

and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 12/19/2017 by the following vote:

AYE: **John Gioia**
Candace Andersen
Diane Burgis
Karen Mitchoff
Federal D. Glover

NO: ☐

ABSENT: ☐

ABSTAIN:

RECUSE:

**Resolution No. 2017/451**

RESOLUTION AUTHORIZING THE ISSUANCE OF A MULTIFAMILY HOUSING REVENUE NOTE IN A PRINCIPAL AMOUNT NOT TO EXCEED \$1,600,000 TO PROVIDE ADDITIONAL FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT FOR RIVIERA FAMILY APARTMENTS, L.P., AND OTHER MATTERS RELATING THERETO WHEREAS, the County of Contra Costa (the “County”) is authorized pursuant to Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the “Act”) to issue bonds and notes for the purpose of financing multifamily rental housing facilities; and

WHEREAS, at the request of Riviera Family Apartments, L.P., a California limited partnership (the “Borrower”), on September 23, 2016, the County issued its \$20,729,702 County of Contra Costa Multifamily Housing Revenue Notes (Riviera Family Apartments), Series 2016C (the “2016 Notes”) to finance costs of the acquisition and construction of a 58-unit residential rental housing development known as Riviera Family Apartments (the “Project”) located at 1515 and 1738 Riviera Avenue in Walnut Creek; and

WHEREAS, the costs of construction of the Project have increased since the issuance by the County of the 2016 Notes, and the Borrower has now requested that the County issue an additional note in a principal amount not to exceed \$1,600,000 (the “2017 Note”) and lend the proceeds of the sale of the 2017 Note to the Borrower to provide additional financing for the Project; and

WHEREAS, on December 12, 2017, this Board of Supervisors held a public hearing on the proposed issuance of the 2017 Note by the County for, and the financing, ownership and operation of, the Project, as required under the provisions of the Internal Revenue Code (the "Code") applicable to tax-exempt obligations, following published notice of such hearing, and subsequent to the hearing the Board of Supervisors of the County adopted a Resolution authorizing the issuance of the 2017 Note to finance the Project in satisfaction of public approval requirements of the Code; and

WHEREAS, the California Debt Limit Allocation Committee is expected to adopt a Resolution on December 20, 2017 allocating \$1,600,000 of the State of California ceiling on private activity bonds (the "Allocation") to the County for the 2017 Note; and

WHEREAS, there have been prepared various documents with respect to the issuance by the County of the 2017 Note, copies of which are on file with the Clerk of the Board, and the Board of Supervisors now desires to again approve the issuance of the 2017 Note and to approve the execution and delivery of such documents by the County; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in connection with the issuance of the 2017 Note 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.

Section 1. The Board of Supervisors hereby finds and declares that the foregoing recitals are true and correct.

Section 2. Pursuant to the Act and the Funding Loan Agreement, dated as of September 1, 2016, between the County and MUFG Union Bank, N.A. (the “Bank”), as modified by the Funding Loan Modification Agreement referenced below, the 2017 Note designated as “County of Contra Costa Multifamily Housing Revenue Note (Riviera Family Apartments), Series 2017D” in a principal amount not to exceed the lesser of \$1,600,000 or the amount of the Allocation actually received by the County for the

Project, is hereby authorized to be issued. The 2017 Note shall be executed by the manual or facsimile signature of the Chair of the Board of Supervisors (the "Chair"), in the form set forth in and otherwise in accordance with the Funding Loan Modification Agreement.

Section 3. The Funding Loan Modification Agreement between the County and the Bank, in the form on file with the Clerk of the Board, is hereby approved. Any one of the Chair of the Board of Supervisors, the Vice-Chair of the Board of Supervisors, the County Administrator, the Director of Conservation and Development, the Assistant Deputy Director of Conservation and Development and the Community Development Bond Program Manager (collectively, the "Designated Officers") is hereby authorized, for and in the name and on behalf of the County, to execute and deliver the Funding Loan Modification Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Funding Loan Modification Agreement upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 7 hereof, provided that no additions or changes shall authorize an aggregate principal amount of the 2017 Note in excess of the amount set forth in Section 2 above), the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Funding Loan Modification Agreement by the County. The date, maturity date, interest rate or rates, privileges, manner of execution, place of payment, terms of redemption and other terms of the 2017 Note shall be as provided in the Funding Loan Modification Agreement as finally executed.

Section 4. The First Modification Agreement (Long Form) (the "Borrower Loan Modification Agreement"), among the Bank, the County and the Borrower, in the form on file with the Clerk of the Board, is hereby approved. Any one of the Designated Officers is hereby authorized to execute and deliver the Borrower Loan Modification Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Borrower Loan Modification Agreement upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 7 hereof), the approval of such changes to be conclusively evidenced by the execution and delivery of the Borrower Loan Modification Agreement by the County.

Section 5. Two amended and restated regulatory agreements and declarations of restrictive covenants, one relating to the units in the Project located at 1515 Riviera Avenue and the other relating to the units in the Project located at 1738 Riviera Avenue, each between the County and the Borrower (collectively, the "Amended Regulatory Agreements"), each in the form of the amended and restated regulatory agreement and declaration of restrictive covenants on file with the Clerk of the Board, are hereby approved. Any one of the Designated Officers is hereby authorized, for and in the name and on behalf of the County, to execute and deliver the Amended Regulatory Agreements in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Amended Regulatory Agreements upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 7 hereof), the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Amended Regulatory Agreements by the County.

Section 6. The law firm of Quint & Thimmig LLP is hereby designated as Bond Counsel to the County for the 2017 Note. The fees and expenses of such firm for matters related to the 2017 Note shall be payable solely from the proceeds of the 2017 Note or contributions by the Borrower.

Section 7. All actions heretofore taken by the officers and agents of the County with respect to the issuance of the 2017 Note are hereby approved, confirmed and ratified, and the proper officers of the County, including the Designated Officers, 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 lawful issuance and delivery of the 2017 Note in accordance with this Resolution, including but not limited to any certificates, agreements and other documents described in the Funding Loan Modification Agreement, the Borrower Loan Modification Agreement or the Amended Regulatory Agreements or, amendments to the documents for the 2016 Notes in order to implement the financing contemplated by the 2017 Note, or otherwise necessary to issue the 2017 Note and consummate the transactions contemplated by the documents approved by this Resolution.

Section 8. This Resolution shall take effect upon its adoption.

Contact: Kara Douglas 925-674-7880

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: December 19, 2017

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

Stephanie Mello
By: Stephanie Mello, Deputy

