

**NOTICE OF SPECIAL MEETING**

Sacramento Housing and Redevelopment Commission

**Executive Committee**

**Wednesday November 6, 2018 5:30 p.m.**

801 12<sup>th</sup> Street, 2<sup>nd</sup> Floor conference room  
Sacramento, CA

**ROLL CALL**

**DISCUSSION ITEMS**

1. Review and discussion of proposed SHRA Commission stipend increase

**ADJOURNMENT**

**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.



**NOTICE OF REGULAR MEETING**  
**Sacramento Housing and  
Redevelopment Commission**  
**Wednesday, November 6, 2019 – 6:00 pm**  
**801 12<sup>th</sup> Street Commission Room**  
**Sacramento CA**

**ROLL CALL**

**APPROVAL OF AGENDA**

**CITIZENS COMMENTS**

While the Commission welcomes and encourages participation in the Commission meetings, please limit your comments to three minutes, so that everyone may be heard. If you wish to speak under Citizens Comments or on a posted agenda item, please fill out a speaker card and present it to the Agency Clerk. SHRA provides opportunities for the public to address the Commission at this time in order to listen to opinions regarding non-agendized matters within the subject matter jurisdiction of SHRA. Consistent with the Brown Act, the public comment periods on the agenda are not intended to be "question and answer" periods or conversations with Commission members. Members of the public with questions are encouraged to contact staff before or after the meeting. Commission attendees are requested to silence any electronic devices that they have in their possession during the meeting.

**APPROVAL OF MINUTES** – October 16, 2019

**DISCUSSION/BUSINESS**

1. Metro at 7<sup>th</sup> Phase I Tax Equity and Fiscal Responsibility Act Hearing, Approval Of Tax-Exempt Bonds And Approval of Loan Commitment
2. Mutual Housing On The Boulevard Project: Tax Equity And Fiscal Responsibility Act (TEFRA) Hearing, Approval Of Tax-Exempt Bonds And Loan Commitment
3. Approval of Third-Party Evaluator Grant Agreement for the Transformative Climate Communities (TCC) Program
4. Twin Rivers Transit Oriented Development and Light Rail Station: Approval of Mirasol Village Neighborhood Park and Community Garden Construction Agreement and Park and Community Garden Maintenance Agreement with City of Sacramento; Authorization to Enter into Grant Agreement with California Natural Resources Agency for the Construction of the Mirasol Village Neighborhood Park

**EXECUTIVE DIRECTOR REPORT**

**COMMISSION CHAIR REPORT**

**ITEMS AND QUESTIONS OF COMMISSION MEMBERS**

**ADJOURNMENT**

**REPORTS:** Copies of documents relating to agenda items are available for review in the Agency Clerk's office located at 801 12<sup>th</sup> Street, Sacramento CA 95814. Agendas and reports are also posted online at [www.shra.org](http://www.shra.org). Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public inspection in the Agency Clerk's office during normal business hours and will also be available at the meeting. **AMERICANS WITH DISABILITIES ACT:** 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.



## MINUTES

### **Sacramento Housing and Redevelopment Commission (SHRC) Meeting of October 16, 2019**

Meeting noticed on October 11, 2019

#### ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:05 p.m. by Chair Morgan.

MEMBERS PRESENT: Alcalay, Griffin, Morgan, Nunley, Staajabu, Starks

MEMBERS ABSENT: Boyd, Macedo, Wedding (two vacancies)

STAFF PRESENT: La Shelle Dozier, David Levin, James Shields, Angela Jones, Suzie Jackson, Tyrone Williams, Vickie Smith, Lira Goff, Fred Parrish, Elyse Jarvis, Christine Weichert

#### APPROVAL OF AGENDA

The Chair announced that items 3 and 4 would be heard together.

#### CITIZENS COMMENTS

None.

APPROVAL OF MINUTES – The October 2, 2019 minutes were approved as submitted.

#### DISCUSSION/BUSINESS ITEMS

- 1, 2020 and Subsequent Years Authorization for Solicitation, Award and Approval of Annual Expenditure Caps and Per Contract Caps for Routine Services

Fred Parrish presented the item.

Commissioner Griffin motioned to approve the item listed above. Commissioner Staajabu seconded the motion. The votes were as follows:

AYES: Alcalay, Griffin, Morgan, Nunley, Staajabu, Starks

NOES: None



ABSENT: Boyd, Macedo, Wedding

ABSTAIN: None

2. Approval of Interim Lease with Fortune School of Education for the property at 4501 9<sup>th</sup> Avenue

Mike Taylor presented the item.

Bonnie Benson from Fortune School indicated that they would like to purchase the property for permanent use as outdoor play area for their students.

Commissioner Starks encouraged staff to work with Fortune School on possibly allowing the school to have the property on a permanent basis if the housing development does not work out.

Chair Morgan requested that staff send the Commission a copy of the proposal submitted by Related.

Chair Morgan suggested that a land exchange might be a good solution to this issue.

Commissioner Griffin motioned to approve the item listed above. Commissioner Staajabu seconded the motion. The votes were as follows:

AYES: Alcalay, Griffin, Morgan, Nunley, Staajabu, Starks

NOES: None

ABSENT: Boyd, Macedo, Wedding

ABSTAIN: None

3. 2020 Sacramento Housing and Redevelopment Agency Proposed Budget – City Report

4. 2020 Sacramento Housing and Redevelopment Agency Proposed Budget – County Report

Suzie Jackson and La Shelle Dozier presented the item.

Chair Morgan requested that staff calendar the Commissioners for the upcoming hearings at the City and County.

Commissioner Griffin motioned to approve the item listed above. Commissioner Nunley seconded the motion. The votes were as follows:

AYES: Alcalay, Griffin, Morgan, Nunley, Staajabu, Starks

NOES: None

ABSENT: Boyd, Macedo, Wedding

ABSTAIN: None

#### EXECUTIVE DIRECTOR'S REPORT

La Shelle Dozier reviewed the following:

- Next meeting will be November 6<sup>th</sup>
- Staff will hold an Executive Committee meeting on November 6<sup>th</sup> at 5:30pm.

#### COMMISSION CHAIR REPORT

Chair Morgan thanked other members for reaching out to their fellow Commissioners to encourage attendance. He also encouraged members to participate on review panels if offered the chance.

#### ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commissioner Staajabu complemented staff on their work on the website and also on the budget presentation.

Commissioner Griffin announced that the Grant HS Alumni Association is hosting the George Wright Tribute Organ Concert on November 10<sup>th</sup>.

Commissioner Alcalay asked for clarification on the person profiled in the Sacramento Bee's article on Capital Park which staff provided.

Commissioner Alcalay announced that Ruby Bridges would be the guest speaker at the Martin Luther King Event on January 25<sup>th</sup>, 2020.

#### ADJOURNMENT

As there was no further business to be conducted, Chair Morgan adjourned the meeting at 7:15 pm.

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Clerk



November 6, 2019

**Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA**

Honorable Members in Session:

**SUBJECT:**

Metro at 7<sup>th</sup> Phase I Tax Equity and Fiscal Responsibility Act Hearing, Approval Of Tax-Exempt Bonds And Approval of Loan Commitment

**SUMMARY:**

The attached report is submitted to you for review and recommendation prior to consideration by the City of Sacramento.

**RECOMMENDATION:**

Staff recommends approval of the recommendations outlined in this report.

Respectfully Submitted

  
LA SHELLE DOZIER  
Executive Director

Attachment



**REPORT TO CITY COUNCIL AND  
HOUSING AUTHORITY  
City of Sacramento  
915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)**

**Public Hearing  
December 3, 2019**

**Honorable Mayor and Members of the City Council  
Chair and Members of the Housing Authority Board**

**Title: Metro at 7<sup>th</sup> Phase I Tax Equity and Fiscal Responsibility Act Hearing,  
Approval Of Tax-Exempt Bonds And Approval of Loan Commitment**

**Location/Council District:** Northwest corner of 7<sup>th</sup> Street and F Street/District 3

**Recommendation:** Conduct a public hearing and upon conclusion, adopt a: 1) a City Council Resolution indicating the City Council has conducted a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing related to the proposed acquisition, construction and permanent financing of Metro at 7<sup>th</sup> Phase I (Project); 2) a Housing Authority Resolution which a) indicates the intention of the Housing Authority of the City of Sacramento to issue up to \$26,000,000 in tax-exempt mortgage revenue bonds to provide acquisition and construction financing for the Project, b) authorizes an application to the California Debt Limit Allocation Committee (CDLAC) for allocation authority to issue the bonds, and c) authorizes the Executive Director, or designee, to execute the necessary documents associated with the transaction; and 3) a City Council Resolution authorizing the Sacramento Housing and Redevelopment Agency (SHRA) to: a) amend the SHRA budget, b) approve a loan commitment of \$1,200,000 comprised of Housing Trust Funds to the Project (Loan Commitment), c) execute a Loan Commitment and all necessary documents associated with this transaction with USA Properties Fund, Inc. and Jamboree Housing Corporation or related entity, and d) make related findings.

**Contact:** Christine Weichert, Assistant Director, (916) 440-1353, Sacramento Housing and Redevelopment Agency; Tyrone Roderick Williams, Director of Development, (916) 440-1316, Sacramento Housing and Redevelopment Agency

**Presenters:** Anne Nicholls, Housing Finance Analyst, (916) 440-1363, Sacramento Housing and Redevelopment Agency

**Department:** Sacramento Housing and Redevelopment Agency

## Description/Analysis

**Issue Detail:** Metro at 7<sup>th</sup> Phase I (Project) is a proposed permanent supportive and workforce housing development proposed on a 2.35 acre site in the Sacramento Railyards Specific Plan area, located at the Northwest corner of 7<sup>th</sup> and F Streets. The site is currently vacant and is across from residential and commercial offices. The proposed Project consists of 65 units, including studio, one- and two-bedroom units.

The proposed Project is part of a two-phase project designed to take advantage of new Low Income Housing Tax Credit rules allowing the combination of both non-competitive and competitive programs for a single development. As currently proposed, Metro at 7<sup>th</sup> Phase II (Phase II) is also a permanent supportive and workforce housing development, but does not have a financing gap; therefore, no SHRA financing has been requested from the Developer for that phase. Information on Phase II is being included in this report as the projects will be constructed together and the SHRA financing proposed for Phase I is leveraging funding proposed for Phase II. A vicinity map, site plan and building renderings are included as Attachments 2, 3 and 4.

### Project Based Vouchers and No Place Like Home

The Sacramento Housing and Redevelopment Agency (SHRA) awarded 70 Project Based Vouchers (PBV) to house homeless households at Metro at 7<sup>th</sup> Phases I and II. Inclusive of the 70 PBV units, 55 of the units will also be assisted through the State Department of Housing and Community Development (HCD) No Place Like Home Program (NPLH). The NPLH Program provides funding to households that have been designated homeless and that include at least one household member living with mental illness. On April 1, 2019, Sacramento County and SHRA jointly issued a "Request to Partner on No Place Like Home Developments" (RTP). The selection criteria contained in the RTP mirrored HCD's threshold criteria, including development team experience, site control, integration, financial feasibility, capital and operational leverage, readiness and supportive services. On May 17, 2019, SHRA received two new construction development applications, Metro at 7<sup>th</sup> Phases I and II located in the City of Sacramento, and Mutual Housing on the Boulevard located in the unincorporated County of Sacramento.

On August 15, 2019, a NPLH Selection Committee (comprised of representative from the County Director of Homeless Initiatives, Division of Behavioral Health Services, SHRA Development Finance and Focus Strategies) recommended that both developments partner with Sacramento County as co-applicants for a NPLH funding application to HCD. The Board of Supervisors will be asked to support the application to HCD for the NPLH funding on December 10, 2019. NPLH applications are due to HCD on January 8, 2020. HCD is scheduled to announce the NPLH awards in June 2020. If Metro at 7<sup>th</sup> Phases I and II are successfully awarded NPLH funds, the Developer will apply for tax credits and mortgage revenue bonds in July 2020. Construction would be complete within two years after all financing is secured.

### Project Description

USA Properties Fund, Inc. and Jamboree Housing Corporation (collectively, Developer) applied to SHRA for a \$1,200,000 loan to finance the acquisition, construction and permanent financing of new permanent supportive and workforce housing development known as Metro at 7<sup>th</sup> Phase I.

Metro at 7<sup>th</sup> Phase I will be new construction of a four-story wood frame, slab-on-grade building, which will provide 65 units consisting of 64 affordable units and one unrestricted management unit. There will be 44 studio, seven one-bedroom and 14 two-bedroom units. Inclusive of the 64 affordable units, there will be seven units with Americans with Disability Act (ADA) accessibility and three units with communication features (e.g., wiring for audio and visual devices).

Metro at 7<sup>th</sup> Phase II will be new construction of a four-story wood frame, slab-on-grade building, which will provide 85 units consisting of 84 affordable units and one unrestricted management unit. There will be 20 studio, 38 one-bedroom and 27 two-bedroom units. There will be nine units with ADA accessibility and four units with communication features. All residents in Phases I and II will have access to the management office, community room, conference rooms, courtyard, community garden, pet area, vehicle parking and bike storage. Further details of the Project are included in the Scope of Development attached to the City Council Loan Commitment Resolution as Exhibit A.

Developers: USA Properties Fund, Inc. (USAPF) is dedicated to providing quality affordable housing to low-income persons in California. USAPF has approximately 40 years of experience in residential real estate, including 90 affordable developments consisting of more than 12,000 units and a portfolio of over \$1 billion across California and Nevada. USAPF has 19 SHRA financed affordable housing properties in the Sacramento region.

Jamboree Housing Corporation (Jamboree) is an affordable housing developer with approximately 30 years of experience in residential development, including 91 developments consisting of more than 8,200 units and an asset portfolio of over \$1 billion in California. In addition, Jamboree currently owns and operates Hotel Berry.

Property Management: Metro at 7th Phases I and II will be managed by The John Stewart Company (JSCo). The JSCo has over 40 years of property management experience; and there are over 420 properties in California consisting of more than 31,600 affordable and market rate residential units in their portfolio. The JSCo currently manages 16 SHRA financed affordable housing properties in the Sacramento region. The JSCo is qualified to manage this permanent supportive and workforce housing development given its experience with managing Hotel Berry, the Shasta Hotel and Cannery Place Apartments. Staff has reviewed the qualifications of JSCo and the property management plan and has found that the proposed property management agent and management plan meet SHRA requirements.

Supportive Services: Sacramento County Department of Health Services (DHS) will be responsible for the mental health supportive services and the coordination of other supportive services needed by the 55 NPLH residents for a minimum of 20 years as required by the State NPLH program and SHRA.

In addition to DHS on-site supportive services, TLCS, Inc.(TLCS) will dedicate one Full-Time Equivalent (FTE) case manager to provide services needed by the remaining 15 homeless residents not served by NPLH and one FTE supportive services coordinator to provide programs available to all residents which will be tailored to serve the special

needs residents. TLCS is a private, non-profit, psychosocial rehabilitation agency with 38 years of experience assisting residents living in permanent supportive housing and providing a variety of other mental health services. DHS and SHRA staff have reviewed the qualifications of TLCS and the supportive services plan, and have found that the proposed supportive services provider and the supportive services plan meet SHRA requirements.

Resident Services: Resident services will be provided by Jamboree Housing Corporation. A minimum of 20 hours per week of on-site services will be available to all residents in Phases I and II. Resident services will include after school, education and enrichment programs, and transportation assistance (e.g., light rail/bus passes). An on-site coordinator will be assigned to the property. SHRA staff has reviewed Jamboree's qualifications and the resident services plan, and has found that the proposed resident services provider and resident services plan meet SHRA requirements.

Security Plan: SHRA staff has reviewed and approved the security plan which includes security patrol services available 24 hours a day and seven days a week; installation of web-based security cameras and recording equipment; and installation of exterior lighting. In addition, two management staff will live at the development.

Project Financing: The Developers applied to SHRA for gap financing in the second competitive funding round in August 2019. The results of that SHRA 2019 funding rounds are included as Attachment 5.

The financing structure of Metro at 7<sup>th</sup> Phases I and II is part of a four percent and nine percent Low Income Housing Tax Credit (LIHTC) hybrid structure that allows affordable housing developers the flexibility to leverage funding to build new or rehabilitate affordable housing developments. The proposed Metro at 7<sup>th</sup> Phase I Project includes four percent LIHTC, state tax credits equity, tax-exempt bonds, NPLH loan, SHRA loan comprised of City Housing Trust Funds (HTF), land donation, deferred developer fee and development impact fee waivers. The proposed Metro at 7<sup>th</sup> Phase II Project includes nine percent LIHTC, NPLH loan, conventional loan, land donation, deferred developer fee and development impact fee waivers.

In addition, SHRA has committed a total of 70 PBV to this Project. Project Based Vouchers are awarded in accordance with the SHRA's administration of the Housing Choice Voucher Program as authorized by section 8(o)(13) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) and is based on the Public Housing Authority's Annual Plan. The Plan is approved annually by the federal Department of Housing and Urban Development (HUD). Funding sources and uses for Metro at 7<sup>th</sup> Phases I and II are provided in the Project Summary as Attachment 6 and 7. A Proforma for each phase of the development are included as Attachments 8 and 9.

Low-Income Set-Aside Requirements: As a condition of receiving tax credits, federal law requires that rental units be set aside for targeted-income groups. Income restrictions from LIHTC financing require that no households have income above 60 percent of Area Median Income (AMI). SHRA further requires that 20 percent of the units be restricted to households with incomes no greater than 50 percent AMI. The affordability restrictions will be specified in regulatory agreements with the Developer. A schedule of maximum income and rents are included as Attachment 10.

The anticipated funding sources and their affordability requirements are summarized in the tables below for each phase of the development:

### Metro at 7<sup>th</sup> Phase I

Unit Type	Units	% of Units	Affordability Restriction (55 years)
4% LIHTC, State Tax Credits, Tax-exempt Bonds, NPLH & PBV	28	43%	Extremely Low Income 25% of Area Median Income (AMI)
4% LIHTC, State Tax Credits, Tax-exempt Bonds, & PBV	2	3%	Extremely Low Income 30% of AMI
4% LIHTC, State Tax Credits, Tax-exempt Bonds, & HTF	34	52%	Low Income 60% of AMI
Management Unit	1	2%	Exempt Management Unit
<b>Total</b>	<b>67</b>	<b>100%</b>	

### Metro at 7<sup>th</sup> Phase II

Unit Type	Units	% of Units	Affordability Restriction (55 years)
9% LIHTC, NPLH & PBV	27	32%	Extremely Low Income 25% of AMI
9% LIHTC & PBV	13	15%	Extremely Low Income 30% of AMI
9% LIHTC	21	25%	Very Low Income 50% of AMI
9% LIHTC	23	27%	Low Income 60% of AMI
Management Unit	1	1%	Exempt
<b>Total</b>	<b>85</b>	<b>100%</b>	

**Policy Considerations:** The recommended actions for both phases of the development are consistent with: a) SHRA's previously approved Multifamily Lending and Mortgage Revenue Bond Policies, New Production priority; b) the 2013-2021 Housing Element, Goals H-1.1.1 Sustainable housing practices; H-1.3.2 Economic integration of new multifamily affordable housing projects; H-2.2.4, in part, Pursue and maximize the use of all appropriate state, federal, local and private funding for the development of housing



affordable for extremely low-, very low-, and low-income households, while maintaining economic competitiveness in the region; H-3.1.1 Promote extremely low income housing; and H-5.1 to 5.4, in part, Promote and create accessible residential development (Resolution No. 2013-415); c) the Sacramento Promise Zone Plans and Goals, Sustainably Built Community sub-goal to increase housing types and transit growth to promote livability and connectivity within the Promise Zone (Resolution No. 2015-263); and d) Mixed Income Housing Strategy (Ordinance No. 2016-0044) that includes integrating a variety of housing that will benefit sustainability and success of Railyards over its multi-year build-out, as well as the greater community; specifically, diversity of housing targeted to residents with incomes at or below 60% of Area Median Income expands the financing options beyond conventional financing (e.g., State of California No Place Like Home Funds and City Housing Trust Funds).

In addition, the recommended actions for both phases of the development are located in a) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by 2025 (Resolution No. 2015-282); b) the Sacramento Railyards Specific Plan to create, in part, a mixture of housing products, including affordable housing and transit-oriented neighborhoods; and c) the Opportunity Zone that provides a federal tax incentive for investors, who invest in real estate projects and operating businesses located in designated low-income communities through deferral and partial tax reductions of reinvested capital gains and forgiveness of tax on new capital gains (enacted into federal law through the Tax Cuts and Jobs Act of 2017).

All affordable housing units will be regulated for a period of 55 years by the California Tax Credit Allocation Committee as a LIHTC funding requirement. Regulatory restrictions on the property will be specified in the bond regulatory agreement between the Developer and the Housing Authority of the City of Sacramento for a period of 55 years. Regulatory restrictions on the property will be specified in Housing Trust Funds regulatory agreement between the Developer and SHRA for a period of 55 years. Compliance with the regulatory agreement will be monitored by SHRA on an annual basis during the 55-year regulatory period.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This item was published for 10-day review on November 21, 2019 as required.

**Economic Impacts:** The Metro at 7th Phase I multifamily residential project is expected to create 153.28 total jobs (86.05 direct jobs and 67.23 jobs through indirect and induced activities) and create \$13,445,692 in total economic output (\$8,263,158 of direct output and another \$5,182,534 of output through indirect and induced activities). The Metro at 7th Phase II multifamily residential project is expected to create 230.41 total jobs (129.35 direct jobs and 101.06 jobs through indirect and induced activities) and create \$20,211,196 in total economic output (\$12,420,953 of direct output and another \$7,790,243 of output through indirect and induced activities).

*The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the*

*IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.*

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** Metro at 7<sup>th</sup> Phases I and II have been reviewed pursuant to the California Environmental Quality Act (CEQA), and it has been determined that the Project is consistent with the Railyards Specific Plan and the project is therefore exempt from CEQA pursuant to Guidelines section 15182.

**National Environmental Policy Act (NEPA):** An Environmental Assessment (EA) was completed pursuant to the National Environmental Policy Act (NEPA), and it was found that with mitigation measures incorporated, the project will not result in a significant impact on the quality of the human environment.

**Sustainability Considerations:** The proposed Project has been reviewed for consistency with the goals, policies and targets of the Sustainability Master Plan and the 2030 General Plan. If approved, these projects will advance the following goal, policy and target of goal number one – Energy Independence, specifically by reducing the use of fossil fuels and providing long-term affordable and reliable energy.

**Commission Action:** At its meeting on November 6, 2019, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

**Rationale for Recommendation:** The actions recommended in this report enable SHRA to continue to fulfill its mission of providing a range of affordable housing opportunities in the City and are consistent with the SHRA's previously approved Multifamily Lending and Mortgage Revenue Bond Policies, the City of Sacramento's 2013-2021 Housing Element as part of Sacramento's 2035 General Plan, Promise Zone Plans and Goals, Sacramento Railyards Mixed Income Housing Strategy, Downtown Housing Initiative and Initiation of the Downtown Specific Plan, Sacramento Railyards Specific Plan and Opportunity Zone Program.

**Financial Considerations:** SHRA will receive a one-time issuance fee of 0.25 percent of the bond amount, which is payable at bond closing, and annual payment for monitoring the regulatory restrictions and administration of the bonds, in the amount of 0.15 percent of the bond amount for the term of 55 years. The Developer will be

responsible for payment of all costs, fees, and deposits relating to the bond application. Mortgage revenue bonds do not represent a financial obligation of SHRA, Housing Authority, or City of Sacramento. The law firm Orrick, Herrington and Sutcliffe, LLP, is acting as bond counsel for the Housing Authority.

The SHRA loan for Metro at 7th Phase I is comprised of \$1,200,000 in Housing Trust Funds with an interest rate of three percent and a term of 57 years after closing escrow. Any change to the SHRA's Multifamily Lending and Mortgage Revenue Bond Policies relating to bond fees adopted prior to closing of the Project loan, will be applied.

Sacramento County Department of Health Services will provide social case management to the NPLH clients for a period of at least twenty years. These services will be funded directly through the County.

**LBE - M/WBE and Section 3 requirements:** Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest extent possible and as required by federal funding and in accordance with the SHRA's Section 3 Economic Opportunity Plan. The Developer and General Contractor will work with the SHRA's Section 3 Coordinator, Sacramento Employment and Training Agency, the Greater Sacramento Urban League or similar programs, to promote employment opportunities. Local Business Enterprise requirements do not apply to this report.

Respectfully Submitted by: \_\_\_\_\_

LA SHELLE DOZIER  
Executive Director

#### **Attachments**

- 01-Description/Analysis and Background
- 02-Vicinity Map
- 03-Site Plan
- 04-Building Renderings
- 05-2019 Pre-Application Results
- 06-Project Summary - Metro at 7th Phase I
- 07-Project Summary - Metro at 7th Phase II
- 08-Cash Flow Proforma - Metro at 7th Phase I
- 09-Cash Flow Proforma - Metro at 7th Phase II
- 10-Maximum Income and Rent Limits
- 11-City Council TEFRA Resolution
- 12-Housing Authority Bond Inducement Authorization Resolution
- 13-City Council Loan Commitment Authorization Resolution
- 14-Exhibit A to Resolution: Loan Commitment and Scope of Development

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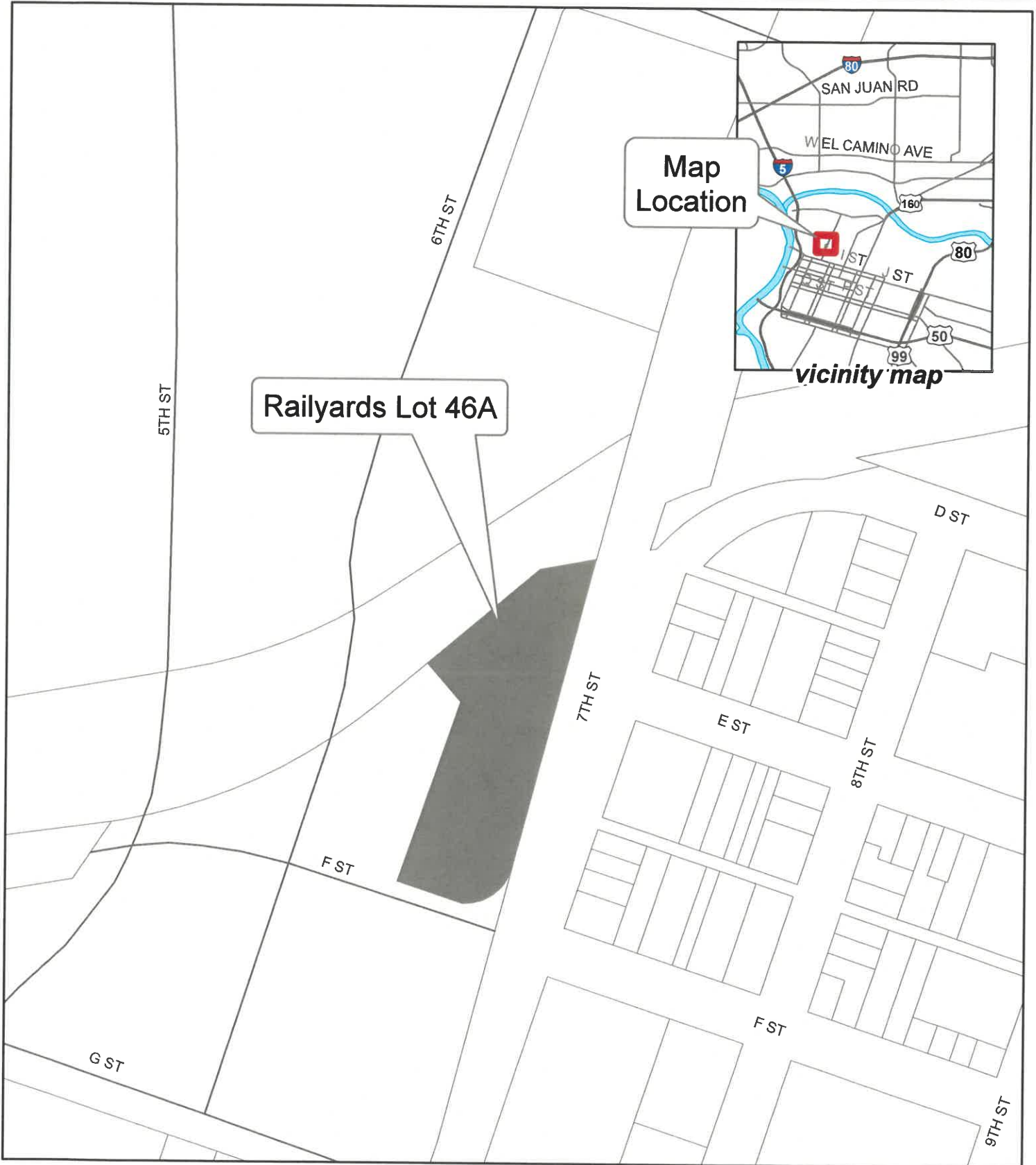
Respectfully Submitted by:

  
LA SHELLE DOZIER  
Executive Director

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- 09-Cash Flow Proforma - Metro at 7th Phase II
- 10-Maximum Income and Rent Limits
- 11-City Council TEFRA Resolution
- 12-Housing Authority Bond Inducement Authorization Resolution
- 13-City Council Loan Commitment Authorization Resolution
- 14-Exhibit A to Resolution: Loan Commitment and Scope of Development

# Metro at 7th



Railyards Lot 46A

0      Feet      300  
150



SHRA GIS  
August 6, 2019





Metro at 7<sup>th</sup> Phases I and II  
Project Rendering



**Pre-Application Results**  
City of Sacramento  
August, 2019

Project Name	Applicant Name	Project Type	Priority*	Funds Requested	Result
Twin Rivers Block C	MBS	Preservation	1	\$ 1,863,016	Declined - Insufficient Funding
Twin Rivers Block D	MBS	Preservation	1	\$ 5,607,120	Declined - Insufficient Funding
Coral Gables/Villa Jardin (SHRA-owned land)	John Stewart	Recap and New	2, 4	\$ 2,500,000	Invited Full Application
Railyards 46a	USA Properties	New Production	4	\$ 1,200,000	Invited Full Application
Oak Park Place	West Development Ventures	New Production	4	\$ 1,600,000	Declined - Insufficient Funding
Capitol Park Hotel	Mercy Housing	Rehabilitation	4	\$ 9,100,000	Declined - Insufficient Funding
Donner Park (SHRA-owned land)	Related	New Production	4	\$ 5,660,670	Declined - Insufficient Funding

\* As specified in SHRA's Multifamily Lending and Mortgage Revenue Bond Policies (Sect. 1.1).



**Metro at 7th Phase I  
Residential Project Summary**

<b>Address</b>	7th and F Street, Sacramento, CA 95814			
<b>Number of Units</b>	65			
<b>Year Built</b>	New Construction			
<b>Acreage (combined with Phase II)</b>	2.35 acres (102,366 sq. ft.)			
<b>No Place Like Home (NPLH) Units</b>	28 of the 65 units will be designated as NPLH.			
<b>Unit Mix and Rents</b>	<u>ELI (25% AMI) NPLH &amp; PBV</u>	<u>ELI (30% AMI) PBV</u>	<u>LI (60% AMI)</u>	<u>Total</u>
Studio/1 Bath	18	1	25	44
1 Bedroom/1 Bath	6	0	1	7
2 Bedrooms/1 Bath	4	1	8	13
Management Unit (2 Bedroom)	0	0	0	1
<b>Total Units</b>	<b>28</b>	<b>2</b>	<b>34</b>	<b>65</b>
<b>Square Footage</b>	<u>Unit Size (sq.ft.)</u>	<u>Total</u>		
Studio/1 Bath	300	13,200	sq. ft.	
1 Bedroom/1 Bath	450	3,150	sq. ft.	
2 Bedrooms/1 Bath	700	9,800	sq. ft.	
Community Area		18,650	sq. ft.	
<b>Total Gross</b>		<b>44,800</b>	<b>sq. ft.</b>	
<b>Resident Facilities</b>	There will be a management office, community room and conference rooms. Community amenities include a courtyard, community garden, pet area, 75 total vehicle parking spaces and a bike storage.			
<b>Permanent Sources</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>	
Federal Tax Credit Equity	8,962,354	137,882	200.05	
State Tax Credit Equity	5,280,436	81,237	117.87	
SHRA Loan	1,200,000	18,462	26.79	
HCD NPLH	7,084,328	108,990	158.13	
Deferred Developer Fee	1,381,992	21,261	30.85	
Land Donation	1,300,000	20,000	29.02	
Fee Waivers	81,030	1,247	1.81	
<b>TOTAL SOURCES</b>	<b>\$ 25,290,140</b>	<b>\$ 389,079</b>	<b>\$ 564.51</b>	
<b>Permanent Uses</b>				
Acquisition	1,300,000	20,000	29.02	
Construction Costs	13,445,692	206,857	300.13	
Architecture & Engineering	750,000	11,538	16.74	
Permits and Fees	2,138,147	32,895	47.73	
Hard Cost Contingency	672,284	10,343	15.01	
Soft Cost Contingency	766,546	11,793	17.11	
Financing Cost	1,262,613	19,425	28.18	
Operating Reserve	153,663	2,364	3.43	
Rent Reserve	243,696	3,749	5.44	
Capitalized Operating Reserve	875,000	13,462	19.53	
Legal Fees	195,000	3,000	4.35	
Developer Fee	2,800,000	43,077	62.50	
Third Party Fees, Marketing, Other	687,499	10,577	15.35	
<b>TOTAL USES</b>	<b>\$ 25,290,140</b>	<b>\$ 389,079</b>	<b>\$ 564.51</b>	
<b>Leverage</b>	<u>SHRA \$ per Unit</u>	<u>Per Unit Cost</u>	<u>Leverage</u>	
	<b>\$ 18,462</b>	<b>\$ 389,079</b>	<b>SHRA : Other</b>	
<b>Management / Operations</b>			<b>\$1.00 : \$21.08</b>	
Proposed Developer	USA Properties Fund, Inc. and Jamboree Housing			
Property Management Company	The John Stewart Company			
Operating Expenses	\$ 338,459	\$ 5,207		
Property Management	\$ 37,600	\$ 578		
Resident Services	\$ 94,657	\$ 1,456		
Replacement Reserves	\$ 32,500	\$ 500		
Taxes and Insurance	\$ 100,365	\$ 1,544		

**Metro at 7th Phase II  
Residential Project Summary**

<b>Address</b>	7th and F Street, Sacramento, CA 95814				
<b>Number of Units</b>	85				
<b>Year Built</b>	New Construction				
<b>Acreage (combined with Phase I)</b>	2.35 acres (102,366 sq. ft.)				
<b>No Place Like Home (NPLH) Units</b>	27 of the 85 units will be designated as NPLH.				
<b>Unit Mix and Rents</b>	<u>ELI (25% AMI) NPLH &amp; PBV</u>	<u>ELI (30% AMI) PBV</u>	<u>VLI (50% AMI)</u>	<u>LI (60% AMI)</u>	<u>Total</u>
Studio/1 Bath	13	7	0	0	20
1 Bedroom/1 Bath	12	4	11	11	38
2 Bedrooms/1 Bath	2	2	10	12	26
Management Unit (1 Bedroom)	0	0	0	0	1
<b>Total Units</b>	<b>27</b>	<b>13</b>	<b>21</b>	<b>23</b>	<b>85</b>
<b>Square Footage</b>	<u>Unit Size (sq.ft.)</u>	<u>Total</u>			
Studio/1 Bath	300	6,000	sq. ft.		
1 Bedroom/1 Bath	450	17,100	sq. ft.		
2 Bedrooms/1 Bath	700	18,900	sq. ft.		
Office & Community Area		27,200	sq. ft.		
<b>Total Gross</b>		<b>69,200</b>	<b>sq. ft.</b>		
<b>Resident Facilities</b>	There will be a management office, community room and conference rooms. Community amenities include a courtyard, community garden, pet area, 75 total vehicle parking spaces and a bike storage.				
<b>Permanent Sources</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>		
Federal Tax Credit Equity	21,337,866	251,034	308.35		
Permanent Loan	3,392,553	39,912	49.03		
HCD NPLH	5,474,486	64,406	79.11		
Deferred Developer Fee	831,009	9,777	12.01		
Land Donation	1,700,000	20,000	24.57		
Fee Waivers	164,761	1,938	2.38		
<b>TOTAL SOURCES</b>	<b>\$ 32,900,675</b>	<b>\$ 387,067</b>	<b>\$ 475.44</b>		
<b>Permanent Uses</b>					
Acquisition	1,700,000	20,000	24.57		
Construction Costs	20,211,196	237,779	292.07		
Architecture & Engineering	751,580	8,842	10.86		
Permits and Fees	2,707,021	31,847	39.12		
Hard Cost Contingency	1,010,559	11,889	14.60		
Soft Cost Contingency	1,458,277	17,156	21.07		
Financing Cost	1,447,674	17,031	20.92		
Operating Reserve	247,661	2,914	3.58		
Rent Reserve	269,208	3,167	3.89		
Legal Fees	195,000	2,294	2.82		
Developer Fee	2,200,000	25,882	31.79		
Third Party Fees, Marketing, Other	702,499	8,265	10.15		
<b>TOTAL USES</b>	<b>\$ 32,900,675</b>	<b>\$ 387,067</b>	<b>\$ 475.44</b>		
<b>Management / Operations</b>					
Proposed Developer	USA Properties Fund, Inc. and Jamboree Housing Corporation				
Property Management Company	The John Stewart Company				
Operations Budget	\$ 348,450	\$ 4,099			
Property Management	\$ 37,600	\$ 442			
Resident Services	\$ 125,055	\$ 1,471			
Replacement Reserves	\$ 42,500	\$ 500			
Taxes and Insurance	\$ 131,603	\$ 1,548			

**Metro at 7th Phase I  
Cash Flow Proforma**

Metro at 7th Phase I														
Unit Type	Number	Square Feet	Total Sq Feet	Gross Rent	Utility Allowance	Net Rent	Rent per Sq Foot	Total Mo. Rent	Annual Rent	Year 15 2036	Year 20 2041	Year 25 2046		
Studio /1 Bath @ 25% AMI	18	300	5,400	\$ 280	\$ 63	\$ 217	\$ 0.72	\$ 3,906	\$ 46,872					
Studio /1 Bath @ 30% AMI	1	300	300	\$ 439	\$ 63	\$ 376	\$ 1.25	\$ 376	\$ 4,512					
Studio /1 Bath @ 60% AMI	25	300	7,500	\$ 678	\$ 63	\$ 615	\$ 2.72	\$ 20,400	\$ 244,800					
1 Bedroom/1 Bath @ 25% AMI	6	450	2,700	\$ 280	\$ 70	\$ 210	\$ 0.47	\$ 1,260	\$ 15,120					
1 Bedroom/1 Bath @ 30% AMI	1	450	450	\$ 440	\$ 70	\$ 370	\$ 0.82	\$ 370	\$ 4,440					
1 Bedroom/1 Bath @ 60% AMI	4	700	2,800	\$ 280	\$ 68	\$ 212	\$ 0.27	\$ 764	\$ 9,168					
2 Bedrooms/1 Bath @ 25% AMI	8	700	5,600	\$ 564	\$ 68	\$ 496	\$ 0.70	\$ 3,968	\$ 47,616					
2 Bedrooms/1 Bath @ 30% AMI	1	700	700	\$ 1,129	\$ 68	\$ 1,061	\$ 1.49	\$ 1,061	\$ 12,732					
2 Bedrooms/1 Bath @ 60% AMI	1	700	700	\$ 1,129	\$ 68	\$ 1,061	\$ 1.49	\$ 1,061	\$ 12,732					
Totals	65	4,600	26,150	\$ 3,372	\$ 36,372	\$ 436,464								
<b>Income</b>														
Potential Gross Income		2,50%		458,560	470,024	461,775	493,819	506,164	572,679	647,933	733,077	829,409		
Rental Subsidy		2,50%		348,099	356,002	365,722	374,865	384,237	434,728	481,855	556,489	629,616		
Other Income		5,00%		7,386	(40,702)	(42,763)	7,954	8,153	9,224	10,436	11,807	13,359		
Effective Gross Income				\$773,343	\$792,617	\$812,493	\$832,806	\$853,626	\$965,769	\$1,092,713	\$1,236,305	\$1,398,766		
<b>Operating Expenses</b>														
Operating Expenses		3,50%	5,207	338,459	350,305	362,566	375,255	388,389	461,285	547,862	650,688	772,813		
Property Management		3,50%	578	37,600	38,816	40,278	41,688	43,147	51,245	60,863	72,286	85,853		
Resident Services		3,50%	1,455	94,657	97,570	100,621	103,899	107,321	128,007	152,220	181,978	216,132		
Replacement Reserves		0,00%	500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500		
Taxes/Insurance		2,00%	1,544	100,385	102,373	104,420	106,508	108,639	119,846	132,430	146,213	161,431		
Total Expenses			\$9,286	\$603,581	\$622,063	\$641,162	\$660,899	\$681,286	\$793,983	\$926,875	\$1,083,665	\$1,268,730		
<b>Net Operating Income</b>				\$169,762	\$170,613	\$171,331	\$171,907	\$172,330	\$171,817	\$166,839	\$152,640	\$130,036		
<b>Debt Service</b>														
HCD Monitoring Fee		0,42%		29,754	29,754	29,754	29,754	29,754	29,754	29,754	29,754	29,754		
SHRA Monitoring Fee		0,15%		24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000		
Debt Service Subtotal				\$53,754	\$53,754	\$53,754	\$53,754	\$53,754	\$53,754	\$53,754	\$53,754	\$53,754		
<b>Priority Distributions</b>														
Partnership Management Fee (LP)	\$7,500	3,00%		7,500	7,725	7,957	8,195	8,441	9,786	11,344	13,151	15,246		
Asset Management Fee (GP)	\$17,500	3,00%		17,500	18,025	18,556	19,123	19,696	22,834	26,470	30,686	35,574		
Priority Distributions Subtotal				\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$32,619	\$37,815	\$43,838	\$50,820		
Net Cash after Priority Distributions				\$91,008	\$91,109	\$91,054	\$90,834	\$90,439	\$85,443	\$74,270	\$55,049	\$25,462		
<b>Deferred Developer Fee</b>														
Principal Balance	\$1,381,992	3,00%		1,381,992	1,283,444	1,180,368	1,072,740	960,545	331,078	0	0	0		
Interest for Period				41,460	38,503	35,411	32,162	28,816	9,832	0	0	0		
Payment from Cash Flow				91,008	81,109	71,054	60,834	50,439	85,443	0	0	0		
Payment from Capitalized Operating Reserve				49,000	50,470	51,984	53,544	55,150	63,834	0	0	0		
Balance				\$1,283,444	\$1,180,368	\$1,072,740	\$960,545	\$843,773	\$191,633	\$0	\$0	\$0		
Net Cash after Deferred Fee and Available Capitalized Operating Reserve				\$0	\$0	\$0	\$0	\$0	\$0	\$153,214	\$55,049	\$25,462		
<b>Investor Cash Flow</b>														
Residential NOI after Debt Service, Priority Distributions & Deferred Developer Fee				\$0	\$0	\$0	\$0	\$0	\$0	\$76,607	\$27,524	\$12,731		
<b>HCD/No Place Like Home Loan</b>														
Principal Balance	\$7,084,328	3,00%		7,084,328	7,084,328	7,084,328	7,084,328	7,084,328	7,084,328	7,084,328	7,084,328	7,084,328		
Interest for Period				212,530	212,530	212,530	212,530	212,530	212,530	212,530	212,530	212,530		
Accumulated Interest				212,530	425,060	637,590	850,119	1,062,649	1,275,179	1,487,709	1,699,239	1,910,769		
Payment				0	0	0	0	0	0	0	0	0		
Balance				\$7,296,858	\$7,509,388	\$7,721,918	\$7,934,447	\$8,146,977	\$9,209,626	\$10,074,670	\$11,063,117	\$12,084,899		
<b>SHRA Loan</b>														
Principal Balance	\$1,200,000	3,00%		1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000		
Interest for Period				36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000		
Accumulated Interest				36,000	72,000	108,000	144,000	180,000	216,000	252,000	288,000	324,000		
Payment				0	0	0	0	0	0	0	0	0		
Balance				\$1,236,000	\$1,272,000	\$1,308,000	\$1,344,000	\$1,380,000	\$1,560,000	\$1,706,528	\$1,873,959	\$2,047,037		
Net Cash After Loan Repayment				\$0	\$0	\$0	\$0	\$0	\$0	\$38,303	\$13,762	\$6,366		
<b>Distribution of Reserves</b>														
Capitalized Operating Subsidy Reserve (Tax Credit Equity)		1,00%		875,000	834,750	792,628	748,570	702,512	438,808	78,163	0	0		
Interest Earned		3,00%		8,750	8,348	7,925	7,488	7,025	4,386	782	0	0		
Deferred Developer Fee Payment		3,00%		49,000	50,470	51,984	53,544	55,150	63,834	0	0	0		
Investor Cash Flow and Loan Payment		3,00%		0	0	0	0	0	0	78,944	0	0		
Net Capitalized Operating Subsidy Reserve				834,750	792,628	748,570	702,512	654,387	380,273	0	0	0		

Metro at 7th Phase II													
Number	Square Feet	Total Sq Feet	Gross Rent	Utility Allowance	Net Rent	Rent per Sq Foot	Total No. Rent	Annual Rent	Year 10 2031	Year 15 2036	Year 20 2041	Year 25 2046	
13	3,900	3,900	\$	280	63	\$	217	\$	0.72	\$	2,821	\$	33,852
7	300	300	\$	439	63	\$	376	\$	1.25	\$	2,632	\$	31,584
12	450	5,400	\$	280	70	\$	210	\$	0.47	\$	2,520	\$	30,240
4	450	1,800	\$	470	70	\$	400	\$	0.89	\$	1,600	\$	19,200
11	450	4,950	\$	784	70	\$	714	\$	1.59	\$	7,854	\$	94,248
11	450	4,950	\$	941	70	\$	871	\$	1.94	\$	9,581	\$	114,972
1	700	1,400	\$	564	89	\$	191	\$	0.27	\$	382	\$	4,584
2	700	1,400	\$	564	89	\$	475	\$	0.68	\$	950	\$	11,400
10	700	7,000	\$	941	89	\$	852	\$	1.22	\$	8,520	\$	102,240
12	700	8,400	\$	1,129	89	\$	1,040	\$	1.49	\$	12,480	\$	149,760
1	700	700	\$	-	-	\$	-	\$	-	\$	-	\$	-
Totals	5,900	42,000	\$	-	-	\$	-	\$	-	\$	49,340	\$	592,080
Income													
Potential Gross Income	2.50%		622,054	637,605	653,546	669,884	686,631	776,860	878,946	984,447	1,125,125		
Rental Subsidy	2.50%		439,268	450,250	461,506	473,044	484,870	548,586	620,674	702,236	794,515		
Other Income	2.50%		7,386	7,571	7,760	7,954	8,153	9,224	10,436	11,807	13,359		
Less Vacancy	5.00%		(53,435)	(54,771)	(56,141)	(57,544)	(58,983)	(66,733)	(75,503)	(85,425)	(96,650)		
Effective Gross Income			\$1,015,273	\$1,040,654	\$1,066,671	\$1,093,337	\$1,120,671	\$1,267,936	\$1,434,554	\$1,623,066	\$1,836,350		
Operating Expenses													
Operating Expenses	3.50%	4,099	348,450	360,646	373,269	386,333	399,955	474,902	564,034	669,896	795,626		
Property Management	3.50%	442	37,600	38,916	40,278	41,688	43,147	51,245	60,963	72,286	85,853		
Resident Services	3.50%	1,471	125,055	129,432	133,962	138,650	143,503	170,437	202,426	240,418	285,541		
Replacement Reserves	0.00%	500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500		
Taxes/Insurance	2.00%	1,548	131,603	134,235	136,920	139,658	142,452	157,278	173,648	191,721	211,676		
Total Expenses		\$5,061	\$685,208	\$705,729	\$726,929	\$748,830	\$771,456	\$896,362	\$1,043,471	\$1,216,821	\$1,421,196		
Net Operating Income			\$330,064	\$334,925	\$339,742	\$344,508	\$349,214	\$371,574	\$391,083	\$406,244	\$415,153		
Debt Service													
Senior Loan	6.20%	Amort	249,340	249,340	249,340	249,340	249,340	249,340	249,340	249,340	249,340		
HCD Monitoring Fee	0.42%	30	22,993	22,993	22,993	22,993	22,993	22,993	22,993	22,993	22,993		
Debt Service Subtotal			\$272,333	\$272,333	\$272,333	\$272,333	\$272,333	\$272,333	\$272,333	\$272,333	\$272,333		
Priority Distributions													
Asset Management Fee (GP)	3.00%	\$7,500	7,500	7,725	7,957	8,195	8,441	9,786	11,344	13,151	15,246		
Partnership Management Fee (LP)		\$17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500		
Priority Distributions Subtotal			\$25,000	\$25,225	\$25,457	\$25,695	\$25,941	\$27,286	\$28,844	\$30,651	\$32,746		
Net Cash after Priority Distributions			\$32,731	\$37,367	\$41,953	\$46,479	\$50,940	\$71,956	\$89,906	\$103,280	\$110,075		
Deferred Developer Fee													
Principal Balance	3.00%	\$531,009	831,009	823,208	810,537	792,900	770,208	578,113	249,603	0	0		
Interest for Period			24,930	24,696	24,316	23,787	23,106	17,343	7,488	0	0		
Accumulated Interest			24,930	24,696	24,316	23,787	23,106	17,343	7,488	0	0		
Payment			32,731	37,367	41,953	46,479	50,940	71,956	257,082	0	0		
Balance			\$823,208	\$810,537	\$792,900	\$770,208	\$742,374	\$523,501	\$0	\$0	\$0		
Net Cash after Deferred Fee			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$103,280	\$110,075		
Investor Cash Flow													
Residential NOI after Debt Service, Priority Distributions & Deferred Developer Fee			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51,630	\$55,037		
HCD-No Place Like Home Loan													
Principal Balance	3.00%	\$5,474,486	5,474,486	5,474,486	5,474,486	5,474,486	5,474,486	5,474,486	5,474,486	5,474,486	5,474,486		
Interest for Period			164,235	164,235	164,235	164,235	164,235	164,235	164,235	164,235	164,235		
Accumulated Interest			164,235	164,235	164,235	164,235	164,235	164,235	164,235	164,235	164,235		
Payment			0	0	0	0	0	0	0	0	0		
Balance			\$5,638,721	\$5,802,955	\$5,967,190	\$6,131,424	\$6,295,659	\$7,116,832	\$7,938,005	\$8,501,789	\$9,053,057		

**MAXIMUM GROSS INCOME AND RENT LIMITS 2019**  
 Low Income Housing Tax Credits, No Place Like Home Home,  
 Housing Trust Funds

**Metro at 7th Phases I and II**

**Maximum Gross Income Limits**

<b><u>Household Size</u></b>		<b><u>25% AMI</u></b>		<b><u>30% AMI</u></b>		<b><u>50% AMI</u></b>		<b><u>60% AMI</u></b>
1 person	\$	14,650	\$	17,580	\$	29,300	\$	35,160
2 person	\$	16,725	\$	20,070	\$	33,450	\$	40,140
3 person	\$	18,825	\$	22,590	\$	37,650	\$	45,180
4 person	\$	20,900	\$	25,080	\$	41,800	\$	50,160
5 person	\$	22,575	\$	27,090	\$	45,150	\$	54,180
6 person	\$	24,250	\$	29,100	\$	48,500	\$	58,200
7 person	\$	25,925	\$	31,110	\$	51,850	\$	62,220

**Maximum Gross Rent Limits**

<b><u>Unit Size</u></b>		<b><u>25% AMI</u></b>		<b><u>30% AMI</u></b>		<b><u>50% AMI</u></b>		<b><u>60% AMI</u></b>
Studio	\$	366	\$	439	\$	732	\$	879
1 Bedroom	\$	392	\$	470	\$	784	\$	941
2 Bedroom	\$	470	\$	564	\$	941	\$	1,129

# **RESOLUTION NO. 2019-\_\_\_\_\_**

**Adopted by the Sacramento City Council**

On date of December 3, 2019

## **METRO AT 7TH PHASE I: APPROVAL OF THE ISSUANCE OF OBLIGATIONS BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON BEHALF OF USA PROPERTIES FUND, INC. AND JAMBOREE HOUSING CORPORATION**

### **BACKGROUND**

- A. The Housing Authority of the City of Sacramento, a housing authority organized and existing under the laws of the State of California (the "Authority"), proposes a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code") in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$26,000,000 (the "Obligations") and to lend the proceeds thereof to a limited partnership or a limited liability company related to or formed by USA Properties Fund, Inc. and Jamboree Housing Corporation (the "Borrower"), to be used to provide funds to finance or refinance the acquisition, construction and development of a 65-unit multifamily housing residential facility to be located at the Northwest corner of 7th Street and F Street, in the City of Sacramento, California; and
- B. Section 147(f) of the Code requires the execution and delivery of the Obligations to be approved by the City Council of the City (the "City Council"), as the elected representative of the City of Sacramento and the host jurisdiction of the subject multifamily housing residential facility, after a public hearing has been held following reasonable and proper notice; and
- C. A public hearing was held by the City Council on December 3, 2019, following duly published notice thereof, and all persons desiring to be heard have been heard; and
- D. It is in the public interest and for the public benefit that the City Council, as the elected representative of the City of Sacramento and the host jurisdiction of the subject multifamily housing residential facility, approve the execution and delivery by the Authority of the Obligations.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

Section 1. The City Council of the City of Sacramento hereby finds, determines and declares that issuance by the Authority of the Obligations in the maximum principal amount of \$26,000,000 for the purposes described above is hereby approved.

Section 2. This resolution shall take effect immediately upon its adoption.

Adopted by the City of Sacramento City Council on December 3, 2019, by the following vote:

Ayes: Members,

Noes: Members,

Abstain: Members,

Absent: Members,

Attest:

---

Mindy Cuppy, City Clerk

# **RESOLUTION NO. 2019-\_\_\_\_\_**

**Adopted by the Housing Authority of the City of Sacramento**

On the date of December 3, 2019

## **METRO AT 7TH PHASE I: A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS AND DIRECTING CERTAIN ACTIONS**

### **BACKGROUND**

- A. The Housing Authority of the City of Sacramento (the "Authority") intends to issue tax-exempt obligations (the "Obligations") for the purpose, among other things, of making a loan to a limited partnership or a limited liability company related to or formed by USA Properties Fund, Inc. and Jamboree Housing Corporation (the "Borrower"), the proceeds of which shall be used by the Borrower to finance the acquisition, construction and development of a 65-unit multifamily housing residential facility to be located at the Northwest corner of 7th Street and F Street, Sacramento, California (the "Project").
- B. United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer must declare an intention to reimburse such expenditure.
- C. It is in the public interest and for the public benefit that the Authority declare its official intent to reimburse the expenditures referenced herein.

### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. The Authority intends to issue the Obligations for the purpose of paying the costs of financing the acquisition, construction and development of the Project.
- Section 2. The Authority hereby declares that it reasonably expects that a portion of the proceeds of the Obligations will be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations.



- Section 3. The maximum amount of proceeds of the Obligations to be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations is not to exceed \$26,000,000.
- Section 4. The foregoing declaration is consistent with the budgetary and financial circumstances of the Authority in that there are no funds (other than proceeds of the Obligations) that are reasonably expected to be (i) reserved, (ii) allocated or (iii) otherwise set aside, on a long-term basis, by or on behalf of the Authority, or any public entity controlled by the Authority, for the expenditures for the acquisition, construction and development of the Project that are expected to be reimbursed from the proceeds of the Obligations.
- Section 5. The Borrower shall be responsible for the payment of all present and future costs in connection with the issuance of the Obligations, including, but not limited to, any fees and expenses incurred by the Authority in anticipation of the issuance of the Obligations, any fees required by the California Debt Limit Allocation Committee ("CDLAC") the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and the costs of printing the Obligations. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Obligations shall be solely the responsibility of the Borrower. The Obligations shall not constitute a debt or obligation of the Authority.
- Section 6. The appropriate officers or the staff of the Authority are hereby authorized, for and in the name of and on behalf of the Authority, to make an application to CDLAC for an allocation of private activity bonds for the financing of the Project.
- Section 7. The adoption of this Resolution shall not obligate (i) the Authority to provide financing to the Borrower for the acquisition, construction and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the Authority, or any department of the Authority or the City of Sacramento to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of the Project.
- Section 8. This resolution shall take effect immediately upon its adoption.

Adopted by the Housing Authority of the City of Sacramento on December 3, 2019, by the following vote:

Ayes:           Members,

Noes:           Members,

Abstain:       Members,

Absent:        Members,

Attest:

---

Mindy Cuppy, Secretary

# **RESOLUTION NO. 2019 -**

**Adopted by the Sacramento City Council**

On date of

## **METRO AT 7TH PHASE I: APPROVAL OF \$1,200,000 IN CITY HOUSING TRUST FUNDS, EXECUTION OF A LOAN COMMITMENT AND RELATED DOCUMENTS WITH USA PROPERTIES FUND, INC. AND JAMBOREE HOUSING CORPORATION, OR RELATED ENTITY; RELATED BUDGET AMENDMENT; AND ENVIRONMENTAL FINDINGS**

### **BACKGROUND**

- A. USA Properties Fund, Inc. and Jamboree Housing Corporation (Developer) applied to Sacramento Housing and Redevelopment Agency (Agency) for a \$1,200,000 loan to assist in funding the acquisition, construction and permanent financing of the Metro at 7th Phase I development located on the Northwest of 7<sup>th</sup> and F Streets in the Sacramento Railyards Specific Plan area (Project).
- B. Metro at 7th Phase I is consistent with: a) the Agency's previously approved Multifamily Lending and Mortgage Revenue Bond Policies, New Production priority; b) the 2013-2021 Housing Element, Goals H-1.1.1 Sustainable housing practices; H-1.3.2 Economic integration of new multifamily affordable housing projects; H-2.2.4, in part, Pursue and maximize the use of all appropriate state, federal, local and private funding for the development of housing affordable for extremely low-, very low-, and low-income households, while maintaining economic competitiveness in the region; H-3.1.1 Promote extremely low income housing; and H-5.1 to 5.4, in part, Promote and create accessible residential development (Resolution No. 2013-415); c) the Sacramento Promise Zone Plans and Goals, Sustainably Built Community sub-goal to increase housing types and transit growth to promote livability and connectivity within the Promise Zone (Resolution No. 2015-263); and d) Mixed Income Housing Strategy (Ordinance No. 2016-0044) that includes integrating a variety of housing that will benefit sustainability and success of Railyards over its multi-year build-out, as well as the greater community; specifically, diversity of housing targeted to residents with incomes at or below 60% of Area Median Income expands the financing options beyond conventional financing (e.g., State of California No Place Like Home Funds and City Housing Trust Funds).
- C. In addition, the recommended actions for both phases of the development are located in a) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by 2025 (Resolution No. 2015-282); b) the Sacramento Railyards Specific Plan to create, in part, a mixture of housing products, including affordable housing and transit-oriented neighborhoods; and c) the Opportunity Zone that provides a federal tax

incentive for investors, who invest in real estate projects and operating businesses located in designated low-income communities through deferral and partial tax reductions of reinvested capital gains and forgiveness of tax on new capital gains (enacted into federal law through the Tax Cuts and Jobs Act of 2017).

- D. In addition, the recommended actions for both phases of the development are located in a) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by 2025 (Resolution No. 2015-282); b) the Sacramento Railyards Specific Plan to create, in part, a mixture of housing products, including affordable housing and transit-oriented neighborhoods; and c) the Opportunity Zone that provides a federal tax incentive for investors, who invest in real estate projects and operating businesses located in designated low-income communities through deferral and partial tax reductions of reinvested capital gains and forgiveness of tax on new capital gains (enacted into federal law through the Tax Cuts and Jobs Act of 2017).
- E. The Project has been reviewed pursuant to the California Environmental Quality Act (CEQA), and it has been determined that the Project is consistent with the Railyards Specific Plan and the project is therefore exempt from CEQA pursuant to Guidelines section 15182.
- F. An Environmental Assessment (EA) was completed pursuant to the National Environmental Policy Act (NEPA), and it was found that, with mitigation measures incorporated, the project will not result in a significant impact on the quality of the human environment.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. All of the evidence having been duly considered, the facts as presented and stated above, including the environmental facts and findings, as stated above, are found to be true and correct.
- Section 2. The Sacramento Housing and Redevelopment Agency (Agency) is authorized to amend the Agency budget and allocate up to \$1,200,000 in Housing Trust Funds to Metro at 7th Phase I.
- Section 3. The Loan Commitment, attached as Exhibit A, for financing the Metro at 7th Phase I with \$1,200,000 in Housing Trust Funds is approved, and the Agency is delegated authority to execute and transmit the Loan Commitment to USA Properties Fund, Inc. and Jamboree Housing Corporation, or related entity.

Section 4. The Agency 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 accompany this resolution, in accordance with their terms, and to ensure proper repayment of the Agency funds including without limitation, subordination, and extensions consistent with Agency adopted policy and with this resolution.

#### **TABLE OF CONTENTS:**

Exhibit A – Metro at 7th Phase I Loan Commitment Letter



Exhibit A

Date: December 3, 2019

USA Properties Fund, Inc.  
Geoffrey C. Brown, President and Chief Executive Officer  
3200 Douglas Blvd., Suite 200  
Roseville, CA 95661

Jamboree Housing Corporation  
Michael Massie, Chief Development Officer  
17701 Cowan Ave., Suite 200  
Irvine, CA 92614

**RE: Conditional Funding Commitment for Metro at 7th Phase I**

Dear Sirs,

On behalf of the Sacramento Housing and Redevelopment Agency (Agency), we are pleased to advise you of its commitment of a \$1,200,000 permanent loan funds (Loan) comprised of City Housing Trust Fund (HTF) for the purpose of construction and permanent financing of that certain real property known as Metro at 7th Phase I (Project) located at the Northwest corner of 7<sup>th</sup> Street and F Street, Sacramento, California (Property). **The Agency's decision is based on your application, and all representations and information supplied by you to it. If these representations and information change in a material manner without written approval of the 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 that is in a form and in substance satisfactory to the Agency.

The Loan shall be made on standard Agency loan documents. Loan terms not in this funding commitment and the attached loan document forms shall not be included in the final loan documents without additional environmental review and governing board approval. In the event of any discrepancies between terms stated in this commitment and the loan documents, the terms stated in the loan commitment letter 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 a financing commitment. The Agency may, in exercise of its absolute discretion, modify its requirements upon written notice to Borrower given at least sixty (60) days prior to close of escrow for the Property.

This commitment will expire **July 31, 2021** or extended upon mutual written agreement.



1. PROJECT DESCRIPTION: Metro at 7th Phase I is a new construction development on a portion of 2.35 acres located in the Sacramento Railyards Specific Plan area of the City of Sacramento (Project). The development consists of 65 units consisting of 64 affordable units and one unrestricted management unit. There will be 44 studio, seven one-bedroom and 14 two-bedroom units. Inclusive of the 64 affordable units, there will be seven units with Americans with Disability Act (ADA) accessibility and three units with communication features (e.g., wiring for audio and visual devices). There will be a management office, community room and conference rooms. Community amenities include a management office, community room, conference rooms, courtyard, community garden, pet area, vehicle parking and bike storage. Further details of the Project and Property are described in the Scope of Development (Attachment 1).
2. BORROWER: USA Properties Fund, Inc. (USAPF) and Jamboree Housing Corporation (JHC), or related entity.
3. PURPOSE OF LOAN: The Loan is to be used by Borrower solely to pay the costs of construction and development and for such other purposes as Agency expressly agrees to in the loan agreement for the Loan, and such other agreements as may be generally required by the Agency for the use of the funding source for the Loan.
4. PRINCIPAL AMOUNT: The combined principal amount of the Loan will be the lesser of (a) One Million Two Hundred Thousand Dollars (\$1,200,000), or (b) an amount to be determined prior to close of the Loan based on a project budget approved by Agency.
5. TERM OF LOAN: The Loan shall mature 57 years or 684 months from the date of closing, at which point any and all unpaid principal and interest on the loan will be due and payable.
6. INTEREST RATE: The Loan will bear simple interest at three percent (3%) per annum. Interest shall be calculated on the basis of a 365-day year and actual number of days elapsed.
7. ANNUAL REPAYMENT: Annual principal and interest payments shall be deferred from the Loan's Effective Date through the first 168 months. Beginning in month 169, annual installments for the loan are calculated to achieve an annual 1.2 debt coverage ratio. Annual payments will be made on a Residual Receipts, as defined below, basis until the maturity date. Annual payments shall be applied first to outstanding interest accrued and unpaid and then to principal.

"Residual Receipts" is defined as follows: After Month 168, annual installments (as described in Section [f] of this paragraph) are to begin on the first day of the 169th month of the loan. Based on the annual audited financial statement from the preceding year, payments will be made upon a "Residual Cash Flow" basis meaning Net Operating Income (NOI) less: (a) Debt Service, which means the monitoring fees of the State of California Housing Community Development (HCD) No Place Like Home Program



(NPLH) loan and the City of Sacramento Housing Authority mortgage revenue bond issuance; (b) Priority Distributions, which means \$7,500 partnership management fee and \$17,500 asset management fee, both escalating at 3% annually as of the Loan's Effective Date; (c) Deferred Developer Fee; (d) fifty percent (50%) of the available cash flow from NOI to Borrower after Sections (a) through (c) of this paragraph are paid; (e) forty-three percent (43%), or the proportional share of HCD's public assistance, of the available cash flow from NOI towards loan repayment to HCD after Sections (a) through (d) of this paragraph are paid; and (f) the remaining eleven (7%), or the proportional share of the Agency's public assistance, of the available cash flow from NOI towards loan repayment to the Agency after Sections (a) through (e) of this paragraph are paid.

The Capitalized Operating Reserve (COR) in the amount of \$875,000 will be utilized for the purpose of funding Sections (a) through (f) of the above Residual Receipts paragraph, which includes annually paying-down the balance of the deferred developer fee.

The Net Operating Income is defined as periodic "Revenue" less "Operating Expenses." "Revenue" means all revenue from the leasing of the Project, including but not limited to all rents, fees, and charges paid by tenants as well as rental subsidy payments regardless of the source of these subsidies, forfeited tenant deposits, rent increases, proceeds from vending machines and laundry room machines. Revenue shall not include tenants' security deposits (unless forfeited), interest on those deposits, loan proceeds, capital contributions or similar advances, or amounts released from reserves or interest on reserves.

"Operating Expenses" shall mean actual costs, fees and expenses as evidenced by invoices attributable to the operation, recordkeeping, maintenance, taxes and management of the Project, including property management fees; taxes and assessments; payroll, benefits and payroll taxes of for property employees; insurance; security; painting, cleaning, repairs, and alterations; landscaping; sewer charges; utility charges; advertising, promotion and publicity; cable television, satellite and other similar services; office, janitorial, cleaning and building supplies; recreational amenities and supplies; purchase, repair, servicing and installation of appliances; costs and expenses associated with the provision of resident and supportive services to the tenants of the Project; equipment, fixtures and furnishing; fire alarm and elevator monitoring; fees and expenses of accountants, attorneys, consultants and other professionals. The definition will include deposits into operating and/or replacement reserves maintained by the Borrower.

8. SOURCE OF LOAN FUNDS:

Agency is making the Loan from the following sources of funds, and the Loan is subject to all requirements related to the use of such, whether Agency requirements or otherwise: City Housing Trust Funds. This Loan is conditioned upon Borrower's acceptance of Agency's requirements and conditions related to such lending programs and funding sources, including among others, the required forms of agreements for the Loan; the requirements for covenants, conditions and restrictions upon the Property; and insurance and indemnity requirements.





**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.**

\_\_\_\_\_ (USAPF Borrower Initials) \_\_\_\_\_ (JHC Borrower Initials)

9. **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.
10. **SECURITY:** The Loan shall be evidenced by promissory note(s) secured by a deed of trust with assignment of rents against the fee and/or leasehold interest in the Property and Improvements, which shall be a lien upon the Property and Improvements subject only to liens senior to the Agency's lien securing loans from the commercial bank senior lender, HCD, and such other items as the Agency may approve in writing. The Loan shall also be secured by security agreements. The Agency may subordinate said deeds of trust in order to accommodate completion of the acquisition, construction and development of the Property.
11. **LEASE AND RENTAL SCHEDULE:** All leases of the Property and Improvements shall be subject to Agency's review and approval prior to execution. Borrower shall not deviate from the rental schedule presented in Borrower's application 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 (CTCAC).
12. **PROOF OF EQUITY:** Borrower shall provide proof of equity for the Property and Improvements in the amount of no less than \$14,200,000 in Low Income Housing Tax Credit Equity and no less than \$1,300,000 in deferred developer fee. If LIHTC equity decreases below \$14,200,000, the equity must be offset by an increase in deferred developer fee, general partnership equity and/or other non-SHRA gap financing source. The estimated cash developer fee paid from the project funding sources shall be \$2,800,000 but may be allowed up to the maximum cash developer fee permitted by HCD and/or TCAC.
13. **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 disbursement of the remainder of 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 "take out" all liens senior to the Agency's lien.

(c) Such commitments for financing shall not require modification of Agency loan documents, or any term of this commitment letter.

(d) 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 of the DDA, OPA or other agreements.

14. EVIDENCE OF FUNDS: Prior to the first disbursement of 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 absolute 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.
15. SOILS AND TOXIC REPORTS: Borrower has submitted to the Agency a hazardous substances report made in accordance with the American Society for Testing and Materials (ASTM) Designation E-1527-13, and All Appropriate Inquiry (AAI) as defined by the US-EPA in Title 40 of the Code of Federal Regulations, Part 312. Phase I Environmental Site Assessment, dated May 14, 2019, was prepared by a licensed or registered environmental engineer or other qualified party and may need to be updated prior to Loan closing, pursuant to senior lender or equity investor. Borrower must, as a condition of disbursement of Loan funds, give assurances satisfactory to the Agency that hazardous materials are not present on the Property or that any hazardous materials on the Property will be remediated and that no further remediation is then required by the environmental agency having responsibility for monitoring such remediation.
16. LOAN IN BALANCE: Borrower will be required to maintain the Loan "in balance". The Loan 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 or the equity investor are sufficient, in the sole judgement 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 Loan is not "in balance", the Agency may declare the Loan to be in default.
17. PLANS AND SPECIFICATION: Final plans and specifications, if any, 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 prior to the disbursement of Agency Loan funds. Borrower must obtain Agency's prior written consent to any change in the approved plans and specifications or any material deviation in construction of the project. The final plans shall incorporate all related mitigation measures, environmental conditions



required, if any, for compliance with approvals under CEQA, and/or NEPA, or the U.S. Department of Housing and Urban Development as conditions of approval of the project.

18. ARCHITECTURAL AGREEMENT: The architectural agreement (Agreement), if any, 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.
19. CONSTRUCTION CONTRACT: The construction contract (Contract), if any, 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. Agency may require Contractor to provide a performance and payment bond in a form acceptable to Agency for the amount of the Contract.
20. RETENTION AMOUNT: The Agency shall retain ten percent (10.0%) of the total amount of the Loan as retention and shall be released when the Agency determines all conditions to final disbursement of the Loan have been satisfied.
21. 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. Agency also reserves the right to require performance and material payment bonds on any or all contractors, or in lieu of bond a letter of credit acceptable to Agency.

Agency shall make disbursements of the Loan based on a cost breakdown that lists line items in cost categories. Agency shall require that Borrower provide documentation supporting all requests for disbursement of Loan funds, including proof of work done and actual expenditure. Agency shall conduct inspections of the Property to assure that the work was done before making a disbursement.

22. COST SAVINGS: At completion of construction, Borrower shall submit to Agency a cost certification prepared by a qualified, independent auditor acceptable to Agency, which cost certification shall indicate the amounts actually spent for each item in the cost breakdown and shall indicate the final sources of funding. If there is an aggregate savings, in the total of all such cost breakdown items from the cost breakdown items in the original budget approved by the Agency, after adjusting for any decrease in any funding source including any loss of any equity investment due to an adjustment in the allowable tax credits, the



Agency shall withhold for itself as loan repayment, fifty percent (50%) of such savings from the amount of retention then held by the Agency, and the Loan balance shall be reduced by the amount so withheld. The Agency, in its sole discretion, shall determine any reduction and/or repayment of the Agency loan based upon this cost certification and the original approved budget for the project.

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 sixty (60) days following the close of construction financing.
24. COMPLETION OF CONSTRUCTION: Borrower shall complete the construction of the Improvements no later than 24 months following the close of construction financing.
25. SECURITY PLAN: The Agency has reviewed and approved the security plan which includes security patrol services available 24 hours a day and seven days a week; installation of web-based security cameras and recording equipment; and installation of exterior lighting. In addition, two management staff will live on the development.
26. INSURANCE PROVIDER: Each policy of insurance required under the Loan shall be obtained from a provider licensed to do business in California and having a current Best's Insurance Guide rating of A+ VII, which rating has been substantially the same or increasing for the last five (5) years, or such other equivalent rating, as may reasonably be approved by Lender's legal counsel.
27. HAZARD INSURANCE: Borrower shall procure and maintain fire and extended coverage insurance and during construction 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 TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).
28. PUBLIC LIABILITY AND OTHER INSURANCE: Borrower must procure and maintain public liability and property damage insurance (with "Sacramento Housing and Redevelopment Agency and its constituent entities" 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.

29. TITLE INSURANCE: Borrower must procure and deliver to Agency an ALTA Lender's Policy of Title Insurance, together with such endorsements as Agency may require, including but not limited to ALTA endorsement no. 101.1 and CLTA endorsement nos. 100, 116, and 102.5/102.7 and 124 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.
30. 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.
31. PURCHASE OF PROPERTY: Borrower shall provide Agency with copies of all documents relating to Borrower's purchase of the Property.
32. 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.
33. 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.



34. AFFIRMATIVE FAIR MARKETING: Borrower agrees to follow the Agency's Affirmative Marketing Policies that require outreach to groups least likely to apply for the housing based on local demographic information, sufficient marketing time prior to lease up, and lotteries for initial lease-up and waiting list.
35. A. RESIDENT SERVICES AGREEMENTS: Prior to execution, Borrower must submit to Agency any agreements providing for the resident services by Jamboree Housing Corporation or related entity, and qualified third party service providers, which agreements and third party service providers are subject to Agency Approval. The agreement must include a minimum of twenty (20) hours per week of on-site resident services and staffing capacity to ensure on-site resident services continue without interruption due to short- and long-term absences (e.g., unplanned absences, paid time off, vacation time, resignation and/or termination of employment).
- B. SUPPORTIVE SERVICES AGREEMENTS: Prior to execution, Borrower must submit to Agency any agreements providing for the supportive services by TLCS, Inc. or related entity, and qualified third party service providers, which agreements and third party service providers are subject to Agency Approval. The agreement must include a minimum of one (1) Full-time Equivalent (FTE) case manager and one (1) FTE supportive service coordinator, which each FTE provides 40 hours per week of on-site case management and supportive services, and staffing capacity to ensure on-site case management and supportive services continue without interruption due to short- and long-term absences (e.g., unplanned absences, paid time off, vacation time, resignation and/or termination of employment).
36. LOW INCOME HOUSING TAX CREDITS (LIHTC): Borrower represents that as a condition of closing this Loan it is applying for an allocation of LIHTC's and agrees to perform all actions and to meet all requirements to maintain the LIHTC allocation if granted.
37. SMOKE-FREE ENVIRONMENT: 100% of the buildings and units must be smoke free (including all forms of smoking that create secondhand smoke that impacts the health of nonsmokers). In addition, all indoor common areas must be smoke-free. Clearly-marked designated smoking areas must be provided.
38. 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.
39. 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.



40. 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.
41. 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,

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La Shelle Dozier  
Executive Director

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

Dated: December 3, 2019

**BORROWER:**

USA Properties Fund, Inc.

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Geoffrey C. Brown, President and Chief Executive Officer

Jamboree Housing Corporation

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Michael Massie, Chief Development Officer

**The Exhibit listed below is incorporated in this Loan Commitment by this reference for the financing of the Metro at 7<sup>th</sup> Phase I Project:**  
Exhibit 1 - Scope of Development





## **Exhibit 1: Scope of Development**

Metro at 7<sup>th</sup> (Railyards Lot 46a) is a new construction development on approximately 2.35 acres located at the Northwest corner of 7<sup>th</sup> and F Street in the City of Sacramento (Project). The development consists of one physical building with two separate ownership structures.

Phase I (4% LIHTC/MRB) project will have a total of 65 units comprised of forty-four (44) studios, seven (7) one-bedroom, and fourteen (14) two-bedroom units. Inclusive of this unit mix, one (1) two-bedroom unit will be exempt for management staff.

Phase II (9% LIHTC) project will have a total of 85 units comprised of twenty (20) studios, thirty-eight (38) one-bedroom, and twenty-seven (27) two-bedroom units. Inclusive of this unit mix, one (1) two-bedroom unit will be exempt for management staff.

Community amenities include a courtyard, community garden, pet area and bike storage. Community service spaces will include a leasing office with break room for staff, and community room as well as multiple private support break out rooms.

All work shall comply with Federal Americans with Disability Act (ADA) requirements as well as the California Building Code accessibility requirements, as well as any other requirements stipulated by the funding sources. The Borrower is responsible for notifying their architect and/or engineer of all funding sources used on the Project. The architect and/or engineer must indicate these funding requirements in the Project's plans/scope of work.

### **I. Mitigation Measures and Mitigation Monitoring Plan:**

Pursuant to the Environmental Assessment, the project will not result in a significant impact on the quality of the human environment.

### **II. Building Exteriors:**

1. **Asphalt Pavements:** The development will include approximately 75 uncovered surface parking spaces. Thirty three (33) spaces dedicated to the 4% project and forty two (42) spaces dedicated to the 9% project. (Borrower will inform the Lender of the final parking count after the lot line adjustment is complete and prior to close of construction financing). Accessible parking will provided in the amount required by the California Building Code (CBC). The parking lot and drive aisles will include pedestrian crosswalks using enhanced paving technique as needed.
2. **Balconies and Patios:** Not applicable - There are no balconies or patios.
3. **Site Lighting:** The site will be lit with Title 24 compliant wall packs, pole lights and other luminaires for all parking and outside public spaces, and will be of LED or similarly energy efficient type.
4. **Non-Smoking:** The Project is 100% non-smoking.
5. **Landscaping and Courtyard:** Landscaping is designed with drought tolerant plants and trees. Trees will be planted throughout the parking lot to meet City shading requirements. The Social Courtyards are open-air landscaped courtyards with picnic area, community garden, pet area and bike storage.
6. **Picnic Area:** Barbeque and seating areas will be provided.
7. **Swimming Pool:** Not applicable – there is no pool.
8. **Play Area:** Not applicable – there is no play area.



9. **Community Garden:** The site will have a resident garden
10. **Exercise Path:** Not applicable – There is no exercise path.
11. **Mailboxes:** New mailboxes will be installed in a centralized location near the project entry.
12. **Site Fencing:** The entire perimeter of the site will be fenced to further enhance privacy. Residents and employees of the complex will have remote access to open the gate and park inside. Pedestrian access to the site is through a person-gate along the sidewalk on F Street as well as a main project entry off of 7<sup>th</sup> Street. The project entry off 7<sup>th</sup> Street will have a call box located just outside the manager's office and resident common space. Here visitors can be buzzed in at the ground floor of the building. Perimeter site fencing will be tubular steel.
13. **Stormwater:** The development will meet storm water requirements through use of on-site storm water planters and/or bio swales along the project perimeter.
14. **Roof:** Buildings are planned with flat roofs and parapets in order to provide a platform for mechanical equipment. Buildings include cool roofs, planned to passively counteract the warm conditions of Sacramento. The material on the roof will be Thermoplastic Polyolefin (TPO).
15. **Siding:** The building materials feature plaster with tile accents at the street level and a warm wood-tone motif using horizontal siding.
16. **Offsite Improvements:** Public offsite improvements will be minimal with typical repairs to curb/gutters. For example, if a curb is damaged, the construction team would repair the damage.

### III. Building Interiors

1. **Americans with Disabilities Act (ADA) Units:** All units will be adaptable as required by the CBC. In addition some funding sources will require additional measures which will be communicated to the architect for inclusion in the project.
2. **Non-Smoking:** The Project will have 100% non-smoking units.
3. **Smoke Detectors:** All units, offices and interior common areas will have a smoke/carbon monoxide detector installed in accordance with current code requirements.
4. **Appliances:** All apartment kitchens will have brand new Energy Star rated appliances including, refrigerator with freezer combination, electric stove and range and garbage disposal. Energy Star dishwashers will be installed in all of the one- and two-bedroom units.
5. **Bathtubs and Toilets:** All apartments will have a bathtub or shower. Restrooms will have water efficient toilet and fixtures, and bath accessories.
6. **Doors (Interior, Exterior and Sliding Glass):** All interior and exterior doors will have matching hardware finishes. All exterior doors will have deadbolt locks, keyed latch assemblies, viewers, and screws in strike plates long enough to penetrate the door jamb framing by at least one inch. The dwelling entry door hardware shall have single action hardware to release deadbolt and latch assembly. All doors will meet current egress standards.
7. **Cabinets, Counters and Sinks:** All apartment kitchens will have modular construction cabinets, solid surface countertops, and stainless steel sinks. Microwave shelving will be provided (except in ADA units) either above the counter, or on the pantry shelving with electrical outlet for microwave, all apartment bathrooms will have vanity, and vanity top.



8. **Ceilings and Walls:** Low or no VOC paint will be used in building interiors.
9. **Windows:** All apartments will have energy efficient vinyl dual pane windows. Windows designed to open will have screens. All windows will meet current egress standards. OSHA and window washing anchors will be installed. The Borrower is responsible for providing an Operating Procedure Outline Sheet (OPOS) for window washing systems where applicable, pursuant to Cal-OSHA requirements. OSHA and window washing anchors will be installed.
10. **Blinds:** Window blinds will be provided in all apartment windows and sliding glass doors.
11. **Electrical and Lighting:** All apartments will have high efficiency lighting, exhaust fans vented to the exterior and bathroom humidistat fans. Central air conditioning and forced air heat will be provided. Any exterior mounted electrical, mechanical and plumbing systems will be protected from vandalism. Wiring from telephone/data/cable suppliers will be installed within walls, attic spaces, and/or crawl spaces. Conduits are not allowed to be mounted on the exterior of the buildings.
12. **Flooring:** Apartment interiors will have at minimum 12 mils luxury vinyl plank (LVP) flooring throughout, except in bathrooms where they will have vinyl sheet flooring and bedrooms which will have carpet.
13. **Plumbing Fixtures:** All apartments will have new water efficient plumbing fixtures.

#### IV. Community Amenities

1. **Management Office and Lobby:** The furnished management office and lobby will have low maintenance and high quality flooring, energy efficient lighting and HVAC systems.
2. **Flooring:** The LVP flooring in all common areas will have a thickness of at minimum 20 mils.
3. **Ceilings and Walls:** Low or no VOC paint will be used in all building interiors.
4. **Community Restrooms:** The two community restrooms on the first floor will be CBC compliant, have low-flow bathroom fixtures, sink, and bathroom accessories. Bathroom walls will have glazed wall tile to 48 inches high.
5. **Community Room located on the 1<sup>st</sup> Floor:** The community room, computer room, and conference rooms will have quality flooring, energy efficient lighting, all furnishings and HVAC systems. The community room will be 3,300 square feet, service area of 800 square feet, and Social Services offices of 889 square feet. These spaces will be CBC accessibility compliant.
6. **Community Room Kitchen:** The community room kitchen will be CBC accessible compliant. New Energy Star rated appliances (refrigerator, microwave, and garbage disposal), energy efficient lighting, HVAC system and water efficient plumbing fixtures will be installed.
7. **Elevator:** Two hydraulic elevators will be installed. The elevators will be gurney accessible for emergency services.
8. **Hallways and Stairs (enclosed corridor style):** Residential hallways and stairs will be of durable quality carpet. Stairs will be located near the elevator to encourage use for those that can forgo the elevator. Stairs will have non-slip concrete treads with carpet on landings.
9. **HVAC & Plumbing Systems:** Each apartment will have its own split system air conditioning and forced air heat, or a PTAC system with its own thermostat. Residential corridors will be ventilated. Stairwells will not have heating or air conditioning. A gas-fired central boiler will provide hot water for the development. Bathroom exhaust fans will be humidistat controlled.



10. **Laundry Facility:** The building will have multiple laundry rooms accommodating in total fifteen (15) washers and fifteen (15) dryers of which one set will meet California Building Code accessibility requirements.
11. **Signage:** A comprehensive signage package will be implemented throughout the development including all common area signage, unit ID, wayfinding, code, fire, life and safety signage.
12. **Trash Room:** One trash chute and one recycle chute will be located on each floor. A trash and recycle room is located on the ground floor within the building envelope with a concrete apron at the exterior for trash pick-up.
13. **Recycle:** One recycle chute will be located on each floor, emptying into the ground floor trash and recycle room.
14. **Bicycle parking:** A minimum of seventy-five (75) long-term and fifteen (15) short-term bicycle parking will be provided. Long-term bicycle parking will be provided within the building on the ground floor, and short-term bicycle parking will be provided on the exterior of the building.
15. **Security Cameras:** There will be interior and exterior web-based security cameras; the equipment will record events for primary ingress/egress points to and from the site, parking lots and indoor and outdoor common areas where people will be congregating.

**Attachment 1: Lender's Minimum Construction Standards exhibit is on the following page.**



### **Attachment 1: Lender's Minimum Construction Standards**

This attachment is from Exhibit 2 from the Lender's Multifamily Lending and Mortgage Revenue Bond Policies.

## **SHRA RENTAL PROPERTY MINIMUM CONSTRUCTION STANDARDS**

The following is a list of the required minimum construction standards that must be incorporated into projects participating in SHRA's Multifamily Financing and/or Mortgage Revenue Bond programs. All rental units and sites associated with these projects must meet or exceed these standards.

**Note:** For rehabilitation projects, all of the following standards shall apply. The non-rehabilitation sections below shall apply to new construction projects.

### **Useful Life Expectancy – Rehabilitation only**

SHRA shall reference the current edition of Fannie Mae's "Instructions for Performing a Multifamily Property Condition Assessment, Appendix F. Estimated Useful Life Tables" in determining the useful life for all building components and systems located within the project. A remaining useful life of 15 years or more is required for all building components and systems located within the approved complex. All items on the Fannie Mae tables with useful lives indicated to be less than 15 years shall be replaced.

### **General Requirements**

- A. All materials funded under this loan must be new unless previously approved. Recycled items must be approved in writing by SHRA prior to their use.
- B. All work shall comply with Federal and State ADA accessibility requirements, as well as any other requirements stipulated by the funding source(s). When there are differences the stricter of the two shall apply. The developer is responsible for notifying their architect and/or engineer of all funding sources used on the project. The architect and/or engineer must indicate these funding requirements in the project's plans/scope.
- C. All units shall be approved for occupancy by the local Building Department or any other Agency Having Jurisdiction (AHJ) at the conclusion of the work and prior to occupancy.
- D. Web-based security cameras and the equipment to record events are required for primary ingress/egress points to and from the site and for the principal parking and indoor and outdoor common areas where people will be congregating.
- E. Site lighting is required for all parking and outside public spaces, and shall be of LED or similarly energy efficient type. The lenses on the exterior lights shall be cleaned with all oxidation removed or replaced. Light poles shall be new or painted, and shall be structurally sound and stable.
- F. The developer's architect is responsible for providing an Operating Procedure Outline Sheet (OPOS) for window washing systems where applicable, per Cal-OSHA requirements.
- G. SHRA encourages the use of energy and water-efficient systems wherever they may be incorporated into the project.



### **General Requirements – Rehabilitation only**

- A. Any component of the project which does or may present a health or safety hazard to the public or tenants shall be corrected to the satisfaction of the local Building Department or AHJ.
- B. A clear pest inspection report will be required at the conclusion of the construction work for rehabilitation projects.
- C. For all structures where disturbance of any hazardous materials (e.g. lead, asbestos, mold, etc.) will occur, a clearance report from an environmental consultant is required.
- D. Projects deemed historically significant landmark by either the City of Sacramento or the National Register of Historic Places shall consult with the State Historic Preservation Officer (SHPO), and shall conform to the Secretary of the Interior Standards for the Treatment of Historic Properties.

### **Site Work**

- A. Trees and large shrubs must be trimmed, grass areas must be mowed, and all planter areas must be weed-free. The landscape design shall incorporate a sustainable design appropriate for the Sacramento Valley. Vegetation that assists in minimizing crime and enhances public safety is preferred. Trees compromising building envelope materials (roofing, siding, windows, etc.) and/or structural integrity (including foundations) must be removed. An arborist shall be consulted for an opinion on trees prior to major branch trimming, root cutting or tree removal. All trees, bushes and other plants that are to be removed shall have the root ball removed by grinding or by mechanical means. A landscape plan describing the above must be provided to SHRA for approval.
- B. All landscaped areas must be served by a programmable automated irrigation system. The irrigation controller shall be a "Smart Controller" that senses rain to reduce water use. Irrigation shall be designed to use bubblers and other water saving measures. Irrigation must not spray on building. Sprinklers should minimize overspray that runs to storm drain drop inlets. Areas that show evidence of erosion of soil shall be landscaped to eliminate problems. The landscape plan must be approved by SHRA and applied.
- C. For gated communities containing swinging vehicle gates, driveways shall be striped to show the area under the gate swings for safety purposes.
- D. All projects shall contain trash enclosures with concrete aprons. Trash enclosures shall be made of cinder block or stucco. Trash enclosures shall be accessible to all tenants. Provisions for tenants with disabilities must be addressed in the project Scope of Development or the project plans.
- E. All projects shall meet the parking requirements of the local Agency Having Jurisdiction (AHJ) over the project. "Grandfathered Projects" will need to show that they are in fact "Grandfathered" or otherwise exempted by the local AHJ. Otherwise, all projects shall meet the governing ADA requirements for parking.
- F. A two percent (2%) slope shall be maintained for a distance of five feet from all structures and no standing water shall remain on the site. Provide an on- site drainage system if necessary.



- G. Stairways in common areas must include closed risers and non-slip concrete finish or other slip-resistant material on the treads.
- H. Exterior mounted electrical, mechanical, and plumbing systems must be protected from vandalism.
- I. For family projects of 50 or more units, a minimum of one school age-appropriate play structure is required. For family projects of 100 or more units, a minimum of one school age and one toddler-appropriate play structure is required.

#### **Site Work – Rehabilitation only**

- A. All landscaping and irrigation systems must be in a well-maintained condition.
- B. All fencing must be in good and serviceable condition. Existing fencing that is to remain shall be free of flaking paint, rust, or any other signs of failure. If existing fencing shows any signs of failure, it shall be repaired, painted and restored to look new. All chain link fencing must be removed and replaced with fencing of another approved material. All pedestrian gates hardware must be functional and in new or near-new condition. Access Control systems are required at exterior pedestrian gates.
- C. All driveways and sidewalks must be in good condition. All cracked or uplifted areas (more than ¼") shall be repaired or replaced.
- D. The asphalt shall be in good condition, with no alligator cracking, longitudinal cracking, potholes, or standing water. Repairs to portions of parking lots not suitable for new coatings shall be performed by removing and replacing damaged paving. A new seal-coat or slurry-coat shall then be applied to the entire parking lot surface. Parking spaces shall be restriped, including ADA aisles and other applicable striping/painting.
- E. All site accessories (bollards, benches, tables, play equipment, bike racks, mailboxes, shade structures, BBQs, sheds, etc.) shall be replaced or in good repair (cleaned, painted and/or re-coated).

#### **Building Envelope and Moisture Protection – Rehabilitation only**

- A. All areas exposed to moisture must be sealed and watertight. Buildings showing evidence of water intrusion shall have the areas inspected by a licensed architect/engineer or by a certified water intrusion expert. A water intrusion report shall be submitted to SHRA, and shall include the cause of the issue and a resolution to eradicate the water intrusion. If the inspection cannot be completed until the demolition phase of the project, the report shall describe a procedure to inspect the issue during demolition.
- B. Roofing must have 15 years or more of remaining life with no visible signs of leakage. For roofs containing composition shingles, a maximum of two layers of shingles are allowed (including any proposed new layers). Provide evidence that the roof system has a 15-year life remaining on the manufacturer's warranty.

- C. All siding must have 15 years or more of remaining life. Hairline cracks in stucco must be



sealed and painted with elastomeric paint. If requested by SHRA, a statement by a licensed architect and/or engineer that the existing siding contains at least 15 years of useful life remaining shall be provided.

- D. Fireplaces must be clean and meet applicable air quality standards. Chimneys shall be clean and must be inspected by a certified chimney inspector for structural integrity. All recommended structural repairs shall be performed.

### **Doors and Windows**

- A. All dwelling/tenant units must have screens on all windows that are designed to open. Windows designed to open must have functional locks and must operate freely without excessive effort. All windows must be dual-paned (minimum), and shall meet or exceed the State of California's currently applicable efficiency standards, and any other efficiency standards that may be dictated by the funding source or other governing bodies for the project.
- B. All doors must have matching hardware finishes.
- C. All exterior doors must have deadbolt locks, keyed latch assemblies, viewers, and screws in strike plates long enough to penetrate the door jamb framing by at least one inch. The dwelling entry door hardware shall have single action hardware to release deadbolt and latch assembly.
- D. All sliding exterior doors shall have screen doors and shall have functional locks and must operate freely without excessive effort.
- E. All doors and windows must meet current egress standards.

### **Doors and Windows – Rehabilitation only**

- A. Retrofit windows are not acceptable. Any windows showing signs of condensation or leakage of any kind shall be replaced.
- B. All doors and doorjamb must be in good condition. No damaged or worn doorjamb or doors are allowed. Doors and/or jamb beyond their useful life shall be replaced.

### **Casework**

- A. New cabinet boxes shall be made of plywood or solid wood. No particle board boxes will be allowed.
- B. All counter tops shall be of solid surface or granite, and in very good condition with no significant scratches, burns or other imperfections.
- C. Face frames, doors and drawer faces shall be solid hardwood. No plastic laminate finishes will be allowed.





### **Casework – Rehabilitation only**

- A. All cabinets shall be replaced or in very good condition, within their 15 year useful life, both structurally and in appearance.

### **Finishes**

- A. All dwelling unit kitchens shall contain luxury vinyl plank (LVP) flooring. Bathrooms must be floored with LVP, sheet vinyl or ceramic tile to provide a cleanable, impervious surface. Bedrooms, hallways, and living and dining rooms may be floored with carpeting, LVP or hardwood. Wear layer of LVP shall be at least 12 mils inside dwelling units. Tenant unit entries shall be floored with LVP or ceramic tile.

In common areas, corridors may be floored with LVP, glue-down carpeting, or carpet tiles. Community rooms and kitchens shall be floored with LVP. Wear layer of LVP in common/commercial areas shall be a minimum of 20 mils thick.

Carpet shall meet or exceed the minimum standards as set by HUD's UM-44D bulletin.

### **Finishes – Rehabilitation only**

- A. Floor coverings must be in good, useable condition - no holes, tears, rips, or stains.
- B. All exterior and interior surfaces must be painted. No peeling, cracking, chipping, or otherwise failing paint will be allowed. All painted surfaces must be new, or in near new condition and appearance.
- C. Acoustic (popcorn) ceiling texture must be removed and refinished with new texture to match wall texture.

### **Equipment**

- A. Dishwashers, refrigerator/freezer, oven, stoves and garbage disposals are required in all dwelling unit kitchens. All appliances must be new or in very good operating condition. All appliances must be Energy Star rated, as applicable. Appliances slated for ADA units shall be per code requirements.
- B. SRO projects are encouraged to provide the appliances listed above and will be reviewed and approved on a case-by-case basis.
- C. All kitchens must have adequate cabinet and counter space. Installation of shelving for microwaves is required if over-the-range microwaves are not used, with the exception of ADA units.

### **Furnishings**

- A. Dwelling units must have window coverings on all windows.



### **Special Construction**

- A. Non-habitable structures on property must be painted to match primary buildings and must be structurally sound.
- B. Laundry facilities must be provided on the basis of one washer and dryer for every ten dwelling units. Ten percent of the total number of washer/dryers must be ADA-accessible machines (unless the ADA units contain their own laundry facilities). Solid surface countertops will be required within laundry rooms and countertops shall meet all ADA requirements.
- C. Public pool areas shall have self-closing gate(s). Fences and gates at pool areas shall meet applicable current codes and standards. Joints between coping and concrete deck shall be appropriately caulked. Existing pools shall have no cracks in plaster or tile grout joints. The Developer is responsible for ensuring pool and surroundings meet all applicable current codes and standards. If a project contains two or more pools, at least one must remain following rehabilitation.

### **Mechanical/Plumbing**

- A. Water heaters must be installed per current applicable codes.
- B. All common areas and tenant units must have heating and air conditioning. Wall mount (i.e. PTAC units) or central systems are acceptable. Evaporative coolers are not acceptable. HVAC units should be protected from vandalism, pursuant to discretion of SHRA.
- C. Toilets, showerheads, faucets, and mixing valves shall be new and meet current water conservation codes.
- D. Tub surrounds must be one unbroken piece per wall and must be of solid surfaces (such as "Swanstone" or other solid acrylic materials, quartz composites), or other similar materials. Fiberglass/acrylic surrounds are acceptable.

### **Mechanical/Plumbing – Rehabilitation only**

- A. All toilets, sinks, and tubs shall be chip and stain free.

### **Electrical**

- A. All units must have smoke/carbon monoxide detectors installed per current code.
- B. Wiring from telephone/data/cable suppliers shall be installed within walls, attic spaces, and/or crawl spaces. No conduits are allowed to be mounted on the exterior of the buildings in new construction.

### **Electrical – Rehabilitation only**

- A. All electrical panels shall meet current code.
- B. Any rehabilitation projects with un-grounded electrical systems shall be re-wired with grounded systems to meet current code.



- C. For rehabilitation projects, switches, outlets and light fixtures shall be replaced with devices that meet current applicable codes.
- D. Wiring mounted on the exterior of the surface may be allowed if it is concealed in conduit and conduit is painted to match exterior siding. For projects where exterior siding will be removed, this wiring shall be installed within walls, attic spaces, and/or crawl spaces.

### **Resident Services Community Space**

All properties, regardless of project type (i.e. senior, family, or large family), must devote a minimum of 1,200 s.f. to actual resident services/community space. Resident services space includes common kitchens, computer rooms, meeting rooms and general gathering space. It does not include public restrooms, leasing offices, laundry facilities and lobbies. Common kitchens are required, including refrigerator, stove, garbage disposal, and dishwasher.

For existing buildings, these requirements shall apply unless SHRA deems there to be significant physical constraints.

### **End of Scope of Development**



## 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  
November 6, 2019

**METRO AT 7TH PHASE I (PROJECT): AUTHORIZING A \$1,200,000 LOAN COMMITMENT IN CITY HOUSING TRUST FUNDS, EXECUTION OF A LOAN COMMITMENT AND RELATED DOCUMENTS WITH USA PROPERTIES FUND, INC. AND JAMBOREE HOUSING CORPORATION, OR RELATED ENTITY; RELATED BUDGET AMENDMENT; AND ENVIRONMENTAL FINDINGS**

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

Section 1: The Project has been reviewed pursuant to the California Environmental Quality Act (CEQA), and it has been determined that the Project is consistent with the Railyards Specific Plan and the project is therefore exempt from CEQA pursuant to Guidelines section 15182.

Section 2: An Environmental Assessment (EA) was completed pursuant to the National Environmental Policy Act (NEPA), and it was found that, with mitigation measures incorporated, the project will not result in a significant impact on the quality of the human environment.

Section 3: Subject to approval by the City Council, the Loan Commitment attached to and incorporated in this resolution by this reference for the financing of Metro at 7th Phase I (Loan Commitment) the Executive Director, or designee, is authorized to execute the Loan Commitment and related documents, and perform other actions necessary to fulfill the intent of repayment of the Loan Commitment, including without limitation, extensions, all as approved by agency counsel, and transmit to USA Properties Fund, Inc. and Jamboree Housing Corporation, or related entity.

Section 4: The Executive Director, or designee, is authorized to amend the Sacramento Housing and Redevelopment Agency (Agency) budget to transfer \$1,200,000 in City Housing Trust Funds to the Metro at 7th Phase I Project.

Section 5: Subject to approval by the City Council, the Executive Director, or designee, is authorized to execute the Loan Agreement and related documents, and perform other actions necessary to fulfill the intent of repayment of funds, including without limitation, subordination, extensions and restricting of payments, all as approved by agency counsel, and transmit to USA Properties Fund, Inc. and Jamboree Housing Corporation, or related entity.

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CHAIR

ATTEST:

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CLERK



November 16, 2019

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Mutual Housing On The Boulevard Project: Tax Equity And Fiscal  
Responsibility Act (TEFRA) Hearing, Approval Of Tax-Exempt Bonds And  
Loan Commitment

SUMMARY

The attached report is presented for your review prior to review by the County of  
Sacramento.

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report prior to final  
approval by the City of Sacramento.

Respectfully submitted,

  
LA SHELLE DOZIER  
Executive Director

Attachment

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
December 10, 2019

To: Board of Supervisors and Housing Authority of the County of Sacramento

Through: Navdeep S. Gill, County Executive

From: La Shelle Dozier, Executive Director, Sacramento Housing and Redevelopment Agency

Subject: Mutual Housing On The Boulevard Project: Tax Equity And Fiscal Responsibility Act (TEFRA) Hearing, Approval Of Tax-Exempt Bonds And Loan Commitment

District(s): Kennedy

**RECOMMENDED ACTION**

1. Adopt a Board of Supervisors Resolution which indicates that the Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing has been conducted related to the proposed acquisition, construction and permanent financing of Mutual Housing on the Boulevard (Project);
2. Adopt a Housing Authority Resolution authorizing the issuance of up to \$50,000,000 in tax-exempt mortgage revenue bonds for the Project, and authorizing submittal of an application to the California Debt Limit Allocation Committee (CDLAC) for allocation authority to issue the bonds.
3. Adopt a Board of Supervisors Resolution approving the Sacramento Housing and Redevelopment Agency (SHRA) budget amendment and a \$4,612,263 Loan Commitment comprised of HOME Investment Partnerships Program funds to the Project, and authorization to execute a Loan Commitment and related documents associated with this transaction with Mutual Housing California, or related entity, and make related findings.

The Clerk is requested to provide one certified electronic copy of each resolution to the Sacramento Housing and Redevelopment Agency.

## **BACKGROUND**

Mutual Housing on the Boulevard (Project) is a proposed permanent supportive and workforce housing development proposed at 7351 Stockton Boulevard in Sacramento. The site is currently a 6.9-acre vacant lot and is surrounded by residential and commercial offices. The proposed Project consists of 127 units, including one-, two- and three-bedroom units. A vicinity map, site plan and building rendering are included as Attachments 1, 2 and 3.

### **Project Based Vouchers and No Place Like Home**

Sacramento Housing and Redevelopment Agency (SHRA) awarded 67 Project Based Vouchers (PBV) and anticipates awarding another ten PBV to house homeless households at Mutual Housing on the Boulevard. Of the 77 PBV units, 60 of the units will be assisted through the State Department of Housing and Community Development (HCD) No Place Like Home Program (NPLH). The NPLH Program provides funding to households that have been designated homeless and that includes at least one household member living with mental illness. On April 1, 2019, Sacramento County and SHRA jointly issued a "Request to Partner on No Place Like Home Developments" (RTP). The selection criteria contained in the RTP mirrored HCD's threshold criteria, including development team experience, site control, integration, financial feasibility, capital and operational leverage, readiness and supportive services. On May 17, 2019, SHRA received two new construction development applications, Mutual Housing on the Boulevard located in the unincorporated County of Sacramento, and Metro at 7th Phases I and II located in the City of Sacramento.

On August 15, 2019, a NPLH Selection Committee (comprised of a representative from the County Director of Homeless Initiatives, Division of Behavioral Health Services, SHRA Development Finance and Focus Strategies) recommended both developments to partner with Sacramento County as co-applicants for a NPLH funding application to HCD. The Board of Supervisors (Board) will be asked to support the application to HCD for the NPLH funding on December 10, 2019. NPLH applications are due to HCD on January 8, 2020. The Developer is planning to apply to California Debt Limit Allocation Committee (CDLAC) for mortgage revenue bonds and California Tax Credit Allocation Committee (CTCAC) for 4% tax credits on January 15, 2020. HCD is scheduled to announce the NPLH awards in June 2020. If the Project is successfully awarded NPLH funds, mortgage revenue bonds and tax credits, construction would begin in early 2021 and be complete in less than three years.



Project Description

Mutual Housing California (Developer) currently owns the proposed site, and applied to SHRA for a \$6,900,000 loan to finance the acquisition, construction and permanent financing of new permanent supportive and workforce housing development known as Mutual Housing on the Boulevard.

The Project will consist of a three-story building of stacked flats with an interior corridor and elevator, two buildings of three-story garden walk-up buildings, and four townhome buildings. The seven residential buildings will provide 127 units consisting of 125 affordable units and two unrestricted management units given the Project size and the special needs population served at this development. There will be 65 one-bedroom, 44 two-bedroom and 18 three-bedroom units. Inclusive of the 125 affordable units, there will be thirteen units with Americans with Disability Act (ADA) accessibility and five units with communication features (e.g., wiring for audio and visual devices).

Site amenities include a management office, community room with kitchen, indoor play area, computer laboratory, outdoor playground suitable for school aged children, movie area, barbeque and picnic area, basketball court, bike parking and resident community gardens. Further details of the Project are included in the Scope of Development attached to the Loan Commitment (Attachment 8).

Developer: Mutual Housing California is developing the Project. The Developer is a nonprofit public benefit corporation dedicated to developing affordable housing and has developed 18 affordable properties in California, including 12 properties in Sacramento.

Property Management: Mutual Housing Management (MHM) will manage the Project. MHM manages 18 properties in California. SHRA staff has reviewed MHM's qualifications and management plan, and has found that the proposed property management agent and management plan meet SHRA requirements.

Supportive Services: The Sacramento County Department of Health Services (DHS) will be responsible for the mental health supportive services and the coordination of other supportive services needed by the 60 NPLH and PBV residents for a minimum of 20 years as required by the State NPLH program and SHRA.

In addition to the DHS supportive services, Lutheran Social Services (LSS) will dedicate one Full-Time Equivalent (FTE) case manager to provide services needed by the remaining 7 PBV homeless residents not served by

NPLH and a 1.4 FTE supportive services monitor will be available overnight during the weekdays and during the day on the weekends to provide programs available to all residents and tailored to serve the special needs residents. LSS provides a wide array of social services in Northern California for the past 43 years. LSS has been providing housing services to formerly homeless youth, single adults, and families in Sacramento for 22 years. SHRA staff has reviewed the qualifications of LSS and the supportive services plan, and has found that the proposed supportive services provider and supportive services plan meet SHRA requirements.

Resident Services: Resident Services will be provided by Mutual Housing California. A minimum of 20 hours per week of on-site services will be available to all residents and includes after school, education and enrichment programs, and transportation assistance (e.g., light rail/bus passes). An on-site coordinator will be assigned to the property. SHRA staff has reviewed MHC qualifications and the resident services plan, and has found that the proposed resident services provider and resident services plan meet SHRA requirements.

Security Plan: SHRA staff has reviewed and approved the security plan which includes security patrol services available 24 hours a day and seven days a week; installation of web-based security cameras and recording equipment; and installation of exterior lighting. In addition, two management staff will live at the development and a 1.4 FTE supportive services monitor will be available overnight during the weekdays and during the day on the weekends.

Project Financing: The Developer applied to SHRA for gap financing in the second competitive funding round of 2018. The results of that funding round is included as Attachment 4.

The financing structure of Mutual Housing on the Boulevard includes four percent Low Income Housing Tax Credits (LIHTC), state tax credit equity, tax-exempt bonds loan, NPLH loan and capitalized operating subsidy reserve, SHRA loan comprised of \$4,612,263 of HOME funds, deferred developer fee, general partner capital contribution and development impact fee waivers. The Board of Supervisors will be asked to support the application to HCD for NPLH funding on December 10, 2019.

In addition, SHRA has committed a total of 67 PBV, and anticipates awarding another ten PBV to this Project for a total of 77 PBV. Project Based Vouchers are awarded in accordance with the SHRA's administration of the Housing Choice Voucher Program as authorized by section 8(o)(13) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) and is based on the Public

Housing Authority's Annual Plan. The Plan is approved annually by the federal Department of Housing and Urban Development (HUD). Funding sources and uses for the Mutual Housing on the Boulevard development are provided in the Project Summary as Attachment 5. A Proforma is provided as Attachment 6.

Low-Income Set-Aside Requirements: As a condition of receiving tax credits, federal law requires that rental units be set aside for targeted-income groups. Income restrictions from LIHTC financing require that no households have income above 60 percent of Area Median Income (AMI). SHRA further requires that 20 percent of the units be restricted to households with incomes no greater than 50 percent AMI. The affordability restrictions will be specified in regulatory agreements between SHRA and the Developer. A schedule of maximum income and rents are included as Attachment 7.

The anticipated funding sources and their affordability requirements are summarized in the tables below for each phase of the development:

Unit Type	Units	% of Units	Affordability Restriction (55 years)
4% LIHTC, State Tax Credits, Tax-exempt Bonds, NPLH & PBV	60	47%	Extremely Low Income 30% of Area Median Income (AMI)
4% LIHTC, State Tax Credits, Tax-exempt Bonds, PBV	7	6%	Extremely Low Income 30% of Area Median Income (AMI)
4% LIHTC, State Tax Credits, & Tax-exempt Bonds	18	14%	Very-Low Income 40% of AMI
4% LIHTC, State Tax Credits, Tax-exempt Bonds, & HOME	18	14%	Very-Low Income 50% of AMI
4% LIHTC, State Tax Credits, Tax-exempt Bonds, & HOME	22	17%	Low Income 60% of AMI
Management Unit	2	2%	Exempt Management Unit
<b>Total</b>	<b>127</b>	<b>100%</b>	

### COMMISSION ACTION

At its meeting of November 6, 2019, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. Staff will notify the Board in the event the item was not approved.

### POLICY CONSIDERATIONS

The recommended actions for this Project are consistent with: a) SHRA's Multifamily Lending and Mortgage Revenue Bond Policies adopted by the Board on September 24, 2019, Subsection 1.1.(2)(i), new construction of permanent supportive housing and homeless housing and Subsection 1.1(2)(iii), Workforce housing (30% AMI to 60% AMI); and b) the 2013-2021 Housing Element Goals and Strategies, Subsection 4.1.1, support efforts to improve accessibility for both dwelling units and residential neighborhoods to meet the special needs of persons with disabilities; Subsection 4.1.9, support programs that address long-term solutions to homelessness, including work skills assessment, job training/placement, permanent housing and supportive services; Subsection 4.1.11, support the development of housing to meet the needs of large households; Subsection 4.2.1, facilitate the development of new extremely low-income rental units; Subsection 4.2.3, in part, assist extremely low-income households through the use of project based vouchers; and Subsection 6.1.2, encourage residential developers to maximize energy efficiency through building design and through the use of energy efficient materials, equipment, appliances, strategies and techniques.

All affordable housing units will be regulated for a period of 55 years by the California Tax Credit Allocation Committee as a LIHTC funding requirement. Regulatory restrictions on the property will be specified in the bond regulatory agreement between the Developer and the Housing Authority of the County of Sacramento for a period of 55 years. Regulatory restrictions on each of the properties will be specified in HOME regulatory agreement between the Developer and SHRA for a period of 20 years. Compliance with the regulatory agreement will be monitored by the SHRA on an annual basis.

### ENVIRONMENTAL REVIEW

**California Environmental Quality Act (CEQA):** The County of Sacramento prepared an Initial Study (IS), adopted a Negative Declaration (ND) and Mitigation Monitoring and Reporting Program (MMRP), and filed a Notice of Determination (NOD) for the Project pursuant to California Environmental Quality Act (CEQA) requirements under Title 14, §15070 – 15075 of the California Code of Regulations (CCR). As a Responsible Agency for the Project, the Sacramento Housing and Redevelopment Agency (SHRA) has considered the environmental document prepared by the County and has determined that the environmental analysis is adequate and complete

and that the project will have no significant effect on the environment with mitigation measures incorporated.

**National Environmental Policy Act (NEPA):** An Environmental Assessment (EA) was completed pursuant to the National Environmental Policy Act (NEPA) requirements under Title 24, Code of Federal Regulations (CFR) Part 58.36 and it was found that with mitigation measures incorporated, the project will not result in a significant impact on the quality of the human environment.

#### M/WBE/SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest extent possible and as required by federal funding and in accordance with the Agency's Section 3 Economic Opportunity Plan. The Developer and General Contractor will work with the Agency's Section 3 Coordinator, Sacramento Employment and Training Agency, the Greater Sacramento Urban League or similar programs, to promote employment opportunities.

#### FINANCIAL ANALYSIS

SHRA will receive a one-time issuance fee of 0.25 percent of the bond amount, which is payable at bond closing, and annual payment for monitoring the regulatory restrictions and administration of the bonds, in the amount of 0.125 percent of the bond amount, not to exceed \$25,000, for the term of 55 years. The Developer will be responsible for payment of all costs, fees, and deposits relating to the bond application. Mortgage revenue bonds do not represent a financial obligation of SHRA, Housing Authority, or County of Sacramento. The law firm Orrick, Herrington and Sutcliffe, LLP, is acting as bond counsel for the Housing Authority. The SHRA loan for Mutual Housing on the Boulevard is comprised of \$6,900,000 in HOME funds with an interest rate of three percent and a term of 55 years after the construction period is complete.

Sacramento County Department of Health Services will provide social case management to the NPLH clients for a period of at least twenty years. These services will be funded directly through the County.

Mutual Housing On The Boulevard Project: Tax Equity And Fiscal  
Responsibility Act (TEFRA) Hearing, Approval Of Tax-Exempt Bonds And  
Loan Commitment  
Page 8

Respectfully Submitted,

APPROVED  
NAVDEEP S. GILL,  
County Executive

\_\_\_\_\_  
LA SHELLE DOZIER, Executive Director  
Sacramento Housing and  
Redevelopment Agency

By: \_\_\_\_\_  
ROBERT B. LEONARD  
Deputy County Executive

Attachments:

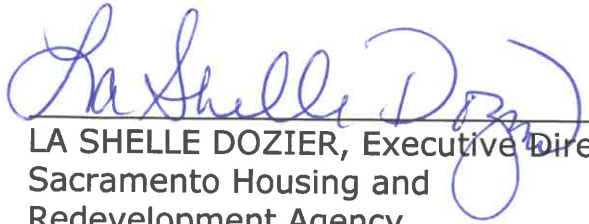
- RES – Board of Supervisors TEFRA
- RES – Housing Authority Bond Inducement Authorization
- RES – Board of Supervisors Loan Commitment Authorization
- ATT 1 – Vicinity Map
- ATT 2 – Site Map
- ATT 3 – Building Rendering
- ATT 4 – 2018 Pre-Application Results
- ATT 5 – Project Summary
- ATT 6 – Project Cash Flow Proforma
- ATT 7 – Maximum Income and Rent Limits
- ATT 8 – Loan Commitment and Scope of Development



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Respectfully Submitted,

APPROVED  
NAVDEEP S. GILL,  
County Executive



LA SHELLE DOZIER, Executive Director  
Sacramento Housing and  
Redevelopment Agency

By: \_\_\_\_\_  
ROBERT B. LEONARD  
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## **RESOLUTION NO.**

### **MUTUAL HOUSING ON THE BOULEVARD (PROJECT): APPROVING THE ISSUANCE OF OBLIGATIONS BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON BEHALF OF MUTUAL HOUSING OF CALIFORNIA, OR RELATED ENTITY**

**WHEREAS,** the Housing Authority of the County of Sacramento, a housing authority organized and existing under the laws of the State of California (Authority), proposes a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (Code) in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$50,000,000 (Obligations) and to lend the proceeds thereof to Stockton Boulevard Housing Associates, L.P. or a partnership of which Mutual Housing of California (Developer) or a related person to the Developer is the general partner, to be used to provide funds to finance or refinance the acquisition, construction and development of a 127-unit multifamily housing residential facility to be located at 7351 Stockton Boulevard, Sacramento, California;

**WHEREAS,** Section 147(f) of the Code requires the execution and delivery of the Obligations to be approved by the Board of Supervisors of the County (Board), as the elected representative of the County of Sacramento and the host jurisdiction of the subject multifamily housing residential facility, after a public hearing has been held following reasonable and proper notice;

**WHEREAS,** a public hearing was held by the Board on December 10, 2019, following duly published notice thereof, and all persons desiring to be heard have been heard;



**WHEREAS,** it is in the public interest and for the public benefit that the Board, as the elected representative of the County of Sacramento and the host jurisdiction of the subject multifamily housing residential facility, approve the execution and delivery by the Authority of the Obligations;

**NOW, THEREFORE,** BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO:

Section 1. The Board of Supervisors of the County of Sacramento hereby finds, determines and declares that issuance by the Authority of the Obligations in the maximum principal amount of \$50,000,000 for the purposes described above is hereby approved.

Section 2. This resolution shall take effect immediately upon its adoption.

Mutual Housing On The Boulevard Project: Tax Equity And Fiscal  
Responsibility Act (TEFRA) Hearing, Approval Of Tax-Exempt Bonds And  
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On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor  
\_\_\_\_\_, the foregoing Resolution was passed and adopted by the  
Board of Supervisors of the County of Sacramento this 10th day of  
December, 2019, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,

(PER POLITICAL REFORM ACT (§ 18702.5.))

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Chair of the Board of Supervisors  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

**RESOLUTION NO. \_\_\_\_\_**

**ADOPTED BY THE HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO**

**MUTUAL HOUSING ON THE BOULEVARD PROJECT: A RESOLUTION OF  
THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO  
DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM THE  
PROCEEDS OF TAX-EXEMPT OBLIGATIONS AND DIRECTING CERTAIN  
ACTIONS**

**WHEREAS**, the Housing Authority of the County of Sacramento (Authority) intends to issue tax-exempt obligations (Obligations) for the purpose, among other things, of making a loan to Stockton Boulevard Housing Associates, L.P., or a limited partnership or a limited liability company related to or formed by Mutual Housing of California (Developer), the proceeds of which shall be used by the Developer to finance the acquisition, construction and development of a 127-unit multifamily housing residential facility to be located at 7351 Stockton Boulevard, Sacramento, California (Project); and

**WHEREAS**, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer must declare an intention to reimburse such expenditure; and

**WHEREAS**, it is in the public interest and for the public benefit that the Authority declare its official intent to reimburse the expenditures referenced herein.

**NOW, THEREFORE,** BE IT RESOLVED THAT THE HOUSING  
AUTHORITY OF THE COUNTY OF SACRAMENTO:

Section 1. The Authority intends to issue the Obligations for the purpose of paying the costs of financing the acquisition, construction and development of the Project.

Section 2. The Authority hereby declares that it reasonably expects that a portion of the proceeds of the Obligations will be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations.

Section 3. The maximum amount of proceeds of the Obligations to be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations is not to exceed \$50,000,000.

Section 4. The foregoing declaration is consistent with the budgetary and financial circumstances of the Authority in that there are no funds (other than proceeds of the Obligations) that are reasonably expected to be (i) reserved, (ii) allocated or (iii) otherwise set aside, on a long-term basis, by or on behalf of the Authority, or any public entity controlled by the Authority, for the expenditures for the acquisition, construction and development of the Project that are expected to be reimbursed from the proceeds of the Obligations.

Section 5. The Developer shall be responsible for the payment of all present and future costs in connection with the issuance of the Obligations, including, but not limited to, any fees and expenses incurred by the Authority in anticipation of the issuance of the Obligations, any fees required by the California Debt Limit Allocation Committee ("CDLAC"), the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and

the costs of printing the Obligations. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Obligations shall be solely the responsibility of the Developer. The Obligations shall not constitute a debt or obligation of the Authority.

Section 6. The appropriate officers or the staff of the Authority are hereby authorized, for and in the name of and on behalf of the Authority, to make an application to the CDLAC for an allocation of private activity bonds for the financing of the Project.

Section 7. The adoption of this Resolution shall not obligate (i) the Authority to provide financing to the Developer for the acquisition, construction and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the Authority, of or any department of the Authority or the County of Sacramento to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of the Project.

Section 8. This resolution shall take effect immediately upon its adoption.

Mutual Housing On The Boulevard Project: Tax Equity And Fiscal  
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Page 4

On a motion by Member \_\_\_\_\_, seconded by Member  
\_\_\_\_\_, the foregoing Resolution was passed and adopted by the  
Housing Authority of the County of Sacramento this 10th day of December,  
2019, by the following vote, to wit:

AYES: Members,

NOES: Members,

ABSENT: Members,

ABSTAIN: Members,

RECUSAL: Members,  
(PER POLITICAL REFORM ACT (§ 18702.5.))

---

Chair of the Housing Authority  
of Sacramento County, California

(SEAL)

ATTEST:

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Clerk

## **RESOLUTION NO.**

### **MUTUAL HOUSING ON THE BOULEVARD (PROJECT): A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO APPROVING A \$4,612,263 LOAN COMMITMENT CONSISTING OF HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS; EXECUTION OF LOAN COMMITMENT AND RELATED DOCUMENTS WITH MUTUAL HOUSING CALIFORNIA, OR RELATED ENTITY; RELATED BUDGET AMENDMENT; RELATED FINDINGS; AND ENVIRONMENTAL FINDINGS**

**WHEREAS**, Mutual Housing California (Developer) has applied to the Sacramento Housing and Redevelopment Agency (Agency) for a gap financing loan commitment of \$4,612,263 of Home Investment Partnerships Program (HOME) funds for the acquisition, construction and permanent financing of Mutual Housing on the Boulevard (Project); and

**WHEREAS**, The Agency anticipates awarding a total of 77 Project Based Vouchers to house homeless households at the Project; and

**WHEREAS**, the Project qualifies for funding under the Agency's Multifamily Lending and Mortgage Revenue Bond Policies and meets housing development goals and strategies in the County's Housing Element of 2013-2021; and

**WHEREAS**, pursuant to California Environmental Quality Act (CEQA) requirements under Title 14, §15070 – 15075 of the California Code of Regulations, the County of Sacramento, as CEQA Lead Agency, prepared an Initial Study, adopted a Negative Declaration and Mitigation Monitoring and Reporting Program, and filed a Notice of Determination for the Project; and

**WHEREAS**, an Environmental Assessment was completed pursuant to the National Environmental Policy Act requirements under Title 24, Code of Federal Regulations Part 58.36 and it was found that with mitigation measures incorporated, the project will not result in a significant impact on the quality of the human environment.

**NOW, THEREFORE,** BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE COUNTY OF SACRAMENTO:

Section 1. All of the evidence having been duly considered, the facts as presented and stated above, including the environmental facts and findings, as stated above, are found to be true and correct and are hereby adopted.

Section 2. The Loan Commitment letter attached to and incorporated in this resolution by this reference for the financing of Mutual Housing on the Boulevard is approved in the amount of \$4,612,263 of HOME funds.

Section 3. The Agency is authorized to enter into and execute Loan Commitment and related documents and transmit to Mutual Housing California, or related entity, 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. The Agency will return to the Board for approval of loan documents.

Section 4. The Agency is authorized to amend its budget and to transfer up to \$4,612,263 of HOME funds to Mutual Housing on the Boulevard.



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Chair of the Board of Supervisors  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

Mutual Housing On The Boulevard Project: Tax Equity And Fiscal  
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# Mutual on the Boulevard



7351 Stockton Boulevard

EL DORADO  
MOBILE HOME PARK

ORANGE AVE

CITRUS AVE

STOCKTON BLVD

DEL PRADO CT

SANDYLEE WAY

DEL CORONADO WAY

FLEMING AVE

Map  
Location

vicinity map



7351 Stockton Boulevard



SHRA GIS  
June 12, 2019

Mutual Housing on the Boulevard  
Site Plan



Mutual Housing on the Boulevard  
Project Rendering



**Pre-Application Results**  
County of Sacramento  
August, 2018

Project Name	Applicant Name	Project Type	Funding Priority*	Funds Requested	Result
Mutual on the Boulevard 7424 Sunrise Blvd.	Mutual Housing Jamboree	New Production	4	\$6,900,000	Invited Full Application
Farm to Future	Related	New Production	4	\$1,700,000	Invited Full Application
		New Production	4	\$2,000,000	Declined - lack of funding, insufficient readiness

\*As specified in SHRA's Multifamily Lending and Mortgage Revenue Bond Policies (Sect. 1.1).

**Mutual Housing on the Boulevard  
Residential Project Summary**

<b>Address</b>	7351 Stockton Boulevard, Sacramento, CA 95823					
<b>Number of Units</b>	127					
<b>Year Built</b>	New Construction					
<b>Acreage (combined with Phase II)</b>	6.9 acres (300,564 sq. ft.)					
<b>No Place Like Home (NPLH) Units</b>	60 of the 127 units will be designated as NPLH.					
<b>Unit Mix and Rents</b>	<u>ELI (30% AMI) NPLH &amp; PBV</u>	<u>ELI (30% AMI) PBV</u>	<u>VLI (40% AMI)</u>	<u>VLI (50% AMI)</u>	<u>LI (60% AMI)</u>	<u>Total</u>
1 Bedroom/1 Bath	44	2	6	6	7	65
2 Bedrooms/1 Bath	12	3	9	9	9	42
3 Bedrooms/2 Baths	4	2	3	3	6	18
Management Units (2 Bedrooms)	0	0	0	0	0	2
Total Units	60	7	18	18	22	127
<b>Square Footage</b>	<u>Unit Size (sq.ft.)</u>	<u>Total</u>				
1 Bedroom/1 Bath	660	42,900	sq. ft.			
2 Bedrooms/1 Bath	875	38,500	sq. ft.			
3 Bedrooms/2 Baths	1,125	20,250	sq. ft.			
Community Area		6,500	sq. ft.			
Total Gross		108,150	sq. ft.			
<b>Resident Facilities</b>	Management office, community room with kitchen, indoor play area, computer laboratory, barbeque and picnic area, playground, basketball court, bike parking, outdoor movie area and resident community gardens.					
<b>Permanent Sources</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>			
Federal Tax Credit Equity	23,584,060	185,701	218.07			
State Tax Credit Equity	13,664,877	107,597	126.35			
Tax Exempt Bond Loan	1,189,000	9,362	10.99			
SHRA Loan	4,612,263	36,317	42.65			
HCD NPLH Competitive Loan	12,302,774	96,872	113.76			
HCD NPLH Non-Competitive Loan	2,287,737	18,014	21.15			
NPLH COSR	894,472	7,043	8.27			
GP Capital Contribution	4,549,920	35,826	42.07			
Deferred Developer Fee	878,319	6,916	8.12			
Fee Waivers	320,000	2,520	2.96			
<b>TOTAL SOURCES</b>	\$ 64,283,422	\$ 506,169	\$ 594.39			
<b>Permanent Uses</b>						
Acquisition	800,000	6,299	7.40			
Construction Costs	41,327,951	325,417	382.14			
Architecture & Engineering	1,700,000	13,386	15.72			
Permits and Fees	2,860,000	22,520	26.44			
Hard Cost Contingency	2,048,354	16,129	18.94			
Soft Cost Contingency	160,000	1,260	1.48			
Financing Cost	5,055,128	39,804	46.74			
Operating Reserve	371,212	2,923	3.43			
Rent Reserve	1,108,055	8,725	10.25			
NPLH COSR	894,472	7,043	8.27			
Legal Fees	100,000	787	0.92			
Developer Fee	7,617,750	59,982	70.44			
Third Party Fees, Marketing, Other	240,500	1,894	2.22			
<b>TOTAL USES</b>	\$ 64,283,422	\$ 506,169	\$ 594.39			
<b>Leverage</b>	<u>SHRA \$ per Unit</u>	<u>Per Unit Cost</u>	<u>Leverage</u>			
			<u>SHRA : Other</u>			
	\$ 36,317	\$ 506,169	\$1.00 :	\$13.94		
<b>Management / Operations</b>						
Proposed Developer	Mutual Housing California					
Property Management Company	Mutual Housing Management					
Operating Expenses	\$ 580,315	\$ 4,569				
Property Management	\$ 88,273	\$ 695				
Resident Services	\$ 203,533	\$ 1,603				
Replacement Reserves	\$ 63,500	\$ 500				
Taxes and Insurance	\$ 444,532	\$ 3,500				



## Attachment 6

[illegible]



**MAXIMUM GROSS INCOME AND RENT LIMITS 2019**  
 Low Income Housing Tax Credits/HOME/NPLH

**Mutual Housing on the Boulevard**

**Maximum Gross Income Limits**

<b><u>Family Size</u></b>	<b><u>30% AMI</u></b>	<b><u>40% AMI</u></b>	<b><u>50% AMI</u></b>	<b><u>60% AMI</u></b>
1 person	\$ 17,580	\$ 23,440	\$ 29,300	\$ 35,160
2 person	\$ 20,070	\$ 26,760	\$ 33,450	\$ 40,140
3 person	\$ 22,590	\$ 30,120	\$ 37,650	\$ 45,180
4 person	\$ 25,080	\$ 33,440	\$ 41,800	\$ 50,160
5 person	\$ 27,090	\$ 36,120	\$ 45,150	\$ 54,180
6 person	\$ 29,100	\$ 38,800	\$ 48,500	\$ 58,200
7 person	\$ 31,110	\$ 41,480	\$ 51,850	\$ 62,220

**Rent Limits**

<b><u>Unit Size</u></b>	<b><u>30% AMI</u></b>	<b><u>40% AMI</u></b>	<b><u>50% AMI</u></b>	<b><u>60% AMI</u></b>
1 Bedroom	\$ 470	\$ 627	\$ 784	\$ 941
2 Bedroom	\$ 564	\$ 753	\$ 941	\$ 1,129
3 Bedroom	\$ 652	\$ 869	\$ 1,086	\$ 1,304



Date: December 10, 2019

Mutual Housing California  
Roberto Jiménez, Chief Executive Officer  
3321 Power Inn Road, Suite 320  
Sacramento, CA 95826

**RE: Conditional Funding Commitment for Mutual Housing on the Boulevard**

Dear Jiménez,

On behalf of the Sacramento Housing and Redevelopment Agency (Agency), we are pleased to advise you of its commitment of a \$4,612,263 permanent loan funds (Loan) comprised of County HOME Investment Partnerships Program funds (HOME), including Community Housing Development Organization funds (CHDO), for the purpose of acquisition, construction and permanent financing of that certain real property known as Mutual Housing on the Boulevard (Project) located at 7351 Stockton Boulevard, Sacramento, California (Property). **The Agency's decision is based on your application, and all representations and information supplied by you to it. If these representations and information change in a material manner without written approval of the 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 that is in a form and in substance satisfactory to the Agency.

The Loan shall be made on standard Agency loan documents. Loan terms not in this funding commitment and the attached loan document forms shall not be included in the final loan documents without additional environmental review and governing board approval. In the event of any discrepancies between terms stated in this commitment and the loan documents, the terms stated in the loan commitment letter 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 a financing commitment. The Agency may, in exercise of its absolute discretion, modify its requirements upon written notice to Borrower given at least sixty (60) days prior to close of escrow for the Property.

This commitment will expire **July 31, 2021** or extended upon mutual written agreement.



1. **PROJECT DESCRIPTION:** Mutual Housing on the Boulevard is a new construction development on a 6.9-acre lot in the County of Sacramento. The Project will consist of a three-story building of stacked flats with an interior corridor and elevator, two buildings of three-story garden walk-up buildings, and four townhome buildings. The seven residential buildings will provide 127 units consisting of 125 affordable unit and two unrestricted management units. There will be 65 one-bedroom, 44 two-bedroom and 18 three-bedroom units. Inclusive of the 125 affordable units, there will be 13 units with Americans with Disability Act (ADA) accessibility and five units with communication features (e.g., wiring for audio and visual devices).

Site amenities include a management office, community room with kitchen, indoor play area, computer laboratory, barbeque and picnic area, playground, basketball court, bike parking, outdoor movie area and resident community gardens. Further details of the Project and Property are described in the Scope of Development (Attachment 1).

2. **BORROWER:** Stockton Boulevard Mutual Housing Associates, L.P.
3. **PURPOSE OF LOAN:** The Loan is to be used by Borrower solely to pay the costs of acquisition, construction and permanent financing, and for such other purposes as Agency expressly agrees to in the loan agreement for the Loan, and such other agreements as may be generally required by the Agency for the use of the funding source for the Loan.
4. **PRINCIPAL AMOUNT:** The combined principal amount of the Loan will be the lesser of (a) 4,612,263 or (b) an amount to be determined prior to close of the Loan based on a project budget approved by Agency.
5. **TERM OF LOAN:** The Loan shall mature 57 years or 684 months from the date of closing, at which point any and all unpaid principal and interest on the loan will be due and payable.
6. **INTEREST RATE:** The Loan will bear simple interest at three percent (3%) per annum. Interest shall be calculated on the basis of a 365-day year and actual number of days elapsed.
7. **ANNUAL REPAYMENT:** Annual principal and interest payments shall be deferred from the Loan's Effective Date through the first 168 months. Beginning in month 169. Annual payments will be made on a Residual Receipts, as defined below, basis until the maturity date. Annual payments shall be applied first to outstanding interest accrued and unpaid and then to principal.

"Residual Receipts" is defined as follows: After Month 168, annual installments (as described in Section [f] of this paragraph) are to begin on the first day of the 169th month of the loan. Based on the annual audited financial statement from the preceding year, payments will be made upon a "Residual Cash Flow" basis meaning Net Operating Income (NOI) less: (a) Debt Service, which means the monitoring fees of the State of California Housing Community Development (HCD) No Place Like Home Program (NPLH) loan and the County of Sacramento Housing Authority mortgage revenue bond issuance; (b) Priority Distributions, which means \$5,000 partnership management fee and



\$20,000 asset management fee, both escalating at 3% annually as of the Loan's Effective Date; (c) Deferred Developer Fee; (d) fifty percent (50%) of the available cash flow from NOI to Borrower after Sections (a) through (c) of this paragraph are paid; (e) thirty-two percent (32%), or the proportional share of HCD's public assistance, of the available cash flow from NOI towards loan repayment to HCD after Sections (a) through (d) of this paragraph are paid; and (f) the remaining eighteen (18%), or the proportional share of the Agency's public assistance, of the available cash flow from NOI towards loan repayment to the Agency after Sections (a) through (e) of this paragraph are paid.

The Net Operating Income is defined as periodic "Revenue" less "Operating Expenses." "Revenue" means all revenue from the leasing of the Project, including but not limited to all rents, fees, and charges paid by tenants as well as rental subsidy payments regardless of the source of these subsidies, forfeited tenant deposits, rent increases, proceeds from vending machines and laundry room machines. Revenue shall not include tenants' security deposits (unless forfeited), interest on those deposits, loan proceeds, capital contributions or similar advances, or amounts released from reserves or interest on reserves.

"Operating Expenses" shall mean actual costs, fees and expenses as evidenced by invoices attributable to the operation, recordkeeping, maintenance, taxes and management of the Project, including property management fees; taxes and assessments; payroll, benefits and payroll taxes for property employees; insurance; security; painting, cleaning, repairs, and alterations; landscaping; sewer charges; utility charges; advertising, promotion and publicity; cable television, satellite and other similar services; office, janitorial, cleaning and building supplies; recreational amenities and supplies; purchase, repair, servicing and installation of appliances; costs and expenses associated with the provision of resident and supportive services to the tenants of the Project; equipment, fixtures and furnishing; fire alarm and elevator monitoring; fees and expenses of accountants, attorneys, consultants and other professionals. The definition will include deposits into operating and/or replacement reserves maintained by the Borrower.

8. SOURCE OF LOAN FUNDS:

Agency is making the Loan from the following sources of funds, and the Loan is subject to all requirements related to the use of such, whether Agency requirements or otherwise County HOME funds, including CHDO funds. This Loan is conditioned upon Borrower's acceptance of Agency's requirements and conditions related to such lending programs and funding sources, including among others, the required forms of agreements for the Loan; the requirements for covenants, conditions and restrictions upon the Property; and insurance and indemnity requirements.

**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 Initials)





9. 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.
10. SECURITY: The Loan shall be evidenced by promissory note(s) secured by a deed of trust with assignment of rents against the fee and/or leasehold interest in the Property and Improvements, which shall be a lien upon the Property and Improvements subject only to liens senior to the Agency's lien securing loans from the commercial bank senior lender, HCD, and such other items as the Agency may approve in writing. The Loan shall also be secured by security agreements. The Agency may subordinate said deeds of trust in order to accommodate completion of the acquisition, construction and development of the Property.
11. LEASE AND RENTAL SCHEDULE: All leases of the Property and Improvements shall be subject to Agency's review and approval prior to execution. Borrower shall not deviate from the rental schedule presented in Borrower's application 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 (CTCAC).
12. PROOF OF EQUITY: Borrower shall provide proof of equity for the Property and Improvements in the amount of no less than \$37,000,000 in Low Income Housing Tax Credit Equity and no less than \$800,000 in deferred developer fee. If LIHTC equity decreases below \$37,000,000, the equity must be offset by an increase in deferred developer fee, general partnership equity and/or other non-SHRA gap financing source. The estimated developer fee paid from the project funding sources shall be \$7,000,000 but may be allowed up to the maximum cash developer fee permitted by HCD and/or TCAC.
13. 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 disbursement of the remainder of 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 "take out" all liens senior to the Agency's lien. California State Department of Housing and Community and Development loan consisting of No Place Like Home Program funds will be superior to Agency loan.
  - (c) Such commitments for financing shall not require modification of Agency loan documents, or any term of this commitment letter.
  - (d) 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 of the DDA, OPA or other agreements.

14. EVIDENCE OF FUNDS: Prior to the first disbursement of 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 absolute 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.
15. SOILS AND TOXIC REPORTS: Borrower has submitted to the Agency a hazardous substances report made in accordance with the American Society for Testing and Materials (ASTM) Designation E-1527-13 that was prepared by a licensed or registered environmental engineer or other qualified party and may need to be updated prior to Loan closing, pursuant to the requirements of senior lender or equity investor. Borrower must, as a condition of disbursement of Loan funds, give assurances satisfactory to the Agency that hazardous materials are not present on the Property or that any hazardous materials on the Property will be remediated and that no further remediation is then required by the environmental agency having responsibility for monitoring such remediation.
16. LOAN IN BALANCE: Borrower will be required to maintain the Loan "in balance". The Loan 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 or the equity investor are sufficient, in the sole judgement 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 Loan is not "in balance", the Agency may declare the Loan to be in default.
17. PLANS AND SPECIFICATION: Final plans and specifications, if any, 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 prior to the disbursal of Agency Loan funds. Borrower must obtain Agency's prior written consent to any change in the approved plans and specifications or any material deviation in construction of the project. The final plans shall incorporate all related mitigation measures, environmental conditions required, if any, for compliance with approvals under CEQA, and/or NEPA, or the U.S. Department of Housing and Urban Development as conditions of approval of the project.
18. ARCHITECTURAL AGREEMENT: The architectural agreement (Agreement), if any, 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.
19. CONSTRUCTION CONTRACT: The construction contract (Contract), if any, 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. Agency



may require Contractor to provide a performance and payment bond in a form acceptable to Agency for the amount of the Contract.

20. RETENTION AMOUNT: The Agency shall retain ten percent (10.0%) of the total amount of the Loan as retention and shall be released when the Agency determines all conditions to final disbursement of the Loan have been satisfied.
21. 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. Agency also reserves the right to require performance and material payment bonds on any or all contractors, or in lieu of bond a letter of credit acceptable to Agency.

Agency shall make disbursements of the Loan based on a cost breakdown that lists line items in cost categories. Agency shall require that Borrower provide documentation supporting all requests for disbursement of Loan funds, including proof of work done and actual expenditure. Agency shall conduct inspections of the Property to assure that the work was done before making a disbursement.

22. COST SAVINGS: At completion of construction, Borrower shall submit to Agency a cost certification prepared by a qualified, independent auditor acceptable to Agency, which cost certification shall indicate the amounts actually spent for each item in the cost breakdown and shall indicate the final sources of funding. If there is an aggregate savings, in the total of all such cost breakdown items from the cost breakdown items in the original budget approved by the Agency, after adjusting for any decrease in any funding source including any loss of any equity investment due to an adjustment in the allowable tax credits, the Agency shall withhold for itself as loan repayment, fifty percent (50%) of such savings from the amount of retention then held by the Agency, and the Loan balance shall be reduced by the amount so withheld. The Agency, in its sole discretion, shall determine any reduction and/or repayment of the Agency loan based upon this cost certification and the original approved budget for the project.
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 sixty (60) days following the close of construction financing.





24. COMPLETION OF CONSTRUCTION: Borrower shall complete the construction of the Improvements no later than 24 months following the close of construction financing.
25. SECURITY PLAN: The Agency approved the security plan which includes security patrol services available 24 hours a day and seven days a week; installation of web-based security cameras and recording equipment; and installation of exterior lighting. In addition, two management staff will live on the development and a 1.4 FTE supportive services monitor will be available overnight during the weekdays and during the day on the weekends.
26. INSURANCE PROVIDER: Each policy of insurance required under the Loan shall be obtained from a provider licensed to do business in California and having a current Best's Insurance Guide rating of A+ VII, which rating has been substantially the same or increasing for the last five (5) years, or such other equivalent rating, as may reasonably be approved by Lender's legal counsel.
27. HAZARD INSURANCE: Borrower shall procure and maintain fire and extended coverage insurance and during construction 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 TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).
28. PUBLIC LIABILITY AND OTHER INSURANCE: Borrower must procure and maintain public liability and property damage insurance (with "Sacramento Housing and Redevelopment Agency and its constituent entities" 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.
29. TITLE INSURANCE: Borrower must procure and deliver to Agency an ALTA Lender's Policy of Title Insurance, together with such endorsements as Agency may require, including but not limited to ALTA endorsement no. 101.1 and CLTA endorsement nos. 100, 116, and





102.5/102.7 and 124 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.

30. 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.
31. PURCHASE OF PROPERTY: Borrower shall provide Agency with copies of all documents relating to Borrower's purchase of the Property.
32. 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.
33. 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.
34. AFFIRMATIVE FAIR MARKETING: Borrower agrees to follow the Agency's Affirmative Marketing Policies that require outreach to groups least likely to apply for the housing based on local demographic information, sufficient marketing time prior to lease up, and lotteries or other method for initial lease-up and waiting list, as agreed upon by the Agency and Borrower prior to the start of lease up. The special needs population will be referred to the Project through the Coordinated Entry System (CES) of the County of Sacramento.
35. A. RESIDENT SERVICES AGREEMENTS: Prior to execution, Borrower must submit to Agency any agreements providing for the resident services by Mutual Housing California or related entity, and qualified third-party service providers, which agreements and third party service providers are subject to Agency Approval. The agreement must include a minimum of twenty (20) hours per week of on-site resident services and staffing capacity to ensure on-

site resident services continue without interruption due to short- and long-term absences (e.g., unplanned absences, paid time off, vacation time, resignation and/or termination of employment).

**B. SUPPORTIVE SERVICES AGREEMENTS:** Prior to execution, Borrower must submit to Agency any agreements providing for the supportive services by Lutheran Social Services of Northern California (LSS), or related entity, and qualified third-party service providers, which agreements and third-party service providers are subject to Agency Approval. The agreement must include a minimum of one (1) Full-time Equivalent (FTE) case manager (40 hours per week), 1.4 FTE staff to provide evening, night and weekend supportive services, and staffing capacity to ensure on-site case management and supportive services continue without interruption due to short- and long-term absences (e.g., unplanned absences, paid time off, vacation time, resignation and/or termination of employment).

36. **LOW INCOME HOUSING TAX CREDITS (LIHTC):** Borrower represents that as a condition of closing this Loan it is applying for an allocation of LIHTC's and agrees to perform all actions and to meet all requirements to maintain the LIHTC allocation if granted.
37. **SMOKE-FREE ENVIRONMENT:** 100% of the buildings and units must be smoke free (including all forms of smoking that create secondhand smoke that impacts the health of nonsmokers). In addition, all indoor common areas must be smoke-free. Clearly-marked designated smoking areas must be provided.
38. **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.
39. **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.
40. **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.
41. **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,

---

La Shelle Dozier  
Executive Director

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

Dated: December 10, 2019

**BORROWER:**

Stockton Boulevard Housing Associates, LP,  
a California limited partnership

BY: Mutual Housing Corporation, a California nonprofit public benefit corporation, its general partner

BY: 

---

Roberto Jiménez  
Its: Chief Executive Officer

**The Exhibit listed below is incorporated in this Loan Commitment by this reference for the financing of Mutual Housing on the Boulevard Project:**  
Exhibit 1 - Scope of Development



## **Exhibit 1: Scope of Development**

Mutual Housing on the Boulevard is in the unincorporated area of Sacramento County (County), South Sacramento community, located at the address 7351 Stockton Boulevard. The new construction project will bring 127 units of affordable housing to South Sacramento.

All work shall comply with Federal Americans with Disability Act (ADA) requirements as well as the California Building Code accessibility requirements, as well as any other requirements stipulated by the funding sources. The Borrower is responsible for notifying their architect and/or engineer of all funding sources used on the Project. The architect and/or engineer must indicate these funding requirements in the Project's plans/scope of work.

### **I. Mitigation Measures and Mitigation Monitoring Plan:**

Pursuant to the Environmental Assessment, the project will not result in a significant impact on the quality of the human environment.

### **II. Site Improvements**

1. **Landscaping:** Project will be designed in accordance with County requirements.
  - a. Existing trees shall be evaluated by an arborist and trimmed/removed according to the evaluation. Any tree trimming or tree removal will either occur outside the nesting season for nesting birds.
  - b. All soil shall be covered in mulch, bark or some other ground cover with a weed barrier. Soil in planter areas shall be established to a depth that ensures the ground cover does not freely spill into the adjacent concrete pathway. Planters shall be sloped away from the building foundation with a minimum two percent (2%) slope.
2. **Irrigation:** Irrigation system(s) shall up served with an automated irrigation system that incorporates a "SMART controller" that senses rain to reduce water use. Irrigation piping and fixtures shall be installed with new system that includes appropriate water efficient fixtures.
3. **Playground Equipment:** One playground suitable for children up to age 12 will be installed onsite. There will also be a basketball court available for youth.
4. **Pedestrian and Fire-access Gates:** Gates will meet code. A lock box will be added to two fire-access gates, one on each side of the property.
5. **Site Accessories:** Bike racks, tables, benches, barbeques, etc., will be included in the development.
6. **Perimeter Fence:** A metal fence will be installed around the perimeter of the property, with two gates for entry and exit. Where there are single-family homes, there will be a masonry sound wall.
7. **Asphalt Parking Lot and Drive Aisles:** Parking lot and drive aisles will be designed in accordance with geotechnical recommendations. The parking lot will meet current code



and ADA requirements, with respect to including required ADA van accessible parking. There will be a total of 155 parking spaces with at least 8 accessible spaces.

### III. Building Exterior Improvements

1. **Roof:** The roofing of all buildings have a minimum 20-year warranty Asphalt Composition Shingles.
2. **Gutters, Downspouts and Downspout Extensions:** All gutters, downspouts and downspout extensions will be new and connected to a storm drain system and/or routed to surface drain to site bio-retention planters.
3. **Siding:** Exterior siding of the residential buildings will be a combination of cementitious siding (lap and panel) and stucco.
4. **Balcony and Patio Enclosures:** Ground floor apartments will have private concrete patios on grade; while upper level apartments will have balconies with composite decking.
5. **Paint:** Building will have interior and exterior painting.
6. **Windows and Sliders:** All windows will be energy-efficient windows. Windows will be designed to open and will have screens.
7. **Trash Enclosures:** All dumpster areas will have a) concrete apron in front of the dumpster area measuring 12' x 24'; b) new recycle dumpsters equal to the amount of trash dumpsters; c) expanded space to accommodate new trash and recycle dumpsters; and d) upgrades to meet current code and ADA requirements.
8. **Lighting:** The exterior wall light fixtures will be replaced and new energy efficient wallpacks to increase visibility. Site pole lights will have LED fixtures.
9. **Sidewalks and Ramps:** The sidewalks and ramps will meet current code and ADA requirements throughout the Project.
10. **Mailbox Units:** New cluster mailbox units will be installed and shall include space for larger parcels delivered to site.
11. **Stairways, Railings and Landings:** Common area stairs will meet current accessible codes for treads and risers, guardrails and handrails. Bottom of stairs will either be closed off for storage or provided with cane rails.
12. **Signage:** Monument signage, buildings, apartments, garages, parking, ADA, and property signage throughout as required by current code.
13. **Security:** New CCTV system with cameras at primary automobile entrances, parking, common areas, mailboxes and community room(s).





#### IV. Building Interior

1. **ADA units:** There will be a total of 13 accessible units. 10% (13 units) will be fully accessible (four 1-bedrooms, three 2-bedrooms and two 3-bedroom) and 4% (5 units) will have hearing / visual equipment.
2. **Central Heating, Ventilation and Air Conditioning Systems (HVAC):** All of the buildings will have a) the duct work, air distribution and air supply and exhaust systems will be installed b) new EnergyStar or better HVAC split systems installed; new air output; and c) new intake vents will be installed.
3. **Water heaters:** All units will have EnergyStar water heaters.
4. **Water distribution System:** Water distribution system will be made of PEX piping for the branch lines and Aquatherm piping for the main water lines.
5. **Kitchens:** All kitchens will have new solid-surface counters, cabinets, drawers, refrigerator/freezer combination appliances, free-standing electric range/oven combination appliances, ventilation hood appliances, dishwashers, sinks, garbage disposals, angle stops, low-flow faucets and finishes. All appliances will be EnergyStar or better.
6. **Bathrooms:** All bathrooms will have solid-surface counters, sinks, tubs and surrounds, accessories (i.e., toilet paper holders, towel racks, shower rods and curtains), low-flow showerheads, low-flow toilets and low-flow faucets. Vanities will have cabinets and drawers. A humidistat fan will be installed in all bathrooms.
7. **Ceilings and Walls:** All interior walls and ceilings will have a drywall finish. In select areas of common areas (lobbies, community room, office areas, etc.) higher grade finishes (wood, tile, etc.) and acoustic panels / clouds may be used.
8. **Doors:** All doors will be new and will meet current egress standards.
9. **Flooring:** New vinyl sheet flooring will be installed in all residential units.
10. **Windows:** New window blinds will be installed on all windows and sliders.
11. **Paint:** Paint will be applied to all walls, ceilings, and trim, in all rooms, closets and storage rooms.
12. **Electrical:** GFI outlets will be installed to code. New hardwired smoke and CO detectors will be installed in the hallways of all units. New hardwired smoke detectors will be installed in the bedrooms of all units.

13. **Lighting:** All kitchens, dining rooms, bedrooms, bathrooms and hallways will have new energy efficient light fixtures installed.

## V. Community Areas

1. **Community Room, Office, Kitchen and Restroom:**

- a. The amenity space at Parcel 1 will be 5,000 sf and includes a community room with shared kitchen, offices, and other community space.
- b. The kitchen will have solid-surface counters, refrigerator/freezer combination appliance, free-standing electric range/oven combination appliances, micro-hood combination appliance, dishwasher, sink, garbage disposal and low-flow faucets. All appliances will be EnergyStar or better. Furniture, fixtures, and cabinets will be installed.
- c. The restroom will meet current code and ADA requirements.

2. **Laundry Facilities:** All laundry facilities will meet code and ADA requirements. New vinyl sheet flooring, windows, doors, washer and dryer appliances, counter for folding laundry, lighting fixtures, humidistat, and paint on walls and ceilings will be installed. A total of 13 washers and 13 dryers will be installed; one washer and one dryer will be ADA accessible in each facility. In the three story building, there will be one laundry room on each floor.

**Attachment 1: Lender's Minimum Construction Standards exhibit is on the following page.**



## **Attachment 1: Lender's Minimum Construction Standards**

This attachment is from Exhibit 2 from the Lender's Multifamily Lending and Mortgage Revenue Bond Policies.

### **SHRA RENTAL PROPERTY MINIMUM CONSTRUCTION STANDARDS**

The following is a list of the required minimum construction standards that must be incorporated into projects participating in SHRA's Multifamily Financing and/or Mortgage Revenue Bond programs. All rental units and sites associated with these projects must meet or exceed these standards.

**Note:** For rehabilitation projects, all of the following standards shall apply. The non-rehabilitation sections below shall apply to new construction projects.

#### **Useful Life Expectancy – Rehabilitation only**

SHRA shall reference the current edition of Fannie Mae's "Instructions for Performing a Multifamily Property Condition Assessment, Appendix F. Estimated Useful Life Tables" in determining the useful life for all building components and systems located within the project. A remaining useful life of 15 years or more is required for all building components and systems located within the approved complex. All items on the Fannie Mae tables with useful lives indicated to be less than 15 years shall be replaced.

#### **General Requirements**

- A. All materials funded under this loan must be new unless previously approved. Recycled items must be approved in writing by SHRA prior to their use.
- B. All work shall comply with Federal and State ADA accessibility requirements, as well as any other requirements stipulated by the funding source(s). When there are differences the stricter of the two shall apply. The developer is responsible for notifying their architect and/or engineer of all funding sources used on the project. The architect and/or engineer must indicate these funding requirements in the project's plans/scope.
- C. All units shall be approved for occupancy by the local Building Department or any other Agency Having Jurisdiction (AHJ) at the conclusion of the work and prior to occupancy.
- D. Web-based security cameras and the equipment to record events are required for primary ingress/egress points to and from the site and for the principal parking and indoor and outdoor common areas where people will be congregating.
- E. Site lighting is required for all parking and outside public spaces, and shall be of LED or similarly energy efficient type. The lenses on the exterior lights shall be cleaned with all oxidation removed or replaced. Light poles shall be new or painted, and shall be structurally sound and stable.
- F. The developer's architect is responsible for providing an Operating Procedure Outline Sheet (OPOS) for window washing systems where applicable, per Cal-OSHA requirements.
- G. SHRA encourages the use of energy and water-efficient systems wherever they may be incorporated into the project.





## **General Requirements – Rehabilitation only**

- A. Any component of the project which does or may present a health or safety hazard to the public or tenants shall be corrected to the satisfaction of the local Building Department or AHJ.
- B. A clear pest inspection report will be required at the conclusion of the construction work for rehabilitation projects.
- C. For all structures where disturbance of any hazardous materials (e.g. lead, asbestos, mold, etc.) will occur, a clearance report from an environmental consultant is required.
- D. Projects deemed historically significant landmark by either the City of Sacramento or the National Register of Historic Places shall consult with the State Historic Preservation Officer (SHPO), and shall conform to the Secretary of the Interior Standards for the Treatment of Historic Properties.

## **Site Work**

- A. Trees and large shrubs must be trimmed, grass areas must be mowed, and all planter areas must be weed-free. The landscape design shall incorporate a sustainable design appropriate for the Sacramento Valley. Vegetation that assists in minimizing crime and enhances public safety is preferred. Trees compromising building envelope materials (roofing, siding, windows, etc.) and/or structural integrity (including foundations) must be removed. An arborist shall be consulted for an opinion on trees prior to major branch trimming, root cutting or tree removal. All trees, bushes and other plants that are to be removed shall have the root ball removed by grinding or by mechanical means. A landscape plan describing the above must be provided to SHRA for approval.
- B. All landscaped areas must be served by a programmable automated irrigation system. The irrigation controller shall be a "Smart Controller" that senses rain to reduce water use. Irrigation shall be designed to use bubblers and other water saving measures. Irrigation must not spray on building. Sprinklers should minimize overspray that runs to storm drain drop inlets. Areas that show evidence of erosion of soil shall be landscaped to eliminate problems. The landscape plan must be approved by SHRA and applied.
- C. For gated communities containing swinging vehicle gates, driveways shall be striped to show the area under the gate swings for safety purposes.
- D. All projects shall contain trash enclosures with concrete aprons. Trash enclosures shall be made of cinder block or stucco. Trash enclosures shall be accessible to all tenants. Provisions for tenants with disabilities must be addressed in the project Scope of Development or the project plans.
- E. All projects shall meet the parking requirements of the local Agency Having Jurisdiction (AHJ) over the project. "Grandfathered Projects" will need to show that they are in fact "Grandfathered" or otherwise exempted by the local AHJ. Otherwise, all projects shall meet the governing ADA requirements for parking.
- F. A two percent (2%) slope shall be maintained for a distance of five feet from all structures and no standing water shall remain on the site. Provide an on- site drainage system if necessary.



- G. Stairways in common areas must include closed risers and non-slip concrete finish or other slip-resistant material on the treads.
- H. Exterior mounted electrical, mechanical, and plumbing systems must be protected from vandalism.
- I. For family projects of 50 or more units, a minimum of one school age-appropriate play structure is required. For family projects of 100 or more units, a minimum of one school age and one toddler-appropriate play structure is required.

#### **Site Work – Rehabilitation only**

- A. All landscaping and irrigation systems must be in a well-maintained condition.
- B. All fencing must be in good and serviceable condition. Existing fencing that is to remain shall be free of flaking paint, rust, or any other signs of failure. If existing fencing shows any signs of failure, it shall be repaired, painted and restored to look new. All chain link fencing must be removed and replaced with fencing of another approved material. All pedestrian gates hardware must be functional and in new or near-new condition. Access Control systems are required at exterior pedestrian gates.
- C. All driveways and sidewalks must be in good condition. All cracked or uplifted areas (more than ¼") shall be repaired or replaced.
- D. The asphalt shall be in good condition, with no alligator cracking, longitudinal cracking, potholes, or standing water. Repairs to portions of parking lots not suitable for new coatings shall be performed by removing and replacing damaged paving. A new seal-coat or slurry-coat shall then be applied to the entire parking lot surface. Parking spaces shall be restriped, including ADA aisles and other applicable striping/painting.
- E. All site accessories (bollards, benches, tables, play equipment, bike racks, mailboxes, shade structures, BBQs, sheds, etc.) shall be replaced or in good repair (cleaned, painted and/or re-coated).

#### **Building Envelope and Moisture Protection – Rehabilitation only**

- A. All areas exposed to moisture must be sealed and watertight. Buildings showing evidence of water intrusion shall have the areas inspected by a licensed architect/engineer or by a certified water intrusion expert. A water intrusion report shall be submitted to SHRA, and shall include the cause of the issue and a resolution to eradicate the water intrusion. If the inspection cannot be completed until the demolition phase of the project, the report shall describe a procedure to inspect the issue during demolition.
- B. Roofing must have 15 years or more of remaining life with no visible signs of leakage. For roofs containing composition shingles, a maximum of two layers of shingles are allowed (including any proposed new layers). Provide evidence that the roof system has a 15-year life remaining on the manufacturer's warranty.
- C. All siding must have 15 years or more of remaining life. Hairline cracks in stucco must be sealed and painted with elastomeric paint. If requested by SHRA, a statement by a licensed architect and/or engineer that the existing siding contains at least 15 years of useful life remaining shall be provided.



- D. Fireplaces must be clean and meet applicable air quality standards. Chimneys shall be clean and must be inspected by a certified chimney inspector for structural integrity. All recommended structural repairs shall be performed.

### **Doors and Windows**

- A. All dwelling/tenant units must have screens on all windows that are designed to open. Windows designed to open must have functional locks and must operate freely without excessive effort. All windows must be dual-paned (minimum), and shall meet or exceed the State of California's currently applicable efficiency standards, and any other efficiency standards that may be dictated by the funding source or other governing bodies for the project.
- B. All doors must have matching hardware finishes.
- C. All exterior doors must have deadbolt locks, keyed latch assemblies, viewers, and screws in strike plates long enough to penetrate the door jamb framing by at least one inch. The dwelling entry door hardware shall have single action hardware to release deadbolt and latch assembly.
- D. All sliding exterior doors shall have screen doors and shall have functional locks and must operate freely without excessive effort.
- E. All doors and windows must meet current egress standards.

### **Doors and Windows – Rehabilitation only**

- A. Retrofit windows are not acceptable. Any windows showing signs of condensation or leakage of any kind shall be replaced.
- B. All doors and doorjamb must be in good condition. No damaged or worn doorjamb or doors are allowed. Doors and/or jamb beyond their useful life shall be replaced.

### **Casework**

- A. New cabinet boxes shall be made of plywood or solid wood. No particle board boxes will be allowed.
- B. All counter tops shall be of solid surface or granite, and in very good condition with no significant scratches, burns or other imperfections.
- C. Face frames, doors and drawer faces shall be solid hardwood. No plastic laminate finishes will be allowed.

### **Casework – Rehabilitation only**

- A. All cabinets shall be replaced or in very good condition, within their 15 year useful life, both structurally and in appearance.

## **Finishes**

- A. All dwelling unit kitchens shall contain luxury vinyl plank (LVP) flooring. Bathrooms must be floored with LVP, sheet vinyl or ceramic tile to provide a cleanable, impervious surface. Bedrooms, hallways, and living and dining rooms may be floored with carpeting, LVP or hardwood. Wear layer of LVP shall be at least 12 mils inside dwelling units. Tenant unit entries shall be floored with LVP or ceramic tile.

In common areas, corridors may be floored with LVP, glue-down carpeting, or carpet tiles. Community rooms and kitchens shall be floored with LVP. Wear layer of LVP in common/commercial areas shall be a minimum of 20 mils thick.

Carpet shall meet or exceed the minimum standards as set by HUD's UM-44D bulletin.

## **Finishes – Rehabilitation only**

- A. Floor coverings must be in good, useable condition - no holes, tears, rips, or stains.
- B. All exterior and interior surfaces must be painted. No peeling, cracking, chipping, or otherwise failing paint will be allowed. All painted surfaces must be new, or in near new condition and appearance.
- C. Acoustic (popcorn) ceiling texture must be removed and refinished with new texture to match wall texture.

## **Equipment**

- A. Dishwashers, refrigerator/freezer, oven, stoves and garbage disposals are required in all dwelling unit kitchens. All appliances must be new or in very good operating condition. All appliances must be Energy Star rated, as applicable. Appliances slated for ADA units shall be per code requirements.
- B. SRO projects are encouraged to provide the appliances listed above and will be reviewed and approved on a case-by-case basis.
- C. All kitchens must have adequate cabinet and counter space. Installation of shelving for microwaves is required if over-the-range microwaves are not used, with the exception of ADA units.

## **Furnishings**

- A. Dwelling units must have window coverings on all windows.

## **Special Construction**

- A. Non-habitable structures on property must be painted to match primary buildings and must be structurally sound.
- B. Laundry facilities must be provided on the basis of one washer and dryer for every ten dwelling units. Ten percent of the total number of washer/dryers must be ADA-accessible machines (unless the ADA units contain their own laundry facilities). Solid surface countertops will be required within laundry rooms and countertops shall meet all ADA requirements.



- C. Public pool areas shall have self-closing gate(s). Fences and gates at pool areas shall meet applicable current codes and standards. Joints between coping and concrete deck shall be appropriately caulked. Existing pools shall have no cracks in plaster or tile grout joints. The Developer is responsible for ensuring pool and surroundings meet all applicable current codes and standards. If a project contains two or more pools, at least one must remain following rehabilitation.

### **Mechanical/Plumbing**

- A. Water heaters must be installed per current applicable codes.
- B. All common areas and tenant units must have heating and air conditioning. Wall mount (i.e. PTAC units) or central systems are acceptable. Evaporative coolers are not acceptable. HVAC units should be protected from vandalism, pursuant to discretion of SHRA.
- C. Toilets, showerheads, faucets, and mixing valves shall be new and meet current water conservation codes.
- D. Tub surrounds must be one unbroken piece per wall and must be of solid surfaces (such as "Swanstone" or other solid acrylic materials, quartz composites), or other similar materials. Fiberglass/acrylic surrounds are acceptable.

### **Mechanical/Plumbing – Rehabilitation only**

- A. All toilets, sinks, and tubs shall be chip and stain free.

### **Electrical**

- A. All units must have smoke/carbon monoxide detectors installed per current code.
- B. Wiring from telephone/data/cable suppliers shall be installed within walls, attic spaces, and/or crawl spaces. No conduits are allowed to be mounted on the exterior of the buildings in new construction.

### **Electrical – Rehabilitation only**

- A. All electrical panels shall meet current code.
- B. Any rehabilitation projects with un-grounded electrical systems shall be re-wired with grounded systems to meet current code.
- C. For rehabilitation projects, switches, outlets and light fixtures shall be replaced with devices that meet current applicable codes.
- D. Wiring mounted on the exterior of the surface may be allowed if it is concealed in conduit and conduit is painted to match exterior siding. For projects where exterior siding will be removed, this wiring shall be installed within walls, attic spaces, and/or crawl spaces.

### **Resident Services Community Space**

All properties, regardless of project type (i.e. senior, family, or large family), must devote a minimum of 1,200 s.f. to actual resident services/community space. Resident services space includes common kitchens, computer rooms, meeting rooms and general gathering space. It does not include public restrooms, leasing offices, laundry facilities and lobbies. Common kitchens are required, including refrigerator, stove, garbage disposal, and dishwasher.

For existing buildings, these requirements shall apply unless SHRA deems there to be significant physical constraints.

### **End of Scope of Development**





## 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

**November 6, 2019**

**MUTUAL HOUSING ON THE BOULEVARD (PROJECT): AUTHORIZING A  
\$4,612,263 LOAN COMMITMENT IN COUNTY HOME INVESTMENT  
PARTNERSHIPS FUNDS, EXECUTION OF A LOAN COMMITMENT AND RELATED  
DOCUMENTS WITH MUTUAL HOUSING CALIFORNIA, OR RELATED ENTITY;  
RELATED BUDGET AMENDMENT; AND ENVIRONMENTAL FINDINGS**

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

- Section 1. Pursuant to California Environmental Quality Act (CEQA) requirements under Title 14, §15070 – 15075 of the California Code of Regulations, the County of Sacramento, as CEQA Lead Agency, prepared an Initial Study (IS), adopted a Negative Declaration (ND) and Mitigation Monitoring and Reporting Program, and filed a Notice of Determination for the Project.
- Section 2. As a Responsible Agency for the Project under CEQA, the Sacramento Housing and Redevelopment Agency (SHRA) has independently considered the CEQA document prepared by the County and has determined that the environmental analysis is adequate and complete and that the project will have no significant effect on the environment with mitigation measures incorporated and hereby adopts the environmental documentation prepared for the project.
- Section 3. SHRA makes the following environmental findings: (1) mitigation measures have been identified which avoid the significant environmental effects as identified in the ND and are incorporated as part of the project, and (2) such mitigation measures are within the responsibility and jurisdiction of the County, as the Lead Agency.
- Section 4. An Environmental Assessment was completed pursuant to the National Environmental Policy Act requirements under Title 24, Code of Federal Regulations Part 58.36 and it was found that with mitigation measures incorporated, the project will not result in a significant impact on the quality of the human environment.

- Section 5. Subject to approval by the Sacramento County Board of Supervisors (Board), the Loan Commitment attached to and incorporated in this resolution by this reference for the financing of Mutual Housing on the Boulevard (Loan Commitment), the Executive Director, or designee, is authorized to execute the Loan Commitment and related documents, and perform other actions necessary to fulfill the intent of repayment of the Loan Commitment, including without limitation, extensions, all as approved by agency counsel, and transmit to Mutual Housing California, or related entity.
- Section 6. The Executive Director, or designee, is authorized to amend the Sacramento Housing and Redevelopment Agency (Agency) budget to transfer \$4,612,263 in County HOME Investment Partnerships Program funds to the Mutual Housing on the Boulevard Project.
- Section 7. Subject to approval by the Board, the Executive Director, or designee, is authorized to execute the Loan Agreement and related documents, and perform other actions necessary to fulfill the intent of repayment of funds, including without limitation, subordination, extensions and restricting of payments, all as approved by Agency counsel, and transmit to Mutual Housing California, or related entity.

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CHAIR

ATTEST:

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CLERK





November 6, 2019

Sacramento Housing and Redevelopment Commission  
Sacramento, California

Honorable Members in Session:

**SUBJECT**    **Approval of Third-Party Evaluator Grant Agreement for the  
Transformative Climate Communities (TCC) Program**

**RECOMMENDATION**

Staff recommends adoption of the attached resolution which authorizes the Executive Director or her designee to: 1) approve the grant agreement for the third-party evaluator support for the TCC grant; 2) enter into an agreement with the Strategic Growth Council (SGC) to release \$475,000 of grant funding to be used for an independent evaluator; and 3) enter into contract with California State University at Sacramento Institute for Social Research as the approved Program Evaluation Technical Assistance Provider for the TCC grant.

**CONTACT PERSONS**

Tyrone Roderick Williams, Director of Development, (916) 440-1319  
Jo Anna Davis, Management Analyst, (916) 440-1309

**SUMMARY**

The Sacramento Housing and Redevelopment Agency was awarded \$23 million for the Sacramento Integrated Multimodal Placed-based Living (SIMPL) Project through the Strategic Growth Council's (SGC) Transformative Climate Communities (TCC) Program. As the grantee, the Sacramento Housing and Redevelopment Agency (SHRA) will implement five funded projects and seven leverage projects along with transformation plans that will support greenhouse gas (GHG) reduction through community engagement, workforce development and displacement avoidance within the River District and surrounding downtown neighborhoods in Sacramento. The TCC grant requires SHRA to complete program evaluation activities with an approved Program Evaluation Technical Assistance Provider.

## **SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

Sacramento Housing and Redevelopment Commission

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### **BACKGROUND**

The Sacramento Housing and Redevelopment Agency was awarded \$23 million for the Sacramento Integrated Multimodal Placed-based Living (SIMPL) Project through the Strategic Growth Council's (SGC) Transformative Climate Communities (TCC) Program on December 20, 2018. The TCC program goals are to reduce greenhouse gas (GHG) emissions along with an array of local economic, environmental and public health co-benefits in targeted disadvantaged communities. The approach seeks to empower those communities and could provide lessons and spillover benefits to other California communities.

SHRA applied as the lead applicant along with co-applicants and partners including, McCormack Baron & Salazar, Sacramento Regional Transit, GRID Alternatives, Sacramento Tree Foundation, Alchemist CDC, California State University, Sacramento: Institute for Social Research, City of Sacramento, River District Association, Sacramento Metropolitan Air Quality Management District, Sacramento Municipal Utility District, Urban Strategies, Inc., WALKSacramento, and Wide Open Walls. As the grantee, SHRA will implement five funded projects and seven leverage projects along with transformation projects that will support GHG reduction through community engagement, workforce development and displacement avoidance within the River District and surrounding downtown neighborhoods in Sacramento. Funding over a five-year grant term includes the construction of new affordable homes at Mirasol Village (formerly Twin Rivers), the creation of a new transit station, solar installation, an urban forest, and a community garden. The SIMPL Project has the potential to benefit more than 10,000 residents living in the project area, transform the surrounding community and provide regional benefits.

The TCC grant requires SHRA to complete program evaluation activities with an approved Program Evaluation Technical Assistance Provider. The providers are to support the grantees in the completion of the program evaluation activities required by the SGC and the California Air Resources Board (CARB) over a seven-year evaluation term. The evaluation goals for grant implementation are to track, assess and communicate local TCC progress and outcomes to stakeholders while helping to improve the design and implementation of current TCC projects. The evaluation will comprise four phases: 1) baseline data collection, 2) process evaluation, 3) outcome evaluation, and 4) impact evaluation. The evaluator will employ both quantitative and qualitative analysis to assess progress and results including methodologies developed by CARB in an effort to ensure consistency in benefit reporting across California Climate Investments and to build organizational capacity among the project stakeholders.

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission

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The evaluation will accomplish the following:

- Support successful implementation: Clarify and specify the often-unidentified intermediate steps between activities and intended impacts, which will help ensure that all appropriate details are in place for successful implementation. Also, the evaluator will identify which processes are working well and which could be improved.
- Provide evidence of success: Document and assess, both quantitatively and qualitatively, project progress and outcomes in order to show a return on investment. Assess whether/to what the extent transformative, program-wide benefits were realized.
- Serve as a model for future evaluation efforts: Highlight lessons learned that could be applied to evaluating other California Climate Investment programs.

In addition to the TCC funded and community leverage projects, SHRA developed transformation plans that addressed three high-priority issues central to the TCC program that will also require ongoing evaluation:

1. Displacement avoidance;
2. Community engagement; and
3. Workforce development.

These three transformative plans collectively document the actions that SHRA and community stakeholders will take to prevent the economic displacement of existing households and small businesses within the project area, develop multi-stakeholder partnerships that will oversee TCC implementation, and improve access to training opportunities and career pathways for low-income residents of the project area.

The third-party evaluator will develop project-specific and plan-specific logic models in collaboration with SHRA. The logic models will be a helpful evaluation tool that illustrate all of the interim steps that must occur for a project or plan to realize its intended goals. These steps are defined as follows:

- Inputs: The investment dollars and leveraged funds that support the TCC program.
- Activities: The work of the TCC grantees and co-applicants.
- Outputs: The products and services that the TCC projects produce and deliver.
- Short-term Outcomes: Changes in stakeholder's knowledge, attitude, and skills.
- Intermediate Outcomes: Changes in stakeholder's behaviors, practices, or decisions.
- Impacts: Changes in environment or human condition that align with the objectives and goals of the TCC Program.

## **SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

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On April 16, 2019, the SGC released a list of approved Program Evaluation Technical Assistance Providers that included California State University, Sacramento: Institute for Social Research, which was previously identified during the time of the submission of the application in 2018 as a data partner for the project.

### **FINANCIAL CONSIDERATIONS**

The grant for the Round 2 Transformative Climate Communities Program required that \$690,000 of awarded funding be set aside for indicator tracking. Of that amount, \$475,000 is required to fund a third-party evaluator. The remaining \$215,000 is intended for project leads to monitor and report progress of the five funded projects for the duration of the five-year grant period.

### **POLICY CONSIDERATIONS**

On October 17, 2018, the Sacramento Housing and Redevelopment Commission adopted Resolution 2018-20 that authorized SHRA's executive director to submit the grant application, accept the grant award, amend the Agency budget as necessary, and execute all documents related to accepting and implementing the grant. Upon approval by the City Council, the Sacramento Housing and Redevelopment Agency, as the grantee for the TCC grant, may contract a third-party evaluator once the grant agreement with the SGC is executed.

### **ENVIRONMENTAL REVIEW**

California Environmental Quality Act (CEQA): The proposed actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b). National Environmental Policy Act (NEPA): The proposed actions are exempt under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34(a)(1) and (3).

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### M/WBE AND SECTION 3 CONSIDERATIONS

No federal funding is involved in the professional services contract. Minority and Women's Business Enterprise requirements and Section 3 requirements do not apply to the activities contemplated in this report.

Respectfully submitted,

  
LA SHELLE DOZIER  
Executive Director

### Attachments

- 1 - Resolution TCC Evaluator Grant Agreement
- 2 - Exhibit A TCC Evaluator Agreement
- 3 - Exhibit B TCC Project Area Map

## **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

**November 6, 2019**

### **APPROVAL OF THIRD-PARTY EVALUATOR GRANT AGREEMENT FOR THE TRANSFORMATIVE CLIMATE COMMUNITIES (TCC) PROGRAM**

**WHEREAS**, in compliance with the Strategic Growth Council's (SGC) Round 2 Transformative Climate Communities (TCC) Grant program guidelines, grantees must set aside 3% of \$23 million (\$690,000) to be used for indicator tracking and evaluation.

**WHEREAS**, of the \$690,000 set aside for indicator tracking and evaluation, \$475,000 is required to be allocated to contractors that are pre-approved by the SGC through a competitive process to conduct required indicator data collection and tracking activities.

**WHEREAS**, the evaluation contractors are to support the grantees in the completion of the program evaluation activities required by the SGC and the California Air Resources Board (CARB) over a seven-year term.

**WHEREAS**, the evaluation goals for grant implementation are to track, assess and communicate local TCC progress and outcomes to stakeholders while helping to improve the design and implementation of current TCC projects.

**WHEREAS**, the evaluation will comprise four phases: 1) baseline data collection, 2) process evaluation, 3) outcome evaluation, and 4) impact evaluation.

**WHEREAS**, on October 17, 2018, the Sacramento Housing and Redevelopment Commission adopted Resolution 2018-20 that authorized SHRA's executive director to submit the grant application, accept the grant award, amend the Agency budget as necessary, and execute all documents related to accepting and implementing the grant.

**WHEREAS**, on October 23, 2018, the City Council authorized Sacramento Housing and Redevelopment Agency (SHRA) to apply to the TCC grant program and directed SHRA to implement an indicator tracking plan.

**WHEREAS**, on December 20, 2018, SHRA was award the TCC grant for the Sacramento Integrated Multitmodal Placed-based Living (SIMPL) Project.

**WHEREAS**, on April 16, 2019, the SGC provided a list of qualified Program Evaluation Technical Assistance Providers.

**WHEREAS**, University Enterprises, Inc. (“UEI”) provides administrative and fiscal services in connection with grant and contract awards made in support of the research activities of the faculty, centers and institutes of California State University, Sacramento, as authorized under Title 5 of the California Code of Regulations section 42500(a)(7).

**WHEREAS**, SHRA would like to engage the services of Sacramento State’s Institute for Social Research to serve as its Data Collection Partner for SHRA’s TCC implementation project funded by the State of California’s Office of Planning and Research and the Strategic Growth Council, as detailed in the work plan.

**WHEREAS**, as the grantee for the TCC award, SHRA must execute the Evaluation Grant, Agreement with the SGC in order to complete the Master Grant Agreement (MGA).

**WHEREAS**, once the MGA is executed, TCC projects may receive funding reimbursement.

**WHEREAS**, the proposed actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b).

**WHEREAS**, the proposed actions are exempt under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34(a)(1) and (3).

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

Section 1: All evidence presented having been duly considered, the Sacramento Housing and Redevelopment Commission accepts the findings are found to be true and correct and are hereby adopted.

Section 2: The execution of the Evaluation Grant Agreement is necessary for the SGC and SHRA to finalize the master Grant Agreement for the Transformative Climate Communities grant. The evaluation providers are to support the grantees in the completion of the program evaluation activities required by the SGC and the California Air Resources Board (CARB) over a seven-year term. The evaluator will employ both quantitative and qualitative analysis to assess progress and results including methodologies developed by CARB in an effort to ensure consistency in benefit reporting across California Climate Investments and to build organizational capacity among the project stakeholders.

Section 3: The Agency's Executive Director is authorized to execute all documents related to the Evaluation Grant Agreement.

Section 4: The Agency's Executive Director is authorized to execute all documents related to the pre-approved qualified Program Evaluation Technical Assistance Provider. *University Enterprises, Inc., a CSU Sacramento auxiliary organization.*

---

CHAIR

ATTEST:

---

CLERK

**Table of Contents:**  
Exhibit A: Grant Agreement



STATE OF CALIFORNIA  
OFFICE OF PLANNING AND RESEARCH  
GRANT AGREEMENT

BSO-02 (Rev 05/19)

GRANT AGREEMENT NUMBER: SGC19108	
1. This Agreement is entered into between the State Agency and the Grantee named below: STATE AGENCY'S NAME Office of Planning and Research / Strategic Growth Council, hereinafter referred to as OPR or SGC or STATE GRANTEE'S NAME Sacramento Housing and Redevelopment Agency, hereinafter referred to as SHRA or Grantee	
2. The term of this Agreement is: Upon Execution through July 15, 2026	
3. The maximum amount of this Agreement is: <b>\$475,000.00</b> Four Hundred Seventy-Five Thousand Dollars and No Cents	
4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.	
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Exhibit A: Scope of Work, Authorized Signatory Form, Work Plan, Final Report	10 page(s)
Exhibit B: Budget Detail, Payment Provisions, Budget Detail Worksheet, Invoice, Invoice Dispute Notification Template	9 page(s)
Exhibit C: General Terms and Conditions	3 page(s)
Exhibit D: Special Terms and Conditions	5 page(s)
Exhibit E: Award Letter for TCC Round II	1 page(s)
Exhibit F: Eligible Cost Section of TCC Guidelines	1 page(s)
Exhibit G: Notice of Approved TCC Evaluation Technical Assistance Providers	1 page(s)
Exhibit H: Detailed Five-Year Budget Summary	1 page(s)

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

<b>GRANTEE</b>		<b>California Department of General Services Use Only</b>
GRANTEE'S NAME (if other than an individual, state whether a corporation, partnership, etc.) Sacramento Housing and Redevelopment Agency		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING La Shelle Dozier, Executive Director		
ADDRESS 801 12 <sup>th</sup> Street, Sacramento, CA 95814		
<b>STATE OF CALIFORNIA</b>		
AGENCY NAME Office of Planning and Research / Strategic Growth Council		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Louise Bedsworth, Executive Director, SGC		
ADDRESS 1400 Tenth Street, Sacramento, CA 95814		

Exempt from DGS Approval per:  
SCM Volume 1, 4.06

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## **Exhibit A, Scope of Work**

### **1. Transformative Climate Communities Program Background**

The Office of Planning and Research / Strategic Growth Council ("the SGC") and the Sacramento Housing and Redevelopment Agency (SHRA) ("Grantee") will enter into a Grant Agreement for the Grantee to implement evaluation technical assistance for SIMPL: the Sacramento Integrated Multi-modal Place-based Living Project (SIMPL), which the Strategic Growth Council approved at its December 20, 2018, meeting. The SGC and Grantee are collectively referred to as "Parties."

Both Public Resources section 75242(b) and the Transformative Climate Communities Program Guidelines approved on July 31, 2018 ("Guidelines"), require the Grantee to work with an Evaluation Technical Assistance Provider ("Provider") to assist in program evaluation for the TCC Program and the collection of required data indicators for the California Air Resources Board (CARB). The Grantee shall select a Provider from the Notice of Approved Program Evaluation Technical Assistance Providers for the Transformative Climate Communities (TCC) Program Round 2, attached hereto as Exhibit G and incorporated by this reference.

### **2. Eligible Evaluation Technical Assistance Activities**

#### **A. The Scope of Work**

These funds must be used to hire a qualified Provider to assist the Grantee and TCC Project partners in implementing the Evaluation Plan and to collect indicators required by the California Air Resources Board ("CARB"). Grantee shall ensure the Provider performs the work set forth in [Attachment 2](#) and incorporated herein by reference. This scope of work will be referred to as "Evaluation Technical Assistance" throughout this Agreement.

Eligible Evaluation Technical Assistance activities for Evaluation Technical Assistance Providers include, but are not limited to, the following:

- i. Program evaluation and data collection and reporting;
- ii. Communications assistance to publicize the impacts of the program; and
- iii. Technical assistance to the Grantee and the SGC staff to implement indicator tracking protocols.

#### **B. Qualifications for the Provider**

Grantee shall ensure that the Provider possesses the expertise necessary to provide technical assistance in the areas of need defined by the Grantee in the TCC Project work plan.

The Strategic Growth Council will not reimburse the Grantee for contracting with a Provider that is not listed in Exhibit G, Notice of Approved Program Evaluation Technical Assistance Providers for the Transformative Climate Communities (TCC) Program Round 2. The providers listed in Exhibit G were selected through a competitive Request for Information (RFI) process prior to their placement on the short-list.

C. Hiring Procedures

Grantee must adhere to its own internal contracting processes when contracting with the selected Provider and comply with its own competitive bidding and/or sole sourcing requirements for hiring.

D. Trainings

At the election of the Department of Conservation ("Department") or the Strategic Growth Council, Grantee shall require that the Provider participate in tailored trainings provided by the Department or the Strategic Growth Council to provide information on TCC Program goals, expectations of the evaluation outcomes, other available state funding sources, and the reimbursement process.

E. Grant Term

The Grant Term for the Grant Agreement is upon execution and continues through July 15, 2026. All work must be completed no later than March 31, 2026; the SGC will not reimburse the Grantee for costs or expenses incurred thereafter. The final invoice must be submitted no later than April 30, 2026.<sup>1</sup>

**3. Authorized Signatories**

The Executive Director or designee is authorized to sign this Grant Agreement and grant-related documents on behalf of the SGC.

Grantee's Authorized Signatory or designee is authorized to sign this Grant Agreement and grant-related documents as shown in the Authorized Signatory Form ([Attachment 1](#)).

Grantee must keep Authorized Signatory Forms up to date. Within seven (7) working days of any change to the authorized signatory or to the delegated authorized signatory, Grantee shall notify the SGC in writing of the change. The written notice shall be sent as an email attachment to be filed with the Grant Agreement.

**4. Representatives**

The representatives are the contact people for the SGC and Grantee. The representatives during the term of this Grant Agreement are:

**The SGC**

Name	Title	Phone Number	Email
Saharnaz Mirzazad	Grant Manager*	916-322-3932	<a href="mailto:saharnaz.mirzazad@sgc.ca.gov">saharnaz.mirzazad@sgc.ca.gov</a>

<sup>1</sup> Evaluation technical assistance funds are required to be spent by March 31, 2026. The TCC Program is requesting to extend the deadline for expending these funds to March 31, 2027 through a budget change proposal (BCP).

\*Unless otherwise stated within this Grant Agreement, all correspondence and documents to the Strategic Growth Council will be sent to the Grant Manager as described in Document Submission ([Exhibit A, Section 6](#)).

### **The Grantee**

Name	Title	Phone Number	Email
Tyrone Williams	Director of Development	(916) 440-1316	<a href="mailto:twilliams@shra.org">twilliams@shra.org</a>
Jo Anna Davis	Management Analyst	(916) 440-1309	<a href="mailto:jdavis@shra.org">jdavis@shra.org</a>

The SGC and Grantee must keep the Project Representative(s) up to date. Any changes to the Project Representatives by either the Grantee or the SGC shall be made by providing seven (7) working days advance written notice to the other party. The written notice shall be sent as an email attachment to be filed with the Grant Agreement.

## **5. Grantee Duties**

Grantee shall:

- A. Use grant funds from this Grant Agreement for Evaluation Technical Assistance.
- B. Ensure the selected Provider completes work on time and within budget. This includes meeting all milestones and deliverables, as described in the Work Plan ([Attachment 2](#)) and in accordance with the Budget Detail Worksheet ([Attachment 4](#)), unless otherwise agreed to by all parties through the amendment process described in Exhibit B, Section 7.
- C. Submit invoices for reimbursement using the Invoice ([Attachment 5](#)) template, including any supporting documents.
- D. Submit a final report with the last invoice, using the Final Report template ([Attachment 3](#)).
- E. Comply with all terms and conditions of this Grant Agreement, including all incorporated documents.
- F. Comply with statutes, rules, and regulations applicable to this Grant Agreement.
- G. Maintain an accounting system that accurately reflects all fiscal transactions and provides accounting information, retaining all records and required documents as specified in [Exhibit C, Section 4](#), and providing all required documents during an audit, as specified in [Exhibit C, Section 5](#).

## 6. Document Submission

### A. Email

When this Grant Agreement requires Grantee to send invoices, reports, or other documents to the SGC, Grantee must use email unless this Grant Agreement specifically requires that the document be sent by mail. All email must contain the Grant Agreement number and Grantee's name in the subject line.

### B. Mail Service/Courier Service

Correspondence and documents submitted through mail, certified mail, or courier service must use the following address:

California Strategic Growth Council  
1400 10<sup>th</sup> Street  
Attn: [Grant Manager]  
Sacramento, CA 95814

## 7. Reporting Requirements

When the Project is completed, Grantee must submit a Final Report with the last invoice. To complete and submit the Final Report:

- A. Submit the Final Report with the last invoice. If Grantee does not submit the Final Report with the last invoice, then the last invoice will be considered incomplete and returned following process specified in [Exhibit D, Section 5](#).
- B. Use the Final Report Template, which is attached as [Attachment 3](#).
- C. Make sure the Final Report is signed by the person authorized to sign on the most current Authorized Signatory Form ([Attachment 1](#)).
- D. Put enough detail in the Final Report to show that Grantee fulfilled the terms of the Grant Agreement and should be paid for completing the project.

### Attachment 1: Authorized Signatory Form

I hereby verify that I am an authorized Grantee representative and signatory and, as such, can sign and/or delegate authorization to sign and bind Grantee as it relates to the above-referenced Grant Agreement and grant related documents.

---

#### Grantee Authorized Signatory:

Name: La Shelle Dozier  
(Type or Print Name)

Title: Executive Director

Signature: \_\_\_\_\_

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

---

#### Delegated Authorized Signatories:

1. Name: \_\_\_\_\_  
(Type or Print Name)

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

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

#### Document(s) Authorized to sign:

- ☐ All Grant Related Documents **or** ☐ Grant Agreement  
☐ Grant Amendments ☐ Budget Amendments ☐ Reports  
☐ Invoices ☐ Other \_\_\_\_\_

---

2. Name: \_\_\_\_\_  
(Type or Print Name)

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

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

#### Document(s) Authorized to sign:

- ☐ All Grant Related Documents **or** ☐ Grant Agreement  
☐ Grant Amendments ☐ Budget Amendments ☐ Reports  
☐ Invoices ☐ Other \_\_\_\_\_



**Attachment 2: Work Plan**

<b>TASK 1: Project Year 1: Project Set up and Evaluation Technical Support</b>		<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities; invoice processing, and additional project management activities.		Provide monthly memo reporting on project activity to the Strategic Growth Council and SHRA.	Year 1: Months 1-12
<b>Subtask B: Evaluation Plan Finalization.</b> Review grant-funded projects and meet with lead entities; review evaluation plan and indicators; propose modifications to indicators for grant-funded projects as needed; and finalize evaluation design and indicators with SHRA and SGC.		Finalized evaluation plan and data collection schedule	Year 1: Months 1-4
<b>Subtask C: Provide Technical Support.</b> Provide technical support to lead entities, and SHRA for data collection, including developing data collection tools and support materials. Assist SHRA and lead entities in the administration of community and/or project-based surveys and focus groups. Administer project-based surveys and focus groups with the assistance of SHRA and lead entities. Re-calculate greenhouse gas quantification methodologies as needed during the first year and submit to CARB and SGC.		Finalized survey and focus group protocols.  Re-calculation of greenhouse gas reduction methodologies as necessary.	Year 1: Months 1-12
<b>Subtask D: Develop Project Profiles.</b> Draft profiles highlighting the work of projects to be communicated with the public and stakeholders.		Two (2) project profiles	Year 1: Month 5 & Month 11
<b>TASK 2   Project Year 2: Evaluation Technical Support</b>		<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities; invoice processing; and additional project management activities.		Provide monthly memo reporting on project activity to the Strategic Growth Council and SHRA.	Year 2: Months 1-12
<b>Subtask B: Year 1 Summary Report.</b> Aggregate project data and provide summary report.		Summary report	Year 2: Months 1-3
<b>Subtask C: Provide Technical Support.</b> Provide technical support to lead entities, and SHRA for data collection for CARB required and project-specific indicators.			Year 2: Months 1-12
<b>Subtask D: Develop Project Profiles.</b> Draft profiles highlighting the work of projects to be communicated with public and stakeholders.		Two (2) project profiles	Year 2: Month 5 & Month 11

<b>TASK 3   Project Year 3: Evaluation Technical Support</b>		<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities invoice processing; and additional project management activities.		Provide monthly memo reporting on project activity to the Strategic Growth Council and SHRA.	Year 3: Months 1-12
<b>Subtask B: Year 2 Summary Report.</b> Aggregate project data and provide summary report.		Summary report	Year 3: Months 1-3
<b>Subtask C: Provide Technical Support.</b> Provide technical support to lead entities, and SHRA for data collection for CARB required and project-specific indicators.			Year 3: Months 1-12
<b>Subtask D: Develop Project Profiles.</b> Draft profiles highlighting the work of projects to be communicated with public and stakeholders.		Two (2) project profiles	Year 3: Month 5 & Month 11
<b>TASK 4   Project Year 4: Evaluation Technical Support</b>		<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities; invoice processing; and additional project management activities.		Provide monthly memo reporting on project activity to the Strategic Growth Council and SHRA.	Year 4: Months 1-12
<b>Subtask B: Year 3 Summary Report.</b> Aggregate project data and provide summary report.		Summary report	Year 4: Months 1-3
<b>Subtask C: Provide Technical Support.</b> Provide technical support to lead entities, and SHRA for data collection for CARB required and project-specific indicators.			Year 4: Months 1-12
<b>Subtask D: Develop Project Profiles.</b> Draft profiles highlighting the work of projects to be communicated with public and stakeholders.		Two (2) project profiles	Year 4: Month 5 & Month 11
<b>TASK 5   Project Year 5: Evaluation Technical Support and Project Close Out</b>		<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities; invoice processing; and additional project management activities.		Provide monthly memo reporting on project activity	Year 5: Months 1-12
<b>Subtask B: Year 4 Summary Report.</b> Aggregate project data and provide summary report.		Summary report	Year 5: Months 1-3

<b>Subtask C: Provide Technical Support.</b> Provide technical support to lead entities, and SHRA for data collection for CARB required and project-specific indicators. Re-administer project-based surveys and focus groups with the assistance of SHRA and lead entities.		Year 5: Months 1-12
<b>Subtask D: Develop Project Profiles.</b> Draft profiles highlighting the work of projects to be communicated with public and stakeholders.	Two (2) project profiles	Year 5: Month 5 & Month 11
<b>TASK 6   Project Year 6: Post Grant Evaluation Data Collection</b>	<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities; invoice processing; and additional project management activities.	Provide monthly memo reporting on project activity	Year 6: Months 1-12
<b>Subtask B: Year 5 Summary Report.</b> Aggregate project data and provide summary report.	Summary report	Year 6: Month 1-3
<b>Subtask C: Project Closeout Report.</b> A final project report will be developed with information about the individual project indicators required by CARB and SGC.	Project Closeout Report	Year 6: Months 1-3
<b>Subtask D: Indicator Data Collection.</b> Collect any indicators needed to finalize the overall evaluation report.		Year 6: Months 1-12
<b>TASK 7   Project Year 7: Post Grant Evaluation Analysis &amp; Report</b>	<b>Deliverables and Performance Measures</b>	<b>Timeline [Start and End Date]</b>
<b>Subtask A: Project Management.</b> Meetings/teleconferences with SHRA, SGC, and lead entities; invoice processing; and additional project management activities.	Provide monthly memo reporting on project activity	Year 7: Months 1-12
<b>Subtask B: Indicator Data Collection &amp; Analysis.</b> Collect any indicators needed to finalize the evaluation, and conduct analyses for report.		Year 7: Months 1-12
<b>Subtask C: SIMPL Evaluation Report.</b> The report will evaluate findings from the data collected: 1) baseline indicator values; 2) implementation of project activities (inputs and outputs); 3) changes in the short to intermediate outcomes; and 4) discernable long-term impacts attributable to TCC project activities. It is anticipated that this final report will include an executive summary, along with appendices detailing the methodologies used.	SIMPL Evaluation Report	Year 7: Months 1-12

The Parties may make minor changes to the timeline and deliverables due without requesting a formal amendment. See [Exhibit B, Sections 7 and 8](#).

[Work plan submitted with the application, subject to any changes based on the award letter, will be inserted in the final grant agreement.]

### Attachment 3: Final Report

Final Report	Date Submitted:
Grantee Name:	Grant Number:
Project Name:	

1. Provide a brief summary of the technical assistance provided and the work completed under this grant.
2. Briefly summarize the results and outcomes of this grant, including how the goals and objectives were accomplished, and major findings or conclusions.
3. Describe and explain any differences between the planned results, as listed in the Work Plan ([Attachment 2 to the Grant Agreement](#)), and the actual results. Include a discussion of any problems, barriers, or issues that occurred during the Project, corrective actions taken, and the outcomes.
4. Describe how the Technical Assistance provider and Grantee communicated and managed the work plan and needs that emerged over the course of the grant.
5. Based on your experience providing evaluation technical assistance to the Grantee, please provide feedback about how the Strategic Growth Council can improve this component of the TCC Program in the future.
6. Attach any relevant documents to this report, including annual reports and final reports. If the documents cannot be sent electronically, notify the Grant Manager.

**CERTIFICATION:** I certify that this Final Report is accurate and that this project complies with the Agreement. I further certify that any expenditure discussed in this report is allowed under the Agreement and that all funds were expended for the purposes of this Project.

Agreement and that all funds were expended for the purposes of this Project.

**Name:** \_\_\_\_\_  
(Type or Print Name)

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

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

## **Exhibit B, Budget Detail and Payment Provisions**

### **1. Payment**

- A. To receive payments of grant funds, Grantee must submit an invoice. Advance payments are not permitted under this Grant Agreement.
- B. Upon receipt and approval of an itemized invoice and required supporting documentation, the SGC agrees to reimburse Grantee for actual costs incurred for work performed, in accordance with the rates specified in the Budget Detail Worksheet ([Attachment 4](#)).
- C. The SGC may withhold final payment until all terms of the Grant Agreement have been satisfied.
- D. Invoices should be submitted by the Grantee on a bi-monthly basis.
- E. For cost principles, see [Exhibit B, Section 5](#).

### **2. How to Submit Invoices**

- A. Submit invoices electronically only by email to [accountspayable@opr.ca.gov](mailto:accountspayable@opr.ca.gov) and copy the Grant Manager on the email.
- B. A request for payment shall consist of:
  - i. The Invoice ([Attachment 5](#)) on official letterhead and signed by the Authorized Signatory, or authorized designee on file with the SGC ([Exhibit A, Section 3](#)), certifying the expenditures are for actual expenses for the tasks performed under this Grant Agreement.
  - ii. Each cost category and task must correspond to a cost category and task identified in the Budget Detail Worksheet ([Attachment 4](#)).
  - iii. Supporting documentation for reimbursement of funds. Records documenting the completion of individual tasks and deliverables, an estimate of the time spent performing the work, identification of the relevant staff, and the time period over which the work was performed. Examples of acceptable supporting documentation includes but is not limited to: transaction detail reports, payroll reports, time sheets and ledger transactions.
  - iv. All records must reflect the actual time or money spent, rather than that which was planned or budgeted.
- C. Supporting documentation (e.g., timesheets, activity logs, cancelled checks) for matching funds does not need to be submitted to the SGC but should be retained by Grantee in the event of an audit ([Exhibit C, Section 5](#)).
- D. At any time, the SGC may request hard copies of invoices, reports, supporting documentation, and evidence of progress.

### **3. Invoice Dispute**

In the event of an invoice dispute, see [Exhibit D, Section 5](#).

#### 4. Budget Contingency Clause

- A. If the Budget Act of the current year and/or any subsequent years covered under this Grant Agreement does not appropriate sufficient funds for the program, this Grant Agreement shall have no further force nor effect. In this event, the SGC shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement, and Grantee shall not be obligated to perform any provisions of this Grant Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the SGC shall have the option to either cancel this Grant Agreement with no liability occurring to the SGC or offer an amendment to reflect the reduced amount.

#### 5. Cost Principles

- A. Direct staff, supplies, and materials costs as set forth in the Budget Detail Worksheet ([Attachment 4](#)); travel expenses in accordance with [Exhibit B Section 6](#); and administrative costs totaling no more than ten percent (10%) of the total grant award are eligible for reimbursement.
- B. The SGC will reimburse Grantee only for actual expenses incurred during the term of this Grant Agreement, as specified in the Budget Detail Worksheet ([Attachment 4](#)).

#### 6. Travel Reimbursement

Travel expenses directly related to the performance of this Grant Agreement will be subject to the State of California travel reimbursement rates in effect during the term of this Grant Agreement.

- A. The SGC will only reimburse for actual expenditures incurred for in-state travel as specified here:
  - i. Accommodation-related travel costs: maximum reimbursement rates based on county as shown here: <http://www.calhr.ca.gov/employees/Pages/travel-lodging-reimbursement.aspx>, with no option for approval of an "excess lodging rate." Hotel bill is required as supporting documentation for hotel-stay reimbursement. Confirmation booking printouts are not acceptable.
  - ii. Mileage will be reimbursed at the Reimbursement Rate per Mile for Personal Vehicle as shown here: <http://www.calhr.ca.gov/employees/Pages/travel-personal-vehicle.aspx> Google Maps Directions printout required as supporting documentation to show roundtrip start and end locations for mileage reimbursement.
  - iii. Train or airfare will only be reimbursed to attend meetings with the Strategic Growth Council, and then only if it is the typical method used to get from one location to the other.
  - iv. No other travel-related costs will be reimbursed through this grant program.
  - v. The SGC will only reimburse for actual expenditures incurred for in-state travel related to the implementation of this grant. Tips and gratuities are not



reimbursable items, and must not be included in the total amount for an invoice.

- B. Grantee shall maintain, and submit upon request, detailed travel records and supporting documents (e.g., travel request and approval forms, expense claims, invoices, receipts for lodging and transportation) showing the date and purpose of the grant-related travel, destination, and, in the case of travel by automobile, the number of miles driven.
- C. Grantee shall ensure travel costs are included in the Budget Detail Worksheet ([Attachment 4](#)) and are tied to tasks and deliverables in the Work Plan ([Attachment 2](#)).
- D. Grantee and any person traveling pursuant to this Grant Agreement shall indemnify and hold harmless the SGC and State of California for any liabilities resulting from such travel.

## 7. Amendments

- A. This section applies to any changes to this Grant Agreement, excluding the following:
  - a. Changes to the Authorized Signatory Form ([Attachment 1](#)). For changes to the Authorized Signatory Form see [Exhibit A, Section 3](#).
  - b. Changes to project representatives, see [Exhibit A, Section 4](#).
  - c. Changes to the Work Plan and Budget Detail Worksheet, see [Exhibit A, Attachment 2](#), [Exhibit B, Attachment 4](#), and [Exhibit B, Section 7](#).
- B. Except as otherwise specified, Grantee must request and obtain prior written approval before any change (amendment) to this Grant Agreement is valid.
- C. Request for amendments must:
  - i. Be prepared, in writing, on official letterhead and signed by the Authorized Signatory or designee on file with the SGC.
  - ii. Be submitted to the Grant Manager at least two (2) months prior to when the amendment is needed.
  - iii. Include the Grant Agreement number, a detailed explanation of the proposed amendment, reason for the amendment, and the effect of not approving the request.
  - iv. Include a copy of the document(s) requested for amendment that shows the requested changes.
- D. The Grant Manager will respond in writing within fifteen (15) working days from receipt of request to approve or deny the request for amendment, including the reason for the decision.
- E. The Grant Manager will process amendments within thirty (30) days of the approval date. The amendment will not be in effect until both parties have signed the Grant Agreement amendment.



## 8. Work Plan and Budget Modifications

- A. Grantee must keep the Work Plan ([Attachment 2](#)) and Budget Detail Worksheet ([Attachment 4](#)) up to date. Grant Manager must be kept informed of any changes that are being made.
- B. Changes up to ten percent (10%) between tasks shall be made by providing written notice with or before submission of an invoice. Changes up to twenty percent (20%) require written approval from the Grant Manager.
- C. Changes to the deliverable due dates and minor changes to subtask descriptions shall be made by providing written notice with or before submission of an invoice.
- D. Material changes to the Work Plan and Budget shall follow the amendment process, specified in [Exhibit B Section 8](#), including:
  - i. Changes of more than twenty percent (20%) between tasks
  - ii. Elimination or alteration of tasks or deliverables

**Attachment 4, Budget Detail Worksheet**

<b>Task</b>		<b>Requested Grant Funds</b>
<b>Task 1</b>	<b>Year 1 Project Set up and Evaluation Technical Support</b>	\$108,466
<b>Task 2</b>	<b>Year 2 Evaluation Technical Support</b>	\$59,887
<b>Task 3</b>	<b>Year 3 Evaluation Technical Support</b>	\$62,237
<b>Task 4</b>	<b>Year 4 Evaluation Technical Support</b>	\$63,294
<b>Task 5</b>	<b>Year 5 Evaluation Technical Support and Project Close Out</b>	\$122,387
<b>Task 6</b>	<b>Post Grant Evaluation Data Collection</b>	\$14,935
<b>Task 7</b>	<b>Post Grant Evaluation Analysis &amp; Report</b>	\$43,776
<b>Total</b>		<b>\$474,982</b>
The Parties may make minor changes to the Budget without the requirement of an amendment. See <a href="#">Exhibit B, Sections 7 and 8</a> .		

## Attachment 5, Invoice

Strategic Growth Council

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

Transformative Climate Communities Program

Email required invoice documents to: [accounts payable@opr.ca.gov](mailto:accounts payable@opr.ca.gov) and cc the Grant Manager.

		Invoice Number:	
Grantee Name:		Grant Number:	
Project Name:			
Invoice Period		(Start Date)	(End Date)

Cost Category	Task #1	Task #2	Task #3	Task #4	Total
Personnel (Salaries and Fringe Benefits)					
Materials and Supplies					
Equipment					
Travel					
Sub-awardees					
Other direct costs					
Indirect costs					
Current Total					
Cumulative Total					
Allocated Total					

Work Plan Task #	Description of Work Performed
	<i>Please refer to specific deliverables in the Budget and Work Plan.</i>

Status Update			
Work Plan Task #	Anticipated Timeline Changes (Y/N)	Anticipated Budget Changes (Y/N)	Corrective Plan or Action, if needed

1. Describe how the Provider supported the Grantee with the TCC Project evaluation and data collection.
2. Describe key accomplishments, activities, or trips.
3. Describe any challenges or obstacles encountered and plans to address those.
4. Do you anticipate any modifications to your Work Plan or Budget in the next few months?
5. Do you need any additional support from the Strategic Growth Council in the next few months?

**CERTIFICATION:** By my signature below, I certify that I have full authority to execute this payment request on behalf of Grantee. I declare under penalty of perjury, under the laws of the State of California, that this invoice for reimbursement, and any accompanying supporting documents, are true and correct to the best of my knowledge, and all disbursements have been made for the purposes and conditions as outlined in the Grant Agreement.

Print Name:	Print Title:
Signature:	Date:

Attachment 6, Invoice Dispute Notification Template

INVOICE DISPUTE NOTIFICATION

GRANTEE  
ADDRESS

--

INVOICE DATE

INVOICE NUMBER

INVOICE AMOUNT

\$

DATE INVOICE RECEIVED

GRANT AGREEMENT NUMBER

The invoice referenced above is disputed for the following reasons:

- |   |  |
|---|--|
| <input type="checkbox"/> Request reimbursement for expenses not in the Budget Detail                    | <input type="checkbox"/> Invoiced for indirect cost reimbursement                  |
| <input checked="" type="checkbox"/> Invoiced for incidental costs or travel costs outside of California | <input type="checkbox"/> Work performed prior to the Grant start or end date       |
| <input type="checkbox"/> Insufficient evidence of progress made or task completion                      | <input type="checkbox"/> Invoice submitted without using required templates        |
| <input type="checkbox"/> Insufficient supporting document for reimbursement                             | <input type="checkbox"/> Progress Report or Final Report not included with invoice |
| <input type="checkbox"/> Invoice not submitted by 5:00 p.m. on the required due date                    | <input type="checkbox"/> Request reimbursement through another funding source      |
| <input type="checkbox"/> Other not listed above:  |  |

Comments:

THIS NOTIFICATION IS A FOLLOW UP TO A PHONE CONVERSATION WITH THE GRANTEE OR DESIGNEE WHOSE NAME APPEARS BELOW.

NAME

DATE OF CONVERSATION

IF YOU HAVE ANY QUESTIONS REGARDING THIS DISPUTE, CONTACT:

NAME

TELEPHONE NUMBER (include Area Code)

RETURN A COPY OF THIS NOTIFICATION WITH THE CORRECTED  
INVOICE TO:

Grant Manager  
Transformative Climate Communities Program  
1400 10<sup>th</sup> Street  
Sacramento, California 95814

STATE OF CALIFORNIA USE ONLY

DATE DISPUTE RESOLVED

INITIALS

RESOLUTION

## **Exhibit C, General Terms and Conditions**

### **1. Approval**

This Grant Agreement is of no force or effect until signed by both parties. Grantee may not commence performance until such approval has been obtained.

### **2. Amendment**

No change to this Grant Agreement shall be valid unless made in accordance with [Exhibit A, Section 3 or 4](#), or [Exhibit B, Section 7](#). No oral understanding or change not incorporated in this Grant Agreement is binding on any of the parties.

### **3. Assignment**

This Grant Agreement is not assignable by Grantee, either in whole or in part, without the consent of the SGC in the form of an amendment.

### **4. Records Retention**

- A. Grantee shall establish an official file containing adequate documentation of all actions taken with respect to the Project, including copies of the Grant Agreement, changes, amendments, letters, email correspondence, financial records, and required reports for a minimum of four (4) years following the final payment of funds or until completion of any action and resolution of all issues which may arise as a result of an audit, whichever is later.
- B. Grantee shall adequately protect all records, physical and electronic, from loss, damage, or destruction during the four (4) year retention period.

### **5. Audit**

- A. Grant funded projects are subject to audit by the State of California during the grant term and for up to four years following the termination of the grant agreement. Grantee agrees that the SGC, Department, Department of Finance, Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant Agreement. The audit may consist of examining and auditing pertinent books, documents, papers, and records including financial transactions and supporting documents, general accounting systems, internal controls, management practices, policies, and procedures pertaining to the performance of this Grant Agreement.
- B. At any time, the SGC, Department, Department of Finance, Bureau of State Audits, or their designated representative may request to review Grantee's records to ensure proper grant management. Grantee shall be given advance notice when the grant-funded Project is selected for an audit or review by the SGC, Department, Department of Finance, Bureau of State Audits, or their designated representative. Grantee agrees to allow the auditor(s) access to such records during normal business hours, excluding State of California holidays, and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the SGC to audit records and interview staff in any subcontract related to performance of this Grant Agreement in accordance with Government Code

section 8546.7. Grantee shall comply with the above and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code section 10115.10.

#### **6. Indemnification**

Grantee agrees to indemnify, defend, and hold harmless the State of California, its officers, agents, and employees from any and all claims and losses accruing or resulting to any and all Grantees, partners, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Grant Agreement.

#### **7. Disputes**

Grantee shall continue with the responsibilities under this Grant Agreement during any dispute.

#### **8. Independent Grantee**

Grantee, and the agents and employees of Grantee, in the performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the SGC.

#### **9. Non-Discrimination Clause**

During the performance of this Grant Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, color, ancestry, national origin, religion, creed, age (over 40), mental disability, physical disability, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity, gender expression, medical condition, genetic information, marital status, and military and veteran status. Grantee and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Grant Agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.



#### **10. Timeliness**

Time is of the essence in this Grant Agreement. The SGC and Grantee will work collaboratively to ensure this Grant Agreement is administered in a timely fashion.

#### **11. Governing Law**

This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

#### **12. Unenforceable Provision**

If any provision of this Grant Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant Agreement have force and effect and shall not be affected thereby.

## **Exhibit D, Special Terms and Conditions**

### **1. Compliance with Laws and Regulations**

By signing this Grant Agreement, Grantee certifies that it shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits and shall secure any new permits required by authorities having jurisdiction over the Project(s), and maintain all presently required permits. Grantee shall ensure that any applicable requirements of the California Environmental Quality Act are met in order to carry out the terms of this Grant Agreement.

### **2. Subcontractors**

The SGC's contractual relationship is with Grantee, and not any of its subcontractors. Grantee is entitled to make use of its own staff and subcontractors, as identified in the Budget Detail Worksheet ([Attachment 4](#)), and will comply with its own competitive bidding and sole sourcing requirements for subcontracts that arise out of or in connection with this Grant Agreement. Grantee shall manage, monitor, and accept responsibility for the performance of its own staff and subcontractors, and will conduct Project activities and services consistent with professional standards for the industry and type of work being performed under this Grant Agreement.

Nothing contained in this Grant Agreement or otherwise, shall create any contractual relation between the SGC and any subcontractors, and no subcontract shall relieve Grantee of its responsibilities and obligations hereunder. Grantee agrees to be as fully responsible to the SGC for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Grantee. Grantee's obligation to pay its subcontractors is an independent obligation from the SGC's obligation to make payments to Grantee. As a result, the SGC shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

### **3. No Third-Party Beneficiaries**

This Grant Agreement is not intended for the benefit of any person or entity other than the parties, and no one other than the parties themselves may enforce any of the rights or obligations created by this Grant Agreement.

### **4. Project Monitoring and Oversight**

Project monitoring and oversight is essential to ensure the Project stays within scope and is completed on schedule and within budget in accordance with this Grant Agreement.

### **5. Dispute Resolution**

#### **A. Invoice Disputes**

- i. In the event of an invoice dispute, the Grant Manager will notify Grantee by phone and follow up in writing using the Invoice Dispute Notification Template ([Attachment 6](#)) within ten (10) working days of receipt of the disputed invoice.

- ii. During the dispute, both parties shall deal in good faith to resolve the dispute. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement.
- iii. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

B. General Disputes

- i. In the event of a dispute unrelated to the dispute of an invoice, Grantee shall first attempt to resolve the dispute with the Grant Manager.
- ii. Both parties shall deal in good faith and attempt to resolve the dispute informally.
- iii. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement during a dispute.
- iv. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

C. Contesting a Dispute Decision

- i. If Grantee contests a decision made by the Grant Manager, Grantee may submit a written "Notice of Dispute" on official letterhead. The "Notice of Dispute" shall include:
  - The Grant Agreement number
  - A complete description of the basis for the dispute
  - Legal authority or pertinent facts, supporting arguments and documentation
  - Action requested for resolution

The "Notice of Dispute" shall be sent to:

California Strategic Growth Council  
Transformative Climate Communities Program  
Attn: Program Manager  
1400 10<sup>th</sup> Street  
Sacramento, CA 95814

- ii. Within 30 days after receipt of the "Notice of Dispute," the Division Director shall review the dispute and submit a written decision to Grantee, which shall include:
  - The decision made
  - An explanation for the decision
  - Whether the decision shall be conclusive and binding or can be appealed and the steps to take to appeal the decision

## **6. Termination**

- A. Completion of Project. This Grant Agreement shall terminate upon completion of the project and payment of the last invoice.
- B. Early Termination. Either Party may terminate this Grant Agreement upon thirty (30) days advance written notice by certified mail to the other Party. The notice shall specify the reason for early termination and may permit Grantee or the SGC to rectify any deficiency (ies) prior to the early termination date.

## **7. Waiver of Rights**

- A. Grantee waives any and all rights to any type of express or implied indemnity or right of contribution from the SGC, its officers, agents, or employees for any liability arising from, growing out of, or in any way connected with this Grant Agreement.
- B. Grantee waives all claims and recourses against the SGC, including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Grant Agreement, except claims arising from the gross negligence of the SGC, its officers, agents, and employees.
- C. None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing.

## **8. Insurance Requirements**

- A. Grantee that is a governmental organization may provide evidence of self-insurance to satisfy this requirement.
- B. If Grantee is not a governmental organization or is unable to provide evidence of self-insurance, then it shall obtain and keep in force for the term of this Agreement the following insurance policies that cover any acts or omissions of Grantee, its subcontractors, or its employees engaged in the provision of service specified in this Agreement:
  - i. Workers' Compensation Insurance in an amount of not less than \$1,000,000 in accordance with the statutory requirement of the State of California (California Labor Code § 3700 et seq.).
  - ii. Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence for bodily injury and property damage combined.
  - iii. Motor vehicle liability insurance in an amount not less than \$1,000,000 per accident for bodily injury and property damage combined. Such insurance shall cover liability arising out of any motor vehicle including owned or hired, and non-owned motor vehicles.
- C. The State of California, its officers, agents, and employees are included as additional insured, but only with respect to work performed for the State of California under this Grant Agreement. The additional insured endorsement must accompany the certificate of insurance.
- D. Grantee shall submit proof of insurance documents referencing this Grant Agreement number to the SGC electronically within thirty (30) days of signing this Grant Agreement.

- E. Grantee shall notify SGC in writing within five (5) working days of any cancellation, non-renewal, or material change that affects required insurance coverage.
- F. Grantee shall submit proof of new or updated policy based on insurance requirements within thirty (30) days of policy cancellation or substantial policy change. Failure to provide proof of insurance may result in termination of this Grant Agreement.

## **9. Stop Work**

If it is determined, at the sole discretion of the SGC, that Grantee is not meeting the terms and conditions of this Grant Agreement, immediately upon receiving a written notice through certified mail from the SGC to stop work, Grantee shall cease all work under this Grant Agreement. The SGC has the sole discretion to determine that Grantee meets the terms and conditions after a stop work order, and to send through certified mail a written notice to Grantee to resume work under this Grant Agreement.

## **10. Publicity**

Grantee agrees that it will acknowledge the SGC's support whenever activities or projects funded, in whole or in part, by this Grant Agreement are publicized in any news media, brochures, articles, seminars, websites, or other type of promotional material.

Grantee shall also include in any publication resulting from work performed under this grant an acknowledgment substantially as follows:

"The work upon which this publication is based was funded in whole or in part through a grant awarded by the California Strategic Growth Council."

Media: Grantee is required to identify a point of contact for all press inquiries and communications needs related to the Project and provide the name, phone number, and email address of this individual to the SGC. All press releases must be approved by the SGC prior to distribution, and the SGC must be alerted and invited to participate in all press conferences related to the grant.

Social Media: Grantee is encouraged to use social media to inform and share with the public activities under this Grant Agreement. Furthermore, the SGC should be tagged on all posts related to activities under this Grant Agreement.

## **11. Drug-Free Workplace Certification**

In signing this Grant Agreement, Grantee certifies that it will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about:
  - i. The dangers of drug abuse in the workplace.
  - ii. The person's or organization's policy of maintaining a drug-free workplace.

- iii. Any available counseling, rehabilitation, and employee assistance programs.
  - iv. Penalties that may be imposed upon employees for drug abuse violations.
- C. Every employee who works on this Grant Agreement will:
- i. Receive a copy of the company's drug-free workplace policy statement.
  - ii. Agree to abide by the terms of the company's statement as a condition of employment on this Grant Agreement.

Failure to comply with these requirements may result in suspension of payments under this Grant Agreement or termination of this Grant Agreement or both, and Grantee may be ineligible for award of any future State of California agreements if the SGC determines that any of the following has occurred: Grantee has made false certification, or violated the certification by failing to carry out the requirements as noted above (Gov. Code §8350 et seq.).

#### **12. Americans with Disabilities Act**

Grantee assures the SGC that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

#### **13. Air/Water Pollution Violation Certification**

Under State of California laws, Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the California Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

#### **14. Payee Data Record Form - STD 204**

This form must be completed by all Grantees that are not another state agency or other governmental entity.

**Exhibit E, Award Letter**

January 8, 2019

Tyrone Williams  
Director of Development  
Sacramento Housing and Redevelopment Agency  
801 12<sup>th</sup> Street  
Sacramento, CA 95814  
[twilliams@shra.org](mailto:twilliams@shra.org)

RE: Award Notification – Round 2 of the Transformative Climate Communities Program (TCC), Implementation Grant Award, Sacramento Integrated Multimodal Place Based Living (City of Sacramento)

Dear Mr. Williams:

The California Strategic Growth Council (SGC) is pleased to inform you that the Council approved a Transformative Climate Communities Implementation award of 23 million dollars to the Sacramento Housing and Redevelopment Agency for the Sacramento Integrated Multimodal Place Based Living application at its meeting on December 20, 2018. Funded by California's Cap-and-Trade Program, TCC empowers communities most impacted by pollution to choose their own goals, strategies, and projects to reduce greenhouse gas emissions and local air pollution. The TCC Program reflects the SGC's commitment to support community-led transformation and achieve equitable, resilient communities and landscapes for all Californians. Congratulations on your successful application.

This letter provides a conditional commitment of grant funds. SGC staff will meet with each awardee and partners in February to initiate a Post-Award Consultation process, during which all transformative plans and projects will be reviewed for eligibility and to establish terms and conditions of the final grant agreement. Our partnering agencies, the Department of Conservation (DOC) and the Department of Housing and Community Development (HCD), will also be involved in this process, as appropriate. We estimate that the grant agreements will be executed in June 2019.

Following execution of the grant agreement, grant funds will be disbursed on a bi-monthly basis for eligible indirect/overhead, direct, transformative plans, and indicator tracking costs. All reimbursed costs must meet the requirements for reimbursable tasks outlined in the grant agreement. The funding disbursement mechanism for the Affordable Housing Development project will be determined during Post-award Consultation. Please note that no funds will be reimbursed for costs and expenses incurred prior to grant agreement execution.

We look forward to our partnership in the coming years. If you have any questions, please contact Saharnaz Mirzazad, TCC Program Manager, at [saharnaz.mirzazad@sgc.ca.gov](mailto:saharnaz.mirzazad@sgc.ca.gov) or (916) 322-3932.

Sincerely,

Louise Bedsworth, Ph.D  
Executive Director  
California Strategic Growth Council

## Exhibit F, Eligible Cost Section of the TCC Guidelines

### Eligible Costs

1. *Direct costs incurred during the grant term and specified in the Grant Agreement will be eligible for reimbursement.* Direct costs are defined as costs directly tied to the implementation of the Grant Agreement including, but not limited to: personnel, supplies, or travel expenses directly tied to the implementation of the grant. Grantees must adhere to the following requirements:
  - a. Travel reimbursements must adhere to the State rates and conditions established on the CalHR website<sup>2</sup>, with the exception of "Incidentals" and out of state travel, which will not be reimbursable under this grant.
  - b. Subcontractor procurement processes must adhere to local requirements.
2. *Indirect/Overhead costs may account for up to ten percent (10%) of the awarded TCC funds.* Indirect/Overhead costs are costs of doing business that are of a general nature. These costs are not directly tied to the grant but are necessary for the general operation of the organization. Indirect/Overhead costs include, but are not limited to:
  - a. Personnel costs associated with administrative, supervisory, legal, and executive staff.
  - b. Personnel costs associated with support units, including clerical support, housekeeping, etc.
  - c. Operating expenses and equipment costs not included as part of direct project costs.

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<sup>2</sup> Travel Reimbursements. CalHR. <<http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>>



## **Exhibit G, Notice of Approved TCC Evaluation Technical Assistance Providers**

### **NOTICE OF APPROVED**

### **PROGRAM EVALUATION TECHNICAL ASSISTANCE PROVIDERS**

for the

### **TRANSFORMATIVE CLIMATE COMMUNITIES (TCC) PROGRAM**

### **ROUND 2**

The purpose of the Request for Information, RFI #SGC18122, was to develop a list of qualified Program Evaluation Technical Assistance providers to support the selected grantees for Round 2 of the Transformative Climate Communities (TCC) Program. The providers are to support the grantees in the completion of the program evaluation activities required by the Strategic Growth Council (SGC) and the California Air Resources Board (CARB) over a seven-year term. The following is the list of providers chosen by the Strategic Growth Council:

- UCLA Luskin Center for Innovation  
Los Angeles, CA 90095  
<https://innovation.luskin.ucla.edu/>
- Burns & McDonnell  
Los Angeles, CA 90017  
<https://www.burnsmcd.com/>
- CSU Sacramento Institute for Social Research  
Sacramento, CA 95811  
<https://www.csus.edu/isr/>
- Raimi + Associates  
Berkeley, CA 94709  
<https://www.raimiassociates.com>

Please note that the Strategic Growth Council is not entering into any contractual agreements with the abovementioned contractors. For questions, please send an e-mail to [Contracts@sgc.ca.gov](mailto:Contracts@sgc.ca.gov).

## Exhibit H, Detailed Five-Year Budget Summary

### Project Hours and Costs per Year

	Director	Faculty Fellow	Analyst	Graduate Research Assistant	Total Expense	F&A (10%)	Total Cost
<b>FY 1920</b>	132	20	736	315	\$98,605	\$9,861	\$108,466
<b>FY 2021</b>	58	5	420	180	\$54,443	\$5,444	\$59,887
<b>FY 2122</b>	58	5	420	180	\$56,579	\$5,658	\$62,237
<b>FY 2223</b>	52	5	420	180	\$57,540	\$5,754	\$63,294
<b>FY 2324</b>	70	20	836	312	\$111,261	\$11,126	\$122,387
<b>FY 2425</b>	20	0	60	80	\$13,577	\$1,358	\$14,935
<b>FY 2526</b>	20	80	202	100	\$39,796	\$3,980	\$43,776
<b>Project Total</b>	<b>410</b>	<b>135</b>	<b>3094</b>	<b>1347</b>	<b>\$431,802</b>	<b>\$43,180</b>	<b>\$474,982</b>

### ISR Annual Billing Rates

4% annual cost increase	Director	Faculty Fellow	Analyst	Graduate Research Assistant
<b>FY 1920</b>	\$186.72	\$101.78	\$84.65	\$30.54
<b>FY 2021</b>	\$194.26	\$104.84	\$88.07	\$31.46
<b>FY 2122</b>	\$202.11	\$107.98	\$91.63	\$32.40
<b>FY 2223</b>	\$210.28	\$111.22	\$95.34	\$33.37
<b>FY 2324</b>	\$218.77	\$114.56	\$99.20	\$34.37
<b>FY 2425</b>	\$227.61	\$118.00	\$103.21	\$35.40
<b>FY 2526</b>	\$236.81	\$121.54	\$107.38	\$36.47

## OUR PROJECTS

## Exhibit B Project Area Map

1

**Twin Rivers  
Public Housing  
Development**

2

**Solar Panels**

3

**Dos Rios Light  
Rail Station**

4

**NeighborWoods  
Program**

5

**Twin Rivers  
Housing  
Community  
Garden**



Jump Bikes



NeighborWoods  
Urban Greening  
& Green Infrastructure



Project area that falls within  
the top 5% of disadvantaged  
communities\*



Project area that falls within  
the top 25% of disadvantaged  
communities\*



Affordable  
Housing



Low Income  
Weatherization in  
Existing Homes



Mobility Grid



SmaRT Ride  
Service Area



Streetcar Project



Light Rail



12<sup>th</sup> & 16<sup>th</sup> Street  
Improvements



Electric Vehicle  
Charging Station



Recreational  
Equipment



Wide Open  
Walls



November 6, 2019

**Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA**

Honorable Members in Session:

**SUBJECT:**

Twin Rivers Transit Oriented Development and Light Rail Station: Approval of Mirasol Village Neighborhood Park and Community Garden Construction Agreement and Park and Community Garden Maintenance Agreement with City of Sacramento;  
Authorization to Enter into Grant Agreement with California Natural Resources Agency for the Construction of the Mirasol Village Neighborhood Park

**SUMMARY:**

The attached report is submitted to you for review and recommendation prior to consideration by the County of Sacramento.

**RECOMMENDATION:**

Staff recommends approval of the recommendations outlined in this report.

Respectfully Submitted

  
LA SHELLE DOZIER  
Executive Director

Attachment

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
December 10, 2019

To: Board of Supervisors and Housing Authority of the County of Sacramento

Through: Navdeep S. Gill, County Executive

From: La Shelle Dozier, Executive Director, Sacramento Housing and Redevelopment Agency

Subject: Twin Rivers Transit Oriented Development and Light Rail Station: Approval of Mirasol Village Neighborhood Park and Community Garden Construction Agreement and Park and Community Garden Maintenance Agreement with City of Sacramento; Authorization to Enter into Grant Agreement with California Natural Resources Agency for the Construction of the Mirasol Village Neighborhood Park

District(s): Serna

**RECOMMENDED ACTION**

Approval of Mirasol Village Neighborhood Park and Community Garden Construction Agreement and Park and Community Garden Maintenance Agreement with City of Sacramento; Authorization to Enter into Grant Agreement with California Natural Resources Agency for the Construction of the Mirasol Village Neighborhood Park and authorizing the execution of documents related to these transactions.

**BACKGROUND**

In 2015, the Housing Authority of the County of Sacramento (HACOS) and the City of Sacramento were, as co-grantees, awarded a \$30 million Choice Neighborhoods Initiative (CNI) Grant from the United States Department of Housing and Urban Development (HUD) for the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project). The CNI grant supports the redevelopment of the Twin Rivers public housing community and the transformation of the River District/Railyards neighborhood. The new mixed-income development will include at least 487 new housing units, community gathering spaces, transit, and other amenities. The total project area includes six residential blocks and encompasses approximately 26 acres. A conceptual site plan is attached (Attachment 3).

Twin Rivers Transit Oriented Development And Light Rail Station Project;  
Approval of Mirasol Village Park Construction and Maintenance Agreements  
with City of Sacramento and Authorization to Enter into Grant Agreement  
with California Natural Resources Agency  
Page 2

In December 2017, a Master Development Agreement (MDA) was executed with McCormack Baron Salazar (MBS). MBS serves as both the developer and housing lead for the Project. The Board has previously approved Sacramento Housing and Redevelopment Agency (SHRA) to serve as the project manager for the Project. MBS and SHRA have agreed that SHRA staff will be responsible for Project related infrastructure, including utilities, public right-of-way and the Mirasol Village Park and Community Garden. The park and garden improvements will be dedicated to the City of Sacramento when construction is completed.

Park Construction and Maintenance

The City has prepared two separate Agreements for the construction and maintenance of the park and garden. SHRA will be responsible for the design, permitting, bidding, and construction of the park and garden. City staff will review and approve the construction plans and City Council will approve the construction contract. The work will be paid for with Section 108 loan proceeds, 2002 tax-exempt housing bond funds through the City of Sacramento, an Affordable Housing and Sustainable Communities program grant and a Transformative Climate Communities grant, and SHRA has applied for a Green Infrastructure Grant from the California Natural Resources Agency to complete the park improvements.

The City will be responsible for the perpetual maintenance and operation of the park and garden. A maintenance fee of approximately \$27,000 per year will be paid through an annual assessment billed to the adjacent residential properties, proportional to the number of units in each phase. As the current land owner, HACOS will be the interim signatory to the Park and Community Garden Maintenance Agreement until the residential project is completed, and this responsibility is transferred to the MBS affiliated property management firm.

Staff is requesting Board approval for SHRA to enter into the Mirasol Village Neighborhood Park and Community Garden Construction Agreement and HACOS approval of the Park and Community Garden Maintenance Agreement, and to conduct all negotiations, execute and submit all documents including, but not limited to, applications, contract agreements, and payment requests which may be necessary for the completion of the park and garden.

Green Infrastructure Grant

In June 2019, SHRA staff submitted an application to the California Natural Resources Agency for a \$1.8 million Green Infrastructure (GI) grant to



construct the park improvements. GI Grant funds will be used to create a community park that will use natural systems to achieve multiple benefits to support the Twin Rivers/Mirasol Village community. In early September 2019, staff was notified that the initial concept application has been approved for further consideration, and a site visit and interview was conducted on September 26, 2019. If recommended for funding, additional documents including the authorizing Resolution must be submitted in December, and the final award announcement will be made in spring 2020.

Staff therefore requests authorization to enter into a Grant Agreement (if awarded) with the California Natural Resources Agency for the construction of the Neighborhood Park.

#### COMMISSION ACTION

At its meeting on November 6, 2019, the Sacramento Housing and Redevelopment Commission will consider the staff recommendation for this item. Staff will notify the Board in the event the staff recommendation is not approved.

#### POLICY CONSIDERATIONS

The recommended actions in this report are consistent with the County's commitment to the Housing Authority Asset Repositioning Guidelines and the County's executed CNI Grant Agreement for the Twin Rivers/River District-Railyards Initiative. The completed Project will create a minimum of 487 affordable, workforce and market rate housing units, recreational and cultural amenities, improved access to the urban core, and a range of new mobility options

#### ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): A combined Initial Study/Environmental Assessment (IS/EA) was prepared for the Twin Rivers Transit Oriented Development and Light Rail Station Project pursuant to CEQA requirements under 14 California Code of Regulations (CCR) §15070, and NEPA requirements under 24 Code of Federal Regulations (CFR) §58.36. The SHRC approved the final environmental document on behalf of SHRA at its meeting on July 19th. Along with site entitlements, the Planning and Design Commission for the City of Sacramento made findings pursuant to CEQA and adopted the Mitigated Negative Declaration (MND) and associated Mitigation Monitoring and Reporting Program (MMRP) on July 27, 2017, and subsequently issued a Notice of Determination (NOD) pursuant to CEQA and a Finding of No

Significant Impact (FONSI) pursuant to NEPA. On August 22, 2017, the County Board of Supervisors adopted the MND and associated MMRP and approved the Project. On August 24, 2017, SHRA issued the NOD for the Project pursuant to CEQA. All activities related to the Project are covered by this environmental review. The requested administrative action requires no further environmental review

#### **M/WBE/SECTION 3 CONSIDERATIONS**

Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest extent possible and as required by federal funding and in accordance with the Agency's Section 3 Economic Opportunity Plan. The Developer and General Contractor will work with the Agency's Section 3 Coordinator, Sacramento Employment and Training Agency, the Greater Sacramento Urban League or similar programs, to promote employment opportunities.

#### **FINANCIAL ANALYSIS**

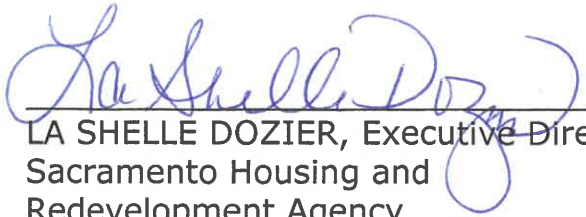
The funds required to design and construct the infrastructure improvements at the Project site including the neighborhood park and community garden, include up to \$16,490,000 in Section 108 Loan proceeds and \$2,340,000 in 2002 Tax Exempt Low and Moderate Income Housing Bond funds through the City of Sacramento, \$807,000 from the Affordable Housing and Sustainable Communities program and \$111,574 through the Strategic Growth Council Transformative Climate Communities grant program. SHRA has applied for a Green Infrastructure Grant from the California Department of Natural Resources to fund additional neighborhood park improvements. Together, these sources will meet all costs of construction. The ongoing park and garden maintenance fees of approximately \$27,000 per year will be paid through an annual assessment billed to the adjacent residential properties, proportional to the number of units in each phase.



Twin Rivers Transit Oriented Development And Light Rail Station Project;  
Approval of Mirasol Village Park Construction and Maintenance Agreements  
with City of Sacramento and Authorization to Enter into Grant Agreement  
with California Natural Resources Agency  
Page 5

Respectfully Submitted,

APPROVED  
NAVDEEP S. GILL,  
County Executive



LA SHELLE DOZIER, Executive Director  
Sacramento Housing and  
Redevelopment Agency

By: \_\_\_\_\_  
ROBERT B. LEONARD  
Deputy County Executive

**Attachments:**

- RES - Board of Supervisors Resolution – Neighborhood Park and Community Garden Construction Agreement
- RES - HACOS Resolution - Park and Community Garden Maintenance Agreement
- RES - HACOS Resolution – Authorization to Enter Into Green Infrastructure Grant Agreement with California Natural Resources Agency
- ATT 1 – Neighborhood Park and Community Garden Construction Agreement
- ATT 2 - Park and Community Garden Maintenance Agreement
- ATT 3 - Conceptual Site Plan

## **RESOLUTION NO.**

### **TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT (PROJECT): AUTHORIZING SHRA TO ENTER INTO NEIGHBORHOOD PARK AND COMMUNITY GARDEN CONSTRUCTION AGREEMENT WITH THE CITY OF SACRAMENTO**

**WHEREAS**, on May 29, 2018 the City of Sacramento and the Housing Authority of the City of Sacramento authorized all actions necessary to use up to \$16,490,000 in Section 108 Loan proceeds and \$2,340,000 in 2002 Tax Exempt Low and Moderate Income Housing Bond Funds to design and construct infrastructure improvements at the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project) site including the neighborhood park and community garden; and

**WHEREAS**, on December 20, 2018 SHRA was awarded \$111,574 through the Strategic Growth Council Transformative Climate Communities Grant program to partially fund community garden construction; and

**WHEREAS**, SHRA has applied for a Green Infrastructure Grant from the California Natural Resources Agency to fund additional neighborhood park improvements; and

**WHEREAS**, the Housing Authority of the County of Sacramento (HACOS) is the owner of the Project site and the Project is located in the City of Sacramento; and

**WHEREAS**, Sacramento Housing and Redevelopment Agency (SHRA) is the designated project manager for HACOS; and

**WHEREAS**, the City of Sacramento requires SHRA as project manager to enter into a Neighborhood Park and Community Garden Construction Agreement for the parks; and

**WHEREAS**, A combined Initial Study/Environmental Assessment was prepared for the Twin Rivers Transit-Oriented Development Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations §15070 of the, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations (CFR) §58.36. A Finding of No Significant Impact (FONSI) pursuant to NEPA and a

Notice of Determination (NOD) pursuant to CEQA have been filed for the project; no further environmental review is required for the proposed actions.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO:**

Section 1. SHRA is authorized to execute the Twin Rivers Neighborhood Park and Community Garden Construction Agreement attached to and incorporated in this resolution by this reference and to perform other actions necessary to fulfill the intent of the Agreement, as approved by agency.

Section 2. SHRA is authorized to enter into all necessary agreements including, but not limited to, contract agreements, and payment requests which may be necessary for the completion of the aforementioned project(s).

Section 3. SHRA is authorized to amend the Agency budget as necessary to carry out the activities authorized in this resolution.

Authorization to Enter into Twin Rivers/Mirasol Village Neighborhood Park  
and Community Garden Construction Agreement with City of Sacramento  
Page 3

On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor  
\_\_\_\_\_, the foregoing Resolution was passed and adopted by the  
Board of Supervisors of the County of Sacramento this 10th day of  
December, 2019, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,  
(PER POLITICAL REFORM ACT (§ 18702.5.))

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Chair of the Board of Supervisors  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

**RESOLUTION NO.**

**ADOPTED BY THE HOUSING AUTHORITY OF THE  
COUNTY OF SACRAMENTO**

**TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL  
STATION PROJECT: AUTHORIZING THE SACRAMENTO HOUSING AND  
REDEVELOPMENT AGENCY TO ENTER INTO PARK AND COMMUNITY  
GARDEN MAINTENANCE AGREEMENT WITH THE CITY OF  
SACRAMENTO**

**WHEREAS**, on May 29, 2018 the City of Sacramento and the Housing Authority of the City of Sacramento authorized all actions necessary to use up to \$16,490,000 in Section 108 Loan proceeds and \$2,340,000 in 2002 Tax Exempt Low and Moderate Income Housing Bond Funds to design and construct infrastructure improvements at the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project) site including the neighborhood park and community garden; and

**WHEREAS**, on December 20, 2018 the Sacramento Housing and Redevelopment Agency (Agency) was awarded \$111,574 through the Strategic Growth Council Transformative Climate Communities Grant program to partially fund community garden construction; and

**WHEREAS**, Sacramento Housing and Redevelopment Agency has applied for a Green Infrastructure Grant from the California Natural Resources Agency to fund additional neighborhood park improvements; and

**WHEREAS**, the Housing Authority of the County of Sacramento (HACOS) is the owner of the Project site which is located in the City of Sacramento and the Agency is the designated Project Manager for HACOS; and

**WHEREAS**, the City of Sacramento requires HACOS as land owner to enter a Park and Community Garden Maintenance Agreement for Park and garden maintenance; and

**WHEREAS**, on or before Project completion, the responsibility for park and garden maintenance will be assigned to McCormack Baron Salazar (or

an affiliate), who is the master developer for the residential portion of Project; and

**WHEREAS**, a combined Initial Study/Environmental Assessment was prepared for the Twin Rivers Transit-Oriented Development Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations §15070 of the, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations (CFR) §58.36. A Finding of No Significant Impact (FONSI) pursuant to NEPA and a Notice of Determination (NOD) pursuant to CEQA have been filed for the project; no further environmental review is required for the proposed actions.

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY  
OF THE COUNTY OF SACRAMENTO:**

Section 1. The Executive Director, or designee, is authorized to execute the Twin Rivers Neighborhood Park and Community Garden Maintenance Agreement attached to and incorporated in this resolution by this reference and to perform other actions necessary to fulfill the intent of the Agreements, all as approved by agency.

Section 2. The Executive Director, or designee, is authorized to conduct all negotiations, execute and submit all documents including, but not limited to, contract agreements and payment requests which may be necessary for the completion of the aforementioned project(s).

Section 3. The Executive Director, or designee, is authorized to amend the Agency budget as necessary to carry out the activities authorized in this resolution.

Authorization to Enter into Twin Rivers/Mirasol Village Neighborhood Park  
and Community Garden Maintenance Agreement with City of Sacramento  
Page 3

On a motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of the Housing Authority of the County of Sacramento this 10th day of December, 2019, by the following vote, to wit:

AYES: Members,

NOES: Members,

ABSENT: Members,

ABSTAIN: Members,

RECUSAL: Members,  
(PER POLITICAL REFORM ACT (§ 18702.5.))

\_\_\_\_\_  
Chair of the Board of the Housing Authority  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk

**RESOLUTION NO.**

**ADOPTED BY THE HOUSING AUTHORITY OF THE  
COUNTY OF SACRAMENTO**

**TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL  
STATION PROJECT: AUTHORIZATION TO ENTER INTO AGREEMENT  
WITH CALIFORNIA NATURAL RESOURCES AGENCY FOR THE GREEN  
INFRASTRUCTURE GRANT PROGRAM**

**WHEREAS**, Legislature and Governor of the State of California have provided funds for the program shown above; and

**WHEREAS**, the California Natural Resources Agency has been delegated the responsibility for the administration of the Green Infrastructure grant program, establishing necessary procedures; and;

**WHEREAS**, said procedures established by the California Natural Resources Agency require a resolution certifying the approval of application(s) by the Applicant's governing board before final submission of said application(s) to the State; and

**WHEREAS**, the Sacramento Housing and Redevelopment Agency, as Project Manager, submitted a concept application for the Green Infrastructure Grant Program on June 27, 2019; and

**WHEREAS**, the Applicant, if selected, will enter into an agreement with the State of California to carry out the project.

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING  
AUTHORITY OF THE COUNTY OF SACRAMENTO:**

Section 1. All evidence presented having been duly considered, the above Recitals, including but not limited to the environmental facts, are found to be true and accurate and are hereby adopted.

Section 2. Approves the filing of an application for the Twin Rivers neighborhood park (Mirasol Village Park).

Section 3. Certifies that Applicant understands the assurances and certification in the application.



Section 4. Certifies that Applicant or title holder will have sufficient funds to operate and maintain the project(s) consistent with the land tenure requirements; or will secure the resources to do so.

Section 5. Certifies that it will comply with all provisions of Section 1771.5 of the California Labor Code.

Section 6. If applicable, certifies that the project will comply with any laws and regulations including, but not limited to, the California Environmental Quality Act (CEQA), legal requirements for building codes, health and safety codes, and disabled access laws, and that prior to commencement of construction all applicable permits will have been obtained.

Section 7. Certifies that Applicant will work towards the State Planning Priorities intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety as included in Government Code Section 65041.1.

Section 8. Appoints the Executive Director or designee, as agent to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, and payment requests which may be necessary for the completion of the aforementioned project(s).

Authorization to Enter into Agreement with California Natural Resources  
Agency for the Green Infrastructure Grant Program  
Page 3

On a motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of the Housing Authority of the County of Sacramento this 10th day of December, 2019, by the following vote, to wit:

AYES: Members,

NOES: Members,

ABSENT: Members,

ABSTAIN: Members,

RECUSAL: Members,

(PER POLITICAL REFORM ACT (§ 18702.5.))

\_\_\_\_\_  
Chair of the Board of the Housing Authority  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk

**MIRASOL VILLAGE  
NEIGHBORHOOD PARK AND COMMUNITY GARDEN CONSTRUCTION AGREEMENT**

This Mirasol Village Neighborhood Park and Community Garden Construction Agreement ("Agreement") is entered into on \_\_\_\_\_, 2019 by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("**City**"), and the **SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**, a joint powers agency, ("**SHRA**"). City and SHRA are collectively referred to as "**Parties**" and individually as "**Party**."

**BACKGROUND**

A. The Twin Rivers public housing complex is owned by the Housing Authority of the County of Sacramento (HACOS). SHRA is managing the redevelopment of the Twin Rivers property on behalf of HACOS. SHRA selected McCormack Baron Salazar, Inc. as the "Master Developer to undertake the Twin Rivers Transit Oriented Development and Light Rail Station Project (the "**Redevelopment Project**"). The Redevelopment Project is the redevelopment of the Twin Rivers public housing complex which covers 26 acres and is located in the River District area of the City of Sacramento. The Redevelopment Project also includes construction of a new light rail station (LRT) and housing on an adjacent block along North 12<sup>th</sup> Street. The "Twin Rivers" Redevelopment Project name has been changed to "Mirasol Village."

B. The Redevelopment Project includes the replacement of 218 affordable housing units and building an additional 156 affordable and 51 market-rate housing units, for a total of 425 on-site housing units, plus up to 85 off-site units. All of the on-site housing units will be rentals managed by an affiliated entity of the Master Developer, McCormack Baron Management. HACOS has issued the Master Developer a long-term ground lease to allow for development of the Redevelopment Project. Demolition of the existing 218 housing units has been completed and construction of the infrastructure for the Redevelopment Project is the next phase of work.

C. The housing will be built within five residential blocks within the Twin Rivers site, Blocks A through E, and on the (off-site) LRT and housing site on North 12<sup>th</sup> Street referred to as Block F, as depicted in **Exhibit A**. Tentative subdivision maps have been approved for Block A and Block B, and the Block B map includes an Irrevocable Offer of Dedication by HACOS to the City for the neighborhood park site. A community garden is to be located off-site within City right of way after Richards Blvd is realigned.

D. The Master Developer has or will create separate legal entities for each block of the Redevelopment Project. Twin Rivers Phase 1, LP is the developer for Block A and Twin Rivers Phase 2, LP is the developer for Block B. Block A will include 104 affordable housing units, a private community center which include two community rooms and a fitness center, a private park with a BBQ picnic area, and a private swimming pool. Block B will include 66 affordable housing units, a private play area and picnic area, and a neighborhood park. The Redevelopment Project will also include open space and private recreation areas within other blocks.

E. The neighborhood park site is approximately 1.15 acres and located between B and C Streets and along W Street within Block B as shown in Exhibit A (the “**Park**”). The Park will also serve as a drainage detention basin. The approved Master Plan for the Park is shown in **Exhibit B**. The community garden is to be located southeast of W Street and north of Richards Blvd on a parcel of land owned by City after Richards Blvd is realigned (the “**Garden**”). The Master Plan for the Garden is shown in **Exhibit C**. A summary of the improvements to each site is listed in **Exhibit D** as the “**Project Improvements**.”

F. The Redevelopment Project is funded in part with a \$30 million HUD Choice Neighborhood Implementation grant (CNI), which was awarded to the City and HACOS as co-grantees, along with CDBG funds, state Transformative Climate Communities and Affordable Housing and Sustainable Communities grants and Multifamily Housing Program loans, local Housing Trust Funds and Housing Successor funds, and private funding sources. The CNI and CDBG funds will be used to construct the Park and Garden. Also, CNI funds will be used to acquire property for a basketball court park along North 10<sup>th</sup> Street, which will also serve neighborhood and Redevelopment Project residents. The basketball court park will be designed, built, owned and operated by the City. All of the grant funds are managed by SHRA and disbursed to the Master Developer or paid directly by SHRA to sub-grantees and contractors for specific infrastructure and housing developments. SHRA and the Master Developer have agreed that SHRA will be responsible for construction of the Park and Garden using the federal, state and local grant and loan funds as noted above.

G. The City’s Park Impact Fee (PIF) program exempts replacement housing units and new affordable housing units. As a result, for Block A and Block B, no PIF is due because the housing units are all affordable. However, because the Park and Garden are to be accepted by the City once construction is completed, this Agreement sets forth the obligations for the construction plan review, bidding, labor compliance, and construction inspection requirements. The Park and Garden are to be maintained by the Limited Partnerships created to own each of the residential blocks, through fees that will be collected and paid by Master Developer’s affiliated entity, McCormack Baron Management, on behalf of each Block development entity, through an agreement with HACOS. A non-profit entity for the Mirasol Village community garden will be created to assist in overseeing the community garden operations and resident plot assignment under a separate agreement.

H. For future phases of the Redevelopment Project, the PIF obligation for the 51 market rate rental housing units will be off-set by the 218 replacement housing units less 170 units from Block A and B, so only up to 3 units (minus the 48 affordable units) would be subject to payment of the PIF at the time of building permit issuance. The Park and Garden development costs cannot be used to off-set this remaining PIF obligation because under Section 18.56.125 of the City Code, development impact fee credits cannot be granted for infrastructure improvements funded with grant funds.

## AGREEMENT

**NOW, THEREFORE**, in consideration of the Background information and the mutual promises and obligations contained herein, the Parties agree as follows:

### **ARTICLE I DESIGN AND CONSTRUCTION OF PARK AND GARDEN IMPROVEMENTS**

**1.0     Infrastructure Developer.** SHRA will be responsible as the “infrastructure developer” to oversee and fund the construction of the Park and Garden (collectively the “**Project**”) as described in this Agreement

**1.1     Design and Construction.** SHRA will coordinate with the Master Developer to prepare the “**Project Plans**” as defined below. SHRA shall complete the construction of the Park within twelve (12) months and the Garden within twenty-four (24) months of the date the City approves the contract award as set forth in Section 1.3 (the “**Completion Date**”).

**1.2     Project Design and Final Budget.** The design-related services that may be performed either by SHRA or City as specified in **Exhibit E** include preparation of construction bid documents. SHRA shall perform the various project-related services in accordance with the following requirements.

**1.2.1   Project Plans.** SHRA shall arrange for the preparation of the design plans and technical specifications (the “**Project Plans**”) for construction of the Park and the Garden. At a minimum, SHRA shall submit the Project Plans to City at the **35, 75, and 100-percent** design phases of completion. The Project Plans shall include all of the “**Project Improvements**” listed in **Exhibit D**. SHRA covenants that the Project Plans will be designed and prepared in compliance with the City’s Public Works Construction Standard Specifications and Improvement Standards (the “**Standard Specifications**”). The City agrees to use its best efforts and due diligence to review, provide comments regarding any necessary corrections, and approve the Project Plans in a prompt and timely manner. The City's staff approval shall not be unreasonably withheld or conditioned.

SHRA must also obtain written approval of the Project Plans by SMUD, PG&E and all other appropriate public entities or utility companies which will own, operate and/or maintain any portion of the utility improvements that are to be installed as part of construction of the Park and Garden. SHRA covenants that the Project Plans will be designed and prepared in accordance with the applicable utility company requirements.

SHRA shall cause all contracts relating to preparation of the Project Plans to require the design and engineering consultants to fully and without limitation indemnify, defend and hold harmless City and its elective and appointive boards, commissions, officers, employees and agents, from and against any and all Claims (as defined in Section 2.6) arising by reason of any death, bodily injury, personal injury, property damage or violation of any law or regulation to the extent

arising from any actions or omissions of such professional in connection with the design of the Park and Garden by said consultant, or any other person or entity employed by or acting as the authorized agent for said consultant. The aforesaid indemnity and hold harmless agreement shall not be limited or waived in any way based upon the fact that City has prepared, supplied, or approved the Project Plans, or has inspected or failed to inspect construction of the Park and Garden.

**1.2.2 Bid Document Preparation.** After City has given its written approval of the Project Plans, SHRA shall prepare and submit to the City the bid document that includes the construction plans and specifications for the Park and Garden, and shall provide updated construction cost estimates and construction time lines. The bid document must be based on the City approved Project Plans. The City agrees to use its best efforts and due diligence to review, provide comments regarding any necessary corrections, and approve the bid document in a prompt and timely manner. The City's staff approval shall not be unreasonably withheld or conditioned.

**1.2.3 City Approval.** City approval shall be evidenced by the signature of the City Landscape Architect on the subject document. City may withhold approval of any document until SHRA has obtained any and all required approvals from other City departments or other public entities or utilities. The review of various documents by City may include issuing public noticing and seeking public review and comments on the final Project Plans as deemed necessary or appropriate by City.

**1.2.4 Final Budget.** Before City's approval of the contractor's bid, City and SHRA shall review and revise the estimated project cost and shall establish a final budget for design costs incurred, permits and fees, City staff costs, and the construction costs (collectively the "**Final Budget**"). The Final Budget shall include all actual and estimated project costs and include a reasonable contingency amount.

**1.3 Contract Award.** After City has given its written approval of the Project Plans and bid documents, SHRA shall solicit competitive bids for construction of the Park and Garden. SHRA shall send the request for bids to all landscape contractors included on the current master list used by City to solicit bids for similar park projects, in addition to any other contractors identified by SHRA. SHRA shall request bids from at least three (3) contractors. Bids shall be required to be sealed. SHRA shall provide City with a copy of all bids received.

**1.4 Construction.** SHRA covenants that the Park and Garden will be constructed in compliance with the approved Project Plans, bid document, and any modifications thereto required by City in accordance with this Agreement, and applicable technical specifications and the Standard Specifications in effect when the City approves the bid document as provided herein, subject to change orders issued in accordance with the provisions of Section 1.7 below. Prior to commencement of grading or any related construction work, SHRA must pay the applicable fees and obtain all permits and approvals required for such work from the City and from all applicable federal, state or local agencies.

**1.4.1 Representatives.** SHRA shall provide a site construction superintendent ("Site Superintendent") and the City shall provide a project manager ("Project Manager") who will serve as their respective points of contact with respect to construction of the Project. The designated Site Superintendent and Project Manager are identified on **Exhibit G**, and the designations may be changed by written notice from either Party.

The Site Superintendent will be on-site as necessary and will generally be available by telephone or otherwise at all reasonable times. The Site Superintendent shall have complete authority over SHRA's construction contractors and subcontractors, with authority to order stoppage of work and minor changes to the work in order to comply with the Project Plans.

The Project Manager shall have complete authority over the City's construction inspectors, with authority to determine whether the work complies with the Project Plans. The Project Manager shall also have authority to order minor design changes to meet unanticipated field conditions, provided that the same are consistent with the Project Plans, and subject to the provisions of Section 1.4.5 below.

**1.4.2 Commencement and Completion of Work.** SHRA shall require its contractor to commence construction of the Project no later than three (3) months after contract award, unless an extension is approved by City, and thereafter shall insure that the contractor diligently works to complete the Park and Garden construction in a timely and efficient manner on or before the Completion Date.

**1.4.3 Inspection.** SHRA covenants that City staff will be permitted to inspect the Park and Garden during construction and shall have access to those sites for this purpose at all times. City agrees to make City inspectors available for inspection of the work during construction within forty-eight (48) hours after receipt of the request from SHRA or its contractor (Saturdays, Sundays and Holidays excepted). Should a City inspector find any nonconformance or noncompliance with the Project Plans or the bid document, the Project Manager shall notify the Site Superintendent of such nonconformance or noncompliance. Thereafter, the Project Manager and the Site Superintendent, in consultation with the City building inspector, shall jointly determine the corrective action required. If the Project Manager and the Site Superintendent are unable to agree upon the corrective action, the Project Manager shall have authority to make such determination, with SHRA having a right of appeal to the Director of the Youth, Parks & Community Enrichment Department or to City Manager who may delegate his or her authority over such matter.

**1.4.4 Prevailing Wages.** SHRA shall require all of its contractors and subcontractors to pay their construction workers not less than the general prevailing rate of wages for such workers' craft or trade, as determined by the Director of the Department of Industrial Relations at the time that SHRA issues the solicitation for bids for the Park and Garden (pursuant to Labor Code Section 1773). In addition, due to the federal grant funds to be used for construction of the Project, the SHRA's contractors and subcontractors must also comply with the Davis Bacon Act and must pay the higher prevailing wage that meets both the federal and state laws and regulations. Copies of

certified payroll records shall be provided to City on a monthly basis, and final payroll records must be submitted before the City's acceptance of the Park and Garden and issuance of the Final Completion certificate (defined in Section 2.4 below).

**1.4.5 Unforeseen Cost Increase.** If SHRA encounters unknown and unforeseen site conditions after commencement of construction that will increase the Project Costs in excess of the Final Budget, and neither Party voluntarily agrees to bear such cost increase, then a change order shall be issued to modify the Project Improvements not yet constructed in order to bring the Project Costs back within the Final Budget. In this latter event, SHRA and City shall meet and confer in an attempt to agree upon the modifications. If the Parties are unable to agree, City shall have the final authority to make such determination and identify Project Improvements to be deleted or changed to bring the Project Costs within the Final Budget. The Completion Date shall be extended by the number of days required to implement the modifications to the Project Improvements by the contractor, if any.

**1.5 Performance and Payment Bonds.** SHRA is required to obtain performance and payment bonds from its prime contractor in the full amount of construction contract and name City as an additional obligee. The performance bond may be released after the City's filing of the Notice of Completion. The payment bond may be released upon expiration of the stop payment notice claim period after recording of the Notice of Completion.

**1.6 Insurance.** Prior to the commencement of construction of the Park and Garden, SHRA shall furnish to City a certificate(s) of insurance as set forth below for the Park and Garden construction period until Final Completion, as well as through the end of the warranty maintenance period, with an insurance carrier acceptable to City. The Commercial General Liability and Automobile policy certificates shall include an endorsement naming the City as an additional insured and preclude the cancellation or reduction in coverage before City receives at least 10 days prior notice. The policy holder may be the SHRA, the Project Administrator, and/or its construction contractor for the construction period.

The minimum insurance coverage shall be as follows: (i) Commercial General Liability insurance in the amount of not less than a one million dollars per occurrence, (ii) Automobile Liability insurance in the amount of not less than a one million dollars for owned and non-owned vehicles, and (iii) workers compensation insurance with a waiver of subrogation for the benefit of both City and HACOS.

If SHRA fails to maintain, or require its contractor to maintain, such insurance coverages, City may take out insurance and recover the amount of the premiums from SHRA. Failure of City to obtain such insurance shall in no way relieve SHRA from any of its responsibilities under this Agreement.

**1.7 Contracts and Change Orders.** SHRA shall be responsible for entering into all contracts and issuing any change orders required for the construction of the Park and Garden;



provided, however, SHRA shall not be required to enter into any change orders that would increase the Project Costs in excess of the Final Budget unless an increase in the Final Budget is approved by the City as provided in Sections 1.2.4 and 1.4.5. All change orders require approval of the City, which approval shall not be unreasonably delayed, conditioned, or withheld, except as follows. If a change order would increase the Project Costs in excess of the Final Budget, the Project Improvements shall be modified in order to bring the costs back within the Final Budget as provided in Section 1.4.5.

**1.8 Construction Submittals.** SHRA shall provide the City Project Manager and any construction inspector upon demand, copies of all submittals furnished by the contractor including, without limitation, all construction schedules, certified payroll records, material testing reports, requests for substitution of materials or equipment, soil and hazardous substances testing and monitoring reports, material testing reports, and all change order requests and all other required contractor submittals within (10) days from the date of SHRA's receipt of such documents.

**1.9 City's Costs.** In addition to SHRA's costs to plan, design and construct the Project Improvements as set forth in this Agreement, SHRA shall also fund City staff costs to review and approve the Project Plans, bid documents, contract award, and inspect the work. The estimated "City Costs" are listed in **Exhibit F**. SHRA shall pay this amount within thirty (30) days from the date of this Agreement. The Parties acknowledge and agree that the amount of the City Costs is only a good faith estimate and that City does not guarantee that this amount will be sufficient to cover City's staff costs to perform all of the tasks set forth in **Exhibit E**. If during the term of this Agreement City determines that additional funds will be required to complete the City's tasks, City will notify SHRA, the Parties shall meet to determine whether to amend the Final Budget, and SHRA shall pay City's additional costs within thirty (30) days from the date of the supplemental invoice.

## ARTICLE II PROJECT COMPLETION

**2.0 Completion.** When construction of the Project is substantially complete, SHRA shall provide written notice to the City requesting final inspection. The notice shall not be issued until the turf has been established, which is generally 30 days for sod and 90 days for hydro seeding. Within ten (10) business days following the date of receipt of SHRA's written notice, the City shall conduct a final inspection of the construction of the Park and Garden ("**Final Inspection**").

**2.1 Final Inspection.** If during the Final Inspection City determines that the Park or Garden work has not been fully completed in accordance with the Project Plans, City shall prepare a punch list of all items to be completed and send the list to SHRA within ten (10) business days following the date of the Final Inspection. SHRA shall arrange for the completion and repair of the punch list items to occur in a prompt and diligent manner. Upon completion of the punch list work, SHRA shall send City a request for another Final Inspection and within ten (10) business days

following the date of receipt of SHRA's written notice, City shall conduct another Final Inspection. If City determines that the punch list work is complete, City shall promptly deliver a certificate of "Final Completion" to SHRA and record a Notice of Completion. If the City determines that the punch list work is not complete, then City and SHRA shall repeat the Final Inspection/punch list procedures specified in this Section 2.1 until the successful completion of the punch list work.

**2.2 As-Built Drawings.** Within ten (10) business days after the Final Completion is issued, SHRA shall provide City with a Mylar copy of "as-built" record drawings for the Project with certification by a licensed landscape architect or civil engineer in the State of California as to accuracy and completeness. SHRA's submission of complete, updated as-builts shall be a prerequisite to Final Acceptance.

**2.3 Release of Liens.** Prior to issuance of the Final Acceptance certificate, SHRA shall provide, in form satisfactory to the City, evidence that all of the costs for construction of the Park and Garden have been fully paid. Upon request of the City, SHRA shall make a good faith effort to obtain lien releases under California Civil Code Section 8138 to assure that payment of any outstanding claims of the SHRA's contractors, subcontractors, and suppliers have been paid.

**2.4 Final Acceptance.** The "Final Acceptance" of the Park and Garden shall occur after a successful Final Inspection, issuance of the Final Completion certificate, submittal of all certified payroll records, the period to file a stop payment notice has expired, and the as-built drawings have been submitted. After City issues notice to the SHRA of Final Acceptance, title to the Project Improvements shall be transferred as the property of City, but subject to SHRA's obligations to maintain the Park and Garden improvements in accordance with the terms of the maintenance agreement between City and SHRA's affiliated entity McCormack Baron Management.

**2.6 Indemnification.** SHRA shall indemnify, defend and hold harmless City and its officers, employees and agents from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees, whether for outside counsel or the City Attorney), causes of action, claims, or judgments (collectively, "Claims") arising by reason of any death, bodily injury, personal injury, property damage or violation of any law or regulation arising from any actions or omissions in connection with the design and construction of the Park and Garden by SHRA and/or its officers, employees, agents, contractors, subcontractors, or any other person or entity employed or hired by SHRA; but excluding Claims alleging sole active negligence or willful misconduct of City and its officers, employees and agents.

Nothing in this Agreement shall be construed as a waiver by City of any immunity or defense it may have relating to any such Claim, including, without limitation, immunity or defenses relating to design review and construction inspection. With respect to the acts or omissions of the SHRA's agents, SHRA's indemnity obligation shall be limited to the acts or omissions of SHRA's authorized agents acting within the course and scope of such agency.

The indemnification obligations shall terminate two years after the Notice of Completion is filed.

**2.6.1. Additional Provisions Regarding Indemnification Obligations.** City does not, and shall not be deemed to, waive any rights against SHRA which it may have by reason of the aforesaid indemnity and hold harmless agreements because of any insurance coverage provided pursuant to Section 1.6. The scope of the aforesaid indemnity and hold harmless agreements is to be construed broadly and liberally to provide the maximum coverage for City in accordance with their terms, but only to the extent allowed pursuant to Civil Code section 2782. No specific term or word contained in this section shall be construed as a limitation on the scope of the indemnification and defense rights and obligations of the Parties unless specifically so provided.

Except as may otherwise be specifically and expressly provided in this Section 2.6 relating to Claims based upon allegations of the sole active negligence or willful misconduct on the part of City, the aforesaid indemnity and hold harmless agreements shall not be limited or waived in any way based upon the fact that City has prepared, supplied, or approved the Project Plans, or has inspected or failed to inspect construction of the Project Improvements.

SHRA shall include or cause to be included the following language in all contracts or agreements issued by SHRA relating to the design and construction of the Park and Garden, provided however, such indemnity may be limited if required by the provisions of Civil Code section 2782 as follows:

"Contractor agrees and covenants to, and shall, fully indemnify, defend, and hold harmless the City of Sacramento and its officers, employees and agents from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees, whether for outside counsel or the City Attorney), causes of action, claims or judgments arising by reason of any death, bodily injury, personal injury, property damage or violation of any law or regulation to the extent arising from any actions or omissions in connection with the design and construction of any portion of the Park and Garden by Contractor and/or its officers, employees, agents, contractors, subcontractors, or any other person or entity employed or hired by Contractor."

**2.6.2 Waiver by SHRA.** In addition to SHRA's obligations to indemnify, hold harmless, and defend City as set forth above, SHRA, and on behalf of its assigns, transferees, and successors, hereby waives and releases any and all claims of whatever sort or nature that may arise against City or its officers, employees and agents in connection with SHRA's design and construction of the Park and Garden. This waiver and release shall include any and all claims arising under Section 1542 of the California Civil Code, which provides that:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Thus, notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release, the Parties expressly acknowledge that this Agreement is intended to release and extinguish, without limitation, all Claims as described in this Section 2.6 which the Parties do not know or suspect to exist. The provisions of this Section 2.6.2 shall survive expiration of this Agreement.

**2.7 Warranty.** SHRA shall obtain from its contractor a warranty that the Project Improvements will be free from any defects in materials and workmanship for a period of one (1) year following the date of Final Acceptance. Notwithstanding the foregoing, the warranty excludes damages or defects caused by: (i) ordinary wear and tear of the Project Improvements under normal usage, (ii) abuse or neglect by other persons, and (iii) vandalism and acts of God.

### **ARTICLE III MISCELLANEOUS**

**3.0 Entire Agreement.** This Agreement represents the entire agreement of the Parties relating to the subjects covered by this Agreement. No oral or written statement, representation, or agreement not included within this Agreement shall be of any force or effect whatsoever, and shall be deemed to have been superseded by the terms hereof.

**3.1 Notices.** Any demand upon or notice required or permitted to be given by one Party to the other Party shall be in writing. Except as otherwise provided by law, any demand upon or notice required or permitted to be given by one Party to the other Party shall be effective (a) on personal delivery, (b) on the second business day after mailing by certified or registered United States Mail, return receipt requested or (c) on the succeeding business day after mailing by Express Mail or after deposit with a private delivery service of general use (e.g., Federal Express) postage or fee prepaid as appropriate, addressed to the Party at the address shown below:

<u>If to City:</u>	Director Youth, Parks & Community Enrichment New City Hall, 3rd floor 915 I Street Sacramento, CA 95814
--------------------	---

<u>If to SHRA:</u>	Executive Director Sacramento Housing & Redevelopment Agency 801 12 <sup>th</sup> St Sacramento, CA 95841
--------------------	--

**3.2 Alternative Dispute Resolution.** Any dispute or controversy between the Parties to this Agreement relating to the interpretation and enforcement of their rights and obligations may

be resolved by mediation or arbitration by a Party serving a Notice of Dispute ("Notice") on the other Party. The Notice shall describe the nature of the dispute and specify whether mediation or non-binding arbitration procedure is preferred. The Parties shall first attempt in good faith and use their best efforts to reach agreement on the matters in dispute.

If mediation is requested in the Notice, within fifteen (15) days of the mailing of the Notice, the Party serving the Notice shall attempt to employ the services of a third person ("Mediator") mutually acceptable to the Parties to conduct such mediation. The cost of the Mediator shall be borne equally by the Parties. The mediation shall take place within thirty (30) days after the appointment of the Mediator. If the Parties are unable to agree on a Mediator, then the dispute may be referred to arbitration.

The Party serving the Notice may request that the dispute be resolved by arbitration, which shall be conducted by Judicial Arbitration and Mediation Services (JAMS). The arbitration shall be held and conducted in Sacramento, California before an arbitrator selected by mutual agreement of the Parties. If agreement is not reached on the selection of an arbitrator within fifteen (15) days after referral to arbitration, then such arbitrator shall be appointed by the Presiding Judge of the Superior Court of Sacramento County as soon as practicable. The arbitration shall comply with the following requirements:

(a) Any referral to arbitration shall be barred after the date that institution of legal or equitable proceedings based on the subject controversy or dispute would be barred by the applicable statute of limitations.

(b) The arbitrator appointed must be a former or retired judge or an attorney with at least ten (10) years' experience in real property, commercial, and municipal law.

(c) The arbitrator shall prepare in writing and provide to the Parties factual findings and the reasons on which the decision of the arbitrator is based.

(d) The matter shall be heard by the arbitrator and the final decision by the arbitrator must be made within ninety (90) days from the date of the appointment of the arbitrator. The arbitration hearing date shall be established by the arbitrator, which date must be within such period of time that the arbitrator, in his or her sole discretion, determines to be sufficient to meet the foregoing time constraints.

(e) Costs and fees of the arbitrator and court reporter, if any, shall be borne equally by the Parties. The cost of preparing any transcript of the proceedings shall be the responsibility of the Party or Parties requesting such preparation.

(f) The award or decision of the arbitrator shall be non-binding.

(g) The provisions of Title 9 of Part 3 of the California Code of Civil Procedure, commencing with Section 1282 and including Section 1283.05, and successor statutes, permitting, among other things, expanded discovery proceedings shall be applicable to all disputes that are arbitrated under this Section 3.2.

**3.3 Enforced Delay, Extension of Times of Performance.** In addition to specific provisions of this Agreement, performance by either Party hereunder shall not be deemed to be in default where delays or default are due to war, acts of terrorism, insurrection, strikes, walkouts, riots, energy shortages, energy rationing, floods, drought, rain, earthquakes, fires, casualties, acts of God, governmental restrictions imposed or mandated by other governmental entities, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, litigation, or similar bases for excused performance. If written notice of such delay is given to City within thirty (30) days of the commencement of such delay, an extension of time for such cause shall be granted for the period of the enforced delay, or for such longer period as may be mutually agreed upon.

**3.4 Exhibits.** All exhibits attached hereto are hereby incorporated by reference herein.

**3.5 Relationship Between Parties.** SHRA and the City agree that (a) the relationship between them is intended to be and shall at all times remain, in connection with the transactions contemplated by this Agreement, that of a private SHRA as to SHRA and a public agency as to the City, and (b) no Party is intended to be or shall be construed as a partner, joint venturer, alter ego, manager, controlling person or other business associate or participant of any kind of any other Party or any of its affiliates and no Party intends to ever assume such status.

**3.6 No Third Party Beneficiaries.** This Agreement shall not be deemed to confer any rights upon any individual or entity which is not a Party, and the Parties expressly disclaim any such third-party benefit.

**3.7 Governing Law and Venue.** This Agreement is entered into and shall be construed and interpreted in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court located in Sacramento County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

**3.8 Counterparts and Digital Signatures.** This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page. A facsimile or other electronic signature shall be deemed an original signature.

**3.9 Severability.** If any portion of this Agreement shall become illegal, null, void or against public policy for any reason, or shall be held by any court of competent jurisdiction to be

illegal, null, void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the full extent permissible by law.

**3.10 Authority to Bind.** Each person signing this Agreement warrants that it is authorized to bind its respective Party on whose behalf they sign.

**3.11 Time is of the Essence.** Time is of the essence in the performance of each and every covenant and condition of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

**CITY OF SACRAMENTO**

**SACRAMENTO HOUSING AND  
REDEVELOPMENT AGENCY.,**

By: \_\_\_\_\_  
Mario Lara, Director  
Youth, Parks, & Community Enrichment  
For: Howard Chan, City Manager

By: \_\_\_\_\_  
La Shelle Dozier  
Executive Director

APPROVED AS TO FORM:

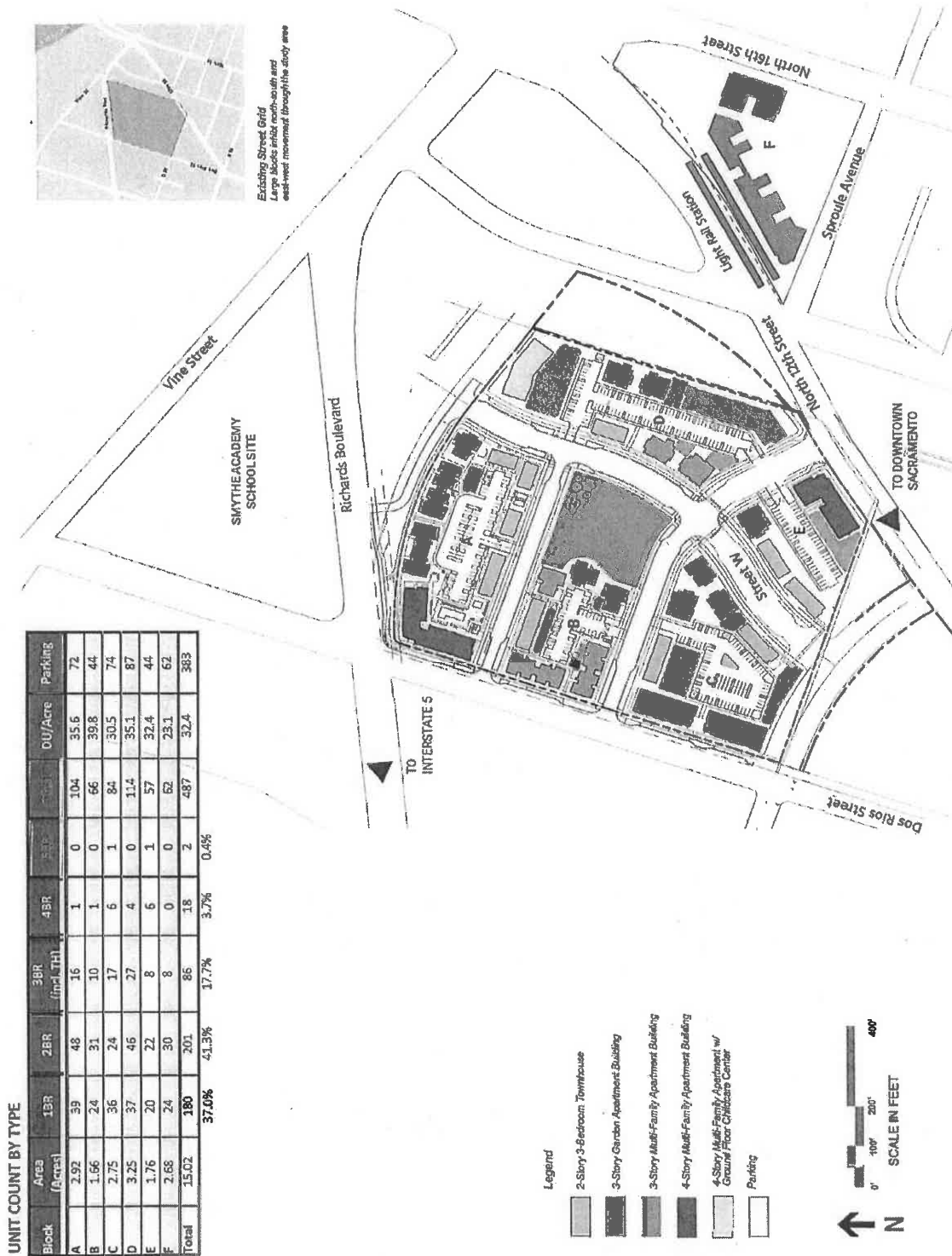
By: \_\_\_\_\_  
Senior Deputy City Attorney

\_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Assistant City Clerk

# EXHIBIT A PROJECT MASTER PLAN



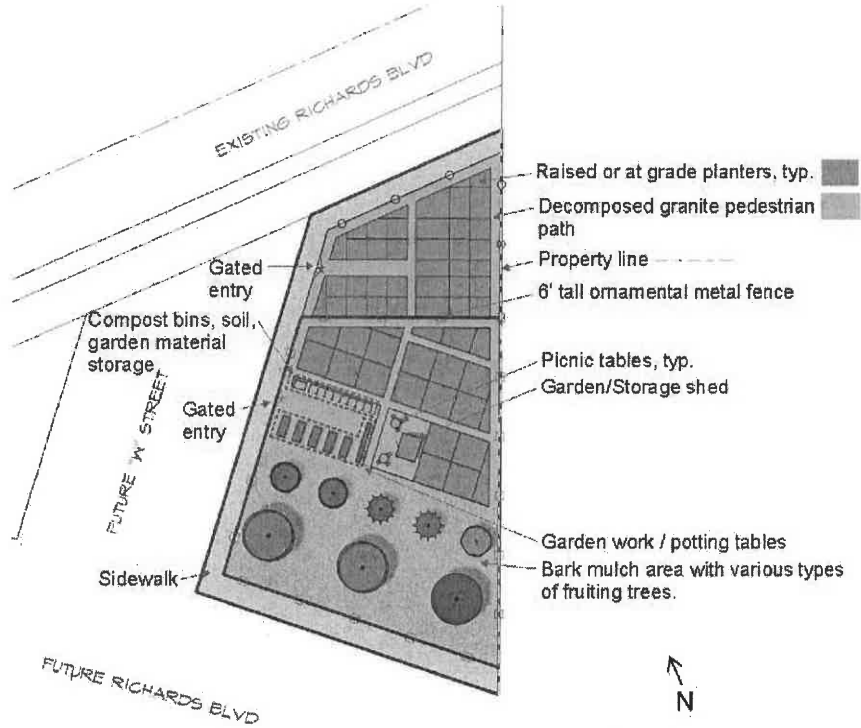


## MIRASOL VILLAGE PARK MASTER PLAN



# **EXHIBIT C** **COMMUNITY GARDEN MASTER PLAN**

## **MIRASOL VILLAGE COMMUNITY GARDEN**



COMMUNITY GARDEN ENLARGEMENT - not to scale

**EXHIBIT D  
PROJECT IMPROVEMENTS**

<b>Mirasol Park Improvements</b>
High-capacity stormwater detention basin
Stormwater planters with educational panels
Butterfly & pollinator garden with educational panels
Permeable and accessible pedestrian path
Play areas with butterfly-shaped shade structures
Shaded picnic area
Bicycle racks
Drinking fountain
Fitness circuit
Drought tolerant, native plant species
<b>Mirasol Community Garden Improvements</b>
Garden plots
Fruit tree orchard
Common area

## EXHIBIT E TASKS ALLOCATION

Filled-in squares designate which Party has agreed to take responsibility for the completion of each specified task.

City	SHRA
------	------

### A. CONCEPTUAL DESIGN PHASE

- |                          |                                     |  |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 1. Survey of Park Site (inc. topo mapping and property line verification). |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 2. Preparation of initial cost estimate for construction of the Project.   |

### B. PARK DESIGN PLAN PREPARATION PHASE

- |                          |                                     |                                   |
|--------------------------|-------------------------------------|-----------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 1. Development of design plans.   |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 2. Preparation of specifications. |

### C. CONSTRUCTION DOCUMENT PHASE

- |                                     |                                     |   |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 1. Hazardous substance remediation plan.  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 2. Preparation of bid documents.  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 3. Preparation of construction cost estimate and project timeline.                              |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 4. Review of construction documents and specifications.   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 5. Submittal for Building Permit (to City Community Development Department, Building Division). |

### D. BID DOCUMENT PHASE

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 1. Administer bidding process.                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 2. City approval of bidder and contract award. |

### E. CONSTRUCTION PHASE (Field Work)

- |                                     |                                     |   |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 1. Project staking.   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 2. Construction inspection (always by City Park Planning and Development Services).     |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 3. Construction administration (City's Project Manager and SHRA's Site Superintendent). |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 4. Final Inspection.  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 5. Site cleanup and walkthrough (with City in attendance).                              |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 6. Warranty administration.   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 7. Submit labor compliance to City on a monthly basis.                                  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 8. Submit Project Cost verification documents.  |

**EXHIBIT F  
CITY STAFF COSTS**

<b>City Costs</b>				
	Staff Costs including Over Head			
	1 Service Agreement (Remaining)		\$ 18,000	
	100 Planning			\$ 10,000.00
	201 Design			\$ 12,500.00
	501 Construction Inspection			\$ 10,000.00
	505 Labor Compliance			\$ 7,000.00
	508 Construction Management			\$ 10,000.00
	Subtotal			\$ 31,500.00
<b>Other Costs</b>				
	Art in Public Places (2%)			\$ 13,950.00
	Administration Fee (5%)			\$ 34,875.00
	Subtotal			\$ 48,825.00
<b>TOTAL CITY COSTS to be Paid from DEVELOPER's Prepaid PIF</b>				<b>\$ 80,325.00</b>

**EXHIBIT G  
REPRESENTATIVES**

**City:**

City of Sacramento  
Park Planning & Development Services  
915 "I" Street, 3rd Floor  
Sacramento, CA 95814  
e-mail: BMoland@cityofsacramento.org

Project Manager: Brianna Moland  
Office Phone: (916) 808-6188  
e-mail: BMoland@cityofsacramento.org

**SHRA:**

Sacramento Housing and Redevelopment Agency  
801 12<sup>th</sup> Street  
Sacramento, CA 95814

Site Superintendent: Daniel Maloney, PE  
Office Phone: (916) 449-6274  
e-mail: DMaloney@shra.org

**PARK AND GARDEN  
MAINTENANCE AGREEMENT**

**FOR**

**MIRASOL VILLAGE PROJECT**

**Between**

**CITY OF SACRAMENTO**

**and**

**Housing Authority of the County of Sacramento**

---

**Approved on:**

\_\_\_\_\_

**By Motion No. 2019 - \_\_\_\_\_**

**PARK AND COMMUNITY GARDEN  
MAINTENANCE AGREEMENT  
MIRASOL VILLAGE PROJECT**

This PARK AND COMMUNITY GARDEN MAINTENANCE AGREEMENT (hereinafter "Agreement") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2019 ("Effective Date"), by and between the CITY OF SACRAMENTO, a municipal corporation ("CITY") and the HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO, a municipal corporation ("HACOS"). The CITY and HACOS may be referred to collectively as the "Parties" or in the singular as "Party," as the context requires.

**BACKGROUND**

A. The Twin Rivers public housing complex is owned by HACOS. The Sacramento Housing and Redevelopment Agency (SHRA) is managing the redevelopment of the Twin Rivers property on behalf of HACOS. SHRA selected McCormick Baron Salazar, Inc. as the "Master Developer" to undertake the Twin Rivers Transit Oriented Development and Light Rail Station Project (the "**Redevelopment Project**"). The Redevelopment Project is the redevelopment of the Twin Rivers public housing complex which covers 26 acres and is located in the River District area of the City of Sacramento. The Redevelopment Project also includes construction of a new light rail station (LRT) and housing on an adjacent block along North 12<sup>th</sup> Street. The "Twin Rivers" Redevelopment Project name has been changed to "Mirasol Village."

B. The Redevelopment Project includes the replacement of 218 affordable housing units and building an additional 156 affordable and 51 market-rate housing units, for a total of 425 on-site housing units, plus up to 85 off-site units. All of the on-site housing units will be rentals managed by an affiliated entity of the Master Developer, McCormack Baron Management. HACOS has issued the Master Developer a long-term ground lease to allow for development of the Redevelopment Project. Demolition of the existing 218 housing units has been completed and construction of the infrastructure for the Redevelopment Project is the next phase of work.

C. The housing will be built within five residential blocks within the Twin Rivers site, Blocks A through E, and on the (off-site) LRT and housing site on North 12<sup>th</sup> Street referred to as Block F, as depicted in **Exhibit A**. Tentative subdivision maps have been approved for Block A and Block B, and the Block B map includes an Irrevocable Offer of Dedication by HACOS to the City for the neighborhood park site. A community garden is to be located off-site within City right of way after Richards Blvd is realigned.

D. The Master Developer has or will create separate legal entities for each block of the Redevelopment Project. Twin Rivers Phase 1, LP is the developer for Block A and Twin



Rivers Phase 2, LP is the developer for Block B. Block A will include 104 affordable housing units, a private community center which include two community rooms and a fitness center, a private park with a BBQ picnic area, and a private swimming pool. Block B will include 66 affordable housing units, a private play area and picnic area, and a neighborhood park. The Redevelopment Project will also include open space and private recreation areas within other blocks.

E. The neighborhood park site is approximately 1.15 acres and located between B and C Streets and along W Street within Block B as shown in Exhibit A (the "**Park**"). The Park will also serve as a drainage detention basin. The approved Master Plan for the Park is shown in **Exhibit B**. The community garden is to be located southeast of W Street and north of Richards Blvd on a parcel of land owned by City after Richards Blvd is realigned (the "**Garden**"). The Master Plan for the Garden is shown in **Exhibit C**.

F. A condition of approval of the subdivision maps for the Redevelopment Project was for HACOS to develop a financing mechanism to fund maintenance of the Park and Garden. In lieu of establishing a community facilities district to levy a tax to fund the maintenance, HACOS is willing to enter into an agreement with City to assume responsibility for the payment of the required annual maintenance fees for the Park and Garden, with the understanding that HACOS may assign this obligation to the legal entities formed for each Block development and/or to the Master Developer's affiliated entity, McCormack Baron Management, which will manage the rental housing on behalf of each Block development entity. A non-profit entity for the Mirasol Village community garden will be created to assist in overseeing the community garden operations and resident plot assignment under a separate agreement.

G. SHRA and CITY have entered into an agreement to construct the Park and Garden on behalf of HACOS. Upon completion of construction of the Park and Garden by SHRA in accordance with the approved master plans, CITY will accept the property and ownership of the improvements constructed thereon, thereby assuming liability for maintenance of the Park and Garden, subject to the SHRA's contractor's landscape warranty obligations.

H. The purpose of this Agreement is to provide for the HACOS to assume that responsibility for maintenance of the Park and Garden through the payment of fees at its own expense to meet the subdivision map requirements.

### **AGREEMENT**

NOW, THEREFORE, based on the Background, the mutual promises and covenants of the Parties contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

## **ARTICLE I**

### **DEFINITIONS AND EXHIBITS**

1.1 **Background.** For purposes of this Agreement and all Exhibits, the capitalized terms shall have the meanings set forth below or in the Background, unless the context otherwise requires or if the capitalized term is defined in a particular section.

1.2 **Exhibits.** The documents which are attached to this Agreement and labeled as exhibits (the "Exhibits") and which are referred to in this Agreement are incorporated into this Agreement by such reference. The documents which are referenced in this Agreement or in the Exhibits which may not be physically attached to this Agreement are also incorporated into this Agreement by such reference.

1.3 **Maintenance.** The term "maintenance" includes watering, inspecting, cleaning, trash and graffiti removal, painting, cutting, mowing, edging, pruning, repairing, replacing, and reconstructing the Park and Garden to the standards specified in section 2.3.

1.4 **Park and Garden.** The "Park and Garden" are the improvements described in section 2.1 of this Agreement.

1.5 **Tentative Map.** The "Tentative Map" as defined, in part, in City Code Chapter 17.500 and 17.504, is the map(s) that subdivides the Property into legal parcels pursuant to the Subdivision Map Act (commencing at Section 66410 of the Government Code), as approved by the City, and as the Tentative Map(s) may be amended from time to time.

## **ARTICLE II**

### **MAINTENANCE WORK**

2.1 **Park and Garden.** Effective as of the date(s) of acceptance of the Park and the Garden by the CITY, HACOS shall pay CITY for its costs to maintain the Park and Garden as described in this Article II in accordance with the maintenance standards set forth in section 2.3.

2.2 **Utilities.** Maintenance costs include the cost of all utilities, including those provided by CITY, SMUD, PG&E and the Sacramento Regional County Sanitation District (SRCSD), for the operation and maintenance of the Park and Garden.

2.3 **Maintenance Standards.** In performing maintenance work under this Agreement with funds provided by HACOS, CITY will maintain the Park and Garden in good repair and condition and in compliance with: (i) the manufacturer's specifications for Park and Garden improvements; (ii) all applicable laws, regulations and the City Code; and (iii) the Landscape Maintenance Standards (defined below). The term "maintenance" includes repairs and replacements of all landscaping, utility facilities and equipment such as the lighting fixtures and irrigation system, and all other improvements such as playground equipment, picnic facilities

and benches. The maintenance work will comply with all the following standards and requirements:

2.3.1 **Park and Garden Maintenance.** The Park and Garden sites shall be regularly serviced to remove trash and debris and all of the Park and Garden improvements shall be maintained. At a minimum, maintenance of the landscaping within the Park and Garden (excluding the plants in the garden plots) shall meet the standards set forth certain document entitled Exhibit A of the City of Sacramento Park Maintenance Services General Specifications and Provisions (PLS06-1) dated September 15, 2006 (the "Landscape Maintenance Standards"), which is incorporated herein by reference as though fully set forth, and as such standards may be amended from time to time.

2.3.2 **Artwork.** The artwork placed in the Park, if any, is to be owned by the CITY as part of the artwork collection managed by the Sacramento Metropolitan Arts Commission (SMAC). If the artwork becomes damaged or in disrepair, HACOS shall contact CITY to allow for coordination with SMAC regarding any repairs or alterations of the artwork which may be necessary so that it remains in and safe and attractive condition.

2.4 **Maintenance Costs.** HACOS shall pay CITY on an annual basis by no later than July 1 each year, after CITY's acceptance of the Park and Garden which is expected to occur prior to July 1, 2021, the amount of \$27,900 for the costs to maintain the Park and Garden. This amount is based on a rate of \$15,000 per acre. The Park is 1.15 acres and the Garden is .71 acres, for a total of 1.86 acres. If the actual acreage changes after construction, the annual amount may be adjusted after written notice is provided by CITY to HACOS. Also, as CITY's per acre rate changes in the future as the costs for staff, materials, equipment, and utilities increases, CITY may increase the annual maintenance fee after written notice is provided by CITY to HACOS.

### **ARTICLE III** **MISCELLANEOUS PROVISIONS**

3.1 **Dispute Resolution.** With respect to any breach or dispute arising under this Agreement, the Parties shall meet and attempt, in good faith and in using their best and reasonable efforts, to resolve the same prior to initiating legal action. If such breach or dispute is not resolved by the Parties, then any Party may request that the dispute be submitted to an independent mutually-agreed upon arbitrator. If arbitration and the selection of an arbitrator is approved by the Parties, the arbitrator shall attempt to resolve the dispute based upon a reasonable interpretation of this Agreement, the documentation provided by the Parties, and such other information deemed by the arbitrator to be relevant to the dispute. The decision of the arbitrator shall be advisory, and not binding, on the Parties. Nothing in this Agreement shall prohibit the Parties from agreeing to allow the arbitrator to attempt to mediate the dispute prior to hearing the matter and issuing a decision.

3.2 **Legal Actions by Parties.** This Agreement shall be construed and enforced in accordance with the laws of the State of California, the state in which the Agreement is signed. The Parties agree to submit any disputes arising under the Agreement to a court of competent jurisdiction located in Sacramento, California. Nothing in this Agreement shall be construed to prohibit the Parties from engaging in alternative dispute resolution processes prior to initiating legal proceedings, including, without limitation, mediation and arbitration, upon the discretion and mutual consent of the Parties.

3.3 **Representations.** Each individual executing this Agreement on behalf of its corporation represents and warrants that he or she has been authorized to do so by the entity on whose behalf he or she executes this Agreement and that the entity will thereby be obligated to perform the terms of this Agreement. HACOS also represents that to the extent approval of this Agreement is required by its board, the Master Developer, any lender, or by any other third party, such consent has been obtained prior to HACOS's execution of this Agreement.

3.4 **Term of Agreement.** This Agreement shall become effective as of the Effective Date. This Agreement shall continue from year to year until it is terminated by CITY.

3.5 **Successors.** HACOS shall not transfer or assign the HACOS's obligations under this Agreement without the CITY's prior written consent. However, HACOS may assign this Agreement to the Master Developer or its affiliated entities by providing written notice to CITY of such assignment. HACOS shall notify CITY in writing of each assignment to the legal entity which owns a Block in the Redevelopment Project, the proportion or percentage of the maintenance fee assumed by the legal entity, and the legal entity's agreement to assume HACOS payment obligation and comply with the terms of this Agreement. All the covenants, terms and conditions set forth in this Agreement shall be binding upon the Parties and to their respective heirs, successors and assigns. All the covenants, terms and conditions set forth in this Agreement shall inure to the benefit of the respective heirs, successors and assigns of the Parties subject to compliance with the provisions of this section.

3.6 **Amendment.** No waiver, alteration, or modification of this Agreement shall be valid unless made in writing and signed by each Party. In the event of a conflict between this Agreement and any other agreement or understanding executed by the Parties subsequent to the commencement of this Agreement, the terms of this Agreement shall prevail and be controlling unless such other agreement expressly provides to the contrary.

3.7 **No Agency, Joint Venture, Partnership, or Other Relationship.** Neither the HACOS nor any of HACOS's respective employees, agents, consultants, contractors or subcontractors are or shall be considered to be agents of CITY in connection with the performance of any of the HACOS's obligations under this Agreement. Nothing contained in this Agreement or in any other document executed in connection with this Agreement shall be construed as creating a joint venture or partnership between CITY and the HACOS with regard to the Marisol Village development project. Each Party is acting as an independent entity and

**3.8 No Third Parties Benefited.** This Agreement is made and entered into for the sole protection and benefit of Parties, and the Parties' successors and assignees. No Person who is not a qualified successor of a Party or an assignee pursuant to section 3.5 of this Agreement, or who has not become a party by duly adopted amendment to this Agreement, may claim the benefit of any provision of this Agreement.

If to CITY: City Manager  
New City Hall  
915 I Street, 5th Floor  
Sacramento, CA 95814

If to HACOS: Executive Director  
Sacramento Housing & Redevelopment Agency  
801 12<sup>th</sup> St  
Sacramento, CA 95841

3.11 **Construction.** This Agreement shall be construed as a whole according to its fair language and common meaning to achieve its objectives and purposes of the Parties. The Parties have had the opportunity to be represented by legal counsel of their own choice in the preparation of this Agreement and no presumption or rule that "an ambiguity shall be construed against a drafting party" shall apply to the interpretation or enforcement of any provision hereof. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend or affect the meaning of the provision to which they pertain, and shall be disregarded in the construction and interpretation of this Agreement.

3.12 **Other Agreements.** This Agreement is not intended to, and shall not, cancel, supersede, modify or otherwise affect any other agreements which have been or may be made or any approvals or permits which have been issued between or by any Party regarding the subject matter hereof unless expressly set out herein.

3.13 **Integrated Documents/Entire Agreement.** This Agreement, the Exhibits and the documents incorporated by reference in this Agreement or in the Exhibits are to be considered as one document and default of any of the provisions contained herein or therein shall be considered a default of this Agreement. This Agreement, including the Exhibits and documents incorporated herein by reference, integrates all of the terms and conditions related or incidental to its subject matter and constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement. No oral or written statement, representation, or agreement - written, oral, express, or implied - concerning the subject matters contained herein shall be of any force or effect whatsoever, and shall be deemed to have been superseded by the terms hereof.

[signature page follows]

**IN WITNESS WHEREOF**, the CITY and the HACOS have executed this Agreement as of the Effective Date.

CITY:  
**CITY OF SACRAMENTO**,  
a Municipal Corporation

By: \_\_\_\_\_  
Leyne Milstein, Assistant City Manager  
For Howard Chan, City Manager

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Senior Deputy City Attorney

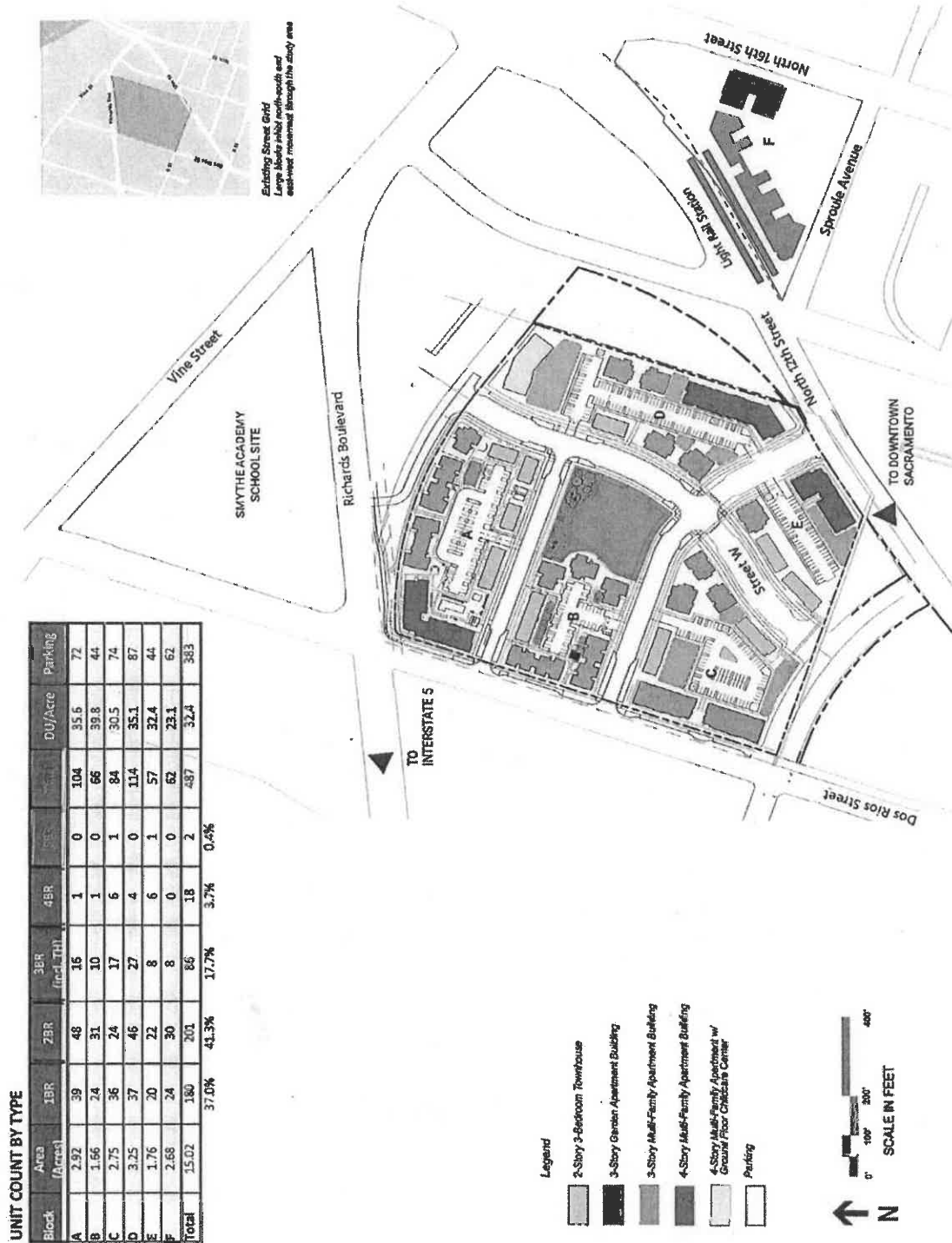
ATTEST:

By: \_\_\_\_\_  
Assistant City Clerk

HACOS:  
**HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO**

By: \_\_\_\_\_  
La Shelle Dozier  
Executive Director

# Exhibit A PROJECT MASTER PLAN



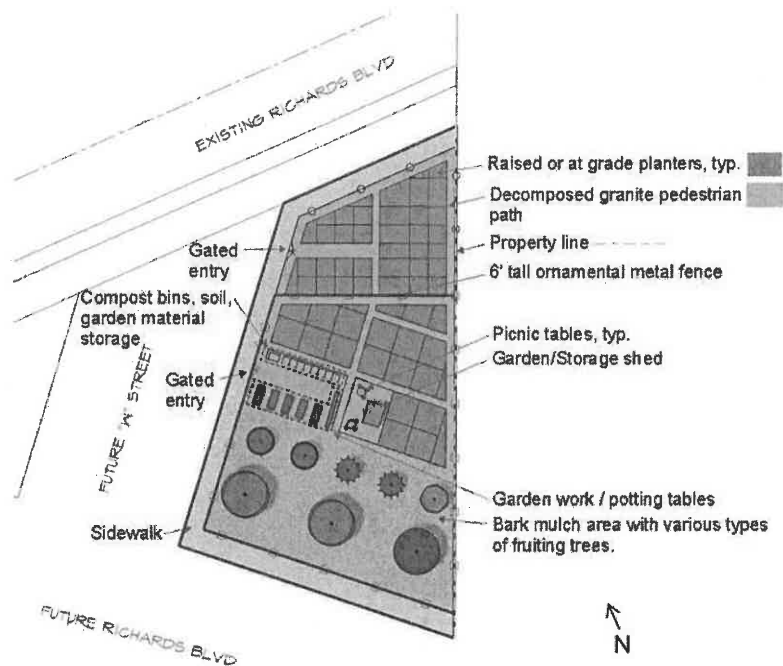


## MIRASOL VILLAGE PARK MASTER PLAN



## Exhibit C COMMUNITY GARDEN MASTER PLAN

### MIRASOL VILLAGE COMMUNITY GARDEN



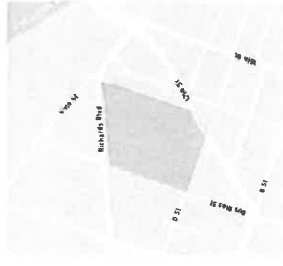
COMMUNITY GARDEN ENLARGEMENT - not to scale



UNIT COUNT BY TYPE

Block	Area (Acres)	1BR	2BR	3BR (incl. TH)	4BR	5BR	Total	DU/Acre	Parking
A	2.92	39	48	16	1	0	104	35.6	72
B	1.66	24	31	10	1	0	66	39.8	44
C	2.75	36	24	17	6	1	84	30.5	74
D	3.25	37	46	27	4	0	114	35.1	87
E	1.76	20	22	8	6	1	57	32.4	44
F	2.68	24	30	8	0	0	62	23.1	62
Total	15.02	180	201	86	18	2	487	32.4	383
		37.0%		41.3%	17.7%		3.7%	0.4%	

Existing Street Grid  
Large blocks inhibit north-south and east-west movement through the study area



Richards Boulevard

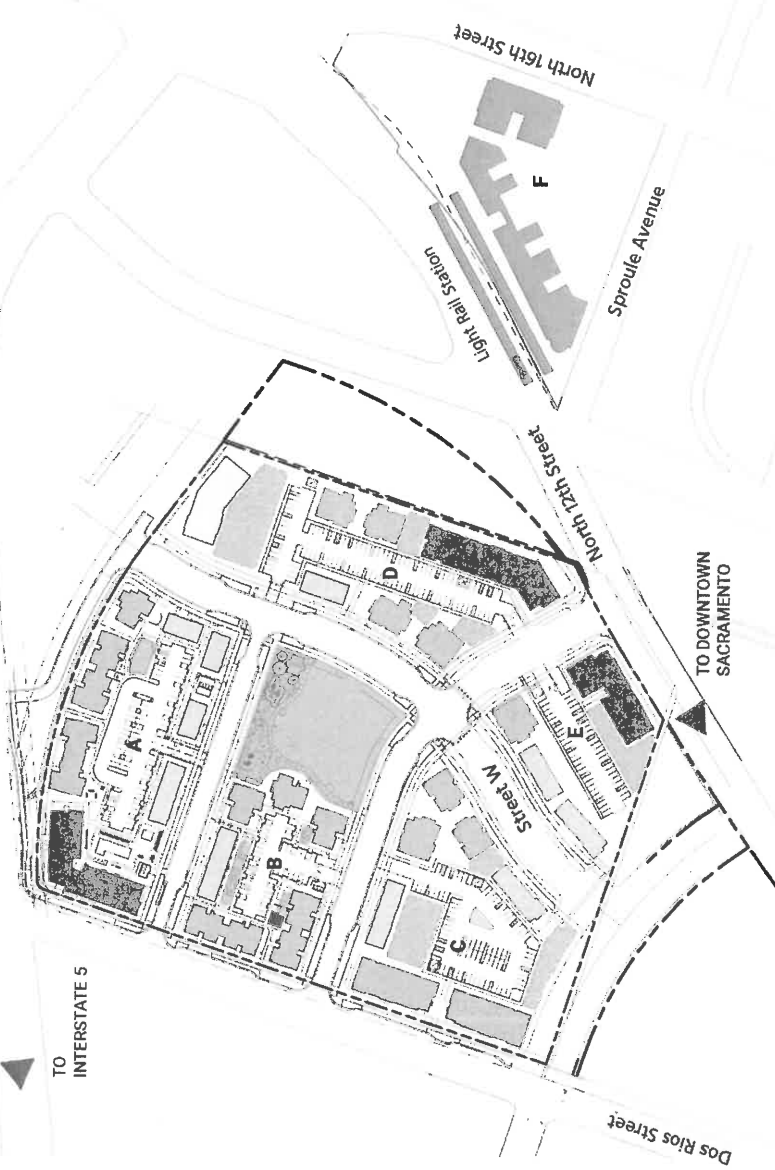
SMYTHE ACADEMY SCHOOL SITE

Vine Street

TO INTERSTATE 5

Legend

- 2-Story 3-Bedroom Townhouse
- 3-Story Garden Apartment Building
- 3-Story Multi-Family Apartment Building
- 4-Story Multi-Family Apartment Building
- 4-Story Multi-Family Apartment w/ Ground Floor Childcare Center
- Parking



## **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

**November 6, 2019**

### **TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT (PROJECT): AUTHORIZING SHRA TO ENTER INTO NEIGHBORHOOD PARK AND COMMUNITY GARDEN CONSTRUCTION AGREEMENT WITH THE CITY OF SACRAMENTO**

**WHEREAS**, the Sacramento Housing and Redevelopment Agency (SHRA) is the designated Project Manager and McCormack Baron Salazar Inc. is the designated Developer and Housing Lead for the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project); and

**WHEREAS**, SHRA is responsible to design and construct infrastructure improvements at the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project) site including the neighborhood park and community garden; and

**WHEREAS**, once completed, the neighborhood park will be owned by the City of Sacramento (City); and

**WHEREAS**, City requires SHRA as project manager to enter into a Park and Community Garden Construction Agreement for park and garden construction; and

**WHEREAS**, on or before Project completion, the responsibility for park and garden maintenance will be assigned to McCormack Baron Salazar (or an affiliate); and

**WHEREAS**, A combined Initial Study/Environmental Assessment was prepared for the Twin Rivers Transit-Oriented Development Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations §15070 of the, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations (CFR) §58.36. A Finding of No Significant Impact (FONSI) pursuant to NEPA and a Notice of Determination (NOD) pursuant to CEQA have been filed for the project; no further environmental review is required for the proposed actions.

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All evidence presented having been duly considered, the above recitals, including the environmental recitals, are found to be true and correct and are hereby adopted.

Section 2. The Executive Director, or designee, is authorized to execute the Twin Rivers Neighborhood Park and Community Garden Construction Agreement attached to and incorporated in this resolution by this reference and to perform other actions necessary to fulfill the intent of the Agreement.

Section 3. The Executive Director, or designee, is authorized to amend the SHRA budget as necessary to carry out the activities authorized in this resolution.

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CHAIR

ATTEST:

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CLERK