

RESOLUTION NO. 2024-73

**RESOLUTION OF THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY,
STATE OF CALIFORNIA, COMMITTING HOUSING DEVELOPMENT GRANT FUNDING IN
AN AMOUNT NOT TO EXCEED \$5,000,000 AND SUPPORT OF AN APPLICATION FOR
LOW-INCOME HOUSING TAX CREDITS TO THE CALIFORNIA TAX CREDIT ALLOCATION
COMMITTEE FOR THE CONSTRUCTION OF THE U.S. VETS – E STREET AFFORDABLE
HOUSING DEVELOPMENT PROJECT, A MULTIFAMILY AFFORDABLE HOUSING
APARTMENT COMMUNITY TO BE LOCATED IN THE CITY OF SAN BERNARDINO**

On Tuesday June 11, 2024, on motion of Supervisor Baca, Jr., duly seconded by Supervisor Hagman and carried, the following resolution is adopted by the Board of Supervisors of San Bernardino County, State of California.

WHEREAS, the San Bernardino County (County) Board of Supervisors established the County Housing Development Grant Fund (HDGF) on March 28, 2023, to support the development of external County stakeholder's homeless housing projects; and,

WHEREAS, the County has identified the expansion of affordable rental housing stock for low-income households as a high housing priority through the County's Housing Development Fund Guidelines; and,

WHEREAS, U.S.VETS Housing Corporation, a California non-profit public benefit corporation and an affordable housing developer (Grantee) and its affiliates, proposes to develop a three-story multi-family affordable housing project for homeless veterans households consisting of up to twenty-nine affordable rental units and one resident manager unit on approximately .79 acres of land located at 1351 N. E Street in the City of San Bernardino, identified as Assessor's Parcel Number 0145-211-55-0-000; and,

WHEREAS, Grantee anticipates that 13 of the units will be restricted to households whose incomes do not exceed 30 percent of the San Bernardino County Area Median Income (AMI), 9 of the units will be restricted to 50 percent of the San Bernardino County AMI, and 7 units will be restricted to 60 percent of San Bernardino County AMI, with 1 one-bedroom unit designated as the manager's unit; and,

WHEREAS, the Grantee has submitted an application to the County requesting a HDGF grant amount of \$5,000,000 to assist with the development of the U.S.VETS – E St. Affordable Housing Development (Project) to fill a financing gap in the amount of \$5,000,000 for the Project; and,

WHEREAS, the California Tax Credit Allocation Committee (TCAC) allocates low-income housing tax credits to eligible affordable housing projects to raise project equity through the sale of tax benefits to investors; and,

WHEREAS, the Grantee intends to submit an application to TCAC for an allocation of low-income housing tax credits and the proceeds from the sale of such tax credits will be used to finance Project costs; and,

WHEREAS, to complete the TCAC application process, the Grantee must provide a resolution from the local jurisdictions, including the County, supporting the Project; and,

WHEREAS, the Grantee has successfully completed affordable housing complexes in the Inland Empire; and,

WHEREAS, subject to Board of Supervisors' approval, the County will participate in the funding for this affordable housing Project and expects to negotiate a HDGF agreement in an amount not to exceed \$5,000,000 of HDGF, to be used to pay a portion of costs to develop and construct the Project on the property, subject to the terms set forth below; and,

WHEREAS, the County desires to support the Grantee's application to TCAC for an allocation of low-income housing tax credits for the Project; and,

NOW, THEREFORE, BE IT RESOLVED, by the San Bernardino County Board of Supervisors as follows:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution and are incorporated by this reference.

Section 2. The Board of Supervisors supports U.S.VETS Housing Corporation and its affiliates' applications to TCAC for an award and allocation of low-income housing tax credits, the sale proceeds of which will be used to finance the proposed Project to construct up to twenty-nine affordable rental units, plus one residential manager's unit, on real property located on approximately .79 acres of land located at 1351 N. E Street in the City of San Bernardino, identified as 0145-211-55-0-000.

Section 3. Contingent on the Grantee being successful in the application for low-income housing tax credits, contingent on compliance with all applicable laws including environmental review and prevailing wages, and provided that the County and the Grantee negotiate and approve a contract and all other necessary agreements including the following terms, the County hereby commits to provide up to \$5,000,000 of HDGF, for construction of eligible activities on the Project:

- a. Grantee shall be U.S.VETS Housing Corporation;
- b. Housing Development Grant Fund Amount: Not to exceed Five Million Dollars (\$5,000,000);
- c. Affordability Period: 20 years with a Regulatory Agreement recorded in a senior lien position to all monetary deeds of trust with the exception if required by TCAC;
- d. Housing Development Grant Fund Revocable Grant Term: 20 years;
- e. Forgiveness Schedule:
 - a. Provided that no default exists, the County Grant shall be forgiven annually in the amount of 1/20th of the grant total per year.
 - b. The forgiveness of the County Grant shall have no effect on the Regulatory Agreement which shall remain in full force and effect for the entire term.
- f. Entitlements and Governmental Approvals: Secure all required land use entitlements, permits and approvals which may be required for construction of the Project, including but not limited to, compliance with the California Environmental Quality Act and the National Environmental Policy Act;

- g. Other Financing: This HDGF commitment is expressly conditioned upon the Grantee's ability to secure sufficient equity capital or firm and binding commitments for financing necessary to undertake the development and construction of the Project. Other Project permanent financing sources may include a California Department of Housing and Community Development Veterans Housing and Homeless Prevention Program award in the amount of \$4,426,369, a Home Depot Foundation award in the amount of \$500,000, and a land donation from the Jewish National Fund (Karen Kayemeth Le Israel) Incorporated valued in the amount of \$363,000;
- h. Successful negotiation of a Revocable Grant Agreement evidencing the grant of the HDGF funds approved by the Board of Supervisors and executed by all required parties.

Section 4. This Resolution and the commitment herein shall terminate automatically without further action of the Board of Supervisors and shall thereafter have no force or effect on July 31, 2025.

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

AYES: SUPERVISORS: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

NOES: SUPERVISORS: None

ABSENT: SUPERVISORS: None

* * * * *

STATE OF CALIFORNIA)
) ss.
SAN BERNARDINO COUNTY)

I, **LYNNA MONELL**, Clerk of the Board of Supervisors of San Bernardino County, State of California, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Supervisors, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of June 11, 2024. #44 CCM

LYNNA MONELL
Clerk of the Board of Supervisors

By _____

