

HOUSING AUTHORITY RESOLUTION NO. 2019-121

A RESOLUTION OF THE BOARD OF GOVERNORS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AUTHORIZING CERTAIN ACTS AND APPROVING CERTAIN AGREEMENTS RELATING TO ARROWHEAD GROVE PHASE II AFFORDABLE HOUSING PROJECT

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 of the Housing Authority of the County of San Bernardino.

WHEREAS, the Housing Authority of the County of San Bernardino (the "Authority") is a duly formed housing authority of the State of California, and is vested with the responsibilities set forth in Division 24, Part 2, Article 4 (Sections 34310-34334) of the California Health and Safety Code, which includes providing low and moderate income housing within its jurisdiction; and

WHEREAS, Housing Partners I, Incorporated, a California nonprofit public benefit corporation ("HPI") is a 501(c)(3) tax exempt nonprofit corporation formed to assist in providing affordable housing; and

WHEREAS, the Authority and HPI formed a limited liability company on July 25, 2018 known as WATERMAN AFFORDABLE 3 LLC (the "Company"), in which the Authority and HPI are members, and entered into an Operating Agreement to document their relationship as members of the Company (the "Operating Agreement"); and

WHEREAS, the Company desires to enter into a limited partnership known as WATERMAN GARDENS PARTNERS 2, L.P., a California limited partnership (the "Partnership") as the Co-Class A limited partner with a .0033% interest, along with WG PARTNERS 2 MGP, LLC, a California limited liability company, as the General Partner, The Clancy Company LLC, a Massachusetts limited liability company, as the Class A Limited Partner, a to-be-designated corporation as the Investor Limited Partner, and a to-be-designated corporation as the Special Limited Partner; and

WHEREAS, the Partnership was formed to own, develop and operate the Arrowhead Grove Apartments, Phase 2 project to be located at the former Waterman Gardens Public Housing site at the Southeast corner of Waterman Avenue and Baseline Street in the City of San Bernardino, San Bernardino County, and consisting of approximately one hundred eighty two (182) mixed-income rental housing units and two manager's units (the "Project"); and

WHEREAS, the Authority submitted an application to the United States Department of Housing and Urban Development ("HUD") to participate in HUD's Rental Assistance Demonstration Program ("RAD Program"), and received a RAD award from HUD for the Project; and

WHEREAS, the partners of the Partnership intend to enter into an amended and restated agreement of limited partnership (the "Partnership Agreement") to set forth their relationship as partners in the limited partnership and obligations for the Project; and

WHEREAS, the Company intends to receive an Asset Management Fee from available Project cash flow (the "Asset Fee") pursuant to a Co-Class A Limited Partner Asset Management Fee Agreement (the "Fee Agreement"); and

WHEREAS, the Authority and/or the Company intend to enter into a Right of First Refusal and Purchase Option Agreement with the Partnership and National Community Renaissance of California,

in which the Authority and/or Company, will have the right of first refusal and option to purchase the Project or investor limited partner's interest in the Project at the end of the low income housing tax credit compliance period (the "Option Agreement").

NOW, THEREFORE, BE IT RESOLVED, by the Board of Governors of the Housing Authority of the County of San Bernardino, as follows:

Section 1. The above recitals are true and correct, and the Board of Governors of the Housing Authority so finds and determines.

Section 2. The Partnership Agreement, in substantially the form on file with the Secretary of the Board and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Chairperson, Vice Chairperson, Chief Executive Officer, or Executive Director of the Housing Authority of the County of San Bernardino (each, an "Authorized Officer") are hereby authorized and directed, for and in the name of the Housing Authority, to execute and deliver the Partnership Agreement in the form on file with the Secretary of the Board, with such changes, insertions and omissions as HUD or the Authorized Officer, in consultation with Legal Counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Partnership Agreement by the Authorized Officer.

Section 3. The Fee Agreement, in substantially the form on file with the Secretary of the Board and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Authorized Officer is hereby authorized and directed, for and in the name of the Housing Authority, to execute and deliver the Fee Agreement in the form on file with the Secretary of the Board, with such changes, insertions and omissions as HUD or the Authorized Officer, in consultation with Legal Counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Fee Agreement by the Authorized Officer.

Section 4. The Option Agreement, in substantially the form on file with the Secretary of the Board and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Authorized Officer is hereby authorized and directed, for and in the name of the Housing Authority, to execute and deliver the Option Agreement in the form on file with the Secretary of the Board, with such changes, insertions and omissions as HUD or Authorized Officer, in consultation with Legal Counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Option Agreement by the Authorized Officer.

Section 5. The Authorized Officer shall deliver to the Secretary of the Board of Governors an original of each of the Partnership Agreement, Fee Agreement and Option Agreement within thirty (30) days of the full execution thereof.

Section 6. The Authorized Officer shall be authorized to execute any other form or document required by any lender, investor, regulator or other third party involved in the transaction, as long as the Authorized Officer and Legal Counsel determine that the substance of such document does not materially conflict with the substance and intent of this Resolution.

Section 7. All actions heretofore taken by the officers, employees and agents of the Authority with respect to the Arrowhead Grove Apartments Phase II Multifamily Rental Project are approved, confirmed and ratified.

Section 8. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Governors of the Housing Authority of the County of San Bernardino, by the following vote:

AYES: GOVERNOR: Josie Gonzales, Curt Hagman, Robert A. Lovingood
Sylvia Miller, Jessie Muñoz, Dawn Rowe, Janice Rutherford

NOES: GOVERNOR: None

ABSENT: GOVERNOR: None

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STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, **LYNNA MONELL**, Secretary of the Board of Governors of the Housing Authority of the County of San Bernardino, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Governors, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of Tuesday, August 6, 2019. Item #7 jll

LYNNA MONELL
Secretary

By _____
Deputy