

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1866

DATE OF FINAL PASSAGE June 16, 2020

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 \$24,000,000 TO FINANCE THE ACQUISITION, CONSTRUCTION AND DEVELOPMENT OF A MULTIFAMILY RENTAL HOUSING FACILITY KNOWN AS COURTHOUSE COMMONS, 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 incur indebtedness to finance the acquisition, construction, and development of multifamily rental housing; and

WHEREAS, 220 W Broadway Development Partners, L.P., a Delaware limited partnership registered in California, and 220 W Broadway Market Rate 2, LLC, a Delaware limited liability company 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 development by the Borrower of an 82-unit multifamily rental housing facility, consisting of two condominiums (each containing 41 multifamily residential rental units) located within a 37-story high-rise and any functionally related and subordinate facilities in and around such high-rise (collectively, the Project), to be known as Courthouse Commons, to be located 220 West Broadway 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 to accomplish such purpose, it is desirable for the Authority to issue revenue bonds to finance costs of the acquisition, construction and development 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 (Courthouse Commons), 2020 Series F (Bonds) in an aggregate principal amount not to exceed \$24,000,000, which Bonds are expected to be sold to Stifel, Nicolaus & Company, Incorporated (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 development of the Project and the costs of issuing the Bonds; and

WHEREAS, the City Council of the City of San Diego approved the issuance by the Authority of the Bonds (TEFRA Resolution), after publication of a “TEFRA” notice and the holding on June 16, 2020, of a “TEFRA” hearing, as required by the Internal Revenue Code of 1986, as amended, and applicable United States Treasury 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 CDLAC’s authorization to issue tax-exempt multifamily housing revenue obligations; and

WHEREAS, CDLAC has allocated to the Project \$24,000,000 of the 2020 State of California ceiling for private activity bonds under section 146 of the Code; 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,

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

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

(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, each of the above-referenced documents is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended; and

WHEREAS, the Downtown Final Environmental Impact Report (FEIR) Consistency Evaluation was prepared for the Project in accordance with California Environmental Quality Act (CEQA) Guidelines sections 15168 and 15180. The potential impacts associated with the Project are adequately addressed in the Downtown FEIR and the FEIR for the City of San Diego Climate Action Plan and there is no change in circumstance, substantial additional information, or substantial Project changes to warrant additional environmental review; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority of the City of San Diego, as follows:

Section 1. Finding and Determination. It is found and determined that it is necessary and desirable for the Authority to provide for the financing of the acquisition, construction and development of the Project through the execution and delivery 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 development of the Project, the Authority hereby approves the issuance of the Bonds in one or more series, with any project designation as may be selected by a Designated Officer (as defined below), in an aggregate principal amount not to exceed \$24,000,000. The Bonds shall be issued in the principal amount and shall bear interest (which shall not exceed 12% per annum) and mature (not later than 45 years from the date of execution and delivery thereof) as provided in the Indenture. The Bonds shall be in substantially the form as 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 special, limited obligations 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 Executive Vice President of Real Estate and Chief Strategy Officer (Executive Vice President Real Estate) of the San Diego Housing Commission (Housing Commission), the Vice President of Real Estate Finance of the Housing Commission (Vice President Real Estate Finance), or the Executive Vice President and Chief of Staff of the Housing Commission (Executive Vice President Chief of Staff), 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 Executive Vice President Real Estate, the Vice President Real Estate Finance, the Executive Vice President Chief of Staff and the Secretary or a Deputy Secretary of the Authority, or the designee of any such officer (collectively, 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 to constitute conclusive evidence of the approval of all changes from the form of the Indenture approved in this Resolution.

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, 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 Loan Agreement approved in this Resolution.

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, 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 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 prior actions taken by the officers, employees, and agents of the Authority with respect to the issuance and sale of the Bonds are approved, confirmed, and ratified, and the Designated Officers are each authorized, for and in the name and on behalf of the Authority, to 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, that 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 by the Bonds, including without limitation any of the foregoing that 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 prepayment or redemption of the Bonds, 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 that 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 TEFRA Resolution.

Section 11. 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 12. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: MARA W. ELLIOTT, General Counsel

By /s/ Marguerite E. Middaugh
Marguerite E. Middaugh
Deputy General Counsel

MEM:jdf
06/01/2020
Or. Dept.: SDHC
Doc. No.: 2394535

Passed and adopted by the Housing Authority of the City of San Diego on June 16, 2020, by the following vote:

	Yeas	Nays	Excused	Not Present
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<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"/>
Monica Montgomery	<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"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gómez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

Georgette Gómez

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. **1866** passed and adopted by the Housing Authority of the City of San
Diego, California on June 16, 2020.

By:



Scott Marshall

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