

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1933

DATE OF FINAL PASSAGE December 14, 2021

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE MULTIFAMILY NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$24,926,225 TO FINANCE THE ACQUISITION AND REHABILITATION OF A MULTIFAMILY RENTAL HOUSING FACILITY TO BE KNOWN AS RANCHO BERNARDO SENIOR HOUSING, 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, rehabilitation, construction, and equipping of multifamily rental housing; and

WHEREAS, Rancho Bernardo Senior Housing, L.P., a California limited partnership (Borrower), has requested that the Authority issue notes or bonds and loan the proceeds thereof to the Borrower to finance Borrower's acquisition and rehabilitation of a multifamily residential rental housing facility to be known as "Rancho Bernardo Senior Housing" (Project), consisting of 178 apartment units (including three manager units) to be located at 11520 W. Bernardo Court, San Diego, California; 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 or families, and to

accomplish such purpose it is desirable for the Authority to issue one or more revenue notes to finance costs of the acquisition, rehabilitation and equipping of the Project; and

WHEREAS, the Authority intends to execute and deliver its Housing Authority of the City of San Diego Multifamily Housing Revenue Note (Rancho Bernardo Senior Housing) 2022 Series A (Note) in an aggregate principal amount not to exceed \$24,926,225, which Note may be designated in one or more subseries, intended to be tax-exempt, evidencing a loan by ORIX Real Estate Capital, LLC, a Delaware limited liability company (Funding Lender) to the Authority to fund a loan to the Borrower; and

WHEREAS, the Authority will loan the proceeds of the Note to the Borrower (Loan) and the Borrower will use the Loan to finance costs of the acquisition and construction of the Project and the costs of issuance in respect of the Note, which will allow the Borrower to reduce the cost of the Project and assist in providing housing for low and very low income persons; and

WHEREAS, a “TEFRA” hearing was held on April 2, 2021, following publication of a “TEFRA” notice, as required by the Internal Revenue Code of 1986, as amended (Code) 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 bonds; and

WHEREAS, on August 11, 2021, CDLAC allocated to the Project \$24,926,225 of available 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 form of Funding Loan and Security Agreement (Funding Loan Agreement), by and among the Authority, U.S. Bank National Association, as fiscal agent (Fiscal Agent), and the Funding Lender, including the form of the Note attached to the Funding Loan Agreement as Exhibit A; and

(2) The form of Borrower Loan Agreement (Borrower Loan Agreement), by and among the Authority, the Fiscal Agent, the Funding Lender and the Borrower; and

(3) The form of Regulatory Agreement and Declaration of Restrictive Covenants (Regulatory Agreement), by and among the Authority, the Fiscal Agent and the Borrower; 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; 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 and rehabilitation of the Project through the execution and delivery of the Note in order to assist persons of low and 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 Note. For the purpose of financing the acquisition and rehabilitation of the Project, the Authority approves the execution and delivery of the Note designated in one or more series or subseries, in an aggregate principal amount not to exceed \$24,926,225. The Note shall be executed and delivered 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 Funding Loan Agreement. The Note shall be in substantially the form attached as Exhibit A to the Funding Loan Agreement, with such appropriate variations, omissions, insertions, and provisions as are required or permitted by the Funding Loan Agreement. The 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 3. Execution and Delivery of the Note. The Note shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairperson of the Authority (Chairperson), the Vice Chairperson of the Authority (Vice Chairperson), the Executive Director of the Housing Authority (Executive Director), President & CEO, Deputy CEO, Executive VP Real Estate or Vice President Multifamily Housing Finance, and the official seal of the Authority, or a facsimile, may be impressed or imprinted on the Note and attested with the manual or facsimile signature of the Secretary or a Deputy Secretary of the Authority.

Section 4. Approval of the Funding Loan Agreement. The Funding Loan Agreement, in the form on file in the Housing Commission offices, is approved. The Chairperson, the Vice Chairperson, the Executive Director, President & CEO, Deputy CEO, Executive VP Real Estate, Vice President Multifamily Housing Finance, and the Deputy Secretary of the Authority, or the designee of any such officer (such officers and any of his or her respective designees, collectively, 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 5. Approval of Borrower Loan Agreement. The 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 6. Approval of Regulatory Agreement. The 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 7. 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 Note 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 certificate and agreement), any assignments of security documents or deed of trust, 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 Note and the making of the Loan in accordance with the Act and this Resolution.

Section 8. 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 Note and the lending program financed by the Note, 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 appointment or substitution of fiscal agent or lender, any substitution of security for the Note, or any prepayment or redemption of the Note 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 9. TEFRA Approval. No tax-exempt portion of the Note may be issued prior to "TEFRA" approval by the City Council of the City of San Diego.

Section 10. 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 11. 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
11/17/2021
Or.Dept: Housing Authority
Doc. No.: 2817676

Passed and adopted by the Housing Authority of the City of San Diego on December 14, 2021,
by the following vote:

| | Yeas | Nays | Excused | Not Present |
|--------------------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Joe LaCava | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Jennifer Campbell | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Stephen Whitburn | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Monica Montgomery Steppe | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marni von Wilpert | <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"/> |
| Raul Campillo | <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"/> |
| Sean Elo-Rivera | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

AUTHENTICATED BY:

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. 1933 passed and adopted by the Housing Authority of the City of San
Diego, California on December 14, 2021.

By:



Scott Marshall

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