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RESOLUTION 05-35

RESOLUTION AUTHORIZING A SERIES OF FINAL LOAN COMMITMENTS
AND ONE OR MORE PRELIMINARY LOAN COMMITMENTS

WHEREAS, the California Department of Developmental Services (“DDS”) has developed a plan to close the Agnews Developmental Center, and move its developmentally disabled residents into community housing settings located in nine Bay Area counties, and

WHEREAS, the State of California has enacted AB 2100, providing that DDS may approve a plan whereby, among other things, regional centers may provide for the development of community housing for the residents of the Agnews Developmental Center; and

WHEREAS, the Golden Gate Regional Center, the Regional Center of the East Bay, and the San Andreas Regional Center (collectively, the “Regional Centers”) and DDS, have developed such a plan, known as the Bay Area Housing Plan (“BAHP”); and

WHEREAS, the BAHP contemplates that the Hallmark Group (“Hallmark”) will be the initial developer of the housing provided for in such plan; and

WHEREAS, the California Housing Finance Agency (“Agency”) has worked with the State of California, including DDS and the Department of Health Services, the Regional Centers, and Hallmark to develop a financing plan for the BAHP (the Financing Plan”), and

WHEREAS, the Financing Plan contemplates that a series of permanent loan commitments will be made to the initial developer of the housing contemplated by the BAHP, to permit the developer to obtain acquisition and construction financing for each of the individual homes being acquired by that developer; and

WHEREAS, the BAHP and the Financing Plan have been reviewed by Agency staff, which has prepared a report presented to the Board on the meeting date recited below (the “Staff Report”), recommending Board approval of a series of final loan commitments for a portion of the Financing Plan up to an aggregate amount of \$20,000,000.00, together with preliminary commitments for later portions of the Financing Plan up to an additional aggregate amount of \$80,000,000.00, subject to certain recommended terms and conditions; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Agency, as the issuer of tax-exempt bonds, to declare its reasonable official intent to reimburse prior expenditures for housing developed under the BAHP with proceeds of a subsequent borrowing; and

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WHEREAS, the Board confirms that the Executive Director is delegated the authority to declare the official intent of the Agency to reimburse such prior expenditures for housing developed under the BAHP; and

WHEREAS, based upon the recommendation of staff and due deliberation by the Board, the Board has determined that a series of final loan commitments be made to the developer to implement the initial portion of the BAHP up to an aggregate amount of \$20,000,000.00; and that one or more preliminary loan commitments be made to finance later portions of the BAHP up to an additional aggregate amount of \$80,000,000.00, with such preliminary commitments being subject to further Board approval;

1. The Executive Director, or in his/her absence, either the Chief Deputy Director or the Director of Multifamily Programs of the Agency is hereby authorized to execute and deliver a series of final commitment letters, in a form acceptable to the Agency, and subject to recommended terms and conditions set forth in the Staff Report, up to an aggregate amount of \$20,000,000.00 in relation to the BAHP described above.

2. The Executive Director, or in his/her absence, either the Chief Deputy Director or the Director of Multifamily Programs of the Agency is hereby authorized to execute and deliver one or more preliminary commitment letters, in a form acceptable to the Agency, subject to recommended terms and conditions set forth in the Staff Report, and additionally subject to the further approval of the Board of Directors, up to an additional aggregate amount of \$80,000,000.00, in relation to the BAHP described above .

3. The Executive Director may modify the terms and conditions of the final loan commitments provided for above, provided that major modifications, as defined below, must be submitted to this Board for approval. "Major modifications" as used herein means modifications which either (i) increase the total aggregate amount of any final loan commitments made pursuant to the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive Director, or in his/her absence, either the Chief Deputy Director or the Director of Multifamily Programs of the Agency, adversely change the financial or public purpose aspects of the final commitment in a substantial way.

I hereby certify that this is a true and correct copy of Resolution 05-35 adopted at a duly constituted meeting of the Board of the Agency held on September 8, 2005, at Burbank, California.

ATTEST: 
Secretary