

HOUSING AUTHORITY RESOLUTION NO. 2019-120

A RESOLUTION OF THE BOARD OF GOVERNORS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$55,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE ARROWHEAD GROVE PHASE II AFFORDABLE HOUSING PROJECT, APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY AND ALL DOCUMENTS NECESSARY TO ISSUE THE BONDS AND IMPLEMENT THIS RESOLUTION, AND RATIFYING AND APPROVING ANY ACTION HERETOFORE TAKEN IN CONNECTION WITH THE BONDS

On Tuesday, August 6, 2019, on motion of Governor Rowe, duly seconded by Governor Miller and carried, the following resolution is adopted by the Board of Governors (the "Board") of the Housing Authority of the County of San Bernardino (the "Authority").

WHEREAS, pursuant to Section 34312.3 of the California Health & Safety Code (the "Housing Law"), the Authority is empowered to issue revenue bonds for the purpose of financing the acquisition, construction, equipping, rehabilitation, refinancing or development of multifamily rental housing; and

WHEREAS, Waterman Gardens Partners 2, L.P., a California limited partnership (the "Owner"), intends to acquire, construct and equip a 184-unit multifamily rental housing development to be located at the Southeast corner of Waterman Avenue and Baseline Street in San Bernardino, San Bernardino County, California (the "Project"); and

WHEREAS, the Owner has requested that the Authority issue its multifamily housing mortgage revenue bonds and loan the proceeds of the bonds to the Owner to finance the acquisition, construction and equipping of the Project; and

WHEREAS, the Board desires to assist the Owner and to increase the supply of affordable housing by making a portion of the units in the Project available for low and very low income persons or families, and in order to accomplish such purposes it is desirable for the Authority to provide for the issuance of the Bonds (hereinafter defined) and financing of the Project; and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Owner; and

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

WHEREAS, the Authority has requested that the Committee allocate to the Project \$55,000,000 of the State of California 2018 State ceiling for private activity bonds under

Section 146 of the Internal Revenue Code of 1986; and

WHEREAS, there have been prepared and presented to the Board for consideration at this meeting the forms of various documents as described herein; and

WHEREAS, it appears that each of the documents and instruments described herein now before this meeting 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 Board of Governors of the Housing Authority of the County of San Bernardino, as follows:

1. Authorization of Bonds. In accordance with the Housing Law and pursuant to the Master Pledge and Assignment (hereinafter defined), the Authority is authorized to issue the bonds to be designated as "Housing Authority of the County of San Bernardino Multifamily Housing Revenue Bonds (Arrowhead Grove Apartments Phase II) 2019," in one or more tax-exempt and/or taxable series (the "Bonds"), with such series designations and with an interest rate or rates, a maturity date or dates and other terms as provided in the Master Pledge and Assignment as finally executed for the Bonds. The Bonds shall be in the form(s) set forth in and otherwise in accordance with the Master Pledge and Assignment, and shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairperson of the Board (the "Chairperson"), the Vice Chairperson of the Board (the "Vice Chairperson"), the Chief Executive Officer of the Authority (the "CEO") or the Executive Director of the Authority (the "Executive Director"), and the manual or facsimile seal of the Authority shall be impressed or reproduced thereon and the Bonds shall be attested by the manual or facsimile signature of the Secretary of the Board.

2. Approval of Master Pledge and Assignment. The form of Master Pledge and Assignment, pursuant to which the Bonds may be issued (the "Master Pledge and Assignment"), between the Authority and Bank of America, N.A., a national banking association, as initial agent, which may be assigned to JPMorgan Chase Bank, N.A., a national banking association, at conversion (but referred to herein as the "Agent") and each a holder of the Bonds ("Holder"), in substantially the form presented to the Board, a copy of which is on file with the Secretary of the Board, is approved for the Bonds. Any one of the Chairperson, Vice Chairperson, CEO, Executive Director, or any designee thereof (each, an "Authorized Officer") is authorized to execute, and the Secretary of the Board is authorized to attest, the Master Pledge and Assignment in substantially said form, with such additions thereto and changes therein as such Authorized Officer may approve or recommend in accordance with Section 6 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 Bonds shall be as provided in the Master Pledge and Assignment as finally executed.

3. Approval of Master Agency Agreement. The form of Master Agency Agreement ("Master Agency Agreement"), by and between the Authority and the Agent, in substantially the form presented to the Board, a copy of which is on file with the Secretary of the Board, is

approved. Any Authorized Officer is authorized to execute, and the Secretary of the Board is authorized to attest, the Master Agency Agreement, in substantially said form, with such additions thereto and changes therein as such Authorized Officer may approve or recommend in accordance with Section 6 hereof.

4. Approval of Regulatory Agreement. The form of Regulatory Agreement and Declaration of Restrictive Covenants ("Regulatory Agreement"), by and between the Authority and the Owner, in substantially the form presented to the Board, a copy of which is on file with the Secretary of the Board, is approved. Any Authorized Officer is authorized to execute, and the Secretary of the Board is authorized to attest, the Regulatory Agreement, in substantially said form, with such additions thereto and changes therein as such Authorized Officer may approve or recommend in accordance with Section 6 hereof.

5. Approval of Paying Agent Agreement. The form of Paying Agent Agreement (the "Loan Agreement"), by and between the Agent and the Borrower, in substantially the form presented to the Board, is hereby approved as it relates to the terms of the Bonds, with such modifications, changes or additions to the Paying Agent Agreement as may be necessary or advisable, upon the advice of Ballard Spahr LLP ("Bond Counsel"), and approved by an Authorized Officer in accordance with Section 6 hereof and which do not impose financial liability on the Authority.

6. Approval of Changes to Documents. Any Authorized Officer executing a document approved herein, in consultation with Bond Counsel, is authorized to approve and make such modifications, changes or additions to the Master Pledge and Assignment, the Master Agency Agreement, the Paying Agent Agreement, the Regulatory Agreement, the Promissory Note, or other document 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 such Authorized Officer. Further, any Authorized Officer, acting alone, is authorized to execute any assignment agreement related to any mortgage note, mortgage, deed of trust or other document related to the loan made to the Owner from the proceeds of the Bonds.

7. 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 Bonds are approved, confirmed and ratified, and the officers, employees and agents of the Authority are authorized and directed, 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, assignments, allonges to promissory notes and other documents, including, but not limited to, those documents described in the Master Pledge and Assignment, the Paying Agent Agreement, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Board. In the event that the Secretary of the Board is unavailable to sign any document related to the Bonds, any Deputy Secretary of the Board may sign on behalf of the Secretary.

4

LYNNA MONELL
Secretary

By _____
Deputy