

## **RESOLUTION 2010-001**

Adopted by the Housing Authority  
of the City of Sacramento

February 9, 2010

### **AUTHORIZING THE ISSUANCE, EXECUTION AND DELIVERY OF SUBORDINATE MULTIFAMILY HOUSING REVENUE BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF A SUBORDINATE TRUST INDENTURE, A SUBORDINATE LOAN AGREEMENT AND OTHER DOCUMENTS RELATING THERETO; AND APPROVING OTHER ACTIONS AND MATTERS RELATING THERETO (THE LOFTS AT NATOMAS APARTMENTS)**

#### **BACKGROUND**

- A. The Housing Authority of the City of Sacramento (the "Authority") is authorized pursuant to Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code (the "Act") to issue revenue bonds and make loans for the purpose of financing and refinancing multifamily rental housing projects to be occupied in whole or in part by persons of low and very low income; and
- B. In 2002, the Authority reissued revenue bonds designated as the Housing Authority of the City of Sacramento Variable Rate Demand Multifamily Housing Revenue Bonds (The Lofts at Natomas Apartments) 2002 Issue F (the "Original Bonds") pursuant to the provisions of an Amended and Restated Trust Indenture (the "Senior Indenture"), dated as of April 1, 2003, by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Senior Trustee") and loaned the proceeds from the sale thereof to The Lofts, LP, a Nevada limited partnership (the "Original Borrower"), to finance the acquisition, construction and development of a 188-unit multifamily rental housing development located in the City of Sacramento, California and commonly known as The Lofts at Natomas Apartments (the "Project"); and
- C. The Project has been transferred to The Lofts Apartments, L.P., a California limited partnership (the "Borrower"), and the Borrower has requested that the Authority issue and sell its subordinate revenue refunding bonds hereinafter designated (the "Bonds") to provide funding for a mortgage loan (the "Loan") to be made to the Borrower to refinance the Project and redeem a portion of the outstanding Original Bonds, and to amend the Senior Indenture in connection therewith; and
- D. The Authority hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act; and
- E. All conditions, things and acts required to exist, to have happened and to have been performed precedent to and in connection with the issuance of the Bonds as contemplated by this resolution and the documents referred to herein will exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act; and

- F. The proposed action is exempt from environmental review under CEQA Guidelines Section 15310, which exempts loans and bond financing funding mechanisms for existing structures and there is no federal funding associated with this project; therefore, the National Environmental Policy Act does not apply.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. The Authority hereby finds and declares that the above recitals are true and correct.
- Section 2. Pursuant to the Act and the Indenture (as defined below), the issuance of the subordinate revenue refunding bonds designated "Housing Authority of the City of Sacramento Subordinate Multifamily Housing Revenue Refunding Bonds (The Lofts at Natomas Apartments) Subordinate Issue 2010," in an aggregate principal amount not to exceed \$6,720,000, is hereby authorized. The Chairperson or Executive Director of the Authority, or their designee (the "Authorized Officers"), each acting alone, are hereby authorized and directed to execute the Bonds for and in behalf of the Authority by manual or facsimile signature, in the form set forth in the Indenture, with such changes, deletions and insertions as may be approved by such Authorized Officers and legal counsel to the Authority, such approvals being conclusively evidenced by the execution and delivery thereof, and the Clerk of the Sacramento Housing and Redevelopment Agency or her designee (the "Clerk") is hereby authorized and directed, if required, to attest the Bonds in said form and otherwise in accordance with the Indenture.
- Section 3. The Subordinate Trust Indenture (the "Indenture") by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Indenture with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.
- Section 4. The Subordinate Loan Agreement by and among the Authority, the Borrower and the Trustee (the "Loan Agreement"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Loan Agreement with such changes, additions and deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.
- Section 5. The First Supplement to Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants by and among the Authority, the Senior Trustee and the Borrower (the "First Supplement to Regulatory Agreement"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the First Supplement to Regulatory Agreement with such

changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.

- Section 6. The First Supplemental Amended and Restated Trust Indenture by and between the Authority and the Senior Trustee (the "First Supplement to Regulatory Agreement"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the First Supplemental Trust Indenture with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.
- Section 7. The Bonds, when executed, shall be delivered to the purchaser thereof upon the payment of the purchase price for the Bonds.
- Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the Authority, including the Authorized Officers, are hereby 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 any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this Resolution, including but not limited to those certificates, agreements and other documents described in the Indenture, the Loan Agreement, the First Supplement to Regulatory Agreement, the First Supplemental Trust Indenture and other documents herein approved.
- Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted by the Housing Authority of the City of Sacramento on February 9, 2010 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

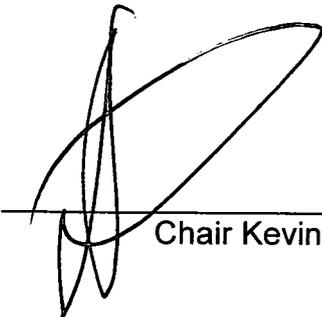
Noes: None.

Abstain: None.

Absent: None.

Attest:

  
Shirley Concolino, Secretary

  
Chair Kevin Johnson