RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS BY THE CALIFORNIA PUBLIC FINANCE AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $16,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION AND REHABILITATION OF VILLAGE EAST APARTMENTS AND CERTAIN OTHER MATTERS RELATING THERETO

New Village East, LP, a limited partnership between The John Stewart Company, an affordable housing developer and management company, and Affordable Housing CDC (AHCDC), a non-profit affordable housing organization, will be acquiring the Village East Apartments and are proposing a major rehabilitation of the property; and

New Village East, LP, a California limited partnership (the “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 $16,000,000 (the “Bonds”) for the acquisition, rehabilitation, improvement and equipping of a 189-unit multifamily rental housing project located at 2501 East Lafayette Street, Stockton, California, generally known as Village East Apartments (the “Project”); and

Section 147(f) of the Internal Revenue Code of 1986, as amended (the “TEFRA Act”) requires that before bonds can be issued, the local jurisdiction in which a project to be financed with bonds is located must: 1) conduct a public hearing and 2) approve the issuance of the bonds; and

Pursuant to the TEFRA Act, the issuance of the Bonds by the Authority must be approved by the City because the Project is located within the territorial limits of the City; and

The City Council of the City of Stockton (the "City Council") is the elected legislative body of the City of Stockton and is the applicable elected representative under the TEFRA Act; and

The Authority has requested that the City Council approve the issuance of the Bonds by the Authority 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

As a condition of issuing bonds, CalPFA is requiring that the City become an Additional Member of CalPFA pursuant to Section 12 of the Joint Exercise of Powers Agreement, dated as of May 12, 2015, (the "Agreement") relating to the California Public Finance Authority; and
Pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority; and

The City Council understands that its actions in holding this public hearing and in approving this Resolution do not obligate the City in any manner for payment of the principal, interest, fees or any other costs associated with the issuance of the Bonds, and said City Council expressly conditions its approval of this Resolution on that understanding; and now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City hereby requests to become an Additional Member of the Authority 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.

2. The City Council hereby approves the issuance of the Bonds by the Authority for the purposes of financing the Project. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) 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 (b) Section 12 of the Agreement.

3. The officers of the City Council are hereby authorized and directed, jointly and severally, to do any and all things and execute and deliver any and all documents, certificates and other instruments 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. Any actions heretofore taken by such officers are hereby ratified and approved.

4. The City Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Loan for the financing of the Project.

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5. This Resolution shall take effect from and after its passage and approval.

PASSED, APPROVED, and ADOPTED March 29, 2016

ANTHONY SILVA
Mayor of the City of Stockton

ATTEST:

BONNIE PAIGE
City Clerk of the City of Stockton