

RESOLUTION NO. 3396-17

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WINDSOR
AUTHORIZING THE INTERIM TOWN MANAGER TO EXECUTE FUNDING
AGREEMENTS FOR USE OF UP TO \$1,121,000.00 DOLLARS IN INCLUSIONARY
HOUSING FUNDS FOR CONSTRUCTION OF AFFORDABLE HOUSING UNITS**

WHEREAS, Policy 1.6 under Goal H-1 in the Housing Element of the Town’s General Plan requires the provision of very-low, low- and moderate-income housing as part of new residential development projects and allows for this requirement to be satisfied through payment of an in-lieu fee; and

WHEREAS, the Town has adopted an Inclusionary Housing Ordinance that includes payment of an in-lieu fee as option for satisfying the Town’s inclusionary housing requirements; and

WHEREAS, on June 15, 2016, the Town Council adopted Resolution 3297-16 which establishes guiding principles for use and disbursement of the Town’s Inclusionary Housing Funds; and

WHEREAS, on March 23, 2017 the Town issued and distributed a “Notice of Funding Availability” (NOFA) to over 80 individuals/organizations in the North Bay area announcing the availability of up to \$1,121,000 million dollars in Inclusionary Housing Funds for construction of affordable housing units within the Town of Windsor; and

WHEREAS, two applications for funding in response to the NOFA were received by the Town, including an application from Habitat for Humanity of Sonoma County, and an application from a joint venture of MW Development and Integrity Housing; and

WHEREAS, both applications were evaluated and scored based on requirements and criteria of the Town’s adopted guidelines for the Inclusionary Housing Fund, as stated in the NOFA; and

WHEREAS, both applications were determined by Town staff and the Town’s housing consultant, BAE Urban Economics, to satisfy eligibility and performance requirements; and

WHEREAS, both applications were determined to have different strengths relative to the other, offer attractive features with proposals that are responsive to the NOFA in different ways, and would both advance General Plan goals and policies related to the provision of affordable housing in the community; and

WHEREAS, the Town of Windsor Town Council held a noticed public meeting on August 16, 2017 to consider the merits of both applications at which time all interested persons were given an opportunity to be heard; and

WHEREAS, the award of Inclusionary Housing Funds is not in-and-of-itself a “project” (pursuant to CEQA Guidelines Section 15378) since it does not result in a physical change in the environment.

NOW, THEREFORE BE IT RESOLVED that the Town Council of the Town of Windsor authorizes the Interim Town Manager to execute the following agreements:

1. An agreement awarding up to \$556,000 in Inclusionary Housing Funds to Habitat for Humanity of Sonoma County to construct 16 “self-help” single-family homes affordable to households earning between 50 and 80 percent of the area median income on property located at 484 Wall Street.
2. An agreement awarding up to \$565,000 in Inclusionary Housing Funds to MW Development and Integrity Housing to construct 31-unit rental apartment project affordable to households earning between 50 and 60 percent of area median income on property located at 8685 Old Redwood Highway.

The Interim Town Manager shall have the discretion to bring one or both of the above funding agreements back to the Town Council for final approval should it be determined to be appropriate or necessary; and

BE IT FURTHER RESOLVED that the Town Council of the Town of Windsor directs the Interim Town Manager to work with Habitat for Humanity of Sonoma County and MW Development/Integrity Housing to establish appropriate terms for each funding agreement. Among other provisions deemed appropriate by the Town Attorney, the agreement should:

- Require adequate mechanisms to secure the Town’s financial interests in the project(s), including recordation of the Town’s financing on the deed of trust, with provisions for the repayment of the Town’s funds upon availability of sufficient project cash flow, refinance, sale, or failure to maintain the housing as affordable housing per the funding agreement, as applicable; and
- Require that detailed project plans be prepared, submitted, and approved by the Town, consistent with the project representations made in the NOFA application materials, prior to release of any Town funding; and
- Provide the Town with the right to waive any changes in project plans it deems appropriate; however, the Town should also have the right to reject any changes that it deems inappropriate; and
- Require the applicant(s) to provide evidence that all other required project construction funding has been secured prior to the release of any Town funding; and
- Establish time frames for submittal of full entitlement application, and schedule for commencement of construction and project completion beginning with Town approval of entitlements. Any award of funds to the MW/Integrity team should be contingent on satisfactory outcomes of at least two additional public agency partner references for Integrity Housing and at least one additional public agency partner reference for MW

Development. The Town should have the option to rescind the funding decision if, in its judgement, additional references are not satisfactory.

If predevelopment funding is requested by Habitat for Humanity or MW Development/ Integrity Homes, security in a form acceptable to the Town Attorney shall be provided and presented to Town Council for review and approval prior to transfer of predevelopment funds.

PASSED, APPROVED AND ADOPTED this 16th day of August 2017, by the following vote:

AYES: COUNCILMEMBERS MILLAN, OKREPKIE, SALMON,
VICE MAYOR FOPPOLI AND MAYOR FUDGE
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE



DEBORA FUDGE, MAYOR

ATTEST:



MARIA DE LA O, TOWN CLERK