

**RESOLUTION NO. 11427**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM APPROVING  
THE AFFORDABLE HOUSING LOAN PROGRAM GUIDELINES  
TO ESTABLISH A CLEAR FRAMEWORK FOR  
PROVIDING FINANCIAL ASSISTANCE TO AFFORDABLE HOUSING PROJECTS,  
FUNDED BY  
FOLSOM HOUSING FUND (FUND 238) AND HOUSING TRUST FUND (FUND 221)**

**WHEREAS**, for over 20 years, the City of Folsom has utilized available housing funds to support the development of affordable housing through the issuance of loans, facilitating numerous projects that provide housing opportunities for low- and moderate-income households; and

**WHEREAS**, the City relies on a combination of in-lieu residential development fees (Folsom Housing Fund – Fund 238) and commercial development fees (Housing Trust Fund – Fund 221) to fund the Affordable Housing Loan (AHL) Program; and

**WHEREAS**, the technical complexity of affordable housing finance and tax credit programs has historically required the City to engage external consultants to evaluate developer loan requests on a project-by-project basis; and

**WHEREAS**, the City’s current process for evaluating and negotiating affordable housing loans is largely reactive, typically beginning only after developers have submitted full project proposals and assembled key sources of financing, often under time constraints dictated by competitive tax credit cycles; and

**WHEREAS**, this reactive structure has limited the City’s ability to proactively shape loan terms and ensure alignment with broader housing policy goals related to long-term affordability, responsiveness to community housing needs, and prudent fiscal oversight; and

**WHEREAS**, staff, in collaboration with the City’s affordable housing loan consultant, TDA, Inc., has worked to standardize loan terms, improve efficiency, and align funding decisions with industry best practices; and

**WHEREAS**, the Affordable Housing Loan Program Guidelines are intended to establish a transparent, consistent, and proactive framework that sets clear expectations for project funding requirements, evaluation criteria, and loan terms, while preserving flexibility to accommodate varying project needs; and

**WHEREAS** the adoption of the AHL Program Guidelines will enable the City to issue Notices of Funding Availability (NOFAs) more strategically, enhancing the City’s ability to direct limited housing funds to projects that best align with Housing Element goals and community priorities, and

**WHEREAS** the Affordable Housing Loan Program is funded through Folsom Housing Fund (Fund 238) and Housing Trust Fund (Fund 221), resulting in no impact to the General Fund, and

**WHEREAS**, the adoption of clear and consistent Affordable Housing Loan Program Guidelines is anticipated to reduce reliance on consultant services for evaluating loan requests, thereby promoting more efficient use of limited housing resources.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom hereby approves the Affordable Housing Loan Program Guidelines and authorizes staff to implement the guidelines in support of the City's affordable housing goals.

**PASSED AND ADOPTED** this 8<sup>th</sup> day of July 2025, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):  
**ABSTAIN:** Councilmember(s):

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Sarah Aquino, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK