

HOUSING AUTHORITY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER HA- 1974

DATE OF FINAL PASSAGE March 7, 2023

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF SUPPLEMENTAL TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED AN ADDITIONAL \$1,930,500 TO FINANCE THE ACQUISITION, CONSTRUCTION AND DEVELOPMENT OF THE MULTIFAMILY RENTAL HOUSING FACILITY KNOWN AS CORTEZ HILL 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 incur indebtedness to finance the acquisition, construction, and development of multifamily rental housing; and

WHEREAS, Beech Street Housing Associates, L.P., a California limited partnership (Borrower), has requested that the Authority borrow funds and loan the funds to the Borrower (Loan) to finance Borrower's acquisition, construction and development of a multifamily residential rental housing facility known as "Cortez Hill Apartments" (Project), consisting of 88 apartment units (including one unrestricted manager's unit) to be located at 915 Beech Street in the City of San Diego (City); and

WHEREAS, the Authority adopted Resolution Number HA-1966 (Prior Authorizing Resolution), on November 15, 2022, approving the issuance and sale of its Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds (Cortez Hill Apartments) Series

2022E-1 (Tax-Exempt Bonds) in a principal amount not to exceed \$19,305,000 (Existing Tax-Exempt Bond Authorization), and its Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds (Cortez Hill Apartments) Series 2022E-2 (Taxable) (together with the Tax-Exempt Bonds, the Bonds), in a principal amount not to exceed \$13,000,000, for the purpose of funding the Loan; and

WHEREAS, the issuance of tax-exempt bonds or notes by the Authority is subject to the approval by the City Council of the City of San Diego (City Council), after publication of a “TEFRA” notice and the holding of a “TEFRA” hearing, as required by the Internal Revenue Code of 1986, as amended (Code), and applicable United States Treasury Regulations; and

WHEREAS, on October 13, 2022, the San Diego Housing Commission (Housing Commission) held on behalf of the City, under authority delegated to the Housing Commission by the City, a duly noticed public hearing in accordance with all applicable law and an opportunity was provided at such hearing for interested persons to express their views on the issuance of the Tax-Exempt Bonds and on the nature and location of the Project; and

WHEREAS, the City Council, as the applicable elected representative under section 147(f) of the Code, approved the Authority’s issuance of the Tax-Exempt Bonds in an aggregate principal amount not to exceed \$19,305,000 on November 15, 2022; 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, on June 15, 2022, CDLAC allocated to the Project \$19,305,000 of available State of California volume cap for private activity bonds under section 146 of the Code (Volume Cap); and

WHEREAS, the Borrower is requesting that the Authority increase the amount of the Existing Tax-Exempt Bond Authorization by \$1,930,500, which increase would necessitate the Project's receiving an additional \$1,930,500 allocation of Volume Cap (Supplemental Allocation); and

WHEREAS, pursuant to section 1.147(f)-1(f)(6) of the Code of Federal Regulations, a deviation between the maximum principal amount of a proposed issuance of tax-exempt bonds as stated in the published "TEFRA" notice, and the actual principal amount of tax-exempt bonds issued and used to finance the related project, is an "insubstantial deviation" that does not cause the issue to fail to meet the TEFRA requirements if the actual principal amount issued is no more than ten percent greater than that maximum stated principal amount and, accordingly, an increase to the Existing Tax-Exempt Bond Authorization in the amount of \$1,930,500 would not require a new "TEFRA" hearing or approval; and

WHEREAS, the Office of the City Attorney has drafted this Resolution based on the information provided by Housing Commission staff, and verified by the Housing Commission's General Counsel, with the understanding that this information is sufficient to allow for a proper and complete analysis of this matter;

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

Section 1. Capitalized Terms. Capitalized terms used but not defined have the meanings given to them in the Prior Bond Resolution.

Section 2. Increase of Existing Tax-Exempt Bond Authorization. The Authority approves an increase to the Existing Tax-Exempt Bond Authorization in an aggregate principal

amount not to exceed \$1,930,500; provided, however, that such approval is conditioned on CDLAC's allocating the Supplemental Allocation to the Project.

Section 3. 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 agreement or no arbitrage certificate), and other documents, including those described in any of the documents approved by the Prior Authorizing Resolution, that 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, the Prior Authorizing Resolution or this Resolution. Other than as set forth in this Resolution, the Prior Authorizing Resolution is not amended or superseded by this Resolution and remains in full force and effect.

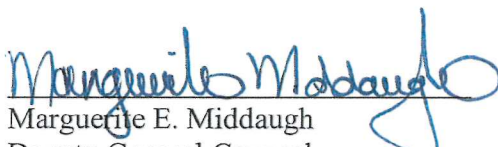
Section 4. Further Consents, Approvals and Other Actions. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by the Prior Authorizing Resolution or otherwise appropriate in the administration of the Bonds and the lending program financed by the Bonds, including without limitation any of the foregoing 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 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 that such officer may deem

necessary or desirable to further the purposes of the Prior Authorizing Resolution or this Resolution.

Section 5. 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 or any provisions of the Prior Authorizing Resolution.

Section 6. 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
02/21/2023
Or. Dept.: Housing Authority
Doc. No.: 3226259

Passed and adopted by the Housing Authority of the City of San Diego on March 7, 2023, by the following vote:

	Yeas	Nays	Excused	Not Present
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monica Montgomery Steppe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

[scal]

Jeff Davis

Interim 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. **1974** passed and adopted by the Housing Authority of the City of San Diego,
California on March 7, 2023.

By:



Scott Marshall

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