

1
2 BOARD OF DIRECTORS
3 OF THE CALIFORNIA HOUSING FINANCE AGENCY

4
5 RESOLUTION NO. 20-03

6
7 RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

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9 WHEREAS, the California Housing Finance Agency (the "Agency") has received a
10 loan application on behalf of Hayes Valley IV, LP, a California limited partnership (the
11 "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide
12 financing for a multifamily housing development located in the City and County of San
13 Francisco, California, to be known as Hayes Valley South (the "Development"); and

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

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

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26 WHEREAS, pursuant to the Executive Director's authority to issue Conduit Bonds,
27 under Resolution 19-06 the Agency has filed an application with the California Debt Limit
28 Allocation Committee ("CDLAC") for an allocation of California Qualified Private Activity
29 Bonds for the Development; and

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

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

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38 WHEREAS, on September 21, 2019, the Executive Director exercised the authority
39 delegated to her under Resolution 15-16 to declare the official intent of the Agency to reimburse
40 such prior expenditures for the Development; and

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

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

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

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10 PROJECT	11 DEVELOPMENT NAME/ NUMBER LOCALITY	12 MORTGAGE AMOUNT	
13 19-046-A/N	14 HAYES VALLEY SOUTH	15 \$24,099,797.00	16 Tax-Exempt 17 Permanent First 18 Mortgage Loan 19 w/HUD Risk Sharing
		20 \$ 3,500,000.00	21 Subsidy GAP Loan

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

28 2. The Executive Director may modify the terms and conditions of the loans or
29 loans as described in the Staff Report, provided that major modifications, as defined below,
30 must be submitted to this Board for approval. "Major modifications" as used herein means
31 modifications which either (i) increase the total aggregate amount of any loans made pursuant to
32 the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive
33 Director, or in her absence, the Chief Deputy Director of the Agency, adversely change the
34 financial or public purpose aspects of the final commitment in a substantial way.
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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. 20-03 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 2020, 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: Gallagher, Gunn (for Imbasciani), Gunning, Hunter, Johnson Hall, Jopanda (for Ma), Olmstead (for McCauley), Castro Ramirez, Prince, Russell, Sotelo

NOES: None

ABSTENTIONS: None

ABSENT: Avila Farias

IN WITNESS WHEREOF, I have executed this certificate hereto this 17th day of March 2020.

ATTEST: Claire Tauriainen
CLAIRE TAURIAINEN
Secretary of the Board of Directors of the
California Housing Finance Agency