall have been approved by Agency. There must be no exceptions permitted for mechanics liens. Title insurance for the Loan must be issued by a title insurer approved by Agency.
28. ORGANIZATIONAL AGREEMENTS: Borrower must submit to Agency certified copies of all of Borrower's organizational documents, including all amendments, modifications or terminations: if a corporation, Borrower's Articles of Incorporation and By-Laws; if a partnership, its Partnership Agreement and, as applicable, Certificate of Limited Partnership or Statement of Partnership; if a Limited Liability Company, its Articles of Organization and its Operating Agreement; and in all cases with all exhibits and amendments to such documents, fictitious business name statements, other related filings or recorded documents and such related documents as Agency may request. If it is a corporation, Borrower must submit a corporate borrowing resolution referencing this Loan. If Borrower is other than a corporation, Borrower must submit such proof of authority to enter this Loan as may be required under the organizational documents.
29. ACQUISITION OF PROPERTY: Borrower shall provide Agency with copies of all documents relating to Borrower's acquisition of the Property.
30. FINANCIAL INFORMATION: During the term of the Loan, Borrower shall deliver to Agency within 120 days of the end of each fiscal year an audited income and expense statement, a balance sheet, and a statement of all changes in financial position signed by authorized officers of Borrower. Prior to close of the Loan and during its term, Borrower must deliver to Agency such additional financial information as may be requested by Agency. Agency reserves the right to review and approve financial statements and other credit information and references prior to closing. During the term of the Loan, Borrower must deliver to Agency a monthly rent-roll including household composition information, and operating statements with respect to the Property and Improvements, as Agency may request.
31. MANAGEMENT AGREEMENT: Prior to execution, Borrower must submit to Agency any agreement providing for the management or operation of the Property or Improvements by a third party which agreement is subject to Agency Approval.
32. LOW INCOME HOUSING TAX CREDITS("LIHTC"): Borrower represents that as a condition of closing this Loan it is applying for an allocation of LIHTCs and agrees to perform all actions and to meet all requirements to maintain the LIHTC allocation if granted.

33. SECURITY AND LIGHTING: Project shall include a security camera system approved by Agency and lighting adequate to properly illuminate the parking area and all common spaces. In addition, project will include security patrol if necessary
34. RESIDENT SERVICES PLAN: Borrower shall provide Agency with a detailed resident services plan including, but not limited to, the following information: 1) identification of all entities responsible for providing resident services to Project tenants and each entity's role in the provision of those services; 2) the services will be provided for a minimum of 10 hours per week, including adult educational activities and service coordination; 3) a description of the programs to be offered, and; 4) a proforma resident services budget.
35. DOCUMENTATION: This letter is not intended to describe all of the requirements, terms, conditions and documents for the Loan, which shall also include customary provisions and documents for an Agency transaction of this type. All documents to be delivered to or approved by Agency must be satisfactory to Agency in all respects. Borrower must promptly deliver to Agency any further documentation that may be required by Agency.
36. CONSISTENCY OF DOCUMENTS: As a material obligation under this commitment letter, Borrower shall assure that the loan documents for the Project are consistent with lender's commitment approved by the Agency and comply, in all respects, with this commitment letter.
37. CHANGES OR AMENDMENTS: No documents or contracts which are to be delivered to Agency or are subject to Agency's review or approval shall be modified or terminated without the prior written approval of Agency.
38. EXTENSION OF COMMITMENT TERM: In the event the project is not successful in receiving an allocation of 9% LIHTCs in the second round of 2013, the Agency has sole discretion to modify and or extend the expiration of the commitment letter to a date no later December 31, 2014.
39. ACCEPTANCE OF THIS COMMITMENT: Borrower's acceptance of this Commitment shall be evidenced by signing and delivering to Agency the enclosed copy of this letter. Until receipt of such acceptance by Agency, Agency shall have no obligation under this letter. Agency may withdraw this commitment at any time prior to Borrower's acceptance.

Sincerely,

Housing Authority of the City of Sacramento

La Shelle Dozier  
Executive Director

The undersigned acknowledges and accepts the foregoing Commitment and its terms and conditions.

**BORROWER:**  
Sacramento Housing Authority Repositioning Program, Inc.

By: \_\_\_\_\_  
James Shields  
President

Dated: \_\_\_\_\_

**BRIDGE Housing Corporation**

By: \_\_\_\_\_  
Ann Silverberg  
Senior Vice President

Dated: \_\_\_\_\_

**ATTACHMENT 2**

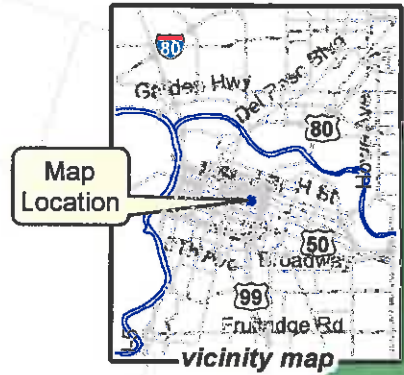
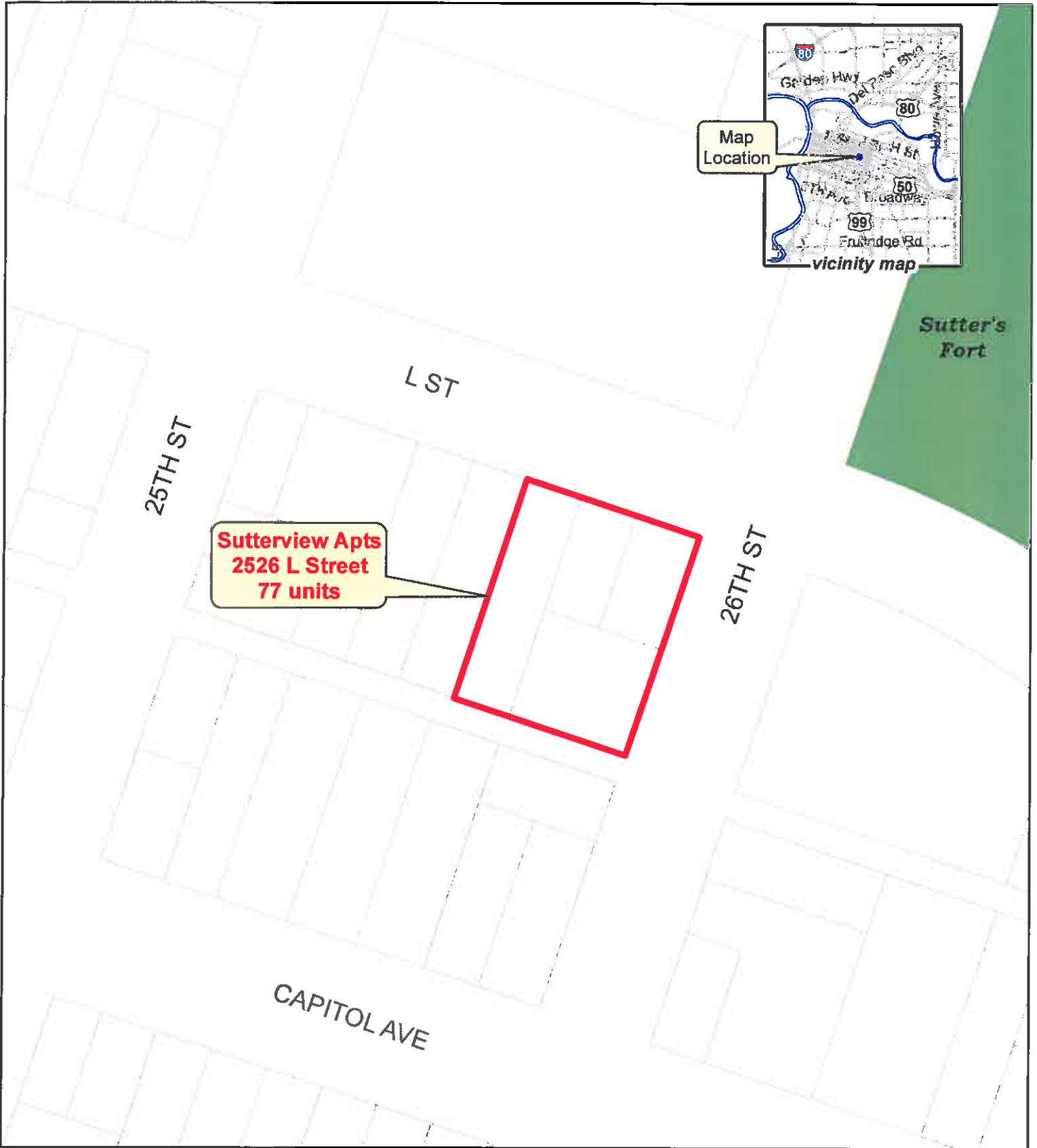
**Suterview Senior Apartments  
Project Summary**

<b>Address</b>	2526 L Street, Sacramento, CA 95814			
<b>Number of Units</b>	77			
<b>Year Built</b>	1971			
<b>Acreage</b>	0.44 acres			
<b>Affordability</b>	76 units at or below 50% of Area Median Income (AMI) 1 unregulated Manager's Unit			
<b>Unit Mix and Rents</b>	30% AMI	40% AMI	50% AMI	Unregulated
1 Bedroom	8	16	52	1
<b>Square Footage</b>	<u>Per Unit</u>		<u>Total</u>	
1 Bedroom	450		34,650	
Leasing/Community/Laundry			<u>20,216</u>	
Total			54,866	
<b>Resident Facilities</b>	Community room with kitchen, computer lab, laundry facilities and rental office.			
<b>Estimated Sources</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per SF</u>	
Tax Credit Equity	\$ 12,543,240	\$ 162,899	\$ 228.62	
Seller Carryback Loan	\$ 5,725,000	\$ 74,351	\$ 104.35	
Permanent Bank Loan	\$ 3,925,200	\$ 50,977	\$ 71.54	
Project Reserves	\$ 125,025	\$ 1,624	\$ 2.28	
Net Operating Income During Rehab	\$ 282,162	\$ 3,664	\$ 5.14	
<b>TOTAL SOURCES</b>	\$ 22,600,627	\$ 293,515	\$ 411.92	
<b>Estimated Uses</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per SF</u>	
Acquisition	\$ 5,725,000	\$ 74,351	\$ 104.35	
Construction	\$ 9,847,731	\$ 127,893	\$ 179.49	
Building Permits	\$ 249,195	\$ 3,236	\$ 4.54	
Architecture, Engineering, Survey	\$ 360,000	\$ 4,675	\$ 6.56	
Contingency	\$ 1,611,167	\$ 20,924	\$ 29.37	
Financing Costs	\$ 225,430	\$ 2,928	\$ 4.11	
Legal Fees	\$ 95,000	\$ 1,234	\$ 1.73	
Reserves	\$ 615,533	\$ 7,994	\$ 11.22	
Relocation	\$ 270,000	\$ 3,506	\$ 4.92	
Developer Fee	\$ 2,000,000	\$ 25,974	\$ 36.45	
Third Party Reports, Marketing, Other	\$ 1,601,571	\$ 20,800	\$ 29.19	
<b>TOTAL USES</b>	\$ 22,600,627	\$ 293,515	\$ 411.92	
<b>Management / Operations</b>	Housing Authority or other company approved later Housing with Heart (Jamboree)			
Property Management Company:				
Resident Services Provider:				
Operations Budget:	\$401,099	per year	\$5,209 per unit	
Resident Services Budget:	\$24,000	per year	\$312 per unit	
Replacement Reserves:	\$23,100	per year	\$300 per unit	



# SHARP Downtown Senior Properties

## Sutterview Apartments - 2526 L St



-  2526 L St
-  Park

