

RESOLUTION NO. 2014 - ____

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING REALLOCATION OF UNUSED MONEY PREVIOUSLY AUTHORIZED IN SUPPORT OF RESCISSION CONTINGENCY FOR A CANCELLED AFFORDABLE HOUSING PROJECT AND REDIRECTING THE UNUSED FUNDING TOWARD ENHANCEMENT OF A PROJECT LOAN WITH OPPORTUNE SOUTHERN CALIFORNIA VENTURES, LLC FOR AN AFFORDABLE HOUSING PROJECT IN THE CREEK DISTRICT

WHEREAS, the City of San Marcos has a state mandate to construct affordable housing; and

WHEREAS, on January 10, 2012 the City Council adopted Resolution No. 2012-7607 appointing itself as the Successor Housing Agency to the former San Marcos Redevelopment Agency ("Successor Housing Agency"); and

WHEREAS, the Successor Housing Agency and the City of San Marcos ("City") both have a state mandate to construct affordable housing; and

WHEREAS, Oppertune Southern California Ventures, LLC a California limited partnership ("Developer"), has approached the Successor Housing Agency about development of affordable housing within the San Marcos Creek Specific Plan ("Project"); and

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

WHEREAS, the Successor Housing Agency has previously authorized an exclusive negotiation agreement and a predevelopment loan of \$250,000 from the Agency's Housing Bond Fund to the Developer for this Project on September 24, 2013; and

WHEREAS, the Successor Housing Agency has previously authorized a project loan totaling \$17,023,000, a Development and Loan Agreement and a Section 33433 Report and property transfer to the Developer for this Project on January 28, 2014; and

WHEREAS, the City Council has previously authorized a separate contingency authorization of up to \$250,000 from the City Housing In-Lieu Fund and authorized the City Manager to use the money in the appeal of the unresolved property tax assessment issue for the predecessor Project on the same site on September 24, 2013; and

WHEREAS, the City desires to continue to provide financial assistance to the Developer using money previously authorized, but no longer required, from the City's affordable housing in-lieu fund in support of the predecessor affordable housing Project on the same site, to continue to develop real property located in the eastern end of the San Marcos Creek Specific Plan on the same site; and,

WHEREAS, this project will assist in meeting the City Council's goal of development in the Creek District by expanding the stock of decent, safe and affordable housing;

NOW, THEREFORE BE IT RESOLVED that the City Council:

1. Approves a loan to Southern California Ventures, LLC in an amount not to exceed \$250,000 from the City affordable housing in-lieu fund for the project.
2. Authorizes the City Manager to finalize and conclude all required regulatory agreements and financing arrangements.

3. Authorizes the City budget to be amended, as required.

PASSED, APPROVED AND ADOPTED by the City Council on this 27th day of January, 2015, by the following roll call vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

James M. Desmond, Mayor
City of San Marcos

ATTEST:

Phillip Scollick, City Clerk
City of San Marcos