June 29, 2023

Ryan LaRue

Chief Executive Officer

Rural Communities Housing Development Corporation

499 Leslie Street

Ukiah, CA 95482

Re: City of Yreka Homekey Project – Ascent Housing – Permanent Supportive Housing Development

Dear Mr. LaRue,

This letter is to confirm Siskiyou County Health and Human Services Agency’s (HHSA) commitment to allocate funds to the City of Yreka Homekey Ascent Housing project that is to be purchased, rehabilitated, owned, and operated by Rural Communities Housing Development Corporation. The project is located at 1235 South Main Street, Yreka. HHSA shall provide funding in an amount up to $1,885,322.00 through the Permanent Local Housing Allocation (PLHA) grants awarded to Siskiyou County from California Department of Housing and Community Development. Funds shall be utilized and disbursed in accordance with the terms of the PLHA program and the Five-Year Plans approved by the Siskiyou County Board of Supervisors on October 18, 2022. Per Section 302 (c) (7) of the PLHA Guidelines, HHSA shall make the PLHA assistance in the form of a low-interest, deferred loan to RCHDC. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust, and a Regulatory Agreement shall restrict occupancy and rents in accordance with the County-approved underwriting of the project for a term of at least 55 years. The loan will have a maximum interest rate of 3%.

We appreciate the services you provide. If you have any questions or need further information, please do not hesitate to contact me.

Sincerely,

Sarah Collard, Ph.D.

Director

Siskiyou County Health and Human Services Agency