

HOUSING AUTHORITY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1854

DATE OF FINAL PASSAGE April 7, 2020

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000 TO FINANCE THE CONSTRUCTION OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT TO BE KNOWN AS SCRIPPS MESA APARTMENTS, AND APPROVING AND AUTHORIZING 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 issue revenue bonds to finance the acquisition, rehabilitation or construction, development and equipping of multifamily rental housing; and

WHEREAS, Scripps MRU Owner, L.P., a California limited partnership and Scripps AU Owner, L.P., a California limited partnership (together, Borrower), have requested that the Authority issue multifamily housing revenue bonds and loan the proceeds thereof to the Borrower to finance Borrower's acquisition, construction, development and equipping of a multifamily residential rental housing development to be known as "Scripps Mesa Apartments" (Project), to consist of 264 apartment units to be located at 10380 Spring Canyon Road 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 to

accomplish such purpose it is desirable for the Authority to issue one or more revenue bonds to finance the costs of the construction and equipping of the Project; and

WHEREAS, the Authority intends to issue its Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds (Scripps Mesa Apartments) 2020 Series E (Bonds) in an aggregate principal amount not to exceed \$100,000,000, which Bonds may be designated in one or more subseries; and

WHEREAS, the Bonds are expected to be initially purchased by Bank of America, N.A., or an affiliate (Purchaser) in a private placement transaction; and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower (Loan) and the Borrower will use such proceeds to finance the costs of the construction and equipping of the Project and the costs of issuing the Bonds; and

WHEREAS, the City Council of the City of San Diego, by its Resolution R-312545, effective July 8, 2019, approved the Authority's issuance of the Bonds after publication of a "TEFRA" notice and the holding on June 25, 2019 of a "TEFRA" hearing, as required by the Internal Revenue Code of 1986, as amended (Code), 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 CDLAC's authorization to issue tax-exempt multifamily housing revenue obligations; and

WHEREAS, CDLAC has allocated to the Project \$100,000,000 of the 2019 State of California ceiling for private activity bonds under section 146 of the Code; and

WHEREAS, the following documents are presented for consideration:

(1) The form of Trust Indenture (Indenture), by and between the Authority and U.S. Bank National Association, as trustee (Trustee), including the form of the Bonds attached to the Indenture as Exhibit A; and

(2) The form of Loan Agreement (Loan Agreement), by and between the Authority and the Borrower; and

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

WHEREAS, each of the above-referenced documents is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended; and

WHEREAS, a Notice of Determination in compliance with sections 21108 or 21152 of the Public Resources Code was filed on June 20, 2018 determining that the Project will not have a significant effect on the environment. A final Environmental Impact Report (EIR) was prepared for the Project pursuant to the provisions of the California Environmental Quality Act (CEQA), a mitigation or monitoring plan was adopted and mitigation measures were made a condition of the approval of the Project; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Authority of the City of San Diego, as follows:

Section 1. Finding and Determination. It is found and determined that it is necessary and desirable for the Authority to provide for the financing of the acquisition, construction and equipping of the Project through the issuance of the Bonds 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 Bonds. For the purpose of financing the acquisition, construction and equipping of the Project, the Authority approves the issuance of the Bonds in

one or more series, in an aggregate principal amount not to exceed \$100,000,000. The Bonds shall be issued in the principal amount, and shall bear interest (which shall not exceed 12% per annum) and mature (not later than 45 years from the date of issuance and delivery thereof) as provided in the Indenture. The Bonds shall be in substantially the form attached as Exhibit A to the Indenture, with such appropriate variations, omissions, insertions, and provisions as are required or permitted by the Indenture. The Bonds shall be special, limited obligations of the Authority and shall be payable as to principal and interest, and the obligations of the Authority under the Indenture shall be paid and satisfied, solely from the revenues, receipts and other moneys and assets pledged under the Indenture.

Section 3. Execution and Delivery of the Bonds. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Executive Director of the Authority (Executive Director), the Executive Vice President and Chief Operating Officer (Executive Vice President & Chief Operating Officer) of the San Diego Housing Commission (Housing Commission), or the Vice President of Housing Finance and Portfolio Management Real Estate Division of the Housing Commission (Vice President Housing Finance), and the official seal of the Authority, or a facsimile, shall be impressed or imprinted on the Bonds and attested with the manual or facsimile signature of the Secretary or a Deputy Secretary of the Authority.

Section 4. Approval of the Indenture. The Indenture, in the form on file in the Housing Commission offices, is approved. The Executive Director, the Executive Vice President & Chief Operating Officer, and the Secretary or a Deputy Secretary of the Authority, or the designee of any such officer (collectively, Designated Officers) are each authorized to execute and deliver the Indenture 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 to constitute conclusive evidence of the approval of all changes from the form of the Indenture approved in this Resolution.

Section 5. Approval of Loan Agreement. The Loan Agreement, in the form on file in the Housing Commission offices, is approved. The Designated Officers are each authorized to execute and deliver the Loan Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, in consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval of all changes from the form of the Loan Agreement approved in this Resolution.

Section 6. Approval of Regulatory Agreement. The Regulatory Agreement, in the form on file in the Housing Commission offices, is approved. The Designated Officers are each 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, in consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval of all changes from the form of the Regulatory Agreement approved in this Resolution.

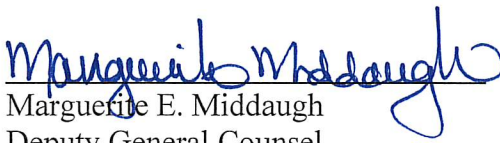
Section 7. Actions Ratified and Authorized. All prior actions taken by the officers, employees, and agents of the Authority with respect to the issuance and sale of the Bonds are approved, confirmed, and ratified, and the Designated Officers are each authorized, for and in the name and on behalf of the Authority, to take any and all actions and execute and deliver any and all certificates, agreements (including a tax certificate and agreement), any assignment of security documents or deed of trust, 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 Bonds and the making of the Loan in accordance with the Act and this Resolution.

Section 8. 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 Bonds and the lending program financed by the Bonds, 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 appointment or substitution of trustee, fiscal agent or lender, any substitution of security for the Bonds, or any prepayment or redemption of the Bonds may be taken or given by any of the Designated Officers, in consultation with the Authority's General Counsel, without further authorization by the Board, and the Designated Officers are 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 9. 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 10. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: MARA W. ELLIOTT, General Counsel

By 
Marguerite E. Middaugh
Deputy General Counsel

MEM:jdf
02/18/2020
Or.Dept: Housing Authority
Doc. No.: 2330180

Passed and adopted by the Housing Authority of the City of San Diego on April 7, 2020, by the following vote:

	Yeas	Nays	Excused	Not Present
Barbara Bry	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Scott Sherman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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. **1854** passed and adopted by the Housing Authority of the City of San
Diego, California on April 7, 2020.

By:



Scott Marshall

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