

HOUSING AUTHORITY RESOLUTION NO. 2022

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND AUTHORIZING AMENDMENTS TO THE FINANCING DOCUMENTS FOR THE FRIENDSHIP MANOR/TRIANGLE COURT RENTAL ASSISTANCE DEMONSTRATION (RAD) PROJECT IN CONNECTION WITH THE ISSUANCE OF ADDITIONAL MULTIFAMILY HOUSING REVENUE BONDS, AND RELATED ACTIVITIES

WHEREAS, the Authority is the owner of that certain real property located at 564 Stege Avenue. (formerly 603 South 37th Street) and 980 Triangle Court, in the City of Richmond, County of Contra Costa, State of California (the "**Land**"); and

WHEREAS, RHA RAD Housing Partners LP, a California limited partnership (the "**Partnership**") owns all the improvements and fixtures located on the Land consisting of one hundred fifty-six (156) units of affordable multifamily housing commonly known as Friendship Manor and Triangle Court (the "**Improvements**"); and

WHEREAS, the Land and the Improvements are, collectively, the "**Property**"; and

WHEREAS, on July 28, 2015, the Authority passed Resolution No. 2009, which authorized the conversion of the Property to Section 8 under the RAD Program, the ground lease of the Land and the sale of the Improvements to the Partnership, the loan of bond sale proceeds, and the guaranty of construction and tax credit financing as a co-guarantor, in order for the Partnership to finance and rehabilitate the Property (the "**Project**"); and

WHEREAS, on July 28, 2015, the Authority passed Resolution No. 2010, which authorized the issuance of bonds in the amount not to exceed Eighteen Million Dollars (\$18,000,000) and on December 22, 2015, the financing for the Project closed with the Authority issuing an allocation of bonds in the total amount of Sixteen Million Five Hundred Thousand Dollars (\$16,500,000); and

WHEREAS, the Authority deems it in its best interest to issue and deliver an additional allocation of bonds for the development of the Project in the amount not to exceed One Million Dollars (\$1,000,000) (the "**Additional Bonds**"); and

WHEREAS, JPMorgan Chase Bank, N.A. has committed to purchasing the Additional Bonds from the Authority, the proceeds of which will be used to increase the existing loan to the Partnership to the total amount of Seventeen Million Five Hundred Thousand Dollars (\$17,500,000) (the "**Bond Loan**"); and

WHEREAS, it is proposed that the Authority will adopt a companion resolution to this Resolution authorizing the issuance of the Bonds, prepared by Orrick Herrington and Sutcliffe as bond counsel to the Authority, and authorizing the Authority to enter into all documents associated with the Additional Bonds and the Bond Loan; and

WHEREAS, the Authority deems it in its best interest to enter into all documents necessary for the Additional Bonds and Bond Loan, including, but not limited to, a supplemental pledge and assignment, amendments to bond regulatory agreements, a payment and performance guaranty or reaffirmation guaranteeing the completion of the Project and repayment of the Bond Loan, subordination agreements, opinion certificates, and any and all other documents, amendments or certifications necessary to assist the Partnership in consummating the Additional Bonds and the Bond Loan for the rehabilitation of the Project (the "**Bond Loan Documents**"); and

WHEREAS, the Authority deems it in its best interest to enter into an omnibus amendment, which shall amend the amount of the approved financing to reflect the Additional Bonds and the Bond Loan, as referenced in the ground lease from the Authority to the Partnership, the documents evidencing the subordinate loans from the Authority to the Partnership known as the Seller Take-Back Loan and the Housing Authority Loan, and any and all other Authority documents referencing the Project financing, as applicable (the "**Omnibus Amendment**"); and

WHEREAS, the Authority deems it in its best interest to enter into any and all other amendments, documents, agreements, or certificates required by the U.S. Department of Housing and Urban Development in connection with the previous conversion of public housing units to Section 8 units (the "**RAD Documents**") as required for the Additional Bonds and the Bond Loan; and

WHEREAS, the Authority deems it in its best interest to enter into an amendment of the co-guarantor contribution agreement with co-guarantor John Stewart Company as necessary to reflect the Additional Bonds and the Bond Loan (the "**Co-Guarantor Agreement**"); and

WHEREAS, the Authority deems it in its best interest to apply for additional Project funding under the Federal Home Loan Bank Affordable Housing Program ("**AHP Funding**"), subject to the Partnership choosing to apply; and

WHEREAS, the Authority deems it to be in its best interest to execute any other document, certification or agreement necessary to enable the Partnership to consummate the Additional Bonds and the Bond Loan and to complete the rehabilitation and operation of the Project.

NOW, THEREFORE, BE IT RESOLVED, that the Authority is hereby authorized to issue the Additional Bonds and enter into the Bond Loan Documents.

BE IT FURTHER RESOLVED, that the Authority is hereby authorized to enter into the Omnibus Amendment.

BE IT FURTHER RESOLVED, that the Authority is hereby authorized to enter into the RAD Documents.

BE IT FURTHER RESOLVED, that the Authority is hereby authorized to enter into the Co-Guarantor Agreement.

BE IT FURTHER RESOLVED, that the Authority is hereby authorized to apply for AHP Funding.

BE IT FURTHER RESOLVED, that the Authority is hereby authorized to enter into any other document, certification or agreement necessary to enable the Partnership to complete the rehabilitation and operation of the Project.

BE IT FURTHER RESOLVED, that the Executive Director of the Authority, acting alone on behalf of the Authority, shall be authorized and directed to negotiate, finalize and execute any and all necessary documents, agreements and certificates, including but not limited to the Bond Loan Documents, the Omnibus Amendment, the RAD Documents, the Co-Guarantor Agreement and any and all other documents necessary to enable the Authority to issue the Additional Bonds and to assist the Partnership in consummating the Bond Loan, and is further authorized to undertake any other activity contemplated in this Resolution or that is necessary for completing the financing and rehabilitation of the Project.

BE IT FURTHER RESOLVED, that the Executive Director of the Authority, acting alone on behalf of the Authority, shall be authorized to apply for AHP Funding, as applicable.

BE IT FURTHER RESOLVED, that the Executive Director, or any other officer of the Authority, shall be authorized and directed to execute any other form of resolution required by a lender, investor, regulator, or other third party involved in the transaction, so long as the Executive Director, with the advice of counsel, deems it to be substantially equivalent to this resolution and does not materially conflict with the substance of this resolution.

BE IT FURTHER RESOLVED, that to the extent that any actions authorized herein have already been performed, such actions are hereby ratified, confirmed and approved in all respects.

The foregoing resolution was passed and adopted by the Commissioners of the Housing Authority of the City of Richmond at a special meeting thereof held on July 26, 2016, by the following vote:

AYES: Commissioners Bates, Beckles, McLaughlin, Myrick, Pimplé, Vice Chairperson Martinez, Chairperson Butt, and Housing Authority Tenant Commissioner Scott.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

TOM BUTT
Chairperson

[SEAL]

ATTEST:

PAMELA CHRISTIAN
Secretary

Approved as to form:

BRUCE GOODMILLER
Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 2022** finally passed and adopted at a Special Housing Authority Meeting held on July 26, 2016.



SECRETARY OF THE HOUSING AUTHORITY