

(HA-98-31)

HOUSING AUTHORITY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. 00947

ADOPTED ON APRIL 7, 1998

A RESOLUTION AUTHORIZING A LOAN OF UP TO \$808,976 TO CITY HEIGHTS COMMUNITY DEVELOPMENT CORPORATION FOR THE ACQUISITION AND REHABILITATION OF 3820-26 43RD STREET, A 30- UNIT RENTAL PROPERTY FOR VERY LOW INCOME FAMILIES.

WHEREAS, The City Heights Community Development Corporation has requested financial assistance to acquire and rehabilitate a 30-unit apartment building located at 3820-26 43rd Street for occupancy by very low income families; and

WHEREAS, the Housing Commission has approved and recommended Housing Authority approval of a loan to City Heights Community Development Corporation totaling up to \$808,976 of HOME and Housing Trust Fund monies; and

WHEREAS, the Housing Commission further approved an increase in the developer's fee from 3.8 percent to 8 percent; and

WHEREAS, the Housing Commission recommended that the amount of the increase (\$50,754) would only be funded from the loan if the appraiser issues an opinion after the project is rehabilitated that the value has increased in an amount

comparable to the increase in the developers fee; and

WHEREAS, the Housing Commission has approved a subordination of the subject loan to a subsequent Affordable Housing Program (AHP) forgivable loan of up to \$90,000 if City Heights Community Development Corporation is successful in applying for an AHP loan, NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority of The City of San Diego, that a loan of up to \$808,976 to City Heights Community Development Corporation for the acquisition and rehabilitation of 3820-26 43rd Street and a subsequent subordination of the loan to an AHP loan, as more particularly described in Housing Commission Report HCR98-034, are approved.

BE IT FURTHER RESOLVED, that \$50,754 of the loan be withheld until after rehabilitation and subject to the condition that the appraiser issues an opinion that the project value has increased in an amount at least equal to the increase in the developer fee; and

BE IT FURTHER RESOLVED, that the Executive Director of the Housing Commission is authorized, on behalf of the Housing Commission, to execute any and all documents necessary loan and subordination documents.

APPROVED: CASEY GWINN, General Counsel

By  
Prescilla Dugard  
Deputy Counsel

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