



**SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION
TELECONFERENCE MEETING ONLY**

REGULAR MEETING

Wednesday, November 2, 2022 - 4:00 PM

NOTICE TO PUBLIC

In compliance with the Americans with Disabilities Act (ADA), SHRA requests that individuals who require special accommodations access and participate in Commission meetings contact the Agency Clerk at 916-440-8544 or aalexander@shra.org, at least 72 hours before the scheduled meeting. Agenda materials are available for review online at www.shra.org. If you need assistance with locating reports, contact the Agency Clerk.

In compliance with AB361, the Sacramento Housing and Redevelopment Commission meetings will be held by teleconference only. The public may participate in this meeting via Zoom or telephone.

Please contact the Agency Clerk's Office at aalexander@shra.org or 916-440-8544 if you have questions about the public comment procedure or remote participation.

ZOOM MEETING LINK:

<https://shra-org.zoom.us/j/82739521521?pwd=c0VtRnVuRkgyTlc3c2NqRlFtQStKdz09>

Webinar ID: 827 3952 1521 Passcode: 204514

Or by Telephone: (877) 853-5257

CALL TO ORDER 4:00 PM

ROLL CALL

Chair Gale Morgan
Vice-Chair Emmanuel Amanfor
Commissioner Stephanie Duncan
Commissioner Melvin Griffin
Commissioner Cecile Nunley
Commissioner Jasmine Osmany
Commissioner Andrés Ramos
Commissioner Martin Ross
Commissioner Staajabu
Commissioner Samuel Starks
Commissioner Darrel Woo

PUBLIC COMMENT

Persons wishing to address the Commission on subjects not on the agenda but within the jurisdiction of the Commission may do so at this time. The Commission cannot discuss or take action on matters not on the agenda for this meeting, but Commissioners may briefly respond to statements made or questions raised by the public, ask for clarification from staff, refer the matter to staff, request staff to report back to the Commission at a subsequent meeting, or place the matter on a future agenda. Members of the public with questions are encouraged to contact staff before or after the meeting. To speak on an agenda item please use the “raise your hand” feature or press *9 on your phone. Speakers are limited to three minutes per item.

CONSENT ITEMS

All matters listed on consent are to be approved with one motion unless a Commission member or the public requests that separate action is taken on a specific item.

1. Approval of Commission Minutes for October 19, 2022

Recommendation: Approve minutes by minute action.

Contact: Amber Alexander, Agency Clerk, aalexander@shra.org, 916-440-8544

2. Resolution of the Sacramento Housing and Redevelopment Commission Authorizing Public Meetings to be Held via Teleconference Pursuant to Government Code Section 54953(E) and Making Findings and Determinations Regarding the Same

Recommendation: Adopt resolution.

Contact: Amber Alexander, Agency Clerk, aalexander@shra.org, 916-440-8544

PUBLIC HEARINGS

DISCUSSION / BUSINESS ITEMS

3. Mirasol Village Block D Apartment Project Final Approval

Recommendation: Adopt resolution, and review prior to final approval by the City of Sacramento.

Contact: Christine Weichert, Director, cweichert@shra.org, 916-440-1353, and Jeree Glasser-Hedrick, Senior Management Analyst, jglasser-hedrick@shra.org, 916-449-6532

PRESENTATION

4. Update on AB 2449: New Brown Act Temporary Revisions

Recommendation: Receive report.

Contact: Amber Alexander, Agency Clerk, aalexander@shra.org, 916-440-8544

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSIONERS

ADJOURN

I, Amber Alexander, Agency Clerk do hereby certify that I have caused a true copy of the above notice to be delivered to each of the members of the Sacramento Housing and Redevelopment Commission, at the time and in the manner prescribed by law and that this notice was posted at 801 12th Street, Sacramento, California on October 26, 2022.



November 2, 2022

Sacramento Housing and Redevelopment Commission
Sacramento, California

SUBJECT Approval of Commission Minutes for October 19, 2022

Honorable Members in Session:

SUMMARY

Minutes require approval by the Commission.

Respectfully Submitted,


LA SHELLE DOZIER
Executive Director

Attachments

1. Draft Minutes 10-19-22



SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION
TELECONFERENCE MEETING

DRAFT REGULAR MEETING MINUTES

Wednesday, October 19, 2022 – 4:00 pm

CALL TO ORDER

Chair Morgan called the meeting to order at 4:00 p.m.

ROLL CALL

Attending via teleconference were Chair Gale Morgan, Vice-Chair Emmanuel Amanfor, Commissioner Stephanie Duncan, Commissioner Cecile Nunley, Commissioner Jasmine Osmany, Commissioner Andrés Ramos, and Commissioner Samuel Starks. Commissioner Martin Ross joined the meeting at 4:07 pm, and Commissioner Staajabu joined at 4:23 pm. Commissioner Melvin Griffin and Commissioner Darrel Woo were absent.

PUBLIC COMMENTS

No public comments were received.

CONSENT ITEM

1. Approval of Commission Minutes for October 5, 2022

Commissioner Nunley made a motion to approve the consent item. The motion was seconded by Chair Morgan. By roll call vote the motion carried by the following vote:

Ayes: Morgan, Amanfor, Duncan, Nunley, Ramos, Starks, Osmany

Noes: None

Abstain: None

Absent: Griffin, Ross, Staajabu, Woo

Commissioner Ross joined the meeting.

DISCUSSION / BUSINESS ITEMS

2. 2023 and Subsequent Years Authorization for Solicitation, Award, and Approval of Annual Expenditure Caps and Per Contract Caps of Routine Services; and Procurement Protests Policy Update

James Shields, Deputy Executive Director, presented the report and recommended that the Commission adopt the resolution. He presented an amendment to Attachment 3, Exhibit A because the category for Hazardous Materials Abatement Services was inadvertently left off the schedule that was previously submitted to the Commission.

Commissioner Nunley made a motion to adopt the resolution. The motion was seconded by Commissioner Duncan. By roll call vote the motion carried by the following vote:

Ayes: Morgan, Amanfor, Duncan, Nunley, Ramos, Ross, Starks, Osmany

Noes: None

Abstain: None

Absent: Griffin, Staajabu, Woo

3. 2023 Sacramento Housing & Redevelopment Agency Proposed Budget

Items 3 and 4 were presented together.

Commissioner Staajabu joined the meeting at 4:23 pm.

Susana Jackson, Chief Financial Officer, and La Shelle Dozier, Executive Director, presented the reports and recommended the adoption of the resolution, and review of the budget documents before final approval by the City of Sacramento and County of Sacramento.

Commissioner Starks made a motion to adopt the resolution. The motion was seconded by Commissioner Nunley by roll call vote the motion carried by the following vote:

Ayes: Morgan, Amanfor, Duncan, Nunley, Ramos, Ross, Staajabu, Starks, Osmany

Noes: None

Abstain: None

Absent: Griffin, Woo

PRESENTATIONS

4. Budget Report to Commission

Item was presented with item 3.

EXECUTIVE DIRECTOR REPORT

Executive Director, La Shelle Dozier, reported that the next meeting date is November 2nd via teleconference. She announced that the Commission Room camera repairs were almost completed. The Commission Holiday Party is on December 7 at 4 pm at Lavender Courtyard. She also announced that the Isleton Museum Grand Opening would be Thursday, October 20, 2022, at 11 a.m. at 29 Main Street, Isleton.

COMMISSION CHAIR REPORT

Chair Morgan had no report.

COMMISSION MEMBER REPORTS

There were no comments or reports by the Commissioners.

ADJOURN

Chair Morgan adjourned the meeting at 4:56 pm



November 2, 2022

Sacramento Housing and Redevelopment Commission
Sacramento, California

SUBJECT Resolution of the Sacramento Housing and Redevelopment Commission Authorizing Public Meetings to be Held via Teleconference Pursuant to Government Code Section 54953(E) and Making Findings and Determinations Regarding the Same

Honorable Members in Session:

RECOMMENDATION

Staff recommends adoption of the attached resolution which authorizes the Executive Director or her designee to take all actions necessary to carry out the intent and purpose of continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

SUMMARY

The attached resolution authorizes the Executive Director to take all actions necessary to carry out the intent and purpose of continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

BACKGROUND

AB 361 suspends the teleconferencing requirements located in California Government Code section 54953(b)(3). This means that, during a state of emergency, under specified circumstances, local agencies can meet pursuant to modified Brown Act requirements.

If the Sacramento Housing and Redevelopment Agency (Agency) wishes to rely on the provisions of AB 361, it must meet one of the following criteria:

1. The Agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; or
2. The Agency is holding a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
3. The Agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

These criteria permit the Agency to schedule a remote meeting to determine whether meeting in person during a state of emergency would pose an imminent risk to the health or safety of attendees. At that remote meeting, the Agency may determine by majority vote taken by roll call that sufficient risks exist to the health or safety of attendees as a result of the emergency and pass a resolution to that effect. These criteria also permit the Agency to meet remotely in the event that there is a state of emergency declaration while state or local officials have recommended or required measures to promote social distancing.

If the Agency passes a resolution by majority vote determining that a meeting in person would present imminent risks to the health or safety of attendees, the resolution would permit meeting under the provisions of Gov Code 54953(e) for a maximum period of 30 days. After 30 days, the Agency would need to renew its resolution, consistent with the requirements of Gov Code 54953(e)(3), if the Agency desires to continue meeting under the modified Brown Act requirements or allow the resolution to lapse.

ENVIRONMENTAL CONSIDERATIONS

The proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 and is exempt under the National Environmental Policy act pursuant to 24 CFR 58.34(a)(3).

Respectfully Submitted,


LA SHELL DOZIER
Executive Director

Attachments

1. SHRC RES-2022-23

RESOLUTION NO. SHRC-2022-23

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 2, 2022

RESOLUTION OF THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION AUTHORIZING PUBLIC MEETINGS TO BE HELD VIA TELECONFERENCE PURSUANT TO GOVERNMENT CODE SECTION 54953(E) AND MAKING AND MAKING FINDINGS AND DETERMINATIONS REGARDING THE SAME

WHEREAS, the Sacramento Housing and Redevelopment Agency (Agency) is committed to preserving and nurturing public access and participation in meetings of the Sacramento Housing and Redevelopment Commission (Commission); and

WHEREAS, all meetings of the Commission are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Commission conduct business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the State of California, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the State of California, specifically, an outbreak of respiratory illness due to a novel coronavirus disease known as COVID-19; and

WHEREAS, by Executive Order N-25-20 on March 12, 2020 (N-25-20), all residents were directed to heed any orders and guidance of state and local public health officials, including but not limited to the imposition of social distancing measures, to control the spread of COVID-19. By Executive Order N-29-20 on March 17, 2020 (N-29-20) and in furtherance of the imposition of social distancing measure, notwithstanding any other provision of state or local law, including the Brown Act, N-29-20 authorized a local legislative body to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to attend and to address the local legislative body, during the period in which state or local public officials impose or recommend measures to promote social distancing, including but not limited to limitations on public events. All requirements in the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting were waived; and

WHEREAS, by Order of the Health Officer of the County of Sacramento dated July 29, 2021, persons should continue to follow CDC guidance for unvaccinated people and for fully vaccinated people to protect themselves and others, including the recommendation that people social distance 6 feet apart from other people who do not live in the same household; and

WHEREAS, the Commission does hereby find that the Proclamation of a State of Emergency for COVID-19 on March 4, 2020, and Executive Orders N-25-20 and N-29-20 imposing social distancing measures has caused, and will continue to cause, conditions of peril to the safety of persons within the State of California and Sacramento County that are likely to be beyond the control of services, personnel, equipment, and facilities of the Commission, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Commission does hereby find that it shall conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the public is assured access as, Commission meetings are broadcast live on YouTube, as well as made available for later viewing. No log in is required. Public comment is being facilitated as the Commission has provided a telephone line for live comment, as well as an e-mail address which is monitored throughout the meeting; and

WHEREAS, the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to 14 CCR §15378 and is exempt from the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34(a)(3).

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All evidence presented having been duly considered, the recitals and the findings, including environmental findings regarding this action, as stated above, are found to be true and accurate and are hereby approved adopted.

Section 2. The Commission hereby ratifies the Governor of the State of California’s Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 3. The Executive Director, or her designee, is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 4. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) December 2, 2022, or (ii) such time the Commission adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Agency may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS: _____

NOES: COMMISSIONERS: _____

ABSENT: COMMISSIONERS: _____

ABSTAIN: COMMISSIONERS: _____

CHAIR

ATTEST:

CLERK



November 2, 2022

Sacramento Housing and Redevelopment Commission
Sacramento, California

SUBJECT Mirasol Village Block D Apartment Project Final Approval

Honorable Members in Session:

SUMMARY

The attached Sacramento Housing and Redevelopment Commission resolution provides the authorization to amend the SHRA budget to defund \$3.3 million of Permanent Local Housing Allocation (PLHA) funds from the Project and allocate \$3.3 million in County HOME funds to the Project, approval to execute an amended loan commitment letter; and approval to execute funding agreements with Twin Rivers Phase 4, L.P. (McCormack Baron Salazar) or related entity; and approval of environmental findings.

The attached report is also submitted to you for review prior to final approval at the City of Sacramento.

Respectfully Submitted,


LA SHELLE DOZIER
Executive Director

Attachments

1. SHRC: Resolution No. SHRC 2022-22
2. City: Attachment 1 Description/Analysis
3. City: Attachment 2 Vicinity Map
4. City: Attachment 3 Project Renderings
5. City: Attachment 4 Project Summary
6. City: Attachment 5 Cash Flow Proforma
7. City: Attachment 6 Maximum Income & Rent Limits

8. City: Attachment 7 City Council Resolution
9. City: Attachment 8 Exhibit A Loan Commitment

RESOLUTION NO. SHRC 2022-22

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 2, 2022

MIRASOL VILLAGE BLOCK D (PROJECT): AUTHORIZATION TO AMEND THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) BUDGET TO DEFUND \$3.3 MILLION IN PERMANENT LOCAL HOUSING ALLOCATION (PLHA) FROM THE PROJECT AND ALLOCATE \$3.3 MILLION HOME INVESTMENT PARTNERSHIP FUNDS (HOME) TO THE PROJECT; APPROVAL TO EXECUTE THE AMENDED LOAN COMMITMENT, FUNDING AGREEMENT AND RELATED DOCUMENTS WITH TWIN RIVERS PHASE 4 L.P. (MCCORMACK BARON SALAZAR) OR RELATED ENTITY; AND ENVIRONMENTAL FINDINGS

WHEREAS, in 2015, the Housing Authority of the County of Sacramento (HACOS) and the City of Sacramento (City) were, as co-grantees, awarded a \$30 million Choice Neighborhoods Implementation Grant from the US Department of Housing and Urban Development (HUD) for the Twin Rivers Transit Oriented Development and Light Rail Station project (Master Development); and

WHEREAS, on December 12, 2017, HACOS and City Council members approved the Master Development Agreement, which includes the Option to Lease (ground lease loans). SHRA is managing the Master Development, and McCormack Baron Salazar is the master developer and Housing Lead (Developer). The Master Development is now known as Mirasol Village. The total project area includes six residential blocks and encompasses approximately 26 acres; and

WHEREAS, on March 16, 2021, City Council approved SHRA and the Developer to apply to the State of California Strategic Growth Council and Department of Housing and Community Development in funding Round 6 for an Affordable Housing and Sustainable Communities grant for up to \$30 million, including up to \$20 million for the affordable housing development and \$10 million for the housing-related infrastructure of the Project. Unfortunately, in January 2022, the Project was not awarded; and

WHEREAS, on March 16, 2021, City Council approved SHRA and the Developer to apply to the State of California Strategic Growth Council and Department of Housing and Community Development in funding Round 6 for an Affordable Housing and Sustainable Communities grant

for up to \$30 million, including up to \$20 million for the affordable housing development and \$10 million for the housing-related infrastructure of the Project. Unfortunately, in January 2022, the Project was not awarded; and

WHEREAS, on December 7, 2021, HACOS and City Council approved the predevelopment loan agreement and construction/permanent loan commitment of up to \$2 million in CNI funds for the financing of Mirasol Village Block D (Phase 4); and

WHEREAS, the Developer of the Project applied to SHRA requesting a not to exceed \$38 million bond issuance from the Housing Authority and a \$15 million gap loan from the City and County for the construction and permanent financing of the Project; and

WHEREAS, in a separate Housing Authority resolution, the staff is recommending approval of up to \$3 million in Housing Authority Funds for the purpose of construction and permanent financing of the Project; and

WHEREAS, on November 2, 2021, the Board of Supervisors (Board) adopted the American Rescue Plan Act (ARPA) Phase One Funding Allocation with Housing as a priority, and SHRA staff is recommending an appropriation of \$5 million of ARPA funds for the construction and permanent financing of this Project. On March 8, 2022, the Board approved a \$5 million loan commitment comprised of ARPA funds for the construction and permanent financing of the Project to partially fill the \$15 million gap loan required.

WHEREAS on March 8, 2022, the City Council approved additional funding to fill the remained of the Project's funding gap which included a Permanent Local Housing Allocation (PLHA) of \$3.3 million, a Mixed-Income Housing Fund (MIHF) loan of \$1.4 million and a City Housing Trust Fund (CHTF) Loan of \$1.4 million, Housing Opportunities for People With Aids (HOPWA) loan of 900,000; and

WHEREAS, the Housing Authority and Developer applied to California Debt Limit Allocation Committee (CDLAC) for tax-exempt bonds and to California Tax Credit Allocation Committee (CTCAC) for four percent Low-Income Housing Tax Credits (LIHTC) on March 16, 2022, and received allocations from both Committee's with the requirement to issue bonds in December 2022 and goal to complete construction by the fall of 2024; and

WHEREAS, the recommended actions are consistent with a) SHRA's approved Multifamily Lending and Mortgage Revenue Bond Policies, adopted on December 3, 2019 b) the 2021-2029 Housing Element, which encourages the provision of a variety of quality housing types to encourage neighborhood stability, including options for extremely low-income households (Resolution No. 2021-0259); 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); d) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by year 2025 (Resolution No. 2015-282); e) the 2007 Asset Repositioning Strategy of the City and County Housing Authorities; f) the 2020-2024 Consolidated Plan (Resolution No. 2019-0408), 2020 Action Plan (Resolution No. 2019-0408), and 2021 Action Plan (Resolution No. 2020-0350); and g) the River District Specific Plan adopted February 15, 2011; and

WHEREAS, a combined Initial Study/Environmental Assessment (IS/EA) was prepared for the Mirasol Village (formerly Twin Rivers) Transit Oriented Development and Light Rail Station Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations (CCR) §15070, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations (CFR) §58.36. The Mitigated Negative Declaration (MND) and associated Mitigation Monitoring and Reporting Program (MMRP) were adopted and a Notice of Determination (NOD) was issued pursuant to CEQA and a Finding of No Significant Impact (FONSI) was prepared pursuant to NEPA. The addition of new federal funds to a previously approved project is considered supplement assistance and is Categorically Excluded Not Subject to §58.5 pursuant NEPA regulations at to 24 CFR 58.35(b)(7), and is not a project under CEQA. The requested action requires no further environmental review.

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated above, are found to be true and accurate and are hereby approved adopted.

Section 2. The Executive Director, or her designee, is authorized to amend the budget to defund \$3.3 million in Permanent Local Housing Allocation (PLHA funds from the Project) and replace it with an allocation of \$3.3 million in HOME Funds to the Project for the purpose of construction and permanent financing of the Project.

Section 3. The Amended Conditional Loan Commitment attached hereto as Exhibit A for the purpose of construction and permanent financing of the Project and reflecting the funding shift of program funds (Amended Commitment) is approved, and the Executive Director, or her designee, is authorized to execute and transmit the Amended Commitment to Twin Rivers Phase 4, L.P. (McCormack Baron Salazar) or related entity (Developer) for the Project.

Section 4. The Executive Director, or her designee, is authorized to negotiate, enter into, execute and amend from time to time funding agreements including HOME, HOPWA, HTF, MIHF funds and related documents for the construction and permanent financing of the Project with the Developer and execute other documents, as approved to form by the Office of the General

Counsel (Counsel), and perform other actions required for the HOME program funds, including without limitation, negotiation, subordination, regulatory agreements, financial restructuring, and extensions, consistent with its adopted policy and with this resolution.

Section 5. SHRA finds that an economically feasible alternative method of financing on substantially comparable terms and conditions, without subordination, is not available. Therefore, the Executive Director, or her designee, is authorized to subordinate the HOME loans to the senior loans.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS: _____

NOES: COMMISSIONERS: _____

ABSENT: COMMISSIONERS: _____

ABSTAIN: COMMISSIONERS: _____

CHAIR

ATTEST:

CLERK



REPORT TO CITY COUNCIL
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
November 15, 2022

Honorable Mayor and Members of the City Council

Title: Final Approval of Mirasol Village Block D (Project) Funding Documents

Location/Council District: 475 Pipevine Street, District 4

Recommendation: Adopt 1) a City Council Resolution a) amending the Sacramento Housing and Redevelopment Agency (SHRA) budget to defund \$3.3 million in Permanent Local Housing Allocation (PLHA) previously allocated to the Project b) amending the Sacramento Housing and Redevelopment Agency (SHRA) to allocate \$3.3 Million of Home Investment Partnership Funds (HOME) for the purpose of construction and permanent financing for the Project, c) authorizing SHRA to execute and transmit an amended loan commitment to Twin Rivers Phase 4, L.P. (McCormack Baron Salazar) or related entity (Developer) for the Project, d) authorizing SHRA to negotiate, enter into, execute and amend from time to time funding agreements comprised of up to \$7 million in HOME, MIHF, HTF and HOPWA funds and related documents for the construction and permanent financing of the Project with the Developer and execute other documents, as approved to form by its Office of the General Counsel, and perform other actions required for the HOME, MIHF, HTF, and HOPWA program funds, including without limitation, negotiation, regulatory agreements, financial restructuring, and extensions, consistent with its adopted policy and with this resolution, e) authorizing SHRA to subordinate the HOME, MIHF, HTF, and HOPWA loans to senior loans; and f) authorizing the Executive Director or designee to execute any and all documents deemed necessary by herself or her designee and related to the transaction

Contact: La Shelle Dozier, Executive Director, ldozier@shra.org, (916) 440-1319,
Christine Weichert, Director, cweichert@shra.org, (916) 440-1353

Presenters: Jeree Glasser-Hedrick, Senior Management Analyst, jglasser-hedrick@shra.org, (916) 449-6532

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis:

Issue Detail: In 2015, the Housing Authority of the County of Sacramento (HACOS) and the City of Sacramento (City) were, as co-grantees, awarded a \$30 million Choice Neighborhoods Implementation (CNI) Grant from the U.S. Department of Housing and Urban Development (HUD) for the Twin Rivers Transit Oriented Development and Light Rail Station project (Master Development) (Mirasol Village). The Sacramento Housing and Redevelopment Agency (SHRA) is managing the Master Development, and McCormack Baron Salazar (MBS) is the master developer and Housing Lead (Developer) under the CNI grant. The Master Development is now known as Mirasol Village. The total project area includes six residential blocks and encompasses approximately 26 acres. A vicinity map and project rendering of the Mirasol Village is shown in Attachments 2 and 3.

The CNI grant supports the redevelopment of the former housing development and the transformation of the River District/Railyards neighborhood. The grant requires the replacement of 218 public housing units within a mixed-income development, including housing units, a common area, community gathering spaces, and other amenities.

Mirasol Village is being developed in five phases. The first phase, which includes Blocks B and E (123 units), has construction completed. The second phase is Block A (104 units), and construction is nearly complete. The third phase is Block C (84 units), which is currently under construction and will be completed and occupied in 2024. The Developer has secured the funds needed to construct the fourth phase, Block D (116 units), and the development is scheduled to close in December of 2022. The fifth phase, Block F, is the block east of 12th Street and will be the last block developed.

History and Status

In March of 2022, staff obtained approval to negotiate and enter into funding agreements for the construction of the Project. Subsequently, the project has secured a bond and 4% tax credits.

Development: Mirasol Village Block D is a new construction housing development composed of a four-story walk-up building with 116 units. The development will contain amenities that include bicycle parking, landscaped courtyards, and a play area. Additionally, residents will have access to the master development site amenities, including management offices, resident community rooms, a fitness center, a business center, a swimming pool, a barbeque area, a community park, and a community garden.

Entitlements: The site plan approval for the Project was received in February 2020, and the building permits are ready to be issued.

Developer: The limited partnership, Twin Rivers Phase 4, L.P. will develop the Project. A McCormack Baron Salazar, Inc. affiliate, Twin Rivers Phase 4, MBS GP, Inc., will serve as administrative general partner of the limited partnership. The Developer is an experienced owner and manager of affordable rental housing projects with more than 40 years of experience in affordable housing and has developed over 21,000 homes in 23 states across the U.S., including 13 communities in California. They have extensive

experience in financing projects with tax credits, tax-exempt bonds, and other public and private funding sources.

The Sacramento Housing Authority Repositioning Program, Inc. (SHARP) is the managing general partner of the limited partnership and is a non-profit public benefit corporation formed by the Housing Authority to pursue projects as a strategic response to reductions in federal funding sources for public housing. SHARP can attract private development partners and financing sources not otherwise directly available to the Housing Authority.

Property Management: The Project will be managed by the John Stewart Company (JSCo). Currently, JSCo manages over 620 properties consisting of approximately 47,000 residential units, including approximately 39,000 affordable units and 945 permanent supportive housing units. Agency staff has reviewed JSCo's qualifications and the management plan and has found that the proposed management company meets Agency requirements.

Resident Services: Resident services will be provided by Urban Strategies, which currently provides resident services to 11 affordable housing communities across the country. Urban Strategies will be required to provide at least 15 hours of services per week for Block D residents. Programs will be tailored to resident needs. SHRA staff has reviewed and approved Urban Strategies' resident services plan detailing the scope and schedule of services to be provided. Services will be provided by an on-site services coordinator and will include social services and enrichment programs. SHRA will approve subsequent providers of additional services.

Project Financing: The project will be financed with a combination of tax-exempt bonds, tax credit, and a Mixed Income Program Loan from the California Housing and Finance Agency (CalHFA), County American Rescue Plan Funds, Housing Authority Loan, CNI Loan and City loan proceeds. This staff report does not contemplate any shift in the Agency's financial commitment to the Project outside of the shifting of the Permanent Local Housing Allocation (PLHA) funds and funding to HOME funding. The PLHA funding will be reallocated to a project that has secured funding from the State Department of Housing and Community Development (HCD) given the similar underwriting criteria to PLHA. The more flexible HOME funds will be used with the Project.

Low-Income Set-Aside Requirements: SHRA requires at least 15 percent of the units have rents that are affordable to households with income up to 50 percent AMI, and at least 5 percent of the units have rents that are affordable to households with income up to 30 percent AMI, based on financial feasibility. HUD approved 53 replacement Project-Based Vouchers (PBV) for the public housing replacement units in the Project which are administered by the County Housing Authority.

Project affordability restrictions will be specified in regulatory agreements with the Developer. The Project Summary and Proforma are included as Attachments 4 and 5, and a schedule of Maximum Income and Rent Limits is included as Attachment 6.

Policy Considerations: The recommended actions are consistent with a) SHRA's approved Multifamily Lending and Mortgage Revenue Bond Policies, adopted on December 3, 2019, b) the 2021-2029 Housing Element, which encourages the provision of a variety of quality housing types to encourage neighborhood stability, including options for extremely low-income households (Resolution No. 2021-0259); 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); d) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by year 2025 (Resolution No. 2015-282); e) the 2007 Asset Repositioning Strategy of the City and County Housing Authorities; f) the 2013-2019 Consolidated Plan; and g) the River District Specific Plan adopted February 15, 2011.

Economic Impacts: This multifamily residential project is expected to create 373.9 total jobs (211.87 direct jobs and 162.03 jobs through indirect and induced activities) and create \$31,158,005 in total economic output (\$18,992,745 of direct output and another \$12,165,260 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) and National Environmental Policy Act (NEPA): A combined Initial Study/Environmental Assessment (IS/EA) was prepared for the Mirasol Village (formerly 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 Mitigated Negative Declaration (MND) and associated Mitigation Monitoring and Reporting Program (MMRP) were adopted and a Notice of Determination (NOD) was issued pursuant to CEQA and a Finding of No Significant Impact (FONSI) was prepared pursuant to NEPA. The addition of new federal funds to a previously approved project is considered supplemental assistance and is Categorical Excluded Not Subject to §58.5 pursuant NEPA regulations at to 24 CFR 58.35(b)(7), and is not a project under CEQA. The requested action requires no further environmental review.

Sustainability Considerations: The Project has been reviewed for consistency with the goals, policies, and targets of the 2035 General Plan. If approved, the project will advance the following goals, policies, and targets that will directly or indirectly conserve energy resources and reduce greenhouse gas emissions, in part, from the 2035 General Plan: a) Housing Element – Strategies and Policies for Conserving Energy Resources – Climate Action Plan, subsection 7.2: improving the energy efficiency in new buildings; and b) Environmental Resources - Air Quality and Climate Change sub-section 6.1.7: reduce greenhouse gas emissions from new development, promoting water conservation and recycling, promoting development that is compact, mixed-use, pedestrian friendly, and transit oriented; and promoting energy-efficient building design and site planning.

Commission Action: *Sacramento Housing and Redevelopment Commission:* At its November 2, 2022 meeting, the Sacramento Housing and Redevelopment Commission reviewed the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: The actions recommended in this report enable SHRA to continue fulfilling its mission to provide a range of affordable housing opportunities in the City and are consistent with the SHRA's approved Multifamily Lending and Mortgage Revenue Bond Policies, the City of Sacramento's 2021-2029 Housing Element, Promise Zone plans and goals, Downtown Housing Initiative and Initiation of the Downtown Specific Plan, and Opportunity Zone.

Financial Considerations: The swapping of PLHA funding for HOME funding will have no financial impact. The Agency loan will have a term of 57 years and a simple interest rate of 3 percent. SHRA will receive an annual fee for monitoring the regulatory restrictions and administration of the loan in the amount of .0125 percent of the loan amount. SHRA will also receive a \$100 annual administrative fee for each assisted unit. The total administrative fee will not exceed \$15,000 annually for the affordable units during the 57-year term.

LBE - M/WBE and Section 3 requirements: Local Business Enterprise requirements do not apply to this report. Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest extent feasible and as required by federal funding and in accordance with SHRA's Section 3 Economic Opportunity Plan. The Developer and general contractor will work with SHRA's Section 3 Administrator, to promote employment opportunities.

Respectfully Submitted by:

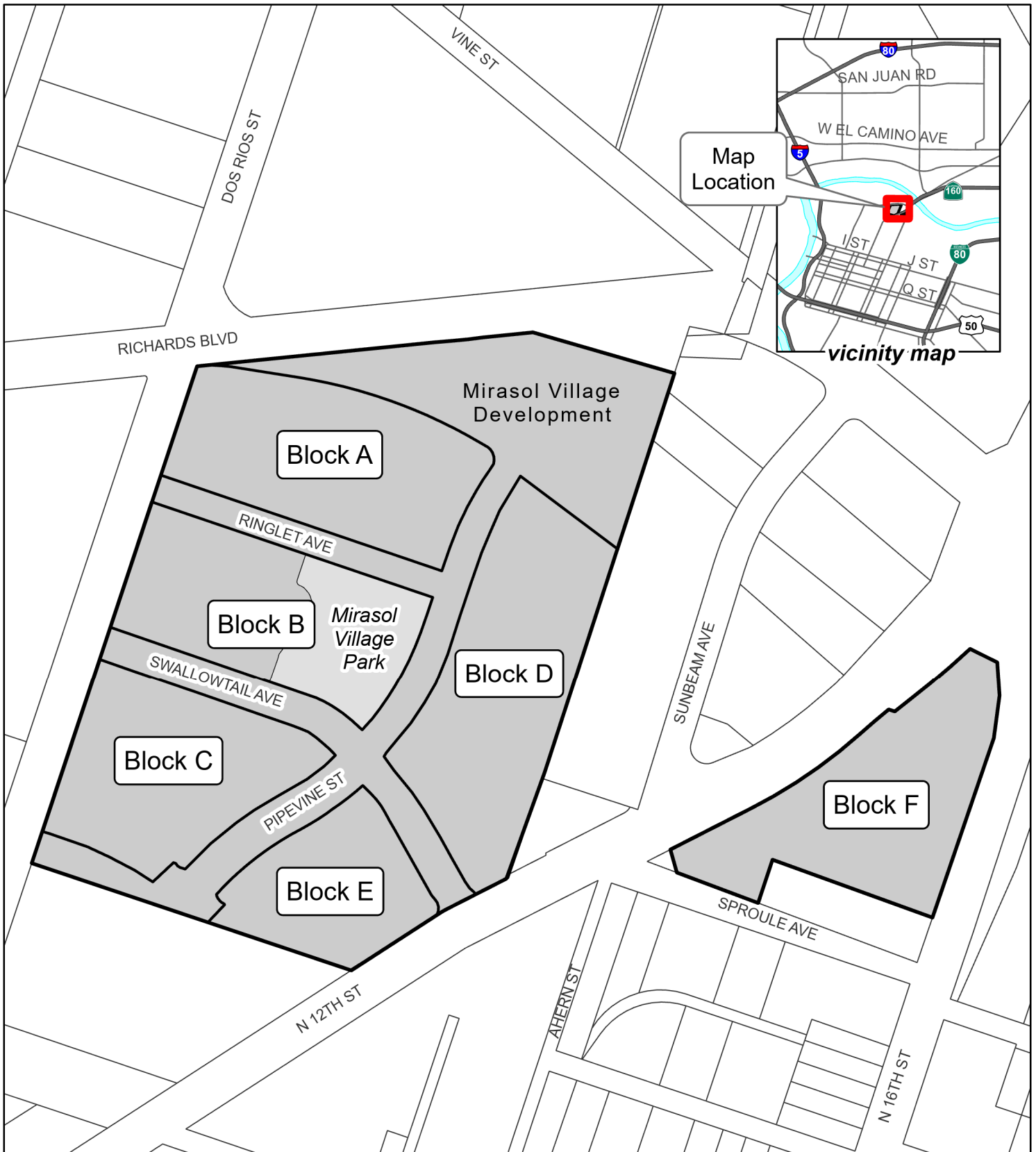


LA SHELLE DOZIER
Executive Director

Attachments

- 1- Description/Analysis
- 2- Vicinity Map
- 3- Project Renderings
- 4- Project Summary
- 5- Cash Flow
- 6- Maximum Income and Rent Limits
- 7- City Council Resolution
- 8 - Loan Commitment

Mirasol Village (Twin Rivers)



 Mirasol Village Development



SHRA GIS
January 3, 2022

Mirasol Village Block D
Project Renderings



Mirasol Village Block D
Residential Project Summary

Address	475 Pipevine Street Sacramento, CA 95811					
Number of Units	116					
Construction Type	New Construction					
Acreage	3.25 acres (141,570 sq. ft.)					
Affordability	47 units at or below 30% of AMI (PBV Public Housing Replacement) 43 LIHTC units at or below 60% of AMI 25 units at or below 80% of AMI					
Unit Mix and Rents¹		30% AMI (PBV)	60% AMI	80% AMI	Exempt Manager	Total
	1 Bedroom / 1 Bath	8	7	13		28
	2 Bedroom / 1 Bath	23	8	12	1	44
	3 Bedroom / 2 Bath	12	20			32
	4 Bedroom / 2 Bath	4	8			12
	TOTAL	47	43	25	1	116
Square Footage		<i>Per Unit</i>	<i>Total</i>			
	1 Bedroom / 1 Bath	619	17,332	sq. ft.		
	2 Bedroom / 1 Bath	838	36,872	sq. ft.		
	3 Bedroom / 2 Bath	1,248	39,936	sq. ft.		
	4 Bedroom / 2 Bath	1,385	16,620	sq. ft.		
	Common Areas		1,800	sq. ft.		
	TOTAL		112,560	sq. ft.		
Resident Facilities	Residents will have access the facilities on neighborhooding lots which include a community park, management offices, resident community space, a fitness center, swimming pool and BBQ area.					
Permanent Sources		<i>Current Total</i>	<i>Per Unit</i>	<i>Per Sq Ft</i>		
	Tax Credit Equity	\$ 28,444,890	\$ 245,215	\$ 252.71		
	Permanent Loan	\$ 11,516,945	\$ 99,284	\$ 102.32		
	CalHFA MIP	\$ 5,000,000	\$ 43,103	\$ 44.42		
	County ARPA Funds	\$ 5,000,000	\$ 43,103	\$ 44.42		
	SHRA Loan	\$ 7,000,000	\$ 60,345	\$ 62.19		
	HACS Loan	\$ 3,000,000	\$ 25,862	\$ 26.65		
	HACOS CNI Loan	\$ 1,372,791	\$ 11,834	\$ 12.20		
	HACOS Ground Lease Loan ²	\$ 468,000	\$ 4,034	\$ 4.16		
	Deferred Developer Fee	\$ 2,245,974	\$ 19,362	\$ 19.95		
	TOTAL SOURCES	\$ 64,048,600	\$ 552,143	\$ 569.02		
Permanent Uses						
	Ground Lease ²	\$ 520,000	\$ 4,483	\$ 4.62		
	Construction	\$ 45,701,526	\$ 393,979	\$ 406.02		
	Permits	\$ 1,529,488	\$ 13,185	\$ 13.59		
	Architecture and Engineering	\$ 2,177,943	\$ 18,775	\$ 19.35		
	Soft Cost Contingency	\$ 511,611	\$ 4,410	\$ 4.55		
	Hard Cost Contingency	\$ 2,266,799	\$ 19,541	\$ 20.14		
	First Mortgage Interest	\$ 1,672,225	\$ 14,416	\$ 14.86		
	Legal	\$ 735,000	\$ 6,336	\$ 6.53		
	Financing Costs	\$ 1,247,574	\$ 10,755	\$ 11.08		
	Operating Reserve	\$ 979,667	\$ 8,445	\$ 8.70		
	Transition Reserve	\$ 336,776	\$ 2,903	\$ 2.99		
	Developer Fee	\$ 4,800,993	\$ 41,388	\$ 42.65		
	Insurance, Third Party, Marketing, Other	\$ 1,568,998	\$ 13,526	\$ 13.94		
	TOTAL USES	\$ 64,048,600	\$ 552,143	\$ 569.02		
Management / Operations						
	Proposed Developer:	McCormack Baron Salazar				
	Property Management Company:	The John Stewart Company				
	Operations Budget:	\$ 725,189	\$ 6,252	\$ 6.44		
	Property Management	\$ 98,614	\$ 850	\$ 0.88		
	Resident Services:	\$ 53,561	\$ 462	\$ 0.48		
	Security:	\$ 74,558	\$ 643	\$ 0.66		
	Taxes:	\$ 89,696	\$ 773	\$ 0.80		
	Replacement Reserves:	\$ 58,000	\$ 500	\$ 0.52		
	TOTAL	\$ 1,099,618	\$ 9,479	\$ 9.77		

¹Pursuant to 24CFR 983.301, contract rents approved by HUD may exceed the tax-credit rent limits; and the AMI change is due to income averaging regulation by CDLAC. The tenant rent will not exceed 30% of the household adjusted gross income with PBV.

²The Ground Lease Appraised Value is \$520,000; 10% will be paid to HACOS at close of escrow and the remaining loan balance will be \$468,000.

**Mirasol Village Block D (Twin Rivers Phase 4)
MAXIMUM INCOME AND RENT LIMITS 2022**

Rents at 30%, 60% and 80% of Area Median Income (AMI)

Low Income Housing Tax Credits, Multifamily Housing Program, Choice Neighborhoods Initiative, HOME, HTF, MIHF, HOPWA, Housing Authority Successor Agency Funds

Maximum Gross Income Limits

Family Size	30% AMI		60% AMI		80% AMI	
1 person	\$	21,300	\$	42,600	\$	56,750
2 person	\$	24,330	\$	48,660	\$	64,850
3 person	\$	27,360	\$	54,720	\$	72,950
4 person	\$	30,390	\$	60,780	\$	81,050
5 person	\$	32,850	\$	65,700	\$	87,550
6 person	\$	35,280	\$	70,560	\$	94,050
7 person	\$	37,710	\$	75,420	\$	100,550
8 person	\$	40,140	\$	80,280	\$	107,000
9 person	\$	42,550	\$	85,092	\$	113,500

Maximum Gross Rent Limits¹

Unit Size	30% AMI		60% AMI		80% AMI	
1 Bedroom	\$	570	\$	1,140	\$	1,520
2 Bedroom	\$	685	\$	1,368	\$	1,823
3 Bedroom	\$	790	\$	1,581	\$	2,107
4 Bedroom	\$	929	\$	1,764	\$	2,351

¹Pursuant to 24CFR 983.301, contract rents approved by HUD may exceed the tax-credit rent limits. The tenant rent will not exceed 30% of the household adjusted gross income with PBV.

RESOLUTION NO. 2022 -

Adopted by the Sacramento City Council

on date of

MIRASOL VILLAGE BLOCK D (PROJECT): AUTHORIZATION TO AMEND THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) BUDGET TO DEFUND \$3.3 MILLION IN PERMANENT LOCAL HOUSING ALLOCATION (PLHA) FUNDS AND TO ALLOCATE \$3.3 MILLION IN HOME INVESTMENT PARTNERSHIP FUNDS TO THE PROJECT; APPROVAL TO EXECUTE AN AMENDED LOAN COMMITMENT, FUNDING AGREEMENT AND RELATED DOCUMENTS WITH TWIN RIVERS PHASE 4 L.P. (MCCORMACK BARON SALAZAR) OR RELATED ENTITY; AND ENVIRONMENTAL FINDINGS

BACKGROUND

- A. In 2015, the Housing Authority of the County of Sacramento (HACOS) and the City of Sacramento (City) were, as co-grantees, awarded a \$30 million Choice Neighborhoods Implementation Grant from the US Department of Housing and Urban Development (HUD) for the Twin Rivers Transit Oriented Development and Light Rail Station project (Master Development).
- B. On December 12, 2017, HACOS and City Council members approved the Master Development Agreement, which includes the Option to Lease (ground lease loans). SHRA is managing the Master Development and McCormack Baron Salazar is the master developer and Housing Lead (Developer). The Master Development is now known as Mirasol Village. The total project area includes six residential blocks and encompasses approximately 26 acres.
- C. On March 16, 2021, City Council approved SHRA and the Developer to apply to the State of California Strategic Growth Council and Department of Housing and Community Development in funding Round 6 for an Affordable Housing and Sustainable Communities grant for up to \$30 million, including up to \$20 million for the affordable housing development and \$10 million for the housing related infrastructure of the Project. Unfortunately, in January 2022, the Project was not awarded.
- D. On December 7, 2021, HACOS and City Council approved the predevelopment loan agreement and construction/permanent loan commitment of up to \$2 million in CNI funds for the financing of Mirasol Village Block D (Phase 4).
- E. The Developer of the Project applied to SHRA requesting a not to exceed \$38 million bond issuance from the Housing Authority and a \$15 million gap loan from the City and County for the construction and permanent financing of the Project.
- F. In a separate Housing Authority resolution, staff is recommending approval of up to \$3 million in Housing Authority Funds for the purpose of construction and permanent financing of the Project.

- G. On November 2, 2021, the Board of Supervisors (Board) adopted the American Rescue Plan Act (ARPA) Phase One Funding Allocation with Housing as a priority, and SHRA staff is recommending an appropriation of \$5 million of ARPA funds for the construction and permanent financing of this Project. On March 8, 2022, the Board will approve a \$5 million loan commitment comprised of ARPA funds for the construction and permanent financing of the Project to fill the \$15 million gap loan required.
- H. On March 8, 2022, the City Council approved funding for the Project which included a Permanent Local Housing Allocation of \$3.3 million, a Mixed-Income Housing Fund (MIHF) loan of \$1.4 million and a City Housing Trust Fund (HTF) Loan of \$1.4 million, Housing Opportunities for People with Aids (HOPWA) loan of 900,000.
- I. On March 16, 2022, the Housing Authority and Developer applied to California Debt Limit Allocation Committee (CDLAC) for tax-exempt bonds and to California Tax Credit Allocation Committee (CTCAC) for four percent Low-Income Housing Tax Credits (LIHTC) and received allocations from both Committees. The bonds are required to be issued in December of 2022 and construction is projected to be completed by the fall of 2024.
- J. The PLHA funding source has more strict underwriting requirements than the HOME project.
- K. The recommended actions are consistent with a) SHRA's approved Multifamily Lending and Mortgage Revenue Bond Policies, adopted on December 3, 2019 b) the 2021-2029 Housing Element, which encourages the provision of a variety of quality housing types to encourage neighborhood stability, including options for extremely low-income households (Resolution No. 2021-0259); 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); d) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by year 2025 (Resolution No. 2015-282); e) the 2007 Asset Repositioning Strategy of the City and County Housing Authorities; f) the 2013-2024 Consolidated Plan (Resolution No. 2019-0408), 2020 Action Plan (Resolution No. 2019-0408), and 2021 Action Plan (Resolution No. 2020-0350); and g) the River District Specific Plan adopted February 15, 2011.
- L. A combined Initial Study/Environmental Assessment (IS/EA) was prepared for the Mirasol Village (formerly Twin Rivers) Transit Oriented Development and Light Rail Station Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations (CCR) §15070, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations (CFR) §58.36. The Mitigated Negative Declaration (MND) and associated Mitigation Monitoring and Reporting Program (MMRP) were adopted and a Notice of Determination (NOD) was issued pursuant to CEQA and a Finding of No Significant Impact (FONSI) was prepared pursuant to NEPA. The addition of new federal funds to a previously approved project is considered supplemental assistance and is Categorically Excluded Not Subject to §58.5 pursuant NEPA

regulations at to 24 CFR 58.35(b)(7), and is not a project under CEQA. The requested action requires no further environmental review.

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated above, are found to be true and accurate and are hereby approved adopted.
- Section 2. SHRA is authorized to amend its budget to defund \$3.3 million of Permanent Local Housing Allocation (PLHA funds from the Project) and replace it with an allocation of \$3.3 million in Home Investment Partnership Funds to the Project for the purpose of construction and permanent financing of the Project.
- Section 3. The Amended Conditional Loan Commitment attached hereto as Exhibit A for the purpose of construction and permanent financing for the Project reflecting the removal of PLHA fund and the addition of HOME funds (Amended Commitment) is approved, and SHRA is authorized to execute and transmit the Amended Commitment to Twin Rivers Phase 4, L.P. (McCormack Baron Salazar) or related entity (Developer) for the Project.
- Section 4. SHRA is authorized to negotiate, enter into, execute and amend from time to time funding agreements and related documents for the construction and permanent financing of the Project with the Developer and execute other documents, as approved to form by its Office of the General Counsel (Counsel), and perform other actions required for the HOME program funds HOPWA funds, HTF funds, MIHF funds, including without limitation, negotiation, subordination, regulatory agreements, financial restructuring, and extensions, consistent with its adopted policy and with this resolution.
- Section 5. SHRA finds that an economically feasible alternative method of financing on substantially comparable terms and conditions, without subordination, is not available. Therefore, SHRA is authorized to subordinate the HOME, HOPWA, HTF, and MIHF loans to senior loans.
- Section 6. This resolution shall take effect immediately upon its adoption.

Table of Contents:

Exhibit A: Conditional Loan Commitment



November 2, 2022

Dan Falcon, Managing Director
720 Olive Street, Suite 2500
St. Louis, Missouri 63101

Re: Amended Conditional Funding Commitment for Mirasol Village Block D (Phase 4)

Dear Mr. Falcon:

On behalf of the Sacramento Housing and Redevelopment Agency (SHRA), Housing Authority of the City of Sacramento (HACS) and Housing Authority of the County of Sacramento (HACOS), collectively "Agency," we are pleased to advise you of its amended commitment of acquisition, construction and permanent funding (Funds) in an amount not to exceed \$16,840,791 in program funds described in the chart below for the purpose of financing the development of that certain real property known as Mirasol Village Block D (Phase 4) (Project) located 1381 Swallowtail Ave, Sacramento, California (Property) (Commitment).

PROGRAMS FUNDS	NOT TO EXCEED AMOUNTS
SHRA County American Rescue Plan Act (ARPA) Funds	\$ 5,000,000
SHRA City Permanent Local Housing Allocation (HOME) Loan	\$ 3,300,000
HACS Housing Authority Funds (HAF) Loan	\$ 3,000,000
HACOS Choice Neighborhoods Implementation (CNI) Loan	\$ 1,372,791
SHRA Mixed Income Housing Funds (MIHF) Loan	\$ 1,400,000
SHRA City Housing Trust Funds (HTF) Loan	\$ 1,400,000
SHRA Housing Opportunities for Persons With AIDS (HOPWA) Loan	\$ 900,000
HACOS Ground Lease Loan (90% of the current appraised value of the land)	\$ 468,000
TOTAL FUNDS	\$ 16,840,791

The Agency's decision is based on representations and information supplied by McCormack Baron Salazar, Inc. in its capacity as Housing Lead and Master Developer. If these representations and information change in a material manner without written approval of the Agency, this Amended Commitment is void. Agency's obligation to make the Amended Commitment 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. This Amended Commitment supersedes previous funding commitments associated with CNI and ground lease loans.

The Funds shall be made on standard Agency loan and/or grant documents. Funding terms not included in this funding commitment shall be included in the final loan and/or grant documents without additional environmental review and governing board approval. In the event of any discrepancies between terms stated in this Amended Commitment and the loan and/or grant documents, the terms stated herein 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 Amended Commitment will expire **September 30, 2023** or extended upon mutual agreement.

1. PROJECT DESCRIPTION: Twin Rivers (Mirasol Village) Phase 4 is a new construction, mixed-income housing development. The Project is the third phase of development for the multi-phased, Twin Rivers public housing redevelopment project. The Project will consist of a total of five residential buildings that will include a minimum of 116 rental housing units. The housing units will be 1-4 bedrooms in size and include a minimum of 47 replacement housing units in accordance with the HUD-approved replacement housing plan for the Project. The Project will also contain several outdoor amenities including tot lots, barbeque areas, and bike or car share.
2. BORROWER AND/OR GRANTEE: The name of the Borrower and/or Grantee for the Loan and/or Grant is Twin Rivers Phase 4, L.P., a California limited partnership with McCormack Baron Salazar, Inc., or related entity as the lead development partner.
3. PURPOSE OF LOAN AND/OR GRANT: The Loan and/or Grant is to be used by Borrower and/or Grantee solely to pay the costs of acquisition, construction and permanent financing/funding of the Project and for such other purposes as Agency expressly agrees to in the loan and/or grant agreement for the Funds, as well as in such other agreements as may be generally required by the Agency for the use of the Funds.
4. PRINCIPAL AMOUNT: The principal amount of the Funds will be a maximum of Sixteen Million Eight Hundred Forty Thousand Seven Hundred Ninety-One Dollars and No Cents (\$16,840,791.00) or such lesser amount as may be needed and as determined by Borrower and approved by Agency prior to close of the Funds.
5. TERM OF FUNDS: The loans shall mature up to 57 years or 684 months from the date of closing construction financing, at which point any and all unpaid principal and interest on the loan will be due and payable. Final maturity date will be determined by impact of terms and conditions of other sources of financing approved for the Project. The grant must be expended by December 31, 2026, at which point any and all unpaid grant funds will be due and payable to the Agency.
6. INTEREST RATE: The loans will bear simple interest at three percent (3%) per annum. Interest shall be calculated on a 365-day year, actual days elapsed basis. With the exception of the Ground Lease Loan, which will be the Applicable Federal Rate. The grant funds do not have an interest rate.
7. ANNUAL REPAYMENT: 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. All outstanding principal and interest is due and payable on the maturity date. Notwithstanding the preceding payment schedule, no payments shall be required on the loans until the full balance of principal and interest on the proposed capitalized ground lease made by the Housing Authority of the County of Sacramento to Borrower pursuant to the Master Development Agreement is paid in full.

“Residual Receipts” is defined as follows: Annual installments (as described in Section [d] of this paragraph) are 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)** Priority Distributions, which means \$20,000 Administrative General Partner management fee, \$7,500 Managing General partner management fee, and \$5,000 Limited Partner asset management fee, all 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; (e) after Sections (a) through (d) of this paragraph are paid, the proportional share of California Housing Finance Authority's (CalHFA) public assistance towards loan repayment to CalHFA; and (f) after Sections (a) through (e) of this paragraph are paid, the proportional share of the Agency's public assistance towards repayment on the Agency's loans.

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 FUNDS:

Agency is making the loan and/or grant from the ARPA, PLHA, HAF, CNI, HTF and HOPWA funding programs and ground lease, and is subject to all of the requirements related to the use of these program funds, whether Agency requirements or otherwise. This Amended Commitment is conditioned upon Borrower's acceptance of Agency requirements and conditions related to its lending and/or granting programs and funding sources, including among others the required forms of agreements for the Funds; 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 Funds, the Property will be subject to restrictions on future sales and rentals which may result in less income to Borrower than could otherwise be realized, and that such restrictions run with the land, and during their operational term, will bind all successors in interest.

_____ (Borrower Initial)

9. ACCELERATION: Agency shall have the right to accelerate repayment of the loans 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. This section does not apply to grants.



10. SECURITY: The loans 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 additional liens senior to the Agency's lien securing loans needed for the Project and such other liens or items as the Agency may approve in writing prior to close. The loans shall also be secured by security agreements where required. The grant shall be 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 additional liens senior to the Agency's lien securing loans needed for the Project and such other liens or items as the Agency may approve in writing prior to close. The Agency may agree to subordinate said deed of trust in order to accommodate completion of construction of the Project.

11. LEASE AND RENTAL SCHEDULE: All leases of the Property and Improvements shall be subject to Agency review and approval prior to execution. Borrower shall not deviate from the rental schedule presented in Borrower's application for the Funds 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.

12. PROOF OF EQUITY: Borrower shall provide proof of equity for the Property and Improvements in the amount of no less than stated in Borrower's request for the Funds. Proof of equity will generally be in the form of verified low income housing tax credit equity and deferred developer fee. If the final equity contribution is less than that as anticipated, the difference in equity must be offset by an increase in the deferred developer fee.

13. OTHER FINANCING: Borrower, as a requirement of the Funds, 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 Agency loan and/or grant, construction financing from private lender(s) in an amount(s) sufficient to complete construction of the Project according to a Scope of Work as approved by Agency (Construction Financing). The term of Construction Financing must not be 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) Amended Commitments for permanent financing sufficient to "take out" all Construction Financing liens senior to the Agency's lien.
 - (c) Such commitments for construction and permanent financing shall not require modification of Agency loan and/or grant 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 Agency documents or other agreements.

14. EVIDENCE OF FUNDS: Prior to the first disbursement of the Funds, 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 will submit to the Agency a hazardous substances report made in accordance with the American Society for Testing and Materials "Standard Practice for Environmental Site Assessments; Phase I Environmental Site Assessment Process" (Designation E1527-13) prepared by a licensed or registered environmental engineer or other qualified party prior to close of escrow. Borrower must, as a condition of disbursement of the 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. FUNDS IN BALANCE: Borrower will be required to maintain the Funds "in balance" at all times. The Funds is "in balance" whenever the amount of the undisbursed Funds, the remaining sums to be provided by the Borrower and the 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 Funds are not "in balance" the Agency may declare the Funds to be in default.
17. PLANS AND SPECIFICATION: Final plans and specifications, if any, for the project must be in accord with the approved proposal. Final plans and specifications will be subject to Agency's final approval prior to the disbursal of Agency 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 as required in the Mitigation Monitoring and Reporting Program of Twin Rivers (Mirasol Village) Transit Oriented Development and Light Rail Station Project as may applicable to Twin Rivers (Mirasol Village) Phase 4, 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 Funds.
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 Funds. 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 each construction disbursement as retention, not to exceed a total of ten percent (10.0%) of the total amount of the loan. The grant will not have a retention.
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 Project, which breakdown conforms to the project plans and specification and the approved budget for the Project. 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 escrow. 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 Funds 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 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 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 fifty percent (50%) of such savings from the amount of retention then held by the Agency and the Funds 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 Funds 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 CAMERAS AND OUTSIDE LIGHTING: Project shall include installation of a security camera system, exterior lighting, and security patrols, all as approved by the Agency.
26. INSURANCE PROVIDER: Each policy of insurance required under the Funds 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 Funds as may be required by Agency, governmental regulations, or any permanent lender. All such policies shall contain a standard mortgagee loss payable clause in favor of Agency. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000.00).



28. PUBLIC LIABILITY AND OTHER INSURANCE: Borrower must procure and maintain public liability and property damage insurance (with Agency named as additional insured) in a form approved by Agency. Coverage must be approved by Agency and must be in at least the following limits of liability: (1) Commercial General Liability insurance in Insurance Services Office (ISO) policy form CG 00 01 Commercial General Liability (Occurrence) or better with limits of liability, which are not less than \$1,000,000, per occurrence limit; \$5,000,000 general aggregate limit, and \$5,000,000 products and completed operations aggregate limit, all per location of the Project; (2) Property damage liability of \$1,000,000 each occurrence, \$1,000,000 single limit and \$1,000,000 aggregate; (3) Contractual liability for Bodily Injury of \$1,000,000 each occurrence, for Property Damage of \$1,000,000 each occurrence and \$1,000,000 aggregate, and Personal Injury with Employment Exclusion Deleted of \$1,000,000 aggregate; and (4) Comprehensive Automobile Liability for any vehicle used for or in connection with the Work of \$1,000,000. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000). Borrower must also procure and maintain workers' compensation and all other insurance required under applicable law, as required by law and as approved by Agency.
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 CLTA endorsement nos. 100, 116, and 102.5/102.7 insuring Agency in an amount equal to the principal amount of the Funds, 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 mechanic's liens. Title insurance for the Funds 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 these Funds. If Borrower is other than a corporation, Borrower must submit such proof of authority to enter the Agency loan and/or grant documents as may be required under the organizational documents.
31. PURCHASE OR LEASE OF PROPERTY: Borrower shall provide Agency with copies of all documents relating to Borrower's ownership interest in the Property.
32. FINANCIAL INFORMATION: During the term of the Funds, 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 Funds 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 Funds, Borrower must deliver to Agency a monthly rent-roll including household composition information and operating statements with respect to the Property management, 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. RESIDENT SERVICES AGREEMENT: Prior to execution, Borrower must submit to Agency an agreement providing for the resident services by a third party which agreement is subject to Agency Approval. The agreement must include on-site resident services according to the following minimum schedule of twenty (20) hours per week:
- a. Coordinator: Six (6) hours per week (maximum)
 - b. After School Programming: Eight (8) hours per week (two hours per day and four days per week, minimum)
 - c. Additional Programming: Balance of minimum six (6) hours per week shall include, but are not limited to:
 - i. Workforce development support and activities.
 - ii. Education classes such as nutrition, exercise, health resources, health insurance application assistance, Annual onsite health fair and ESL classes.
 - iii. Socialization activities such as bingo, gardening and community building events.
 - iv. Other services such as transportation assistance, counseling assistance and employee readiness and job search assistance.
35. LOW INCOME HOUSING TAX CREDITS (LIHTC): Borrower represents that as a condition of closing on the Funds, it is applying for an allocation of LIHTC's and agrees to perform all actions and meet all requirements to maintain the LIHTC allocation if granted.
36. 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.
37. DOCUMENTATION: This letter is not intended to describe all of the requirements, terms, conditions and documents for the Funds, 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.
38. CONSISTENCY OF DOCUMENTS: As a material obligation under this commitment letter, Borrower shall assure that the loan and/or grant documents for the Project are consistent with lender's commitment approved by the Agency and comply with same.
39. 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.
40. ACCEPTANCE OF THIS AMENDED 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.

BORROWER:

Twin Rivers Phase 4 L.P., a California limited partnership

By: Twin Rivers Phase 4 MBS GP, Inc., a California corporation

By: _____
Hillary B. Zimmerman, Vice President

Attachment:

Exhibit 1 - Scope of Development and Rental Property Minimum Construction Standards



Exhibit 1: Mirasol Village Block D – Scope of Development

Project Summary: Mirasol Village Block D is composed of four three-story garden-style walk-ups, and one four-story building serviced by elevators. There is a total of 5 buildings in the phase and 58 on-grade parking spaces.

Mirasol Village Block D is the fourth phase of a master plan, mixed-income housing development located at 475 Pipevine Street. The proposed development will replace the existing public housing development in this area, and the final project development will include 427 apartment units, with 116 units in this phase. All off-site infrastructure and the adjacent right-of-way improvements will be constructed under a separate contract. The project will be designed to secure a Green Point Rated Certification. The development will be a vibrant new addition to the neighborhood and help encourage future improvements and development.

Additional master plan site amenities include property management offices for the entire community, resident community space / community room, a fitness center for residents, a business center with Wi-Fi, computers and printers, a swimming pool and a barbeque area. All buildings are slab on grade wood frame construction with entrances and windows overlooking streets. Putting eyes on the street are part of a safe design strategy. Parking spaces are located behind buildings and there is additional open space for resident amenities, including playgrounds and the feeling of private green space. The buildings will be built to the latest TCAC Sustainable Building Methods standards.

A.Site:

1. New construction of 5 new buildings: 4 three-story garden-style apartments and 1 four-story apartment building. All the buildings will be Type V wood construction, with some concrete and/or steel at the ground-level of the four-story buildings.
2. All adjacent streets will be in place prior to completion of Block D and are under a separate contract.
3. There will be an accessible path of travel into each building, the parking area, and all common area amenity spaces.
4. The parking lot shall be constructed by a combination of pervious concrete paving at the parking spaces and asphalt paving at the drive aisles. The parking lot shall be striped completely, identifying all parking spaces, ADA spaces, pedestrian pathways, and other potential hazards. Bicycle parking will be available.
5. Site amenities will include a school-age appropriate playground and landscaped area with picnic tables and benches.
6. The site will have pervious pavement and on-site drainage retention to accommodate all site drainage requirements in addition to all of the adjacent ROW.
7. New vehicular driveways access to the surface parking lots will be constructed as part of the infrastructure contract.
8. New landscaping throughout the project, including both along the new and existing streets and internally within the block. The landscaping and street design will serve to create a walkable neighborhood that encourages physical activity. Drought tolerant trees will be included and a smart controller with a drop system will be used for irrigation.
9. The entire site will have a decorative 6ft tall, wrought iron picket fence off-set well beyond the property line, towards the back of the buildings. The goal is to secure the site



without the feel of being fenced in.

10. The fence will have several pedestrian and vehicular access points throughout the site with access control. Only residents will have access to parking within the site, all visitors will park on the street.
11. Each building will have controlled access as will each of the common area amenity spaces.
12. Web-based CCTV will be provided with cameras covering primary ingress/egress points to the site; principal parking areas; and indoor/outdoor common areas. Site lighting shall be provided at all parking and outside public spaces and shall be of LED or similarly energy efficient type.
13. A minimum of one trash enclosure will be provided at each Block D. Trash enclosures will be constructed out of concrete block and metal gates with a concrete apron in front. They will include separate recycling and trash receptacles within the same enclosure. The trash enclosure will be completely accessible.
14. There will also be some shading elements on the residential buildings and outdoor amenity areas.
15. There will be mailboxes located on Block D for its respective residents.

B. Building Exteriors:

The exterior building materials will be a combination of stucco and fiber cement siding.

C. Parking:

Block D will include a surface parking lot at the interior of the parcel, with approximately 58 spaces. Each lot will have required accessible parking as well as the infrastructure for electrical vehicle charging and outdoor bicycle parking.

D. Tenant Units:

BDRM Size	Type	Number of Units
One	Elevator	16
One	Walkup	12
Two	Elevator	44
Three	Elevator	24
Three	Walkup	8
Four	Walkup	12
TOTAL		116

1. **Appliances:** All units will be equipped with a washer/dryer. All kitchens shall have refrigerator/freezer, dishwashers, stove/oven, and micro-hoods in non-accessible units and microwave shelves built into lower cabinets in ADA units. All appliances will be Energy Star, where applicable. Each unit will have garbage disposals.
2. **Electrical:** All units will have smoke/carbon monoxide detectors installed per current



code.

3. **Doors:** All exterior doors shall have deadbolt locks, keyed latch assemblies and viewers. The tenant units' entry doors shall have single action hardware to release deadbolt and latch assembly.
4. **Windows:** New dual-paned (at a minimum) window with screens will be installed throughout. Window coverings will be provided on all windows.
5. **Flooring:** All units will have Luxury Vinyl Plank (LVP) throughout with a minimum wear layer of 12 mils. Bathrooms will be sheet vinyl. All common areas will be LVP.
6. **Cabinets, Counters:** All kitchen and bathroom cabinets will have plywood boxes with solid face frames, doors, and drawer faces. All kitchens and bathrooms will have solid surface countertops.
7. **Lighting:** Units will have new LED lighting throughout.
8. **Finishes:** All unit interiors will have level 4 drywall finish.
9. **Plumbing Fixtures:** Bathrooms shall have low-flow, water-efficient fixtures.
10. **Bathrooms:** Bathrooms shall be fully equipped with accessories including towel bars, toilet paper dispensers and mirrors. All countertops shall be solid surface. Tub surrounds will be of fiberglass.
11. **Hallways:** The hallways on the upper floors of the 4-story building and garden-style buildings will be Luxury Vinyl Tile (LVT).
12. **Accessible Units:** There will be the TCAC-required number of fully accessible units and audio/visual accessible units.

E. Community Areas:

1. **On-site Management:** On-site Property Management will be located on Block A.
2. **Community/Management Spaces:** There will be approximately 1,800SF of common area space for residents to enjoy. Additional community space, including club house, multipurpose rooms, gym and swimming pool, will be located on Block A.
3. **Resident Services:** Resident Services will be located on Block A.
4. **Elevators and Stairs:** The four-story buildings will have an elevator and enclosed stairways. Each of the three-story walk-up buildings will have an internal stair serving all three floors. Stairways will include closed risers and non-slip concrete finish or other slip-resistant material on the treads.

Attachment 1: Rental Property Minimum Construction Standards are 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.

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. Exceptions to these standards may be made for properties subject to U.S. Department of Housing and Urban Development replacement reserve requirements that allow for renovation over time rather than at recapitalization (e.g., Rental Assistance Demonstration conversions for conventional public housing).

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 FannieMae'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 FannieMae 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. Any windows showing signs of condensation or leakage of any kind shall be replaced. SHRA allows window replacement using retrofit windows when those windows are installed by trained professionals following manufacturer’s specifications. Retrofit windows must have a similar useful life as “new, construction” (i.e., nail fin) windows.
- 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.
- B. 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.
- C. 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, at a minimum, be consistent with CTCAC requirements of one washer and dryer for every ten dwelling units for family housing and one for every 15 units for senior and special needs projects. 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.
- C. Broadband infrastructure meeting the requirements of 24 CFR 5.100* is required in all new construction projects of 4 or more units.

**Broadband infrastructure means cables, fiber optics, wiring, or other permanent (integral to the structure) infrastructure, including wireless infrastructure, that is capable of providing access to Internet connections in individual housing units, and that meets the definition of “advanced telecommunications capability” determined by the Federal Communications Commission under section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302).*

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.





November 2, 2022

Sacramento Housing and Redevelopment Commission
Sacramento, California

SUBJECT Update on AB 2449: New Brown Act Temporary Revisions

Honorable Members in Session:

SUMMARY

Key Points

- AB 2449 provides complex and restrictive alternative teleconference procedures:
 - At least a quorum of the members of the legislative body must participate in person from a singular physical location identified on the agenda, which location will be open to the public and within the boundaries of the local agency;
 - A member may only teleconference for publicly disclosed "just cause" or in "emergency circumstances" approved by the legislative body; and
 - A member may only teleconference for a limited number of meetings.
- The new provisions are in addition to those allowed by AB 361 (so long as there is a state of emergency) and those allowed by traditional teleconferencing rules.
- The new provisions are likely so onerous that they may not be a practical alternative for most local agency officials or for agencies that would like to meet virtually as a matter of practice.

On September 13, 2022, California Governor Gavin Newsom signed into law Assembly Bill (AB) 2449 (Rubio), marking the latest development of the Brown Act in a post-pandemic world. The new amendments to the Brown Act go into effect on January 1, 2023. AB 2449 provides complex alternative teleconference procedures to allow members of a legislative body to participate remotely, the application of which turns on individual facts and circumstances. Notably, the bill sets rules for a Board member's remote participation, but agencies may continue to hold zoom meetings at which the public participates remotely.

AB 2449 allows the legislative body of a local agency to use teleconferencing without complying with the traditional Brown Act teleconferencing rules or the modified AB 361 rules in certain circumstances. To do so, however, at least a quorum of the members of the legislative body must participate in person from a singular physical location identified on the agenda, which location will be open to the public and within the boundaries of the local agency. The legislative body must also provide either a two-way audiovisual platform or two-way telephonic service and a live webcasting of the meeting to allow the public to remotely hear and visually observe the meeting, and remotely address the legislative body. The agenda must identify and include an opportunity for all persons to attend via a

call-in option, internet-based service option, and at the in-person location of the meeting.

In addition to the above prerequisites, AB 2449 also contains a number of provisions that may make the ability to participate remotely difficult for many public officials. The new provisions only allow a member of the legislative body to participate remotely if one of the following are met:

1. the member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for "just cause" (as defined by AB 2449), including a general description of the circumstances relating to their need to appear remotely at the given meeting; or
2. the member requests the legislative body to allow them to participate in the meeting remotely due to "emergency circumstances" and the legislative body takes action to approve the request. The legislative body must request a general description (generally not exceeding 20 words) of the circumstances relating to their need to appear remotely at the given meeting.

The bill defines "just cause" and "emergency circumstances" for the purposes of teleconferencing. "Just cause" is limited to one or more of the following:

- (i) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely;
 - (ii) a contagious illness that prevents a member from attending in person;
 - (iii) a need related to a physical or mental disability as defined by statute; or
 - (iv) travel while on official business of the legislative body or another state or local agency.
- "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

In practice, the similarities between "just cause" and "emergency circumstances" make it difficult to determine when each category should be used and which facts lead to one or the other. These practical implications are further obscured by AB 2449's limitations on how frequently a member can teleconference under the statute.

AB 2449's teleconference procedures may not be used by a member of the legislative body to teleconference for a period of more than three consecutive months or 20% of the regular meetings within a calendar year, or more than two meetings if the legislative body meets fewer than 10 times per calendar year. Members participating remotely must do so through both audio and visual technology and must publicly disclose whether any individual over the age of 18 is present at the remote location with the member.

AB 2449 also adds new requirements for legislative bodies. Legislative bodies must implement procedures for receiving and swiftly resolving requests for reasonable accommodations for individuals with disabilities, consistent with applicable civil rights and nondiscrimination laws. Further, no action can be taken if a disruption event prevents the legislative body from broadcasting the meeting. Lastly, a legislative body may take action on items of business not appearing on the posted agenda if the request to consider action was for a member to participate in a meeting remotely due to emergency circumstances and the request does not allow sufficient time to place the proposed action on the

posted agenda for the meeting for which the request is made. The legislative body may approve such a request by a majority vote.

AB 2449 does not amend the Brown Act's emergency teleconference procedures under AB 361. Rather, it offers an alternative teleconferencing option that allows a legislative body to use teleconferencing procedures without complying with the traditional teleconference agenda requirements in certain circumstances. However, the complexity of AB 2449's teleconference scheme will make it difficult to administer.

The remote meeting rules enacted in AB 361 will expire on January 1, 2024. AB 2449's rules remain in effect through 2025. After January 1, 2026, unless further legislation is adopted, only the pre-pandemic, traditional Brown Act rules will remain in effect.

Respectfully Submitted,


LA SHELLE DOZIER
Executive Director

Attachments

None