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**File ID:** 2025-01168

7/1/2025

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**Grant Agreement with Housing Authority for the City of Sacramento Agency for Donner Field Affordable Housing Project (4501 9<sup>th</sup> Avenue) [Published for 10-day Review 06/19/2025]**

File ID: 2025-01168

**Location:** 4501 9<sup>th</sup> Avenue, District 5

**Recommendation:** Pass a **Motion** authorizing the Interim City Manager or designee to execute the attached grant agreement with the Housing Authority of the City of Sacramento involving disbursement of \$1,250,000 for development of the Donner Field Senior Apartments affordable housing project at 4501 9th Avenue.

**Contact:** Ya-yin Isle, City Housing Manager, (916) 808-1869, yisle@cityofsacramento.org; Axel Magallanes, Housing Analyst, (916) 808-1844, amagallanes@cityofsacramento.org, City Manager's Office of Innovation and Economic Development

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-Donner Field Senior Apartments Grant Agreement

**Description/Analysis**

**Issue Detail:** In 1985, the former Redevelopment Agency for the City of Sacramento ("Redevelopment Agency") received title to the property located at 4501 9<sup>th</sup> Avenue ("Property"). The Property is a single lot approximately 1.23 acres in size that is undeveloped and vacant. It is located in the Oak Park neighborhood behind the former Donner School building off Stockton Blvd. Upon the dissolution of redevelopment agencies in 2012, the Housing Authority of the City of Sacramento ("Authority"), administered by the Sacramento Housing and Redevelopment Agency ("SHRA") acquired title to the Property and developed a "Vacant Lot Disposition Strategy" which outlines recommendations for the disposition of 53 lots acquired from the Redevelopment Agency. This strategy was approved by the City Council in its capacity as the governing board for the Authority in November 2016 (Authority Resolution No. 2016-0022). The Vacant Lot Disposition Strategy designated the Property as an affordable housing opportunity site and authorized the sale of the Property.

In August 2020, the Authority issued a Request for Proposals (“RFP”) seeking an experienced developer to construct and manage a new affordable housing project on the Property. In December 2020, Eden Housing Inc. (“Developer”) was selected as the developer of the proposed Donner Field Senior Apartments affordable housing project at the Property (the “Project”). In July 2023, the Authority executed a Disposition and Development Agreement (“DDA”) with Donner Field Senior, L.P., a legal entity formed by the Developer for this Project, whereby the Authority would sell the Property to Donner Field Senior, L.P. on the condition that the Property be redeveloped as an affordable housing site for seniors in accordance with the terms and conditions of the DDA.

The proposed Project is a 67-unit affordable senior housing project and includes 65 one-bedroom and 2 two-bedroom units (with one reserved for an on-site manager). As a 100% affordable senior community, at least one senior 55 years or older must reside in the units. 48 of the units will be restricted to households who earn 50% or below of the Area Median Income (“AMI”), 18 of the units will be restricted to households who earn 30% AMI or below, and one unrestricted manager’s unit. The Project will consist of two buildings, one U-shaped two or three-story residential building and one single-story community building that will house all interior common space.

Amenities of the Project include a computer room, shared kitchen, multipurpose room, BBQ area, bocce ball court, and a community garden. In addition, 17 of the units will have Project Based Vouchers (“PBV”) from SHRA and funding from Sacramento County Behavioral Health Services (“BHS”) dedicated for people experiencing homelessness with behavioral health needs. BHS will also be providing case management services for the households in the 17 homeless units.

In November of 2022, City Council approved Resolution No. 2022-0328, committing \$1.25 million (\$558,000 of Measure U funding and \$692,000 of Oak Park Redevelopment Bond funding) for the Project on the condition that a DDA be signed timely with Donner Field Senior, L.P. (as noted above, the Authority signed a DDA with Donner Field Senior, L.P. in July 2023).

Since 2022, the Developer has been working to secure additional funding for the Project and in April 2025 was awarded low-income housing tax credits. With the tax credit award, the Project is able to move forward towards construction and staff is now recommending entering into an agreement with the Authority for disbursement of the \$1.25 million in City funds towards the Project. The \$1.25 million from the City will be used for construction costs of the 67 units, and the City’s subsidy equates to \$18,657 per unit. City staff is recommending disbursing the funds to the Authority, who will then provide a \$1.25 million loan to Developer. The loan to the Developer will have a 55-year maturity date with 3% interest. Loan payments made to the Authority from the Developer will go back to a revolving loan fund to be used for future affordable housing development.

The Project will also receive a loan of approximately \$12.5 million from the Authority comprised of funding from the State of California’s Home Investment Partnership Program (“HOME”), the State of California’s Housing Opportunities for Persons with AIDS Program (“HOPWA”), Authority “Seller

Carryback” funds, and County Mental Health Services Act (“MHSA”) funding.

**Policy Considerations:** With Sacramento seeing some of the highest increases in rent in recent years, home prices continuing to rise, and the supply continuing to not meet demand, housing continues to be a priority of the City. The provision of this funding to the Project will aid in the development of additional housing in the Central City, which is supported by the City’s General Plan, specifically Policy H-36 in the City of Sacramento Housing Element that speaks to assistance in the development of affordable housing by providing gap financing.

In addition, the financing of permanent housing projects is consistent with the Sacramento Regionally Coordinated Homelessness Action Plan (RCHAP), adopted in March 2024. The Project supports Solution 6 - Permanent Supportive Housing, which seeks to expand housing opportunities and capacity dedicated to meet the housing needs of people experiencing homelessness.

Sacramento City Code Section 3.04.010(B) requires City Council approval for all agreements involving income or expenditure of \$250,000 or more.

Sacramento City Code Section 4.04.020(C) and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to Council action. This item was published for 10-day review on June 19, 2025, in compliance with the City Code.

**Economic Impacts:** Development of the Project’s 67 units will provide construction jobs in the City and stimulate the Stockton Boulevard corridor.

**Environmental Considerations:** California Environmental Quality Act (CEQA): The current action is the establishment of a funding mechanism to finance various activities associated with the Project (IR21-226), which was approved as a ministerial project that is not subject to CEQA (CEQA Guidelines Section 15060(c)(1)). The current action consisting of the establishment of a funding mechanism is not a project pursuant to CEQA Guidelines section 15378(b)(4) and is not subject to CEQA (CEQA Guidelines Section 15060(c)(3)).

**Sustainability:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The recommendation in this report furthers the City’s objective of providing a range of housing for community needs, including affordable housing. Staff supports the Project as it will assist in timely development of additional affordable housing options.

**Financial Considerations:** On October 25, 2022, the City Council approved Resolution 2022-0328,

which allocated \$558,000 in Measure U funds (Fund 2401) and \$692,000 in Oak Park Redevelopment Bond funds (Fund 3816) to the Project. The funding (totaling \$1.25 million) has been set-aside in the FY23 Affordable Housing Project (I02189050) where there is sufficient funding.

**Local Business Enterprise (LBE):** Not applicable.

## **Donner Field Senior Apartments Project Grant Agreement**

This GRANT AGREEMENT (“Agreement”) dated July 1, 2025 (“Effective Date”), is between the CITY OF SACRAMENTO, a California municipal corporation (“City”), and the HOUSING AUTHORITY OF THE CITY OF SACRAMENTO, a public corporation (“Authority”). City and Authority may be referred to herein individually as a “Party” or collectively as the “Parties”.

### **Background**

- A. In 1985, the former Redevelopment Agency for the City of Sacramento received title to the property located at 4501 9th Avenue in Sacramento (the “Property”), which is an undeveloped and vacant lot. Upon the dissolution of redevelopment agencies in 2012, the Authority acquired title to the Property. The Authority subsequently developed a “Vacant Lot Disposition Strategy” regarding disposal of the 53 lots acquired by the Authority and the Sacramento City Council approved such Vacant Lot Disposition Strategy in its capacity as the governing board for the Authority (Authority Resolution No. 2016-0022). In this Vacant Lot Disposition Strategy, the Property was designated for development as an “affordable housing opportunity site,” which means that the Property provided more significant development opportunity.
- B. In August 2020, the Authority released a Request for Proposals for an affordable housing development for the Property. In December 2020, the Authority selected Eden Housing, Inc., a California nonprofit corporation (“Developer”) as the developer of the Property. On July 25, 2023, the Authority executed a Disposition and Development Agreement with Donner Field Senior, L.P. (“DDA”), a legal entity formed by Developer for this Project, whereby Authority would sell the Property to Donner Field Senior, L.P. on the condition that the Property be redeveloped as an affordable housing site for seniors in accordance with the terms and conditions of the DDA.
- C. Since selection by the Authority, Developer has worked to obtain entitlements to develop the Property into an affordable, multi-family housing complex called the “Donner Field Senior Apartments by Eden Housing” and described in further detail in Attachment 1 (the “Project”), which will be a senior (55+) community consisting of 67 one and two-bedroom leased housing units. As a senior community, at least one senior must reside in each of the units. 100% of the Project’s units will be affordable to households at or below 50% of the Area Median Income (“AMI”) and will include 17 units dedicated for people experiencing homelessness. The expected construction completion date is Spring 2027.
- D. On October 25, 2022, the City Council committed \$1.25 million (\$558,000 of Measure U funds and \$692,000 of Oak Park Redevelopment Bond Funding) towards development of the Project (City Council Resolution 2022-0328). Such funding was conditioned on timely execution of a disposition and development agreement and Authority executed such DDA

with the Donner Field Senior, L.P. on July 25, 2023. The City funds have yet to be dispersed.

- E. On March 1, 2023, Developer submitted a funding application to the Authority for the Property's construction and permanent financing. In July 2023, the Sacramento City Council (acting as the governing body for the Authority) approved funding for the Project in the amount of \$7 million, which consists of \$6 million of the State of California's Home Investment Partnerships Program ("HOME") funding and \$1 million of the State of California's Housing Opportunities for Persons with AIDS ("HOPWA") funding.
- F. On July 1, 2025 the City Council authorized execution of this Grant Agreement, whereby the City will give \$1.25 million to the Authority, who will then give a loan to Developer for \$1.25 million for construction of the Project. The loan will have a 55-year term with 3% interest. This Grant Agreement specifies the terms and conditions of such City grant of funds to the Authority.

***Based on the facts in the foregoing Background, the City and the Authority agree as follows:***

- 1. **Term.** This Agreement takes effect on the Effective Date specified above and will expire on June 30, 2027, subject to early termination under Section 8.
- 2. **Disbursement of Funds.** The City will disburse to the Authority a total sum not to exceed \$1,250,000 upon execution of this Agreement. The funds disbursed by the City under this Agreement are referred to as the "Grant Funds." In no instance will the City be liable for any payments or costs in excess of the Grant Funds amount, for any unauthorized or ineligible costs, or for costs incurred for the Project after June 30, 2027.
- 3. **Progress Reports.** On a quarterly basis until construction of the Project is complete, anticipated to be in Spring of 2027, the Authority shall provide the City with a written report on the progress made on the Project, and an accounting of costs incurred in sufficient detail for the City, in its opinion, to substantiate the costs and verify Developer's use of the Grant Funds. The City may request any additional documentation it determines is needed to substantiate the eligible uses of the Grant Funds.
- 4. **Authorized Uses.** The Authority acknowledges and agrees that the Grant Funds may only be expended on the construction of the Project, which does not include any administrative costs or fees the Authority or Developer incur as it relates to the Project. In accordance with City Council Resolution No. 2023-0251, the Authority represents and warrants that it will allocate the entirety of the Grant Funds in the form of a loan to Developer for use on construction of the Project.

5. **Use Obligations.** The Authority shall require that Developer comply with the following provisions for its activities and expenditures utilizing Grant Funds awarded under this Agreement:
- A. Perform the work for the Project in accordance with federal, state and local housing and building codes, as applicable;
  - B. Maintain at least the minimum California-required worker's compensation for those employees who will perform the Project work or any part of it;
  - C. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged in performing the Project work or any part of it;
  - D. Not use the Grant Funds to pay for direct or indirect costs already covered by the other funding, if the Developer has received other funds from the City or any other entity;
  - E. Not use the Grant Funds for its administrative costs or fees or to supplant other funds provided by the City to Developer under any other agreement; and
  - F. Include a provision in every subaward that prohibits the subrecipient from using the Grant Funds to supplant funding provided by the City to the subrecipient.
6. **Books and Records.** During the term of this Agreement, the Authority shall comply with the following and require Developer to comply as well: keep appropriate books, records, and accounts in connection with the Grant Funds and activities performed under this Agreement, and make its books, records, and accounts, employees, property, and equipment related to this Agreement available to the City's Accounting Manager ("Accounting Manager"), the City Auditor, and any independent auditor at all reasonable times so that the Accounting Manager, City Auditor, or independent auditor may determine whether the Authority has complied with this Agreement. If the City requests, the Authority shall, or cause Developer to, obtain and provide to the City, at the Authority's sole cost, an independent financial audit of the Authority, or Developer's use of the Grant Funds.
7. **Authority's Repayment Obligations.** Following notice by the City and 90 days opportunity to cure, given in accordance with Section 9 below, the Authority shall reimburse the City for any amount of the Grant Funds that the Accounting Manager, City Auditor, or an independent auditor determines were not expended in accordance with this Agreement. The Authority shall reimburse the City by check payable to the City and delivered to the City at the address shown in Section 10 below within 60 days after delivery to Authority of a final determination letter and audit findings requiring reimbursement or repayment hereunder.

## **8. Termination.**

- A. The City may terminate this Agreement by giving written notice of such termination to the Authority, if any of following occurs:
- (1) The Authority, or Developer, has failed to perform, or has performed unsatisfactorily, any provision of this Agreement, including without limitation failing to use the Grant Funds solely for the Authorized Uses specified above in Section 4;
  - (2) The Authority has made (with or without knowledge) any material misrepresentation of any nature with respect to any information or statements furnished to City in connection with this Agreement; or
  - (3) There is pending litigation with respect to the performance by Authority, or Developer, of any of Authority's duties or obligations under this Agreement that may materially jeopardize or adversely affect the undertaking of or the carrying out of the Authorized Uses specified in Section 4.
- B. The Authority may terminate this Agreement by giving written notice of such termination to the City, if any of following occurs:
- (1) Authority or Developer does not receive any remaining governmental approvals required and/or desired for the development of the Property, despite the Authority's or Developer's reasonable efforts to obtain such approvals;
  - (2) The determination by the Authority or Developer in its commercially reasonable discretion that any remediation work with respect to hazardous materials, or addressing other physical conditions of the Property, or other costs, conditions or requirements of or for the Project are so expensive as to make the Project financially infeasible; or
  - (3) The Authority or Developer does not receive commitments of all financing that are necessary to acquire, construct, and operate the Project, despite the Authority's or Developer's reasonable efforts to obtain such funding.
- C. Following termination:
- (1) Neither Party shall have any rights or obligations under this Agreement, except that the provisions of the Agreement that expressly survive such expiration or termination shall remain in full force and effect; and
  - (2) Authority shall return to the City any portion of the Grant Funds that have not been expended by Authority or Developer on construction or financing of the Project within thirty (30) calendar days of the notice of termination.



D. In no event shall the Authority's election to terminate this Agreement pursuant to this Section constitute a breach or default under this Agreement.

9. **Notices.** Any notice, request, report, or demand under this Agreement must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this Section 9 to the persons identified below or their successors. A mailed notice, application, request, report, or demand will be effective or will be considered to have been given on the third calendar day after it is deposited in the United States Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice, application, request, report, or demand sent in any other manner will be effective or will be considered properly given when actually delivered. Any Party may change its address for these purposes by giving written notice of the change to the other Party in the manner provided in this section.

*If to the City:*

City of Sacramento  
Office of the City Manager  
915 I Street, 3rd Floor  
Sacramento, California 95814  
Attention: Housing Manager

*If to the Authority:*

Sacramento Housing & Redevelopment Agency (SHRA)  
801 12<sup>th</sup> Street, 4th Floor  
Sacramento, CA 95814  
Attention: Christine Weichert, Director

10. **Indemnity.** Authority shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Agreement, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by Authority, any contractor or subcontractor (including lower-tier subcontractors) or agent of Authority, their respective officers and employees, and anyone else for whose acts or omissions any of them may be liable, whether or not the Liabilities (i) are caused in part

by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to any Liabilities to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Authority or any contractor or subcontractor (including lower-tier subcontractors) or agent of Authority. The Authority shall require that Developer defend, indemnify, and hold harmless the City to the same extent required by the Authority under this Section 10.

- 11. Insurance.** During the entire term of this Agreement, Authority shall maintain, and require Developer to maintain, the insurance described in this Section 11. The Authority may provide evidence of self-insurance to satisfy the requirements in this Agreement if applicable.

A. Minimum Scope and Limits of Insurance Coverage

- (1) Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury with limits of not less than two million dollars (\$2,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

B. Other Insurance Provisions

- (1) Authority's insurance coverage shall be primary insurance as respects City, its officials, employees, and volunteers. Any insurance or self-insured insurance maintained by City, its officials, employees or volunteers shall be in excess of Authority's (or subgrantee's, as the case may be) insurance and shall not contribute to it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees or volunteers.

- (3) Coverage shall state that Authority's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - (4) City will be provided with 30-days written notice of cancellation or material change in policy language or terms.
- C. Acceptability of Insurance. Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the City in writing before execution of this Contract.
- D. Verification of Coverage
  - (1) Authority shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of the policies shall be delivered to the City Representative on demand.
  - (2) Authority shall send all insurance certificates and endorsements, including policy renewals, during the term of this Agreement directly to:

City of Sacramento c/o Exigis LLC  
PO Box 947  
Murrieta, CA 92564
  - (3) Certificate Holder must be listed as:

City of Sacramento c/o Exigis LLC  
PO Box 947  
Murrieta, CA 92564
  - (4) The City may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements or proof of insurance required in this Section 11 have not been provided prior to execution of this Agreement. The City may cancel the Agreement if the insurance is cancelled or Authority (or subrecipients, as the case may be) otherwise ceases to be insured as required herein.
- E. Subrecipient Insurance Coverage. Authority shall require and verify that all subrecipients (including Developer) maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Section 11.

- 12. Conflicts of Interest.** The Authority, its officers, directors, employees, agents, and subcontractors shall not have or acquire any interest, directly or indirectly, that creates an actual or apparent conflict with the interests of the City or that in any way hinders the Authority's performance under this Agreement. The Authority shall require that Developer comply with the requirements of this Section 12 as well.
- 13. Prevailing Wage.** If any of the activities funded by the Grant Funds are subject to the prevailing wage requirements under section 1720 et seq. of the California Labor Code, then the Authority or Developer shall require its contractor and subcontractors to adhere to those requirements, including the following: contracts between the contractor and subcontractors must include provisions requiring the payment of prevailing wage; the contractor shall monitor subcontractors' payment of prevailing wage by periodically reviewing certified payroll records and diligently taking corrective action if the subcontractors fail to pay prevailing wage; contractor and subcontractors shall maintain certified payroll records and time records. The contractor to whom a contract is awarded, and any subcontractor under such contractor, shall not pay less than the specified prevailing wage; contractor and subcontractors are subject to penalties for violations of prevailing wage provisions. The Authority and Developer shall indemnify, hold harmless, and defend the City from all additional wages, benefits, fees, damages, penalties, fines, legal fees, court costs, arbitration costs, and other costs arising from the Authority's, Developer's, or its contractor's improper application of California's prevailing wage laws to the activities funded by the Grant Funds. If all applicable labor compliance requirements are not met, then upon demand by the City, given in accordance with Section 9, the Authority shall reimburse the City for all Grant Funds spent on construction or related services, in whole or in part, with reimbursement to be by check payable to the City and delivered to the City at the address shown in Section 9. The Authority shall require that Developer comply with this Section 13.
- 14. Miscellaneous.**
- A. *Assignment.* The Authority may not assign or otherwise transfer this Agreement or any interest in it without the City's written consent, which the City may grant or deny in its sole discretion. An assignment or other transfer made contrary to this Section 14(A) is void.
- B. *Successors and Assigns.* This Agreement binds and inures to the benefit of the successors and assigns of the Parties. This Section 14(B) does not constitute the City's consent to any assignment of this Agreement or any interest in this Agreement.
- C. *Enforcement of Agreement.* This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California and federal laws. Venue of any litigation arising out of or connected with this Agreement shall lie

exclusively in the state trial court or federal district court located in Sacramento County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

- D. *Waiver of Breach.* A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon the other Party's breach of this Agreement will not constitute a waiver of the performance, right, or remedy. A Party's waiver of the other Party's breach of any term or provision in this Agreement is not a continuing waiver or a waiver of any subsequent breach of the same or any other term or provision. A waiver is binding only if set forth in writing and signed by the waiving Party.
- E. *Severability.* If a court with jurisdiction rules that any nonmaterial part of this Agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this Agreement remains valid and fully enforceable.
- F. *Counterparts.* The Parties may sign this Agreement in counterparts, each of which is considered an original, but all of which constitute the same agreement. Facsimiles, pdfs, and photocopies of signature pages of the Agreement have the same binding effect as originals. This Agreement may be executed with electronic signatures.
- G. *Time of Essence.* Time is of the essence in performing this Agreement.
- H. *Compliance with all Laws, Requirements, and Orders.* The Authority shall comply with all applicable laws, regulations, orders of public officials, and requirements in connection with this Agreement.
- I. *Authority to Sign.* The person signing this Agreement on Authority's behalf represents that he or she is authorized to do so and that no further action beyond his or her signature is required to bind Authority to this Agreement. City shall have no obligations whatsoever under this Agreement, unless and until this Agreement is executed by the City Manager or the City Manager's authorized designee.
- J. *Tax Implications and Consequences.* The City makes no representations as to the tax consequences associated with the disbursement of Grant Funds related to this Agreement, and any determination related to this issue is the sole responsibility of the Authority. Authority acknowledges consulting with its own tax advisors or tax attorneys regarding this transaction or having had an opportunity to do so prior to signing this Agreement. Authority acknowledges the City cannot provide advice regarding the tax consequences or implications of the Grant Funds disbursed to Authority under the terms of this Agreement.

- K. *Integration and Modification.* This Agreement sets forth the Parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations-written, oral, express, or implied and may be modified only by another written agreement signed by both Parties.

*(Signature Page Follows)*

**CITY OF SACRAMENTO, a municipal  
corporation**

**HOUSING AUTHORITY OF THE CITY OF  
SACRAMENTO, a public corporation**

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Michael Jasso, Assistant City Manager

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La Shelle Dozier, Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

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Senior Deputy City Attorney

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Authority Counsel

ATTEST:

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City Clerk

## **Attachment 1 – Scope of Development and Project Budget**

### **Donner Field Senior Apartments – An Eden Housing Inc. Community**

#### **I. Project Description:**

Donner Field Senior Apartments is a new construction development on approximately 1.23 acres located at 4501 9th Avenue. The development consists of 67 units comprised of 65 one-bathroom units and 2 two- bedroom units.

Inclusive of this unit mix, 1 unit will be exempt for management staff. The common areas and amenities include a community building with shared common space and laundry facilities. Outdoor amenities include community barbeque grills and a bocce ball court.

All work shall comply with Federal and State Americans with Disability Act (ADA) accessibility requirements, as well as any other requirements stipulated by the funding sources. When there are differences, the stricter shall prevail.

#### **II. Mitigation Measures:**

A Phase I Environmental Site Assessment Report was completed by GeoCon Consultants in July 2022 and no further environmental reports were recommended and no mitigation strategies were called for.

An existing sewer line and easement that services this project site and an adjacent property (the School site) will need to be relocated. In order to facilitate this relocation, an amendment to the easement with the adjacent property owner will be required and a portion of the easement will be abandoned once the relocation of the utility has completed.

#### **III. Mitigation Monitoring Plan:**

Sewer: According to our Civil Engineer, best way to relocate the existing sewer/storm pipe that serves parcels 1 and 2 would be to route north within the new drive aisle then install a new main within 8th Street to 45th Street (see diagram below).

#### **IV. Building Exteriors:**

1. Asphalt Pavements: The development will include approximately 24 onsite uncovered surface parking spaces and 24 tuck-under parking space with 3-6 equipped for EV changing. There will be four (4) ADA parking spaces.
2. Balconies and Patios: Ten (10) ground floor apartments will have patios and. There will be no upper floor balconies, however we are planning to have 1-2 shared balconies near the elevators on the 2nd and 3rd floors.



3. Site Lighting: The site will be lit with Title 24 compliant wall packs, pole lights and other luminaires for all parking and outside public spaces, and will be of LED or similarly energy efficient type.
4. Non-Smoking: The Project will be 100% non-smoking except for the designated smoking area located next to the parking lot in the northeast corner of the site.
5. Landscaping and Courtyard: Landscaping is designed with drought tolerant plants and trees. Trees will be planted along the parking lot to meet City shading requirements. The U-shaped building surrounds an at grade, landscaped courtyard with a BBQ and picnic area, community garden, and a covered mailbox center. The Landscape Plan dated was approved by the City as part of the project entitlements. All landscaped areas will be served by a programmable automated irrigation system. Any modifications to the Lender-approved Landscape Plan require Lender's written approval prior to implementation of changes.
6. Picnic Area: Barbeque and seating areas will be provided.
7. Swimming Pool: There will be no swimming pool on the property.
8. Play Area: The play area will have one Bocce Ball court. There will be no school age or toddler play structures located on the grounds as this is a senior apartment community.
9. Community Garden: The center courtyard of the site will have a resident raised bed garden area.
10. Exercise Path: There will be no site exercise path.
11. Mailboxes: New mailboxes will be installed in a covered area across from the elevators just off the courtyard.
12. Site Fencing: The sliding auto entry gate for the site is on 8th and 9th Avenue through the only entry drive. The hours of gate access are yet to be determined and is pending full consultation with the fire department. The site will be gated and closed after business hours. Residents and employees of the community will have remote access to open the gate and park inside. Exit only may be instituted (pending full consultation with the fire department) on 8th Avenue. Pedestrian access to the site is through a person- gate and call box along the sidewalk on 45th Street. A call box and gate are located just outside the community building along 45th Street. Perimeter site fencing is a combination of half-height wood and tubular steel. The property line between the Fortune School and the property shall have a contiguous 6' wrought iron tubular metal fence.
13. Stormwater: The development will meet storm water requirements through use of on-site storm water detention and/or bioswales along the project perimeter.
14. Roof: Buildings are planned with low sloped roofs and extended eaves in order to provide maximum lineal space for solar PV panels, weather protection and mechanical equipment. Buildings include cool roofs, planned to passively counteract the warm conditions of Sacramento County. The material on the roof will be single ply.
15. Siding: The building skin will be painted cement fiber board siding.
16. Offsite Improvements: Public offsite improvements consist of street frontage improvements along 9th Avenue, 8th Avenue and 45th Street, including new sidewalks (as required by the City), curbs, gutters, landscaping, and lighting.

## V. Building Interiors:

1. Americans with Disabilities Act (ADA) Units: There will be ten (10) units, 15% of the units, accessible with mobility features, and an additional seven (7) units, 10% of the units, will include communications features for persons with hearing or vision impairment. The remainder of the units will be designed to be adaptable.
2. Non-Smoking: The Project will have 100% non-smoking units.
3. Smoke Detectors: All units, offices and interior common areas will have a smoke/carbon monoxide detector installed in accordance with current code requirements.
4. Appliances: All apartment kitchens will have brand new Energy Star rated appliances including, refrigerator with freezer combination, electric stove and range, dishwasher and garbage disposal.
5. Bathtubs and Toilets: All apartments will have a bathtub/shower combination. Restrooms will have water efficient toilet and fixtures, and bath accessories.
6. Doors (Interior, Exterior and Sliding Glass): All interior and exterior doors will have matching hardware finishes. All exterior doors will have deadbolt locks, keyed latch assemblies, viewers, and screws in strike plates long enough to penetrate the door jamb framing by at least one inch. The dwelling entry door hardware shall have single action hardware to release deadbolt and latch assembly. All doors will meet current egress standards.
7. Cabinets, Counters and Sinks: All apartment kitchens will have modular construction cabinets, solid surface countertops, and stainless steel sink. Microwave shelving will be provided (except in ADA units) either above the counter, or on the pantry shelving with electrical outlet for microwave. All apartment bathrooms will have all wood vanity, and solid surface cultured marble vanity top with integral sink. All cabinetry face frames, doors and drawer faces will be solid hardwood.
8. Ceilings and Walls: Low or no VOC paint will be used in building interiors.
9. Windows: All apartments will have energy efficient vinyl dual pane windows. Windows designed to open will have screens. The Borrower is responsible for providing an Operating Procedure Outline Sheet (OPOS) for window washing systems where applicable, per Cal-OSHA requirements. All windows will meet current egress standards.
10. Blinds: Vertical or horizontal blinds will be provided in all apartment windows and sliding glass doors.
11. Electrical and Lighting: All apartments will have high efficiency lighting, ceiling fans, exhaust fans vented to the exterior and bathroom humidistat fans. Air conditioning and heat will be provided. Any exterior mounted electrical, mechanical and plumbing systems will be protected from vandalism. Wiring from telephone/data/cable suppliers will be installed within walls, attic spaces, and/or crawl spaces. Conduits will not be mounted on the exterior of the buildings. The project and all units will be wired for broadband infrastructure that complies with 24 CFR 5.100.
12. Flooring: All dwelling unit kitchens shall contain luxury vinyl plank (LVP) flooring. Bathrooms must be floored with LVP, sheet vinyl or ceramic tile to provide a cleanable, impervious surface. Bedrooms, hallways, and living and dining rooms may be floored with carpeting, LVP or hardwood. Wear layer of LVP shall be at least 12 mils inside dwelling

units. Tenant unit entries shall be floored with LVP or ceramic tile. In common areas, corridors may be floored with LVP, glue-down carpeting, or carpet tiles. Community rooms and kitchens shall be floored with LVP. Wear layer of LVP in common/commercial areas shall be a minimum of 20 mils thick. Carpet shall meet or exceed the minimum standards as set by HUD's UM-44D bulletin.

13. Plumbing Fixtures: All apartments will have new water efficient plumbing fixtures.

#### VI. Community Amenities:

1. Community Building: The furnished community building will consist of management offices meeting areas, lobby areas, sitting areas, restrooms and fitness room will have easy to maintain flooring (to be selected at a later date), energy efficient lighting and HVAC systems. The square footages of individual areas will be further defined as the design process continues but the resident services/community space will be a minimum of 1,200 square feet, not including restrooms, leasing offices, laundry facilities, and lobbies. These spaces will be ADA compliant.
2. Ceilings and Walls: Low or no VOC paint will be used in all building interiors.
3. Community Restrooms: The two community restrooms in the community building will be ADA compliant, have low-flow bathroom fixtures, sink, solid surface countertop, and bathroom accessories.
4. Community Room Kitchen: The community room kitchen will be ADA compliant and include all plywood construction cabinets with solid hardwood faces, solid surface countertop, and flooring that will be determined as the design process continues. New Energy Star rated appliances (refrigerator, electric stove, electric oven, microwave, garbage disposal and dishwasher), energy efficient lighting, HVAC system and water efficient plumbing fixtures will be installed.
5. Elevator: Two hydraulic elevators will be installed. The elevator floor surface area will be a minimum of 28 square feet.
6. Hallways and Stairs (open corridor style): Residential hallways and stairs will be of durable flooring made of TBD flooring type. Stairs will be located on the wing elevations to encourage use for those that can forgo the elevator. Stairs will have non-slip concrete treads, landings and closed risers. All hallway floorings will be exterior finish due to open corridor design. The first floor hallways will be a broom finished concrete to minimize slipperiness in inclement weather. The 2nd and 3rd, and floor hallways will be determined later as the design process continues.
7. HVAC & Plumbing Systems: Each apartment will have its own air conditioning and heat with its own thermostat. Residential hallways will not have heating and air conditioning, due to open corridor ends designed to allow natural airflow. Stairwells will not have heating or air conditioning. A gas-fired central boiler will provide hot water for the development. Bathroom exhaust fans will be humidistat controlled.
8. Laundry Facility: The laundry room (or rooms) will accommodate no less than a total of seven (7) washers and seven (7) dryers, which will include one set of ADA accessible laundry machines. The location of this room (or rooms) will be determined as the design process continues.

9. Signage: A comprehensive signage package will be implemented throughout the development including all common area signage, unit ID, wayfinding, code, fire, life and safety signage.
10. Trash Room: One trash chute and one recycle chute will be located on each floor. A trash and recycle room is located on the ground floor within the building envelope with a concrete apron at the exterior for trash pick-up.
11. Recycle: One recycle chute will be located on each floor, emptying into the ground floor trash and recycle “discharge” room.
12. Bicycle parking: A minimum of TBD long-term and TBD short-term bicycle parking will be provided – taking into account this senior project will be allowed a 50% reduction under current zoning regulations. Long-term bicycle parking will be provided adjacent to the parking on the ground floor and short-term bicycle parking will be provided on the exterior of the building centrally located near the community building front door.
13. Security Cameras: Interior and exterior web-based security cameras will be installed throughout the community. The equipment will record events for primary ingress/egress points to and from the site, parking lots and indoor and outdoor common areas where people will be congregating.

**Donner Field  
Residential Project Summary**

<u>Addresses</u>		4501 9th Avenue Sacramento CA 95820				
<u>Number of Units</u>		67				
<u>Project Type</u>		New Construction				
<u>Acreage</u>		1.23				
<u>Unit Mix and Rents</u>		<u>Exempt Management</u>				
	<u>30% AMI</u>	<u>50% AMI</u>	<u>Unit</u>	<u>Total</u>		
1BR/ 1BA (PBV)	17	0	0	17		
1BR/ 1BA	0	48	0	48		
2BR/ 2BA	1	0	1	2		
0	0	0	0	0		
Total Units	18	48	1	67		
<u>Square Footage</u>		<u>Unit Size (sq.ft.)</u>	<u>Total (sq. ft.)</u>			
1BR/ 1BA		590	38,350			
2BR/ 1BA		849	1,698			
2BR/ 2BA			0			
3BR/ 2BA			0			
Manager Unit			0			
Common Areas		22,708	22,708			
Total Gross			62,756			
<u>Resident Facilities</u>		Amenities on site will include a common lounge area, outdoor gathering area, bocce ball, BBQ, picnic tables, laundry facilities, community room with kitchen				
<u>Permanent Sources</u>		<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>		
Permanent Loan	\$	1,446,400	\$	21,588	\$	23.05
Federal Tax Credits	\$	17,291,917	\$	258,088	\$	275.54
SHRA HOME	\$	8,800,000	\$	131,343	\$	140.23
Building HOPE (MHSA) Loan	\$	2,600,000	\$	38,806	\$	41.43
City Of Sacramento Loan	\$	1,250,000	\$	18,657	\$	19.92
SHRA Seller Carryback Loan	\$	60,000	\$	896	\$	0.96
SHRA HOPWA Loan	\$	1,000,000	\$	14,925	\$	15.93
Deferred Developer Fee	\$	2,273,288	\$	33,930	\$	36.22
GP Equity	\$	3,441,318	\$	51,363	\$	54.84
Waived Impact Fee	\$	468,855	\$	6,998	\$	7.47
TOTAL SOURCES	\$	38,631,778	\$	576,594	\$	615.59
<u>Permanent Uses</u>		<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>		
Acquisition	\$	60,000	\$	896	\$	0.96
Construction Costs	\$	24,510,720	\$	365,832	\$	390.57
Architecture & Engineering	\$	1,615,000	\$	24,104	\$	25.73
Permits/Fees	\$	1,364,330	\$	20,363	\$	21.74
Hard Cost Contingency	\$	1,225,536	\$	18,292	\$	19.53
TOTAL HARD COSTS	\$	28,775,586	\$	429,486	\$	458.53
Soft Cost Contingency	\$	557,166	\$	8,316	\$	8.88
Financing Cost	\$	2,265,122	\$	33,808	\$	36.09
Operating Reserves	\$	280,798	\$	4,191	\$	4.47
Legal Fees	\$	259,500	\$	3,873	\$	4.14
Developer Fee	\$	4,714,606	\$	70,367	\$	75.13
Third Party Fees, Marketing, Other	\$	1,779,000	\$	26,552	\$	28.35
TOTAL SOFT COSTS	\$	9,856,192	\$	147,107	\$	157.06
TOTAL USES	\$	38,631,778	\$	576,594	\$	615.59
<u>Leverage</u>		<u>SHRA \$ per Unit</u>	<u>Per Unit Cost</u>	<u>Leverage</u>		
				SHRA: Other		
		\$ 204,627	\$ 576,594	\$1.00 : \$2.82		
<u>Management / Expenses</u>		Eden Housing Eden Housing and Property Management				
Proposed Developer Property Management Company						
Operating Expenses	\$ 468,541	\$ 6,993	per unit			
Property Management Fee	\$ 52,260	\$ 780	per unit			
Resident Services	\$ 68,782	\$ 1,027	per unit			
Taxes and Insurance	\$ 1,800	\$ 27	per unit			
Replacement Reserves	\$ 33,500	\$ 500	per unit			