

**SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS**

RESOLUTION NO. 2024 - 157

A RESOLUTION APPROVING PROPOSED LOAN AGREEMENT, RESTRICTIVE REAL ESTATE COVENANTS AGREEMENT, AND MORTGAGE AND SECURITY AGREEMENT (COLLECTIVELY, THE “LOAN DOCUMENTS”) BETWEEN SANTA FE COUNTY AND CRESTA RIDGE APARTMENTS LLP TO SUPPORT THE CONSTRUCTION OF A 240-UNIT MULTIFAMILY, AFFORDABLE HOUSING PROJECT LOCATED WITHIN SANTA FE COUNTY, CALLED “CRESTA RIDGE APARTMENTS” AND AUTHORIZING THE CHAIR, THE VICE-CHAIR, THE COUNTY MANAGER, OR THE COUNTY MANAGER’S DESIGNEE, OR ANY ONE OF THEM, TO SIGN ALL NECESSARY RELATED LOAN TRANSACTION DOCUMENTS AS REQUIRED FOR ONGOING FUTURE MAINTENANCE AND MONITORING RESPONSIBILITIES AS APPROVED BY COUNTY ATTORNEY

WHEREAS, the Board of County Commissioners (“BCC”) adopted the County’s Affordable Housing Plan, Resolution No. 2023-083 (“Affordable Housing Plan Resolution”), and Housing Assistance Grant Ordinance, Ordinance No. 2023-05 (“Housing Assistance Grant Ordinance”), pursuant to the New Mexico Affordable Housing Act (NMSA 1978, § 6-27-1, *et seq.*) and the Affordable Housing Act Rules; and

WHEREAS, the BCC adopted Resolution 2023-106, which approved the Developer Assistance Program Regulations (the “DAP Regulations”), implementing the Affordable Housing Plan and Affordable Housing Ordinance; and

WHEREAS, in September 2024, the County received applications in response to a Notice of Funding Opportunity (NOFO) issued for affordable housing loans pursuant to the DAP for affordable rental housing projects that serve households at or below 80% of Area Median Income for the Santa Fe Metropolitan Statistical Area; and

WHEREAS, on October 29, 2024, the BCC approved moving forward with award of DAP funding to Cresta Ridge Apartments LLP (“Borrower”) for a 240-unit multifamily, affordable housing project located within Santa Fe County, called “Cresta Ridge Apartments” (the “Project”), in the amount of One Million Three Hundred Twenty Thousand Dollars (\$1,320,000.00) (the “DAP Loan”); and

WHEREAS, the DAP Regulations require all funding awards be made as low-interest loans, repayable from cash flow only and secured by an appropriate security instrument, which may include, but are not limited to: notes, mortgages, liens, restrictive covenants, land use restriction agreements, development and disposition agreements, or other similar documents, and for an affordability period not less than 20 years for affordable housing funds greater than One Hundred Thousand Dollars (\$100,000.00); and

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WHEREAS, the additional financing provided by the senior lenders for the Project will require the County to subordinate its loan and promissory note as a condition of the additional financing; and

WHEREAS, in connection with the DAP Loan, forms of a DAP Loan Agreement, a DAP Restrictive Real Estate Covenants Agreement, and a DAP Mortgage and Security Agreement, including a form of Note (collectively, the “DAP Loan Documents”), have been presented to the Board for its consideration; and

WHEREAS, the BCC wishes to ensure a timely and expedited process for execution and delivery of the DAP Loan Documents for the Project, and wishes to grant the Chair, the Vice-Chair, the County Manager, or the County Manager’s Designee, or any one of them, with signatory authority to execute the DAP Loan Documents and make such minor, non-substantive corrections, revisions or other adjustments necessary or advisable for the purpose of making the DAP Loan.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners as follows:

1. The DAP Loan shall be in an original principal amount of One Million Three Hundred Twenty Thousand Dollars (\$1,320,000.00).
2. The DAP Loan shall bear simple interest at 1.5% annually.
3. The term of the DAP Loan shall be 20 years from the date the County has issued a certificate of occupancy for Cresta Ridge Apartments.
4. The DAP Loan will be evidenced by a promissory note executed by Borrower in favor of the County, the form of which is attached to the DAP Mortgage and Security Agreement (the “DAP Mortgage”). As further consideration for the DAP Loan, the County and Borrower shall enter into the DAP Restrictive Real Estate Covenants Agreement (the “Restrictive Covenants Agreement”). The DAP Mortgage and DAP Restrictive Covenants Agreement shall be recorded against the Project.
5. Prior to disbursement of any DAP Loan Proceeds, Borrower shall have met all conditions precedent for disbursement required pursuant to the DAP Loan Documents.
6. Upon the occurrence of any Event of Default as defined by the DAP Loan Documents, the County shall have the right to proceed with remedies set forth in the DAP Loan Documents, including, but not limited to acceleration of the Promissory Note, specific performance, and right to cure at Borrower’s expense, subject to the provisions of Subordination Agreement (as defined in the DAP Loan Agreement).
7. The Borrower shall pay the County’s attorney fees for preparation and review of the Loan Documents.

BE IT FURTHER RESOLVED that the Board of County Commissioners hereby authorizes the Chair, the Vice-Chair, the County Manager, or the County Manager’s Designee, or any one of them (each an “Authorized Signatory”), to execute the DAP Loan Documents and any other agreements and instruments deemed necessary or advisable by the Authorized Signatory to effect

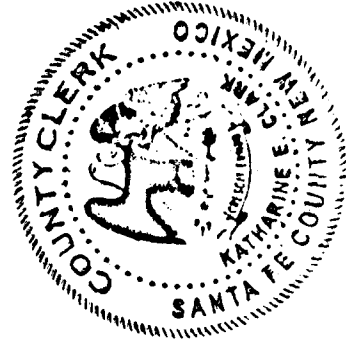
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the DAP Loan and any applicable regulatory requirements, including, without limitation, an agreement pursuant to which the Borrower grants to the County a right of first refusal to acquire the Project at such time as the Borrower offers the Project for sale to any third party, as such other agreements and instruments are approved by the County Attorney, and further authorize the Chair, the Vice-Chair, the County Manager, or the County Manager's Designee, or any one of them, to sign all necessary related loan transaction documents as required for ongoing future maintenance and monitoring responsibilities as approved by the County Attorney.

PASSED, APPROVED, AND ADOPTED ON THIS 26th DAY OF NOVEMBER, 2024.

**SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS**

By: *Hank Hughes*
Hank Hughes, Chair



ATTEST:

Katharine E. Clark
Katharine E. Clark
Santa Fe County Clerk

Date: 11/26/24

Approved as to form:

Jeff Young
Jeff Young
Santa Fe County Attorney



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC RESOLUTIONS
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I Hereby Certify That This Instrument Was Filed for
Record On The 26TH Day Of November, 2024 at 03:51:20 PM
And Was Duly Recorded as Instrument # **2047661**
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Katharine E. Clark
Deputy *[Signature]* County Clerk, Santa Fe, NM

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