

**RESOLUTION NO. 2626-10 RDA**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE TOWN OF WINDSOR REDEVELOPMENT AGENCY  
ADOPTING FINDINGS AND AUTHORIZING  
EXECUTION OF A SUBORDINATION  
AGREEMENT WITH THE CALIFORNIA TAX  
CREDIT ALLOCATION COMMITTEE FOR THE  
WINDSOR REDWOODS PROJECT**

**WHEREAS**, on July 16, 2008, the Redevelopment Agency of the Town of Windsor (the "Agency") authorized the execution of a Construction Loan Agreement, Affordable Housing Regulatory Agreement and other instruments ("Agreement") and the provision of financing to Burbank Housing Development Corp., a California nonprofit public benefit corporation ("Burbank") to develop a 65- unit affordable housing project (the "Project") at 6065 Old Redwood Highway in the Town of Windsor (the "Property"); and

**WHEREAS**, the financing for the Project includes a \$2,519,405 Agency loan funded using Infill Infrastructure Grant Program funds from the California Department of Housing and Community Development ("Agency Loan"); and

**WHEREAS**, the California Tax Credit Allocation Committee, a public agency of the State of California and a primary lender ("Lender") for Windsor Redwoods, L.P., Burbank's successor and assign for development of the Project ("Developer"), has asked the Agency to subordinate certain documents (the "Agreements") executed in connection with the Agency Loan as more particularly set forth in the proposed Subordination Agreement in order for the Lender to ensure that its loan is senior to the Agency Loan, and has indicated that it is unwilling to provide its loan to the Project without such subordination; and

**WHEREAS**, the Developer has indicated that it would be unable to find alternate sources that would enable it to finance the Project without such subordination; and

**WHEREAS**, California Tax Credit Allocation Committee has refused to provide financing for the Project unless the Agency consents to subordination of the Agreements, pursuant to California Code of Regulations Title 4, Division 17, Chapter 1, Section 10323(e)(4); and

**WHEREAS**, Health and Safety Code Section 33334.14 permits subordination of redevelopment agency affordability restrictions to a lien, encumbrance or regulatory agreement under a federal or state program when: (i) the federal or state agency is providing financing, refinancing or other assistance to the housing units or parcels and (ii) the federal or state agency refuses to consent to the seniority of the agency's covenant or restriction on the basis that it is required to maintain its lien, encumbrance, or regulatory agreement or restrictions due to statutory or regulatory requirements, adopted or approved policies, or other guidelines pertaining to the financing, refinancing, or other assistance of the housing units or parcels.

**NOW, THEREFORE, BE IT RESOLVED** that the Redevelopment Agency of the Town of Windsor does hereby:

**Section 1.** Find that without subordination of the Agreements an economically feasible alternative for financing the Project is not reasonably available and that the California Tax Credit Allocation Committee (TCAC) is a state agency providing financing for the Project that refuses to provide such financing unless, pursuant to California Code of Regulations Title 4, Division 17, Chapter 1, Section 10323(e)(4), the Agency consents to subordination of the Agreements.

**Section 2.** Authorize the Agency Executive Director or his designee to execute the Subordination Agreement substantially in the form on file with the Town Clerk and to take such other actions reasonably necessary to carry out the intent of this Resolution.

**PASSED, APPROVED AND ADOPTED** this 3<sup>rd</sup> day of March 2010, by the following vote:

**AYES: MEMBERS ALLEN, FUDGE, GOBLE, SCHOLAR AND  
CHAIR SALMON**  
**NOES: NONE**  
**ABSTAIN: NONE**  
**ABSENT: NONE**

  
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**SAM SALMON, CHAIR**

**ATTEST:**

  
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**MARIA DE LA O, SECRETARY**