

**RESOLUTION NO. OB-2014-04**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
TO THE GONZALES REDEVELOPMENT AGENCY APPROVING AN AMENDMENT  
TO CalHFA LOAN NO. 020703-06**

**WHEREAS**, the Gonzales Redevelopment Agency (“Agency”) was dissolved by law on February 1, 2012; and

**WHEREAS**, the Oversight Board for the Successor Agency (“Successor Agency”) to the Gonzales Redevelopment Agency (Oversight Board”) has been established pursuant to Health and Safety Code Section 34179 to assist in the wind-down of the dissolved redevelopment Agency; and

**WHEREAS**, by law, one of the Oversight Board’s duties is to approve new or modified financial obligations of the Successor Agency and to approve each Successor Agency Recognized Obligation Payment Schedule (“ROPS”) prior to the submission of the same to the County Auditor-Controller, County Administrative Officer, the State controller, and the State Department of Finance; and

**WHEREAS**, pursuant to Health and Safety Code Section 34177, the Successor Agency is legally required to continue to make payments for both assumed and new enforceable obligations; and

**WHEREAS**, in 2003, the Agency acquired a CalHFA loan for \$500,000 to help the Community Housing Improvements Systems and Planning Association construct a 36 multi-family unit project, with a loan repayment date established for 2013; and

**WHEREAS**, due to a number of factors, including the need to refinance the 2006 Redevelopment Agency Tax Increment Note in 2011 and the severe downturn in the economy, the Agency has had insufficient tax increment to repay the loan; and

**WHEREAS**, Successor Agency Staff was able to negotiate an extension of the terms of the CalHFA Loan through October 15, 2021, which includes the establishment of an annual repayment amount; and

**WHEREAS**, the Successor Agency intends to include the annual CalHFA repayment amount on its ROPS in order to receive tax increment necessary to repay the loan; and

**WHEREAS**, during a regular meeting on September 3, 2013, the Successor Agency Board authorized the Agency Director to sign an amendment to CalHFA Loan No. 020703-06 extending the terms and conditions of the loan payment; and

**WHEREAS**, all the prerequisites with respect to the approval of this Resolution have been met.

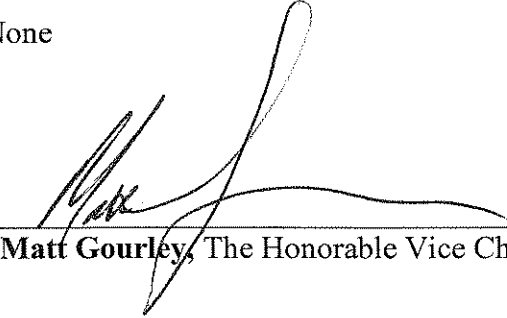
**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board for the Successor Agency to the Gonzales Redevelopment Agency as follows:

**Section 1.** The Board approves the "Amendment to Loan Agreement" for CalHFA Loan No. 020703-06, a copy of which is attached hereto as Exhibit "A" and by this reference, incorporated herein, the Successor Agency Director's execution of the same, and the inclusion of the debt created by said loan on the Successor Agency's ROPS in order to receive state funding necessary to repay the loan.


**Section 2.** This Resolution shall take effect upon the date of its adoption.

**PASSED AND ADOPTED**, by the Oversight Board at a regular meeting duly held on the 24<sup>th</sup> day March, 2014, by the following vote:

<b>AYES:</b>	<b>BOARD MEMBERS:</b>	Vice Chair Matt Gourley, Scott Funk, Rene Mendez, and Jayanti Addleman
<b>NOES:</b>	<b>BOARD MEMBERS:</b>	None
<b>ABSENT:</b>	<b>BOARD MEMBERS:</b>	Chair Simon Salinas, Alfred Munoz, and Sara Perez
<b>ABSTAIN:</b>	<b>BOARD MEMBERS:</b>	None

  
\_\_\_\_\_  
**Matt Gourley**, The Honorable Vice Chair

**ATTEST:**

  
\_\_\_\_\_  
**Rene L. Mendez**, Secretary

**CALIFORNIA HOUSING FINANCE AGENCY**

**AMENDMENT TO  
LOAN AGREEMENT**

**Housing Enabled by Local Partnerships**

**CalHFA Loan No. HELP- 020703-06**

This amendment ("Amendment"), dated August 16, 2013 amends that certain HELP Loan Agreement (the "Agreement") made and entered into on October 15, 2003, by and between the City of Gonzales Redevelopment Agency, a public body, corporate and politic (the "Borrower"), and the California Housing Finance Agency, a public instrumentality and political subdivision of the State of California (the "Agency").

**RECITALS**

A. The Agency has authorized the making of a loan in the sum Five Hundred Thousand and No/100 Dollars (\$500,000.00) (the "HELP Loan") to the Borrower for the purpose of assisting the Borrower in operating a local housing program (the "Project") as more particularly described in the Borrower's loan application to the Agency; and

B. The agreed term of the Loan will expire on October 15, 2013, and the balance of the HELP Loan will become due in full on said date.

C. As of August 16, 2013, there remained an unpaid balance due on the HELP Loan of Six Hundred Forty-Two Thousand Five Hundred Ninety-Two and 3/100 Dollars (\$642,592.03) consisting of the following:

Principal	\$ 500,000.00
Interest accrued through 8/16/13	\$ 142,592.03

D. Borrower has requested and the Agency has agreed to grant an extension of time to repay the HELP Loan balance.

NOW, THEREFORE, in consideration of the mutual promises expressed herein, the parties hereto agree as follows:

1. Recitals. The above recitals are incorporated herein.

2. Term. The term of the Agreement and the time for Borrower to repay the entire unpaid balance of the HELP Loan is extended to October 15, 2021.


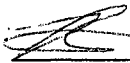
3. Other terms.

a. As a condition of the extension, Borrower shall make partial payments to the Agency in the following manner:

- i. \$50,000 by September 15, 2013
- ii. \$60,000 by October 15, 2014

- iii. \$70,000 by October 15, 2015
- iv. \$80,000 by October 15, 2016
- v. \$90,000 by October 15, 2017
- vi. \$100,000 by October 15, 2018
- vii. \$100,000 by October 15, 2019
- viii. \$100,000 by October 15, 2020
- ix. Payment of the remaining loan balance by October 15, 2021.

b. Except as expressly modified herein, all terms of the Agreement remain in full force and effect.

CALIFORNIA HOUSING FINANCE AGENCY	THE CITY OF GONZALES
By:  _____ Claudia Cappio Executive Director	By:  _____ Rene L. Mendez City Manager