

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION OF THE CITY OF HAYWARD  
AUTHORIZING THE ISSUANCE, SALE AND DELIVERY  
OF CITY OF HAYWARD MULTIFAMILY HOUSING  
REVENUE BONDS (GLEN BERRY AND GLEN EDEN  
APARTMENTS) 2016 SERIES A, AUTHORIZING THE  
EXECUTION AND DELIVERY OF A MASTER AGENCY  
AGREEMENT, A MASTER PLEDGE AND ASSIGNMENT  
AND A REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS WITH  
RESPECT TO EACH DEVELOPMENT, AND  
AUTHORIZING THE EXECUTION AND DELIVERY OF  
AND APPROVING OTHER RELATED DOCUMENTS AND  
APPROVING OTHER RELATED ACTIONS IN  
CONNECTION THEREWITH

WHEREAS, Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code, as the same may be amended (the "Act"), and City of Hayward Ordinance No. 81-023, adopted on June 16, 1981 and codified at Article 10 of Chapter 8 of the City of Hayward Municipal Code, as the same may be amended (the "Ordinance" and together with the Act, the "Bond Law") authorizes the City of Hayward (the "City") to incur indebtedness for the purpose of financing the acquisition, construction/rehabilitation and development of multifamily rental housing facilities to be occupied in whole or in part by persons of low and very low income; and

WHEREAS, the City has been requested to issue its Multifamily Housing Revenue Bonds (Glen Berry and Glen Eden Apartments) 2016 Series A (the "Bonds") in accordance with the Bond Law, the proceeds of which are proposed to be used to make a loan to GBGEH, L.P., a California limited partnership (the "Borrower"), to finance the acquisition and rehabilitation of 86 units of multifamily rental housing located on two sites in Hayward, California, including (i) 50 units located at 625 Berry Avenue known as Glen Berry Apartments, and (ii) 36 units located at 561 A Street known as Glen Eden Apartments, (each, a "Development" and, collectively, the "Project"); and

WHEREAS, there have been placed on file with the City Clerk prior to this meeting the following documents and agreements in furtherance of the transactions described above:

- (1) A proposed form of Master Agency Agreement (the "Agency Agreement"), between the City, Wells Fargo Bank, National Association, as agent (the "Agent");
- (2) A proposed form of Master Pledge and Assignment (the "Pledge and Assignment"), among the City, the Agent and Wells Fargo Bank, National Association, as holder of the Bonds (the "Holder"); and
- (3) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants between the City and the Borrower (the "Regulatory Agreement");

WHEREAS, the City has received an application from the California Debt Limit Allocation Committee (“CDLAC”) for an allocation of private activity bond volume cap in an amount sufficient to provide for the issuance of the Bonds (the “Allocation”):

WHEREAS, all other conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds as contemplated by this resolution and the documents referred to herein 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.

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

Section 1. The City hereby finds and declares that the above recitals are true and correct.

Section 2. Pursuant to the Act and the Pledge and Assignment, the issuance of bonds in one or more series is hereby authorized, and such bonds shall be designated: “City of Hayward Multifamily Housing Revenue Bonds (Glen Berry and Glen Eden Apartments) 2016 Series A” (the “Bonds”) including, if and to the extent necessary, one or more series and/or sub-series and/or taxable bonds, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$15,000,000. The Bonds shall be executed by the manual or facsimile signature of the City Manager of the City, and attested by the manual or facsimile signature of the City Clerk of the City, in the form set forth in and otherwise in accordance with the Pledge and Assignment. The Bonds, when executed, shall be delivered to or upon the order of the Holder.

In no event shall the amount of Bonds issued exceed the actual amount of the Allocation awarded by CDLAC.

Section 3. The form of Pledge and Assignment on file with the City Clerk is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Pledge and Assignment in said form, with such additions thereto or changes therein as are recommended or approved by the City Manager upon consultation with bond counsel to the City, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the City of the Pledge and Assignment.

Section 4. The form of Agency Agreement on file with the City Clerk is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Agency Agreement in said form, with such additions thereto or changes therein as are recommended or approved by the City Manager upon consultation with bond counsel to the City, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the City of the Agency Agreement.

Section 5. The form of Regulatory Agreement on file with the City Clerk is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver a Regulatory Agreement with respect to each Development, in said form, with such additions thereto or changes therein as are recommended or approved by such officers upon consultation with bond counsel to the City, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the City of the Regulatory Agreements.

Section 6. The law firm of Jones Hall, A Professional Law Corporation, is hereby named as bond counsel to the City in connection with the issuance of the Bonds. The financial advisory firm of CGS

Advisors, Inc. is hereby named as financial advisor to the City in connection with the issuance of the Bonds. The fees and expenses of bond counsel and the financial advisor are to be paid solely from the proceeds of the Bonds or directly by the Borrower.

Section 7. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the City, including the City Manager, are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute and deliver 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 and resolutions heretofore adopted by the City and in order to carry out the Program, including but not limited to those certificates, agreements, deeds of trust and other documents described in the Agency Agreement, the Pledge and Assignment, the Regulatory Agreements, and the other documents herein approved and any certificates, agreements or documents as may be necessary to further the purpose hereof, including, but not limited to, any subordination agreement required to be executed in connection with the proposed financing, but which shall not create any obligation or liability of the City other than with respect to the revenues and assets derived from the proceeds of the Bonds.

Section 8. This resolution shall take effect immediately upon its adoption.

IN COUNCIL, HAYWARD, CALIFORNIA, May 17, 2016.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward