

RESOLUTION NO. 2019-71

**RESOLUTION OF THE BOARD OF SUPERVISORS OF NAPA COUNTY,
STATE OF CALIFORNIA WAIVING THE APPLICATION FEE AND LOAN
MODIFICATION FEE FOR AN AFFORDABLE HOUSING PROJECT BY
OUR TOWN ST. HELENA, AND ALLOWING FUNDS FROM THE
PREDEVELOPMENT LOAN TO STAY WITH THE PROJECT TO ASSIST
IN THE DEVELOPMENT OF AFFORDABLE HOUSING UNITS FOR THE
MCCORKLE AVENUE PROJECT**

WHEREAS, Napa County receives funds under its Affordable Housing and Incentives ordinance (County Code Chapter 18.107) and implementing resolutions to further the development of affordable housing; and

WHEREAS, on March 16, 2016, Our Town St. Helena, a nonprofit public benefit corporation (“Developer”), submitted an application requesting \$280,000 in predevelopment funding (the “Predevelopment Loan”) to assist in the development of an affordable housing project located at 684 McCorkle Avenue in St. Helena (the “Property”) and

WHEREAS, the first phase of the affordable housing project consists of a sweat-equity development which will provide a home ownership opportunity for eight low and very-low income families (the “Phase I Project”); and

WHEREAS, by Resolution 2016-44, the Board of Supervisors approved the requested Predevelopment Loan subject to certain terms and conditions specified in said Resolution; and

WHEREAS, development of the Phase I Project has been completed and the developed lots are ready to be sold; and

WHEREAS, Developer has requested a modification to the Predevelopment Loan so that any portion of the Predevelopment Loan not used to reduce homeowner mortgages for the Phase I Project would remain as an outstanding obligation of the Developer to aid in offsetting additional costs associated with the Phase I Project (the “Loan Balance”), to be satisfied with the development of an additional 11 affordable housing units (the “Phase II Project”) on a second property (the “Phase II Property”); and

WHEREAS, Developer has also requested a waiver of the \$5,000 application fee and the \$2,500 loan modification fee.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Napa County hereby approves the requested loan modification and waives the application fee and the loan modification fee to assist with the Phase I Project financing subject to the following terms and conditions:

1. The existing documents evidencing the Predevelopment Loan will be amended to reflect the restructuring.
2. The Loan Balance shall continue to be structured as a zero percent loan.
3. The Loan Balance will be evidenced by a Promissory Note and secured by a Deed of Trust and a Regulatory Agreement to be recorded against the Phase II Property to be purchased by Developer within the next twelve (12) months.
4. The Loan Balance will roll over as silent seconds to the purchasers of homes in the

Phase II Project and be subject to resale restrictions.

5. Any portion of the Loan Balance not rolling over to the Phase II Project homebuyers will be repaid by Developer to the County.
6. If the Developer is unable to purchase the Phase II Property within twelve (12) months from the date of the Promissory Note for the Loan Balance, the Loan Balance will be due and payable to the County.


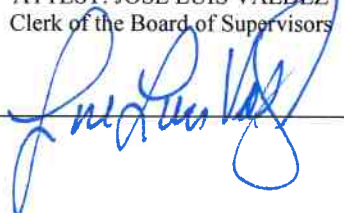
BE IT FURTHER RESOLVED that the Board of Supervisors of Napa County hereby authorizes the Chair to sign all necessary related loan transaction documents as required as approved by County Counsel.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Board of Supervisors of Napa County, State of California, at a regular meeting of the Board held on the 21st day of May, 2019, by the following vote:

AYES:	SUPERVISORS	DILLON, PEDROZA, RAMOS, WAGENKNECHT and GREGORY
NOES:	SUPERVISORS	NONE
ABSTAIN:	SUPERVISORS	NONE
ABSENT:	SUPERVISORS	NONE

NAPA COUNTY, a political subdivision of
the State of California

By: 
RYAN GREGORY, Chair of the
Board of Supervisors

APPROVED AS TO FORM Office of County Counsel By: <u>S. Darbinian</u> Deputy County Counsel Date: <u>May 16, 2019</u>	APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS Date: May 21, 2019 Processed By:  Deputy Clerk of the Board	ATTEST: JOSE LUIS VALDEZ Clerk of the Board of Supervisors By: 
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