

## DRAFT RESOLUTION

### RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION AND REHABILITATION OF CALIFORNIA MANOR

**WHEREAS**, the California Statewide Communities Development Authority (the "Authority") is authorized by the laws of the State of California (the "Law") to issue and deliver multifamily housing revenue obligations for the purpose of financing the acquisition, construction/rehabilitation and development of multifamily residential rental facilities located within the area of operation of the Authority which are to be occupied, in part, by very low and low income tenants; and

**WHEREAS**, Atascadero California Manor, LP, a California limited partnership, or a limited liability company or other limited partnership to be formed by Micon Real Estate (the "Borrower") has requested the Authority to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$11,500,000 (the "Obligations"), the proceeds of which may only be used for the purpose of financing the acquisition and rehabilitation of a 95-unit multifamily residential rental facility commonly known as California Manor located at 10165 El Camino Real in the City of Atascadero, California (the "Project"); and

**WHEREAS**, the Obligations which are expected to be issued and delivered to finance the acquisition and rehabilitation of the Project would be considered "qualified exempt facility bonds" under Section 142 (a) of the Internal revenue Code of 1986, as amended (the "Code"), and Section 147(f) of the Code requires that the "applicable elected representative" with respect to the Project hold a public hearing on the issuance and delivery of the Obligations; and

**WHEREAS**, the City Council of the City of Atascadero as the "applicable elected representatives" to hold said public hearing, has held said public hearing at which all those interest in speaking with respect to the proposed financing of the Project were heard.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

Section 1. The City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2. For purposes of the requirements of the Code only, the City Council hereby approves the proposed financing of the Project by the Authority with the proceeds of the Obligations.

Section 3. The issuance and delivery of the Obligations shall be subject to the approval of and execution by the Authority of all financing documents relating thereto to which the Authority is a party and subject to the sale of the Obligations by the Authority.

Section 4. The adoption of this Resolution is solely for the purpose of meeting the requirements of the Code and shall not be construed in any other manner, the City nor its staff having fully reviewed or considered the financial feasibility of the Project or the expected financing or operation of the Project with regards to any State of California statutory requirements, and such adoption shall not obligate (i) the City to provide financing to the Borrower for the acquisition, rehabilitation and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the City, of or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, rehabilitation, development or operation of the Project.

Section 5. The City Clerk of the City shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the public hearing notice to:

Thomas A. Downey  
Jones Hall, A Professional Law Corporation  
650 California Street, 18<sup>th</sup> Floor  
San Francisco, California 94108

Section 6. This resolution shall take effect upon its adoption.

On motion by Council Member \_\_\_\_\_ and seconded by Council Member \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ADOPTED:

ATTEST:

CITY OF ATASCADERO

\_\_\_\_\_  
Marcia McClure Torgerson, City Clerk

\_\_\_\_\_  
Mike Brenner, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian Pierik, City Attorney