

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JOSE APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY FOR A LIMITED PARTNERSHIP TO BE ESTABLISHED BY COMMUNITY HOUSINGWORKS OR AN AFFILIATE THEREOF WITH RESPECT TO A MULTIFAMILY APARTMENT PROJECT

WHEREAS, the California Statewide Communities Development Authority (the "Authority"), of which the City of San José (the "City") is a member pursuant to the provisions of that certain Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority, dated as of June 1, 1988 (the "Agreement"), is authorized by the laws of the State of California (the "Law") to issue tax-exempt obligations and taxable obligations for the purpose of financing multifamily rental housing to be occupied, in whole or in part, by persons or families of low and very low income;

WHEREAS, a limited partnership to be established by Community HousingWorks or an affiliate thereof (the "Borrower") intends to acquire and rehabilitate a 201-unit multifamily rental housing project located at 463 Wooster Avenue, San José, California 95116 (the "Project"), and has requested that the Authority cause the issuance of tax-exempt bonds (the "Bonds") in the not-to-exceed amount of \$85,000,000, the proceeds of which shall be used for the purpose of financing the acquisition and rehabilitation of the Project;

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that the "applicable elected representative" with respect to the Project approve the issuance of the Bonds with respect to the Project after a public hearing has been held concerning the issuance and delivery of such Bonds;

WHEREAS, the City Council of the City (the "City Council") is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the City Council has, on February 5, 2019, held said public hearing after due public notice and, at said meeting, all those interested in speaking with respect to the financing of the Project were heard;

NOW, THEREFORE, be it resolved by the City Council of the City of San José, State of California, as follows:

Section 1. This City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2. This City Council hereby approves the issuance of the Bonds with respect to the Project by the Authority for the purposes of Section 147(f) of the Code.

Section 3. The issuance and delivery of the Bonds shall be subject to the approval of and execution by the Authority of all financing documents relating thereto to which the Authority is a party and subject to the sale of the Bonds by the Authority.

Section 4. The Borrower shall be responsible for the payment of all present and future costs in connection with the issuance of the Bonds, including, but not limited to, any fees and expenses incurred by the City in anticipation of the issuance of such Bonds. The payment of the principal, prepayment premium, if any, and purchase price of and interest on the Bonds shall be solely the responsibility of the Borrower. The Bonds shall not constitute a debt or obligation of the City.

Section 5. This City Council hereby determines that it is appropriate for the Authority to cause the issuance of the Bonds to finance the acquisition and rehabilitation of the Project and hereby approves the issuance of the Bonds. It is the purpose and intent of this City Council that this resolution constitute approval of the Bonds for the purposes of Section 9 of the Agreement.

Section 6. The adoption of this Resolution is solely for the purpose of meeting the requirements of the Code and Section 9 of the Agreement and shall not be construed in any other manner, neither the City nor its staff having fully reviewed or considered the financial feasibility of the financing of the Project or the expected operation of the Project with regard to any State of California statutory requirements, and such adoption shall not obligate, without further formal action to be taken by this City Council, (i) the City to provide financing to the Borrower for the financing of the acquisition and rehabilitation of the Project or to cause the delivery of the Bonds for the purpose of such financing; or (ii) the City, or any department of the City, to approve any application or request for, or take any other action in connection with the ownership or operation of the Project.

Section 7. The Clerk of the City Council shall forward a certified copy of this Resolution to:

Josh D. Anzel
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111

Section 8. This Resolution shall take effect from and after the date of its passage and adoption.

THE FOREGOING RESOLUTION is approved and adopted by the City Council of the City of San José this 5th day of February 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk