

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION, REHABILITATION AND IMPROVEMENT OF MULTIFAMILY RENTAL HOUSING FACILITIES FOR THE BENEFIT OF EACH PARK PLACE, L.P., OR ANOTHER LIMITED PARTNERSHIP TO BE FORMED BY EAH INC. OR A RELATED ENTITY

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code and Chapter 7 of Part 5 of Division 31 of the Health and Safety Code, the California Municipal Finance Authority (the "Authority") is authorized to issue revenue bonds or other tax exempt obligations for the purpose of financing the acquisition, construction and/or rehabilitation of multifamily rental housing facilities; and

WHEREAS, EAH Inc. (the "Applicant") has requested that the Authority assist, by issuing revenue bonds or other tax exempt obligations (the "Bonds"), in the financing and/or refinancing of the acquisition and rehabilitation of a 112 unit multifamily housing development (the "Project"), all or a portion of the units of which will be occupied by persons or families of extremely low, low, or very low income, located at 16480 Del Monte Avenue in the City of Morgan Hill, County of Santa Clara, California, which is expected to be owned by EAH Park Place, L.P., a limited partnership or another limited partnership to be established by the Applicant or a related entity (the "Borrower"); and

WHEREAS, in order for the interest on the Bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that an "applicable elected representative" of the governmental unit, the geographic jurisdiction of which contains the site of facilities to be financed with the proceeds of the Bonds, hold a public hearing on the issuance of the Bonds and approve the issuance of the Bonds following such hearing; and

WHEREAS, the City Council of the City of Morgan Hill (the "City Council") is an "applicable elected representative" for purposes of holding such hearing; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Agreement (the "Agreement") pursuant to which the Authority was formed; and

WHEREAS, notice of such public hearing has been duly given as required by the Code, and this City Council has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters relative to the financing of the Project and the Authority's issuance of the Bonds therefor; and

WHEREAS, it is in the public interest and for the public benefit that the City Council approve the issuance of the Bonds by the Authority for the aforesaid purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, AS FOLLOWS:

Section 1. The foregoing recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds in the not to exceed amount of \$26,000,000, by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the issuance of the Bonds (a) by the “applicable elected representative” of the governmental unit having jurisdiction over the area in which the Project is located in accordance with Section 147(f) of the Code and (b) by the City Council in accordance with Section 4 of the Agreement.

Section 3. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The City shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 4. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire, rehabilitate or improve the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, rehabilitation, improvement or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 5. The Mayor, the City Manager, the City Clerk, and all other proper officers and officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

Section 6. The City Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to the Authority in care of its counsel:

Ronald E. Lee, Esq.
Jones Hall
475 Sansome Street, Suite 1700
San Francisco, CA 94111

Section 7. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at a regular meeting of the City Council held on the 1st day of March, 2017, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

DATE: _____

Steve Tate, MAYOR

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, adopted by the City Council at the meeting held on March 1, 2017.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

Irma Torrez, CITY CLERK