

RESOLUTION NO. 2025-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA APPROVING A COMMITMENT TO ENTER INTO A CONDITONAL LOAN AGREEMENT TO PREPAY LAW ENFORCEMENT, FIRE AND PARAMEDIC SERVICES SPECIAL ASSESSMENTS (CFD 2005-1) FOR THE SIXTH STREET SENIOR CIC, LP APARTMENTS AFFORDABLE HOUSING PROJECT

WHEREAS, Chelsea Investment Corporation ("Developer") has obtained site control for a proposed low income housing project with the intention of constructing a 53-unit affordable multifamily development with 4,742 square feet of commercial space, carports and related improvements known as the 6th Street Senior CIC, LP Apartments (the "Project") with expected entitlement in the name of a new entity to be formed conducive to the type of project contemplated ("to be formed entity"). The project includes properties with APNs 778-113-001 and 778-113-002; 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 – City 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 and final loan amount (if less than the not to exceed amount) for needed updates and to conform and clarify the letter as needed to facilitate the proper wording of the letter subject to review 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 Manager and City Attorney; however, agreement terms will be consistent in all respects with the terms outlined in the conditional loan commitment letter.

PASSED, APPROVED, and ADOPTED, this 23rd day of April, 2025.

Steven A. Hernandez
Mayor

ATTEST:

Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

City Attorney
BB&K Law