

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE AUTHORIZING THE SUBMITTAL OF A JOINT APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM; AND IF SELECTED, THE EXECUTION OF A STANDARD AGREEMENT AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

WHEREAS, the State of California, the Strategic Growth Council (“SGC”) and the Department of Housing and Community Development (“Department”) issued a Notice of Funding Availability (“NOFA”) on January 29, 2016, under the Affordable Housing and Sustainable Communities Program (“AHSC”) established under Division 44, Part 1 of the Public Resources Code commencing with Section 75200; and

WHEREAS, in March 2015, the City conditionally committed to providing a \$5 million in financing to MP Edwina Benner Associates, L.P., an affiliate of MidPen Housing (“Developer”) to assist in the development of Benner Plaza, consisting of 66 dwelling units with associated amenities, site improvements and parking, including 65 units of affordable rental housing (“Benner Project”); and

WHEREAS, the City of Sunnyvale (“City”) desires to apply jointly with the Developer (referred to jointly as “Applicants”) for AHSC Program funds and submit the Application Package released by the Department for the AHSC Program to receive an allocation of AHSC Program funds for a sustainable transportation infrastructure (“STI”) project consisting of a sidewalk extension and green streets improvements along Persian Drive between Morse and Borregas Avenues (“STI Project”) and the Benner Project and submit the Application Package released by Department for the AHSC Program; and

WHEREAS, the SGC is authorized to approve funding allocations for the AHSC Program, subject to the terms and conditions of the NOFA, Program Guidelines, Application Package, and Standard Agreement, and the Department is authorized to administer the approved funding allocations of the AHSC Program; and

WHEREAS, the City and Developer wish to submit a joint application for AHSC Program funds in an amount not to exceed \$10,000,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. City staff is hereby authorized and directed to apply for and submit to Department a joint application with Developer to participate in the AHSC Program in response to the NOFA issued on January 29, 2016, for an allocation of funds for Fiscal Year 2015-16, in an amount not to exceed \$9,678,698 , of which \$7,469,748 is requested as a loan for an Affordable Housing Development (AHD) (“AHSC Loan”) and \$2,208,950 is requested for Housing-Related Infrastructure (HRI), Sustainable Transportation Infrastructure (STI), and Program (PGM) activities (“AHSC Grant”) as defined the AHSC Program Guidelines adopted by SGC on December 17, 2015 for the following activities:

For a Sustainable Transportation Infrastructure Project consisting of a sidewalk extension and green streets improvements along Persian Drive between Morse and Borregas Avenues and the development of Benner Plaza, consisting of 66 dwelling units with associated amenities, site improvements and parking, including 65 units of affordable rental housing.

2. If the application for funding is approved, the City is hereby authorized and directed to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) in a total amount not to exceed \$9,678,698 (\$7,469,748 for the AHSC Loan and \$2,208,950 for the AHSC Grant), and any and all other documents required or deemed necessary or appropriate to secure the AHSC Program funds from the Department, and all amendments thereto (collectively, the “AHSC Documents”).
3. Applicants shall be subject to the terms and conditions as specified in the Standard Agreement. Funds are to be used for allowable capital asset project expenditures to be identified in Exhibit A of the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. Applicants hereby agree to use the funds for eligible STI Project expenses in the manner presented in the application as approved by Department and in accordance with the NOFA, Program Guidelines and Application Package. The City may also execute any and all other instruments necessary or required by Department for participation in the AHSC Program.
4. The City Manager is hereby authorized to enter into, execute, and deliver in the name of the City of Sunnyvale the AHSC Program Application Package, a Standard Agreement, and all the AHSC Program Documents as required by the Department for participation in the AHSC Program, and any amendments thereto.

5. The City Manager shall work to mitigate risk to the City from serving as a co-applicant, including negotiating an indemnification agreement, in a form approved by the City Attorney, with the Developer regarding mutual responsibilities.
6. Resolution No. 737-16 is hereby repealed.
7. This Resolution shall become effective immediately upon adoption by the City Council.

Adopted by the City Council at a regular meeting held on _____, by the following vote:

AYES:
 NOES:
 ABSTAIN:
 ABSENT:
 RECUSAL:

ATTEST:

APPROVED:

 City Clerk
 (SEAL)

 Mayor

APPROVED AS TO FORM:

 City Attorney