

HOUSING AUTHORITY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1745

DATE OF FINAL PASSAGE AUG. 1 2017

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF ITS TAXABLE MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,700,000 TO FINANCE THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE BELLA VISTA APARTMENTS PROJECT, AND APPROVING AND AUTHORIZING 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 issue revenue bonds or notes to finance the acquisition, rehabilitation, and equipping of multifamily rental housing and provide capital improvements in connection with and determined necessary to the multifamily rental housing; and

WHEREAS, Bella Vista Affordable Communities, L.P., a California limited partnership (Borrower), has requested that the Authority issue a tax-exempt multifamily housing revenue note to finance the Borrower's acquisition, rehabilitation, and equipping by the Borrower of a multifamily residential rental housing facility known as "Bella Vista Apartments" (Project), which consists of 170 apartment units located at 4742 Solola Avenue 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 low and very low income persons, and to accomplish

such purpose it is desirable for the Authority to issue a tax-exempt multifamily housing revenue note to help finance the Project; and

WHEREAS, the Authority intends to enter into a Funding Loan Agreement, by and among the Authority, U.S. Bank National Association (Fiscal Agent), and Citibank, N.A., the initial Funding Lender (Funding Lender), dated as of August 1, 2017 (Funding Loan Agreement), under which the Funding Lender will loan the Authority up to \$36,000,000 (Funding Loan) to loan to the Borrower pursuant to that certain Borrower Loan Agreement, to be entered into by and among the Authority, the Fiscal Agent, and the Borrower, dated as of August 1, 2017 (Borrower Loan Agreement) to provide the Borrower with up to \$36,000,000 (Borrower Loan) to provide financing to acquire, rehabilitate, and equip the Project; and

WHEREAS, on June 27, 2017, the Board adopted Resolution HA-1741 (Resolution of Issuance) authorizing the execution and delivery to the Funding Lender of up to \$23,300,000 of its tax-exempt multifamily housing revenue notes (Tax Exempt Governmental Lender Notes) evidencing its obligation to make the payments due to the Funding Lender under the Funding Loan as provided in the Funding Loan Agreement; and

WHEREAS, since the adoption of the Resolution of Issuance, Borrower has requested the Authority approve an additional series of taxable multifamily housing revenue notes not to exceed \$12,700,000 (Taxable Governmental Lender Note, and, together with the Tax Exempt Governmental Lender Notes, the Governmental Lender Notes) as provided in the Funding Loan Agreement; and

WHEREAS, as with the previously authorized Tax Exempt Governmental Lender Notes, the Authority's obligation to repay the Taxable Governmental Lender Note shall be limited solely to the corresponding multifamily note executed and delivered by the Borrower to the

Authority (Taxable Borrower Note) and other moneys and security pledged under the Funding Loan Agreement and the Borrower Loan Agreement; and

WHEREAS, as with the previously authorized Tax Exempt Governmental Lender Notes, the Authority will loan the proceeds of the Taxable Governmental Lender Note to the Borrower and the Borrower will use the proceeds of the Taxable Governmental Lender Note exclusively to finance the costs of acquisition, rehabilitation, and equipping of the Project and the costs of issuing the Governmental Lender Notes; and

WHEREAS, the following documents are presented for consideration:

(1) The revised form of Funding Loan Agreement previously approved by the Board, revised to include the Taxable Governmental Lender Note and Taxable Borrower Note;

(2) The revised form of Borrower Loan Agreement, revised to include the Taxable Governmental Lender Note and Taxable Borrower Note; and

(3) The revised form of Regulatory Agreement and Declaration of Restrictive Covenants (Regulatory Agreement), by and among the Authority, the Fiscal Agent and the Borrower, revised to include the Taxable Governmental Lender Note and Taxable Borrower Note.

WHEREAS, it appears that each of the above-referenced documents is in appropriate form and is an appropriate instrument to be executed and delivered 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. Authorization of Taxable Governmental Lender Note. For the purpose of financing the acquisition, rehabilitation, and equipping of the Project, the Authority approves the

issuance of the Taxable Governmental Lender Note in an aggregate principal amount not to exceed \$12,700,000. This approval is in addition to the approval of the Tax Exempt Governmental Lender Notes previously approved by the Resolution of Issuance. The Taxable Governmental Lender Note shall be issued in the principal amount, and shall bear interest and mature, as provided in the Funding Loan Agreement. The Taxable Governmental Lender Note shall be in substantially the form set forth in the Funding Loan Agreement, with such appropriate variations, omissions, insertions, and provisions as are required or permitted by the Funding Loan Agreement. The Taxable Governmental Lender Note 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 Funding Loan Agreement shall be paid and satisfied, solely from the revenues, receipts, and other moneys and assets pledged under the Funding Loan Agreement.

Section 2. Execution and Delivery of the Taxable Governmental Lender Note. The Taxable Governmental Lender Note 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 and attested with the manual or facsimile signature of the Secretary or a Deputy Secretary of the Authority.

Section 3. Approval of the Revised Funding Loan Agreement. The revised Funding Loan Agreement, in the form on file in the Housing Commission offices, is 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 (collectively, the Designated Officers) are each authorized to execute and deliver the Funding 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 to constitute conclusive evidence of the approval of all changes from the form of the Funding Loan Agreement approved in this Resolution.

Section 4. Approval of the Revised Borrower Loan Agreement. The revised Borrower Loan Agreement, in the form on file in the Housing Commission offices, is approved. The Designated Officers are each authorized to execute and deliver the Borrower Loan Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, in consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval of all changes from the form of the Borrower Loan Agreement approved in this Resolution.

Section 5. Approval of revised Regulatory Agreement. The revised Regulatory Agreement, in the form on file in the Housing Commission offices, is approved. The Designated Officers are each 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, in consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval of all changes from the form of the Regulatory Agreement approved in this Resolution.

Section 6. Actions Ratified and Authorized. All prior actions taken by the officers, employees, and agents of the Authority with respect to the issuance of the Governmental Lender

Notes are approved, confirmed and ratified, and the Designated Officers are each 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 and an endorsement of the Borrower's promissory note, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Governmental Lender Notes and the making of the Borrower Loan (as defined in the Borrower Loan Agreement) in accordance with the Act and this Resolution.

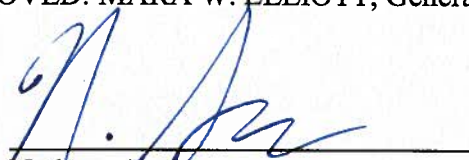
Section 7. Further Consents, Approvals and Other Actions. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution or otherwise appropriate in the administration of the Governmental Lender Notes and the lending program financed by the Governmental Lender Notes, including without limitation any of the foregoing which may be necessary or desirable in connection with any amendment of such documents, including, without limitation, any transfer of the Project, any substitution of security for the Governmental Lender Notes, or any prepayment of the Borrower Loan or the Governmental Lender Notes, may be taken or given by any of the Designated Officers, in consultation with the Authority's General Counsel, without further authorization by the Board, and the Designated Officers are 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.

Section 8. 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 9. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: MARA W. ELLIOTT, General Counsel

By



Nathan Slégers
Deputy City Attorney

NLJS:dkr
July 14, 2017
Or.Dept: Housing Authority
Doc. No. 1540660

Passed and adopted by the Housing Authority of the City of San Diego on August 1, 2017, by the following vote:

	Yeas	Nays	Excused	Not Present
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. **1745** passed and adopted by the Housing Authority of the City of San
Diego, California on August 1, 2017.

By: _____

Scott Marshall

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