

RESOLUTION NO. 2025-035

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE CITY MANAGER TO EXECUTE SEPARATE CONSENTS OF
GOVERNMENTAL ENTITY DOCUMENTS RELATED TO THE
SECOND MODIFICATION AGREEMENTS FOR THE POPPY GROVE II AND
POPPY GROVE III APARTMENTS PROJECT**

WHEREAS, Poppy Grove I, LP, a California Limited Partnership; Poppy Grove II LP, a California Limited Partnership; and Poppy Grove III LP, a California Limited Partnership (collectively, “Developers”) are in the process of developing 387 units of rental housing (the “Project”) at a site located in Elk Grove, California at 10149 Bruceville Road – APNs 132-0050-175, 132-0050-176, and 132-0050-177, respectively (collectively, the “Property”); and

WHEREAS, on May 25, 2022, the City Council authorized the City Manager to execute Agreements for the Deferral of Certain City Impact Fees for the Project; and

WHEREAS, on August 24, 2022, the City Council authorized the City Manager to execute Amended and Restated Fee Deferral Agreements (“Fee Deferral Agreements”) for the Project, which limited the changes to certain impact fees and allowed for an alternate form of security;

WHEREAS, also on August 24, 2022, the City Council authorized the City Manager to execute Subordination Agreements related to the Fee Deferral Agreements, which subordinated the City’s right to payment under the Fee Deferral Agreements to the Developers’ senior lenders; and

WHEREAS, on January 10, 2024, the City Council authorized the City Manager to execute separate Consents of Governmental Entity documents related to the First Modification Agreements for the Poppy Grove I, Poppy Grove II, and Poppy Grove III apartments projects; and

WHEREAS, subsequent to the approval of the First Modification Agreements, the Developers proposed further changes to their financing structure, in part to make use of supplemental and recycled bond funds and in part to increase the amount of funding available to the Project; and

WHEREAS, Greystone Housing Impact Investors LP and the Developers negotiated a Second Modification Agreement modifying their Project loan documents, to which the City is not a party, and requested that the City consent to the Second Modification Agreement and reaffirm its Subordination Agreements in relation to the Fee Deferral Agreements; and

WHEREAS, staff reviewed the Second Modification Agreement for the Poppy Grove I project and determined that a reconveyance of the City fee deferral agreement is an appropriate course of action, as the deferred impact fees have been fully paid and the terms of the fee deferral agreement satisfied; and

WHEREAS, staff reviewed the Second Modification Agreements for the Poppy Grove II and Poppy Grove III projects and determined that they do not meaningfully impact the City's interests in the Project.

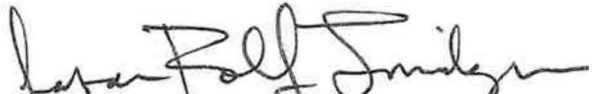
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby authorizes the City Manager to execute separate Consents of Governmental Entity documents, in substantially the form presented, related to the Second Modification Agreements for the Poppy Grove II and Poppy Grove III Apartments Projects.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 12th day of March 2025




BOBBIE SINGH-ALLEN, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS,
CITY ATTORNEY

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2025-035

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)

I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on March 12, 2025 by the following vote:

AYES: COUNCILMEMBERS: Singh-Allen, Robles, Brewer, Spease

NOES: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Suen



Jason Lindgren, City Clerk
City of Elk Grove, California