

RESOLUTION NO. 2021 - XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, CALIFORNIA APPROVING AN ADDITIONAL PROJECT LOAN FOR OFF-SITE SEWER WORK AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE, FINALIZE, AND EXECUTE THE CONSTRUCTION AND PERMANENT FINANCING LOAN AGREEMENT FOR PHASE 1 OF THE REDEVELOPED VILLA SERENA II AFFORDABLE HOUSING DEVELOPMENT

WHEREAS, National CORE (“Developer”), has approached the Successor Housing Agency (SHA) about the redevelopment of its ageing Villa Serena affordable housing project within the Richmar neighborhood (“Project”); and

WHEREAS, this Project will assist in meeting the City Council’s goal of neighborhood revitalization in the Richmar neighborhood by expanding the stock of decent, safe and affordable housing; and

WHEREAS, the Redevelopment Agency (RDA) previously authorized a project loan totaling \$5,884,000 to the Developer for the acquisition and rehabilitation of the original Villa Serena affordable housing project in 1997; and

WHEREAS, in September 2014 the SHA approved a predevelopment loan of \$777,953 and an Exclusive Negotiation Agreement for the new Project; and,

WHEREAS, in July 2019 the SHA approved financial assistance to both phases of the Villa Serena II project by rolling-over an existing RDA loan and also approved the Replacement Housing Plan; and

WHEREAS, the SHA approved additional financial assistance to Phase 1 of the Villa Serena II project by approving a project loan totaling \$5,250,000 in February 2020; and

WHEREAS, the Developer has approached the City about the new requirement imposed by Vallecitos Water District requiring four new sections of off-site sewer upgrades to be completed; and

WHEREAS, the Developer has provided construction estimates and plans with a total estimation of costs at approximately \$1,600,000; and

WHEREAS, the Developer has requested the City to provide the funding for said \$1,600,000 to complete the required off-site sewer upgrades mandated by VWD; and

NOW, THEREFORE BE IT RESOLVED, by the City of San Marcos:

1. The foregoing recitals are true and correct and are hereby incorporated into this Resolution by reference.

2. Approves additional financing in the form of a project loan for Phase 1 in the amount of up to \$1,600,000 in accordance with the terms of the Development and Loan Agreement.

3. Authorizes the City Manager to finalize and conclude all required regulatory agreements and financing arrangements consistent with the parameters set forth herein.

PASSED, APPROVED AND ADOPTED by the City Council in its capacity as the legislative body of the Successor Housing Agency this 23rd day of March, 2021, by the following roll call vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Rebecca D. Jones, Mayor
City of San Marcos

ATTEST:

Phillip Scollick, City Clerk