

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 07/19/2016 by the following vote:

AYE:

NO:

ABSENT:

ABSTAIN:

RECUSE:



Resolution No. 2016/462

Resolution Approving and Authorizing the Execution and Delivery of a Termination Agreement Related to Delta View Apartments.

WHEREAS, in 1999, the County of Contra Costa (the "County") issued \$8,750,000 of multifamily housing revenue bonds (the "Bonds") to finance the acquisition and rehabilitation by Delta View Associates, L.P. (the "Former Owner") of a 205-unit apartment project (the "Project") known as Delta View Apartments located in the City of Antioch; and

WHEREAS, in connection with the issuance of the Bonds, the County, the trustee for the Bonds and the Former Owner entered into a Regulatory Agreement and Declaration of Restrictive Covenants, dated as of June 1, 1999 (the "Regulatory Agreement") that set forth certain restrictions relating to the operation of the Project; and

WHEREAS, by February of 2016, the Former Owner conveyed its interest in the Project to Delta View Family Apartments, L.P. (the "New Owner"), and the New Owner assumed the obligations of the Former Owner under the Regulatory Agreement; and

WHEREAS, the New Owner has obtained a loan (the "2016 Loan") from the California Statewide Communities Development Authority ("CSCDA") to finance its acquisition and rehabilitation of the Project; and

WHEREAS, a portion of the proceeds of the 2016 Loan were used to redeem the remaining outstanding Bonds, but the Regulatory Agreement survived such redemption because the CSCDA issued a tax-exempt obligation (the "2016 Note") to fund the 2016 Loan, and by its terms the Regulatory Agreement remained in effect until the 2016 Note is repaid; and

WHEREAS, in connection with the 2016 Loan, CSCDA and the New Owner have agreed to enter into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the "New Regulatory Agreement"), which New Regulatory Agreement sets forth terms and conditions relating to the operation of the Project substantially the same as those in Sections 3, 4 and 6 of the Regulatory Agreement, and is for a term at least as long as the remaining term of the Regulatory Agreement; and

WHEREAS, CSCDA and the New Owner have agreed to make the owners of the Bonds and the County beneficiaries of the New Regulatory Agreement, and to provide for the continuation of the payment by the New Owner of the annual fee of the County under the Regulatory Agreement for the period it would otherwise be payable; and

WHEREAS, the New Owner has requested that the County terminate the Regulatory Agreement so that there are not two such agreements (the Regulatory Agreement and the New Regulatory Agreement) governing the operation of the Project, and in light of the provisions of the New Regulatory Agreement described above, the County is willing to so terminate the Regulatory Agreement pursuant to a termination agreement (the "Termination Agreement"), to be executed by the County, the trustee for the Bonds and the New Owner.

Section 1. The Termination Agreement, in the form on file with the Clerk of the Board, is hereby approved. Any one of the County Administrator, the Director of the Department of Conservation and Development, the Assistant Deputy Director of the Department of Conservation and Development and the Community Development Bond Program Manager (collectively, the "Designated Officers"), each acting alone, is hereby authorized, for and in the name and on behalf of the County, to execute and deliver the Termination Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Termination Agreement upon consultation with Bond Counsel to the County, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Termination Agreement by the County.

Section 2. This Resolution shall take effect upon its adoption.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 19, 2016

Contact: KRISTEN LACKEY, 0/4-/000

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: