

RESOLUTION HR2019-\_\_

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF NAPA, STATE OF CALIFORNIA, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE SUBORDINATION AGREEMENTS WITH NAPA VALLEY COMMUNITY HOUSING AND MECHANICS BANK SUBORDINATING A HOUSING AUTHORITY DEED OF TRUST AND REGULATORY AGREEMENT FOR WHISTLESTOP TOWNHOMES, LOCATED AT 2220 YAJOME STREET, TO A NEW DEED OF TRUST IN FAVOR OF MECHANICS BANK IN THE AMOUNT OF \$425,000

WHEREAS, the Housing Authority of the City of Napa (hereafter the "Authority"); made a loan to Napa Valley Community Housing (hereafter the "Property Owner") in the original principal amount of Two Hundred Twenty-Two Thousand Four Hundred Dollars (\$222,400) to assist with the construction and long term financing of the property located at 2220 Yajome Street, Napa in 1999 (hereafter the "Loan"). The current principal and interest balance on the loan as of June 30, 2019 is \$70,960; and

WHEREAS, the Property Owner has requested the Authority subordinate its Deed of Trust and Regulatory Agreement to a deed of trust securing a new loan from Mechanics Bank in the amount of Four Hundred Twenty-Five Thousand Dollars (\$425,000) for the purpose of refinancing the existing first mortgage loan to reduce the interest rate and corresponding debt service; and

WHEREAS, the Authority is interested in the long term financial viability and preservation of the 17 units of affordable housing of which four are used as transitional units for persons who are homeless or about to be homeless and who are disabled or are a victim of domestic violence and the remaining 13 units are permanent housing for lower income households; and

WHEREAS, the Authority Board of commissioners has considered all information related to this matter, as presented at the public meetings of the Authority Board identified herein, including any supporting reports by Authority Staff, and any information provided during public meetings.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of Napa, as follows:

1. The Authority Board hereby finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the Authority's adoption of this Resolution.

2. The Authority Board hereby authorizes the Executive Director to execute the Subordination Agreements in substantially the form attached hereto as Exhibits A and B and incorporated herein by this reference.

3. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Commissioners of the Housing Authority of the City of Napa at a public meeting of said Housing Authority held on the 3rd day of December, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_  
Tiffany Carranza  
Authority Deputy Secretary

Approved as to form:

\_\_\_\_\_  
Michael W. Barrett  
Authority General Counsel