

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46

BOARD OF DIRECTORS  
OF THE CALIFORNIA HOUSING FINANCE AGENCY

RESOLUTION NO. 22-05

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of D Avenue Housing Associates, L.P., a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in the City of National City, County of San Diego, California, to be known as Kimball Highland (the "Development"); and

WHEREAS, the loan application has been reviewed by Agency staff which prepared a report presented to the Board on the meeting date recited below (the "Staff Report"), recommending Board approval subject to certain recommended terms and conditions; and

WHEREAS, Agency staff has determined or expects to determine prior to making a binding commitment to fund the loan for which the application has been made, that (i) the Agency can effectively and prudently raise capital to fund the loan for which the application has been made, by direct access to the capital markets, by private placement, or other means and (ii) any financial mechanisms needed to insure prudent and reasonable financing of loans can be achieved; and

WHEREAS, pursuant to the Executive Director's authority to issue Conduit Bonds, under Resolution 21-04 the Agency has filed an application with the California Debt Limit Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity Bonds for the Development; and

WHEREAS, the Development has received a TEFRA Resolution as required by the Tax Equity and Fiscal Responsibility Act of 1983, and under 26 U.S.C. section 147(f); 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 the Development with proceeds of a subsequent borrowing; and

WHEREAS, on February 22, 2021, the Executive Director exercised the authority delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse such prior expenditures for the Development; and

WHEREAS, the Agency has conditionally approved a subsidy loan pursuant to CalHFA's Mixed-Income Program ("*MIP*") pursuant to its authority under Resolutions 19-02 and 19-14; and

1 WHEREAS, the Board wishes to grant the staff the authority to enter into a loan  
2 commitment to provide permanent financing for the development and taking out the Conduit Bonds  
3 upon Agency staff determining in its judgment that reasonable and prudent financing mechanisms  
4 can be achieved;

5  
6 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the  
7 California Housing Finance Agency as follows:

8  
9 1. The Executive Director, or in her absence, the Chief Deputy Director, is hereby  
10 authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency, and  
11 subject to recommended terms and conditions set forth in the Staff Report and any terms and  
12 conditions as the Board has designated in the Minutes of the Board Meeting, in relation to the  
13 Development described above and as follows:

PROJECT NUMBER	DEVELOPMENT NAME/ LOCALITY	MORTGAGE AMOUNT	
21-013-A/X/N	KIMBALL HIGHLAND City of National City San Diego County, California	\$22,780,000.00	Permanent 1 <sup>st</sup> Mortgage Tax-Exempt Bonds w-HUD Risk Sharing
		\$ 6,095,000.00	Permanent 2 <sup>nd</sup> Mortgage Mixed Income Program

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29 The Board recognizes that in the event that staff cannot determine that reasonable and prudent  
30 financing mechanisms can be achieved, the staff will not enter into loan commitments to finance the  
31 Development. In addition, access to capital markets may require significant changes to the terms of  
32 loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make any  
33 needed modifications to the loan which in staff's judgment are directly or indirectly the result of the  
34 disruptions to the capital markets referred to above.

35  
36 2. The Executive Director may modify the terms and conditions of the loan or loans as  
37 described in the Staff Report, provided that major modifications, as defined below, must be  
38 submitted to this Board for approval. "Major modifications" as used herein means modifications  
39 which either (i) increase the total aggregate amount of any loans made pursuant to the Resolution by  
40 more than 7%; or (ii) modifications which in the judgment of the Executive Director, or in her  
41 absence, the Chief Deputy Director of the Agency, adversely change the financial or public purpose  
42 aspects of the final commitment in a substantial way.

43  
44  
45  
46

SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 22-05 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 17th day of March 2022, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES: Avila Farias, Cervantes, Gallagher, Gunn (for Imbasciani), Hunter, Starr (for Ma), Seeley (for Velasquez), Kergan (for Castro Ramirez), Sotelo, White

NOES: None

ABSTENTIONS: Russell

ABSENT: Prince

IN WITNESS WHEREOF, I have executed this certificate hereto this 17th day of March 2022.

ATTEST:

  
\_\_\_\_\_  
CLAIRE TAURIAINEN  
Secretary of the Board of Directors of the  
California Housing Finance Agency