

RESOLUTION NO. 4108

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE A LOAN
AGREEMENT FOR HOME INVESTMENT PARTNERSHIPS FUNDS WITH
ORCHARD GABILAN ASSOCIATES, CALIFORNIA LIMITED PARTNERSHIP
PERTAINING TO THE GABILAN FAMILY APARTMENTS, AN AFFORDABLE
HOUSING PROJECT AND ANY RELATED DOCUMENTS**

WHEREAS, on August 10, 2006, the City Council of the City of Soledad adopted Resolution No. 3848 approving the submittal of an application to the California Department of Housing and Community Development ("HCD") for HOME Investment Partnerships Program Funds (HOME) made available from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, Orchard Gabilan Associates, California Limited Partnership is proposing to construct Gabilan Family Apartments an affordable housing project consisting of 84 units of which 80 units will be affordable to low-and very low-income households (the "Project"); and

WHEREAS, on January 13, 2007, HCD informed the City that \$1,700,000 had been conditionally reserved for the City of Soledad's application for HOME funds; and

WHEREAS, the HCD entered into an agreement with the City of Soledad for HOME funds on August 1, 2007; and

WHEREAS, the City and Orchard Gabilan Associates, California Limited Partnership desire to enter into a loan agreement ("Loan Agreement"), promissory note ("Promissory Note"), deed of trust ("Deed of Trust") and security agreement ("Security Agreement" and together with the Loan Agreement, Promissory Note and Deed of Trust, the "Loan Documents") memorializing the City's loan One Million Six Hundred Thousand Dollars (\$1,600,000) of the City's HOME funds Orchard Gabilan Associates, California Limited Partnership for the construction of 11 affordable housing units in the Project.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Soledad as follows:

1. The City Council does hereby approve the Loan Documents.
2. The City Manager, or her designee, is hereby authorized and directed to execute the Loan Agreement and Security Agreement between the City and Orchard Gabilan Associates, California Limited Partnership and to make such revisions to the Loan Documents which do not materially or substantially increase the City's obligations thereunder, to sign all documents to make all approvals and take all actions necessary or appropriate to carry out and implement the Loan Documents and to administer the City's obligations, responsibilities and duties to be performed under the Loan Documents.


PASSED AND ADOPTED at a regular meeting of the City Council of the City of Soledad duly held on the 7th day of November 2007 by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Juan Saavedra, Patricia Stephens, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: None


RICHARD V. ORTIZ, Mayor

ATTEST:


NOELIA F. CHAPA, City Clerk