

HOUSING AUTHORITY OF  
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1729  
DATE OF FINAL PASSAGE MAY 23 2017

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF VARIABLE RATE DEMAND MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$216,500,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING FACILITY KNOWN AS PARK & MARKET, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS.

WHEREAS, pursuant to Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code, as amended (Act), the Housing Authority of the City of San Diego (Authority) is authorized to incur indebtedness for the purpose of financing the acquisition, construction and equipping of multifamily rental housing; and

WHEREAS, Park & Market Development Partners, LP, a Delaware limited partnership registered in California, and Park & Market Apartments, LLC, a Delaware limited liability corporation registered in California (collectively, the Borrower), have requested that the Authority issue and sell bonds for the purpose of making a loan to the Borrower to finance the acquisition, construction and equipping by the Borrower of a multifamily residential rental housing facility (Project) to be known as Park & Market Apartments, to consist of 426 residential units (that are comprised of one manager's unit and 425 rental units, of which 85 units are affordable), located at the Northwest Corner of Park Boulevard and Market Street, San Diego, CA 92101, in the City of San Diego; and

WHEREAS, the Board of Commissioners of the Authority (Board) desires that a portion of the units in the Project be available for very low income persons or families, and in order to accomplish such purpose it is desirable for the Authority to provide for the issuance of revenue bonds to finance costs of the acquisition, construction and equipping of the Project; and

WHEREAS, the Authority intends to issue its Housing Authority of the City of San Diego Multifamily Housing Variable Rate Demand Revenue Bonds (Park & Market Apartments), 2017 Series A (Bonds) in an aggregate principal amount not to exceed \$216,500,000, which Bonds are expected to be sold to Citigroup Global Markets, Inc. (Underwriter) for a public offering; and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower (Mortgage Loan) and the Borrower will use the proceeds of the Bonds to finance costs of the acquisition, construction and equipping of the Project and the costs of issuing the Bonds; and

WHEREAS, the City Council of the City of San Diego, by Resolution No. R-310615, with a date of final passage of July 22, 2016, approved the issuance by the Authority of the Bonds, after publication of a “TEFRA” notice and the holding on July 1, 2016 of a “TEFRA” hearing, as required by the Internal Revenue Code of 1986, as amended and applicable United States Treasury Regulations; and

WHEREAS, the City Council of the City of San Diego approved the issuance by the Authority of the Bonds (Revised TEFRA Resolution), after publication of a revised “TEFRA” notice to update certain project information, and the holding on May 23, 2017 of a “TEFRA” hearing, as required by the Internal Revenue Code of 1986, as amended, applicable United States Treasury Regulations and applicable California Debt Limit Allocation Committee regulations; and

WHEREAS, California Government Code Section 8869.85 requires that a local agency file an application with the California Debt Limit Allocation Committee (CDLAC) and obtain the authority from CDLAC to issue tax-exempt multifamily housing revenue bonds; and

WHEREAS, CDLAC has allocated to the Project \$216,500,000 of the State of California 2017 State ceiling for private activity bonds under Section 146 of the Internal Revenue Code of 1986; and

WHEREAS, the following documents are presented for consideration;

(1) the proposed form of the Indenture of Trust (Indenture), by and between the Authority and U.S. Bank, National Association (Trustee), as trustee, including the related form of the Bonds; and

(2) the proposed form of Loan Agreement (Loan Agreement), by and among the Authority, the Trustee and the Borrower; and

(3) the proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (Regulatory Agreement), by and among the Authority, the Borrower and the Trustee; and

(4) the proposed form of the Bond Purchase Agreement (Bond Purchase Agreement), by and among the Authority, the Borrower and the Underwriter; and

(5) the proposed form of the Official Statement (Official Statement) to be used by the Underwriter in connection with the offering and sale of the Bonds; and

WHEREAS, it appears that each of the above-referenced documents is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of San Diego, as follows:

Section 1. Finding and Determination. It is hereby found and determined that it is necessary and desirable for the Authority to provide for the financing of the acquisition, construction and equipping of the Project through the issuance and sale of the Bonds in order to assist persons of very low income within the City of San Diego in obtaining decent, safe and sanitary housing and to achieve certain other public purposes.

Section 2. Authorization of Bonds. For the purpose of financing the acquisition, construction and equipping of the Project, the Authority hereby approves the issuance of the Bonds in an aggregate principal amount not to exceed \$216,500,000. The Bonds shall be issued in the principal amount, and shall bear interest and mature as provided in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture, with such appropriate variations, omissions, insertions and provisions as are required or permitted by the Indenture. The Bonds shall be a special, limited obligation of the Authority and shall be payable as to principal and interest, and the obligations of the Authority under the Indenture shall be paid and satisfied, solely from the revenues, receipts and other moneys and assets pledged therefor under the Indenture.

Section 3. Execution and Delivery of the Bonds. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairman of the Authority (Chairman), the Vice Chairman of the Authority (Vice Chairman), the Executive Director of the Authority (Executive Director), the Senior Vice President of Real Estate (Senior Vice President) of the San Diego Housing Commission (Housing Commission), the Vice President of Real Estate Finance and Program Development of the Housing Commission (Senior Director), or the Chief

Operating Officer of the Housing Commission (COO), and the official seal of the Authority, or a facsimile thereof, shall be impressed or imprinted thereon and attested with the manual or facsimile signature of the Secretary or a Deputy Secretary of the Authority.

Section 4. Approval of the Indenture. The Indenture, in the form on file in the Housing Commission offices, is hereby approved. The Chairman, the Vice Chairman, the Executive Director, the Senior Vice President, the Senior Director, the COO and the Secretary or a Deputy Secretary of the Authority, or the designee of any such officer (such officers and any of his or her respective designees are hereinafter referred to as the Designated Officers) are each hereby authorized to execute and deliver the Indenture in such form, together with such changes as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution thereof to constitute conclusive evidence of the approval of all changes from the form of the Indenture approved at this meeting.

Section 5. Approval of Loan Agreement. The Loan Agreement, in the form on file in the Housing Commission offices, is hereby approved. The Designated Officers are each hereby authorized to execute and deliver the Loan Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution thereof to constitute conclusive evidence of the approval of all changes from the form of the Loan Agreement approved at this meeting.

Section 6. Approval of Regulatory Agreement. The Regulatory Agreement, in the form on file in the Housing Commission offices, is hereby approved. The Designated Officers are each hereby authorized to execute and deliver the Regulatory Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution thereof to constitute

conclusive evidence of the approval of all changes from the form of the Regulatory Agreement approved at this meeting.

Section 7. Approval of Bond Purchase Agreement. The Bonds are hereby sold to the Underwriter pursuant to the terms of the Bond Purchase Agreement. The Bond Purchase Agreement, in the form on file in the Housing Commission offices, is hereby approved. The Designated Officers are each hereby authorized to execute and deliver the Bond Purchase Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution thereof to constitute conclusive evidence of the approval of all changes from the form of the Bond Purchase Agreement approved at this meeting.

Section 8. Approval of Official Statement. The Underwriter is hereby authorized to distribute a preliminary Official Statement, in substantially the form placed on file with the Authority, to persons who may be interested in the purchase of the Bonds and to deliver the Official Statement in final form to the purchasers of the Bonds, in each case with such changes as any Designated Officer, with advice of counsel to the Authority, deems desirable, necessary or appropriate.

Section 9. Actions Ratified and Authorized. All actions heretofore taken by the officers, employees and agents of the Authority with respect to the issuance and sale of the Bonds are hereby approved, confirmed and ratified, and the Designated Officers are each hereby authorized, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements (including a tax agreement or no arbitrage certificate) and other documents, including but not limited to those described in any of the documents approved by this Resolution, which they, or any of them, may

deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the making of the mortgage loan pursuant to the Loan Agreement in accordance with the Act and this Resolution.


Section 10. Further Consents, Approvals and Other Actions. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution or otherwise appropriate in the administration of the Bonds and the lending program financed thereby, including without limitation any of the foregoing which may be necessary or desirable in connection with any amendment of such documents, any transfer of the Project, any substitution of security for the Bonds, or any redemption of the Bonds may be taken or given by any of the Designated Officers, without further authorization by the Board, and the Designated Officers are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this Resolution. No documents authorized by this resolution shall be executed and delivered until final passage of the Revised TEFRA Resolution.

Section 11. Conflicting Resolutions Repealed. All resolutions or parts thereto in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 12. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining provisions of this Resolution.

Section 13. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: MARA W. ELLIOT, General Counsel

By  \_\_\_\_\_  
Walter C. Chung  
Deputy General Counsel

WCC:sc  
05/08/2017  
Or.Dept: Housing Authority  
Doc. No.: 1497101



Passed and adopted by the Housing Authority of the City of San Diego on May 23, 2017, by the following vote:

	<b>Yeas</b>	<b>Nays</b>	<b>Excused</b>	<b>Not Present</b>
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**AUTHENTICATED BY:**

**Myrtle Cole**

Chair of the Housing Authority  
of the City of San Diego, California

**Richard C. Gentry**

Executive Director of the Housing Authority  
of the City of San Diego, California

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of  
RESOLUTION NO. **1729** passed and adopted by the Housing Authority of the City of San  
Diego, California on May 23, 2017.

By:

  
**Scott Marshall**

Deputy Secretary of the Housing Authority  
of the City of San Diego, California