RESOLUTION NO. 3993-24

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WINDSOR AUTHORIZING THE TOWN MANAGER TO EXECUTE A FIVE-YEAR FEE DEFERRAL LOAN AND MINOR AMENDMENT TO PREVIOUSLY APPROVED HOUSING FUND LOANS FOR THE HERITAGE PARK PROJECT, A 33-UNIT AFFORDABLE HOUSING PROJECT LOCATED AT 8685 OLD REDWOOD HIGHWAY (APN 164-100-023) (FILE NO. 17-19)

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 an option for satisfying the Town's inclusionary housing requirements; and

WHEREAS, on June 16, 2017, the Town Council adopted Resolution No. 3297-16, herein incorporated by reference, which establishes guiding principles for use and disbursement of the Town Inclusionary Housing Funds; and

WHEREAS, on August 16, 2017, the Town Council authorized the Interim Town Manager to execute a funding agreement awarding up to $565,000 in Inclusionary Housing Funds ("First Inclusionary Housing Fund Loan") to MW Development and Integrity Housing to construct a 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 "Heritage Park Project"); and

WHEREAS, on July 28, 2020, the Planning Commission approved Site Plan and Design Review and Affordable Housing Development Incentives for the Heritage Park Project pursuant to Planning Commission Resolution No. 683-20, herein incorporated by reference; at which time the Project had been revised to increase the total number of units to 33; and

WHEREAS, the Heritage Park Project provides apartments for very low- and low-income households; and

WHEREAS, the Planning Commission adopted a Mitigated Negative Declaration for the Heritage Park Project on July 28, 2020, pursuant to Planning Commission Resolution No. 683-20); and

WHEREAS, on October 21, 2020, the City Council approved an amendment to the First Inclusionary Housing Fund Loan to incorporate changes necessary to reflect the specifics of the approved project; and

WHEREAS, on August 16, 2023, the Town Council authorized the Town Manager to execute a funding agreement for the use of an additional $1,200,000 in Inclusionary Housing Funds to support the development of the Heritage Park project, pursuant to Resolution No. 3877-23, incorporated herein by reference ("Second Inclusionary Housing Fund Loan"); and

WHEREAS, on February 21, 2024, the Town Council authorized a five-year fee deferral agreement for certain development impact fees, including Traffic, Drainage, Parks & Recreation, and Police impact fees, subject to approval of the final deferral terms by the Town Council; and

WHEREAS, the proposed fee deferral loan would defer payment of the following impact fees: $739,784; and

WHEREAS, the identified impact fees would be deferred for five years, fees would accrue 1% interest annually, would require the developer to make annual payments toward repayment of the deferred fees in an amount equal to 100% of the Heritage Park Project's residual receipts, and require the entire remaining amount of the deferred fees and all accrued interest to be due and payable at the end of the five-year term; and

WHEREAS, in order to facilitate quicker repayment of the deferred impact fees, the Town Council is willing to forgo annual repayments of the First and Second Inclusionary Housing Fund Loans for the first five years.

NOW, THEREFORE BE IT RESOLVED that the Town Council of the Town of Windsor authorizes the Town Manager to execute a five-year fee deferral loan for Traffic, Drainage, Park & Recreation, and Police impact fees to MW Development and Integrity Housing to construct a 33-unit apartment project with units affordable to households earning between 50 percent and 80 percent of area median income, plus one manager's unit, on property located at 8685 Old Redwood Highway on the terms specified in this resolution; and

BE IT FURTHER RESOLVED that the Town Council of the Town of Windsor authorizes the Town Manager to execute amendments to the First and Second Inclusionary Housing Fund Loans to forgo annual repayments for the first five years; and

BE IT FURTHER RESOLVED that the Town Council of the Town of Windsor authorizes the Town Manager to negotiate and execute all other loan documents, in a form approved by Town Attorney, necessary to carry out the purpose and intent of this Resolution.

PASSED, APPROVED AND ADOPTED this 4th day of December 2024, by the following vote:

AYES:	**COUNCILMEMBERS LEEP, SALMON, WALL, VICE MAYOR POTTER AND MAYOR REYNOZA**
NOES:	**NONE**
ABSTAIN:	**NONE**
ABSENT:	**NONE**

ROSA REYNOZA, MAYOR

ATTEST:

IRENE CAMACHO-WERBY, TOWN CLERK