

CLEARLAKE SUCCESSOR AGENCY

RESOLUTION NO. SA- 2024-03

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE CITY OF CLEARLAKE REDEVELOPMENT AGENCY APPROVING AN AMENDMENT TO THE AGENCY LOAN WITH APRIL HOUSING FOR OLYMPIC VILLAGE APARTMENTS TO ELIMINATE ACCRUED INTEREST AND RECOMMENDING THE LAKE COUNTY REDEVELOPMENT AGENCY OVERSIGHT BOARD APPROVE THE AGREEMENT

WHEREAS, on January 12, 2012, the Clearlake City Council adopted Resolution No. 2012-02 electing to become the Successor Agency to the Clearlake Redevelopment Agency (“Successor Agency”) pursuant to AB 1X 26 (The Redevelopment Agency Dissolution Act), and pursuant to Health and Safety Code section 34173(g), the Successor Agency is now a separate legal entity from the City; and

WHEREAS, In 2009 the Clearlake Redevelopment Agency provided a \$700,000 loan for the development of Olympic Village, a 54-unit affordable housing project in Clearlake. The project has a 55 year affordability covenant, accruing 5% interest, with payment due in full on June 30, 2064.

WHEREAS, the current value of the property is exceeded by the debt and some restructuring is needed.

WHEREAS, The obligations of the former redevelopment agency must be enforced by the Lake County Redevelopment Agency Oversight Board, and advice of the State Controller’s Office is that existing principal on loan obligations cannot be waived.

WHEREAS, the owner has requested the terms of the loan be amended to include waiving the accrued interest payment and leaving the principal intact for the loan term.

WHEREAS, The amends to the loan term reflects the highest likelihood of ensuring the sustainability of the 54 affordable units of housing and further is in the vital and best interests of the Successor Agency and the health, safety and welfare of the Successor Agency’s residents, and in accord with the public purposes and provisions of applicable state and local laws.

NOW, THEREFORE, BE IT RESOLVED by the Clearlake Successor Agency to the Clearlake Redevelopment Agency, as follows:

1. The Successor Agency hereby approves amending to the loan agreement to forgive accrued interest.
2. The Successor Agency recommends that the Lake County Redevelopment Agency Oversight Board approve the agreement.
3. The Successor Agency directs the Executive Director/City Manager of the Successor Agency to execute any documents necessary to amend the loan terms if also approved by the Oversight Board.

ADOPTED THIS 5th day of December, 2024 by the Successor Agency by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Chair of Successor Agency

ATTEST:

Melissa Swanson
City Clerk/Clerk of the Successor Agency