

HA RESOLUTION NO. _____

RESOLUTION OF THE CHULA VISTA HOUSING AUTHORITY (1) AUTHORIZING THE EXECUTION AND DELIVERY OF ITS TAX-EXEMPT MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION AND CONSTRUCTION OF THE SOL VISTA APARTMENTS MULTIFAMILY RENTAL HOUSING PROJECT; (2) APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY AND ALL DOCUMENTS NECESSARY TO EXECUTE AND DELIVER THE NOTE, COMPLETE THE TRANSACTION, AND IMPLEMENT THIS RESOLUTION; AND (3) RATIFYING AND APPROVING ANY ACTION HERETOFORE TAKEN IN CONNECTION WITH THE NOTE

WHEREAS, pursuant to the Housing Authorities Law, Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code (“Housing Authorities Law”), the Chula Vista Housing Authority (the “Housing Authority”), a public body corporate and politic organized, existing and operating pursuant to the Housing Authorities Law, is empowered to execute and deliver obligations for the purpose of financing the acquisition, construction, rehabilitation, refinancing, development, and operation of multifamily rental housing; and

WHEREAS, MU2 Affordable LP, a California limited partnership (the “Borrower”), intends to acquire and construct a ninety-six (96) unit multifamily rental housing project located at the Southwest corner of Santa Victoria Road and Santa Diana Road in Chula Vista, California to be known as the “Sol Vista Apartments” (the “Project”); and

WHEREAS, the Borrower has requested Housing Authority to execute and deliver a tax-exempt multifamily housing revenue note in one or more series (the “Note”), and to loan the proceeds of the Note to the Borrower to finance the acquisition, construction, and equipping of the Project; and

WHEREAS, the aggregate principal amount of the Note shall not exceed fourteen million dollars (\$14,000,000); and

WHEREAS, Housing Authority, by action of its Board of Commissioners (the “Board”), desires to assist the Borrower and to increase the supply of affordable housing by making the units in the Project available for low income persons or families, and in order to accomplish such purposes it is desirable for Housing Authority to provide for the execution and delivery of the Note and financing of the Project; and

WHEREAS, the Note will be executed and delivered pursuant to the Funding Loan Agreement (the “Funding Loan Agreement”), by and among the Housing Authority, Citibank,

N.A. (“Citibank”), and Wilmington Trust, N.A., as fiscal agent (the “Fiscal Agent”), and the proceeds of the Note will be loaned to the Borrower pursuant to the Borrower Loan Agreement, between the Authority and the Borrower (the “Borrower Loan Agreement”); and

WHEREAS, Citibank will act as the Funding Lender under the Funding Loan Agreement; and

WHEREAS, the Housing Authority will loan the proceeds of the Note to the Borrower and the Borrower will use the proceeds of the Note exclusively to finance the costs of acquisition, construction, and equipping of the Project and the costs of executing and delivering the Note; and

WHEREAS, California Government Code Section 8869.85 requires a local agency to file an application with the California Debt Limit Allocation Committee (“Committee”) prior to the issuance of tax-exempt multifamily housing revenue bonds, and the Authority has filed such an application; and

WHEREAS, the Committee has allocated to the Project fourteen million dollars (\$14,000,000) of the State of California 2025 State ceiling for private activity bonds under Section 146 of the Internal Revenue Code of 1986; and

WHEREAS, it is the intent of the Housing Authority to enter into bond documentation to govern the Note being executed and delivered (collectively, the “Transaction Documents”), including: (1) the Funding Loan Agreement; (2) the Borrower Loan Agreement; and (3) a regulatory agreement and declaration of restrictive covenants, by and between the Authority and the Borrower (the “Regulatory Agreement”); and

WHEREAS, it appears that each of the documents and instruments described herein now before this meeting is in a substantially appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED by the Chula Vista Housing Authority, as follows:

1. Authorization of Note. In accordance with the Housing Authorities Law and pursuant to the Funding Loan Agreement, Authority authorizes the execution and delivery of notes in one or more series of tax-exempt notes designated as “Chula Vista Housing Authority Multifamily Housing Revenue Note (Sol Vista Apartments) 2026 Series A” (the “Note”), with an interest rate or rates, a maturity date or dates and other terms as provided in the Funding Loan Agreement as finally executed for the Note. The Note shall be in substantially the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of Housing Authority by the manual or facsimile signature of the Director of the Authority (the “Director”), and the Note shall be attested by the manual or facsimile signature of the Secretary of the Board of Commissioners of the Authority (“Secretary”).

2. Approval of Transaction Documents. The form of each of the Transaction Documents, in substantially the form on file with the Secretary, is hereby approved. The Director is authorized to execute, and the Secretary is authorized to attest, each of the Transaction

Documents in substantially said form, with such additions thereto and changes therein as the Director may approve or recommend in accordance with Section 5 hereof. The date, maturity date or dates, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption, and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

3. Approval of Transaction Documents. The Director is authorized to execute and deliver, and the Secretary is authorized to attest, any and all certificates, agreements and other documents ancillary to the Transaction Documents in the forms approved by the City Attorney, as general counsel to Authority (“General Counsel”), and by special counsel and bond counsel to the Authority and City on these matters, Stradling Yocca Carlson & Rauth (together, “Special Counsel”).

4. Approval of Changes to Documents. The Director executing a document approved herein, in consultation with General Counsel and Special Counsel, is authorized to approve and make such modifications, changes or additions to Transaction Documents or other documents as may be necessary or advisable, and the approval of any modification, change or addition to any of the aforementioned agreements shall be evidenced conclusively by the execution and delivery thereof by the Director and approval as to form by General Counsel and Special Counsel. Further, the Director, acting alone, is authorized to execute any assignment agreement related to any mortgage note, mortgage, deed of trust or other document related to the loans made to the Borrower from the proceeds of the Note.

5. Actions Ratified and Authorized. All actions heretofore taken by the officers, employees and agents of Housing Authority with respect to the execution and delivery of the Note, confirmed and ratified, and the officers, employees and agents of Housing Authority are authorized and directed, for and in the name and on behalf of Housing Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including, but not limited to, those documents described in the Transaction Documents and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Note and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Housing Authority. In the event that the Secretary is unavailable to sign any document related to the Note, any Deputy Secretary of the Authority may sign on behalf of the Secretary.

6. 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 Notes and Subordinate Bonds and the lending program financed thereby, 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 Note, or any prepayment of the Note may be taken or given by the Director, and the Director is 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.

7. Conflicting Resolutions Repealed. As to the Note, all prior resolutions or parts thereof, if any, in conflict herewith are, to the extent of such conflict, repealed.

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 sections, paragraphs or provisions of this Resolution.

9. Effectiveness of Resolution and Date Thereof. This Resolution shall take effect upon its adoption.

10. Certification. The Secretary shall certify to the passage and adoption of this Resolution.

Presented by

Approved as to form by

Stacey Kurz
Director of Housing and Homeless Services

Marco A. Verdugo
Legal Counsel