

RESOLUTION NO. 2021-49

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA APPROVING A COMMITMENT TO ENTER INTO A CONDITONAL AFFORDABLE HOUSING LOAN AGREEMENT TO PREPAY LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES SPECIAL ASSESSMENTS (CFD 2005-1) FOR THE TRIPOLI APARTMENT LOW INCOME HOUSING PROJECT.

WHEREAS, Chelsea Investment Corporation has site control of certain real property located in the City of Coachella and intends to purchase said property through a new entity to be formed for this specific purpose (the "Developer") and plans to construct a 108-unit affordable multifamily development; and

WHEREAS, the City Council of the City of Coachella, by Resolution No. 2005-93, authorized the creation of the City of Coachella Community Facilities District 2005-1 (the "CFD") and, by Resolution No. 2005-94, authorized the levy of a special tax for properties within the CFD (the "Special Assessment"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended; and

WHEREAS, the property will be annexed into the CFD as a condition of approval and will be subject to the Special Assessment; and

WHEREAS, the Developer has requested that it be permitted to prepay fifty-five (55) years of the Special Assessments for the Property; and

WHEREAS, the City has agreed to make a loan to the Developer in order to prepay the Special Assessments, and the City and the Developer wish to enter into a loan and prepayment agreement to provide for the terms and conditions upon which the Special Assessments will be prepaid; and

WHEREAS, the Developer needs the City Council to provide a conditional loan commitment ("Commitment") to enter into these agreements to apply for project financing.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA HEREBY RESOLVES AS FOLLOWS:

SECTION 1 – Council authorizes the City Manager to enter into a conditional loan commitment with the developer consistent with Exhibit A (Conditional Loan Commitment Letter) with minor modifications as to exact wording for needed updates and to conform and clarify the letter as needed to facilitate the proper wording of the letter subject to approval by the City Attorney.

SECTION 2 - The City Manager is authorized to enter into a prepayment and loan agreement (including a note and deed of trust) consistent with the terms of the conditional loan

commitment provided the terms are met by the developer. Agreement wording will be prepared and approved by the City's Finance Director and Attorney; however, agreement terms will be consistent in all respect with the terms outlined in the conditional loan commitment letter.

PASSED, APPROVED and ADOPTED, this 12th day of July 2021.

Steven A Hernandez
Mayor

ATTEST:

Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

Carlos Capos
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. 2021-49 was duly adopted by the City Council of the City of Coachella at a special meeting thereof, held on this 12th day of July 2021, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Andrea J. Carranza, MMC
Deputy City Clerk