

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

Adopted this Resolution on 11/05/2019 by the following vote:

AYE: ☐

NO: ☐

ABSENT: ☐

ABSTAIN: ☐

RECUSE: ☐



Resolution No. 2019/625

Resolution Approving Transfer of Ownership of Del Norte Apartments.

WHEREAS, in April of 1994, the County of Contra Costa (the "County") issued its Variable Rate Demand Multifamily Housing Revenue Refunding Bonds, 1994 Series A (GNMA Collateralized – Del Norte Place Apartments) (the "1994 Bonds"), and the proceeds of the 1994 Bonds were used to provide financing for the Del Norte Apartments, located in the City of El Cerrito (the "Project"); and

WHEREAS, in connection with the issuance of the 1994 Bonds, Del Norte Place, a California limited partnership, the then owner of the Project (the "Original Owner"), the Bank of America National Trust and Savings Association, the then trustee for the 1994 Bonds (the "Original Trustee"), and the County entered into an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants, dated as of April 1, 1994 (as amended by the First Amendment to Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants, dated as of October 1, 2003, among the County, Fairfield Del Norte LLC ("Fairfield"), the owner of the Project as of such date, and U.S Bank National Association, as successor to the Original Trustee, as trustee, the "1994 Bond Document"); and

WHEREAS, in November of 2007, MG Garden View Apartments L.P., Rancho Pointe Apartments L.P. and Malibu Terrace Apartments L.P., each, a California limited partnership, the current owners of the Project (collectively, the "Current Owners") acquired the Project from Fairfield, which had acquired the Project from the Original Owner; and

WHEREAS, the 1994 Bonds were fully redeemed in 2007; and

WHEREAS, the Current Owners now desire to sell the Project to Del Norte Place Apartments L.P., a Delaware limited partnership (the "New Owner"), and the 1994 Bond Document requires the prior written consent of the County to such transfer after the submission of certain documents to the County specified in the 1994 Bond Document; and

WHEREAS, representatives of the New Owner have provided information relative to the experience of the New Owner in respect of the ownership and operation of multifamily rental housing facilities similar to the Project, and have submitted to the County drafts of an Assignment and Assumption of Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the "Assignment Agreement") and an opinion of counsel to the New Owner (the "Opinion"), as required by the 1994 Bond Document; and

WHEREAS, Department of Conservation and Development Staff have reviewed the information and documents provided on behalf of the New Owner, and have confirmed that the New Owner has experience in the ownership of multifamily rental housing facilities and that the Assignment Agreement and Opinion conform to the requirements of the 1994 Bond Document; and

WHEREAS, the Current Owners have agreed to pay all costs of the County in connection with the County's approval of the transfer of ownership of the Project; and

WHEREAS, the Board of Supervisors now desires to approve the sale and transfer of the ownership of the Project to the New Owner and to authorize the execution of documents related to such transfer.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Contra Costa, as follow:

Section 1. The Board of Supervisors hereby approves the sale and transfer of the Project from the Current Owners to the New Owner, subject to the receipt by the Affordable Housing Program Manager of an Assignment Agreement executed by the parties thereto, an executed Opinion and an opinion of Bond Counsel as referenced in Section 13 of the 1994 Bond Document. The Director of the Department of Conservation and Development is hereby authorized and directed to execute and deliver the

Assignment Agreement in the form on file with the Clerk of the Board, together with such changes as shall be approved by such officer, and the execution and delivery by the Director of the Department of Conservation and Development of the Assignment Agreement shall be conclusive evidence of the approval by the County of the sale and transfer of the Project to the New Owner.

Section 2. Quint & Thimmig LLP is hereby approved as Bond Counsel to the County with respect to the transfer of ownership of the Project; provided that the fees and expenses of Bond Counsel shall be paid by the Current Owners.

Section 3. All actions heretofore taken by the officers and agents of the County with respect to the transfer of ownership of the Project as described in this Resolution are hereby approved, confirmed and ratified, and the proper officers of the County are hereby authorized and directed, for and in the name and on behalf of the County, to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the transfer of the Project to the New Owner.

Section 4. This Resolution shall take effect immediately 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.

Contact: Kristen Lackey (925) 674-7888

ATTESTED: November 5, 2019

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

By: , Deputy

cc: