

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1830

DATE OF FINAL PASSAGE July 30, 2019

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$22,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, REHABILITATION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING FACILITY KNOWN AS WESLEY TERRACE, 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, rehabilitation and equipping of multifamily rental housing; and

WHEREAS, Wesley Terrace Partners, LP, a California limited partnership (Borrower), has requested that the Authority borrow funds and loan the funds to the Borrower to finance the acquisition, rehabilitation and equipping by the Borrower of a multifamily residential rental housing facility (Project) to be known as Wesley Terrace, to consist of 161 apartment units located at 5343 Monroe Avenue, San Diego, CA 92115, 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 or families, and in order to accomplish such purpose it is desirable for the Authority to provide for the issuance of a revenue note to finance costs of the acquisition, rehabilitation and equipping of the Project; and

WHEREAS, the Authority intends to issue its Housing Authority of the City of San Diego Multifamily Housing Revenue Note (Wesley Terrace), 2019 Series C (or such other series designation as approved by a hereinafter defined Designated Officer) (Note) in an aggregate principal amount not to exceed \$22,000,000, which Note is expected to be purchased by Citibank, N.A. (Purchaser) in a private placement to the Purchaser; and

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

WHEREAS, the City Council of the City of San Diego, by its Resolution No. R-312438, with a date of final passage of April 26, 2019, approved the issuance by the Authority of the Note, after publication of a “TEFRA” notice on April 11, 2019 and the holding on April 23, 2019 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 the authority from CDLAC to issue tax-exempt multifamily housing revenue notes; and

WHEREAS, CDLAC has allocated to the Project \$22,000,000 of the State of California 2019 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 form of Funding Loan Agreement (Funding Loan Agreement), by and among the Authority, the fiscal agent to be named therein acceptable to a Designated Officer (Fiscal Agent), and Citibank, N.A., including the related form of the Note; and

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

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

(4) the form of Assignment of Security Instrument (Assignment) by the Authority in favor of the Fiscal Agent; 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, rehabilitation and equipping of the Project through the issuance and sale 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, rehabilitation and equipping of the Project, the Authority hereby approves the issuance of the Note in an aggregate principal amount not to exceed \$22,000,000. The Note shall be issued in the principal amount, and shall bear interest and mature as provided in the Funding Loan Agreement. The 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 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 therefor 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 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 Funding Loan Agreement. The Funding Loan Agreement, 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 and each, a Designated Officer) are each hereby 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 thereof to constitute conclusive evidence of the approval of all changes from the form of the Funding Loan Agreement approved at this meeting.

Section 5. Approval of Project Loan Agreement. The Project 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 Project 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 Project 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 Assignment. The Assignment, 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 Assignment 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 Assignment approved at this meeting.

Section 8. 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 Note 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 Note and the making of the mortgage loan pursuant to the Project Loan Agreement in accordance with the Act and this Resolution.

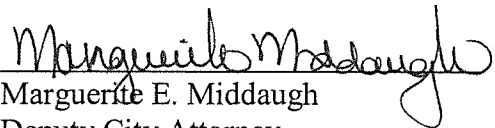
Section 9. Further Consents, Approvals and Other Actions. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution or otherwise appropriate in the administration of the Note and the lending program financed thereby, 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 Note, or any redemption of the Note 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.

Section 10. Conflicting Resolutions Repealed. All resolutions or parts thereto in conflict herewith are, to the extent of such conflict, hereby repealed.

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, City Attorney

By 
Marguerite E. Middaugh
Deputy City Attorney

MEM:sc:jvg
07/15/19
Or.Dept: Housing Authority
Doc. No.: 2053400

Passed and adopted by the Housing Authority of the City of San Diego on July 30, 2019, 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. **1830** passed and adopted by the Housing Authority of the City of San
Diego, California on July 30, 2019.

By:



Scott Marshall

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