



City of Apache Junction

February 2, 2016

Ms. Jeanne Redondo
Rental Programs Administrator
Arizona Department of Housing
1110 W Washington, #310
Phoenix, AZ 85007

Subject: Letter of Commitment by the City of Apache Junction to a Local Government Contribution for Apache Junction Villas for Adams Construction and Management Co., Inc.

Dear Ms. Redondo:

The city of Apache Junction city council has authorized me to transmit this letter committing the city to a local government contribution for the Apache Junction Villas Low Income Tax Credit Project. The city council has agreed to execute a cash flow loan that is equal to or greater than one percent of the maximum development budget as identified as the total direct construction costs.

The council has agreed to execute a cash flow loan agreement, a development and rehabilitation agreement, and promissory note that includes the final terms of the loan with the only contingency being the successful award to the owner/applicant of tax credits from the Arizona Department of Housing. The city will work with the developer to finalize the above documents to meet the owner/applicants project schedule.

The city has a record of successful performance with this developer and looks forward to the award of the tax credits for this 52 unit project for seniors and families.

Sincerely,

Bryant Powell
City Manager

cc: Mr. Gregory A. Wagner, President - Adams Construction and Management