

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING THE ISSUANCE BY THE CALIFORNIA PUBLIC FINANCE AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, REHABILITATION, IMPROVEMENT AND EQUIPPING OF THE SYCAMORE COURT PROJECT AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, 10632 Bolsa Avenue, LP, a California limited partnership ("Borrower"), has requested that the California Public Finance Authority ("CalPFA") participate in the issuance of one or more series of revenue bonds issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, in an aggregate principal amount not to exceed \$15,000,000 ("Bonds") for the acquisition, rehabilitation, improvement and equipping of a 77-unit multifamily rental housing project located at 10632 Bolsa Avenue, Garden Grove, California, generally known as the Sycamore Court Project ("Project") and operated by Mariman and Company;

WHEREAS, the Project is located within the City of Garden Grove ("City");

WHEREAS, the City proposes to become an Additional Member of the CalPFA pursuant to Section 12 of the Joint Exercise of Powers Agreement Relating to the California Public Finance Authority, dated as of May 12, 2015 ("Agreement");

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended ("Code"), the issuance of the Bonds by the CalPFA must be approved by the City because the Project is located within the territorial limits of the City;

WHEREAS, the City Council of the City ("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;

WHEREAS, the CalPFA has requested that the City Council approve the issuance of the Bonds by the CalPFA in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 12 of the Agreement; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a Public Hearing, including accepting and considering oral and written testimony, regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the CalPFA.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Garden Grove as follows:

Section 1. The foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. The City hereby requests to become an Additional Member of the CalPFA pursuant to Section 12 of the Agreement. The Agreement is hereby approved and the Mayor of the City and all other proper officers and officials of the City, or a designee thereof, are hereby authorized and directed to execute the Agreement.

Section 3. The City Council hereby approves the issuance of the Bonds by the CalPFA. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds by the CalPFA, for the purposes of (i) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f); and (ii) Section 12 of the Agreement.

Section 4. The issuance of the Bonds shall be subject to the approval of the CalPFA of all financing documents relating thereto to which the CalPFA is a party. The City shall have no responsibility or liability, financially, legally, ethical or otherwise, whatsoever with respect to the Bonds. The City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No monies of the City will be pledged or applied to the repayment of the Bonds.

Section 5. The adoption of this Resolution shall not obligate the City, nor any department of the City, nor any other governmental entity formed or governed by the City, including without limitation the Garden Grove Housing Authority, to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation, installation or operation of the Project; (iii) make any contribution or advance any funds or in kind consideration whatsoever to the CalPFA; or (iv) take any further action with respect to the CalPFA or its membership therein.

Section 6. The officers of the City, in particular the City Manager and his authorized representatives, are hereby authorized and directed, jointly and severally, to do and take any and all actions necessary to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to, and comply with the terms and intent of this Resolution and the financing transaction approved hereby.

Section 7. This Resolution shall take effect immediately upon its adoption; and the City Clerk shall certify to its adoption.