

**RESOLUTION NO. \_\_\_\_-2020**

**RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING AND  
AUTHORIZING THE EXECUTION OF AN  
AFFORDABLE HOUSING LOAN AGREEMENT WITH  
FORT BRAGG SOUTH STREET LP FOR THE PLATEAU PROJECT  
(441 South Street)**

**WHEREAS**, on August 12, 2019, the City Council adopted Resolution No. 4188-2019 approving the allocation of 40 Article 34 Low-Rent Housing Units to the Danco Group of Companies (“Danco”) for its proposed affordable housing project called the Plateau, to be located at 441 South Street (the “Project”); and

**WHEREAS**, since that time, Danco has applied for and received additional financing commitments for the Project which will have three components including: (i) 20 units of permanent supportive housing, (ii) 23 units of senior housing, and (iii) 25 units of family/workforce housing; and

**WHEREAS**, Danco has applied for and received entitlements for the development of the Project; and

**WHEREAS**, on July 27, 2020, the City Council, by Resolution No. 4291-2020, and the Fort Bragg Redevelopment Successor Agency (“Successor Agency”), by Resolution No. RS 28-2020, approved the execution of a Pre-Development Loan Agreement with Danco pursuant to which the City and Successor Agency approved making a loan in the amount of \$250,000 from its Affordable Housing Fund to Danco to extend the date for the close of escrow for the purchase of property to be used for the Project; and

**WHEREAS**, the City has received a Homeless Emergency Aid Program (“HEAP”) grant of Three Million Dollars (\$3,000,000) (the “HEAP Funds”) from the County of Mendocino Health and Human Services Agency as the administrative entity for the Mendocino County Homeless Continuum of Care; and

**WHEREAS**, Fort Bragg South Street LP, a California limited partnership (“Developer”), was created to develop the Project, for which Danco Communities serves as a co-administrative general partner; and

**WHEREAS**, the City desires to loan the HEAP Funds to Developer to assist with the development of the Project;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Fort Bragg, as follows:

Section 1. The City Council hereby approves the Loan Agreement, in substantially the form attached hereto as Exhibit A and incorporated herein by reference, subject to any minor, technical and non-substantive changes approved by the City Manager and

Best Best & Krieger LLP, special counsel to the City on the Project, and hereby authorizes the City Manager to execute the Loan Agreement and any other documents necessary to effectuate the terms of the Loan Agreement.

**The above and foregoing Resolution was introduced by Councilmember \_\_\_\_\_, seconded by Councilmember \_\_\_\_\_, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 28<sup>th</sup> day of September, 2020, by the following vote:**

**AYES:  
NOES:  
ABSENT:  
ABSTAIN:  
RECUSED:**

\_\_\_\_\_  
**William V. Lee  
Mayor**

**ATTEST:**

\_\_\_\_\_  
**June Lemos, CMC  
City Clerk**

EXHIBIT A

AFFORDABLE HOUSING LOAN AGREEMENT  
[to be inserted]

June Lemos, CMC  
City Clerk