

RESOLUTION NO. 28831

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA, APPROVING, AUTHORIZING, AND DIRECTING EXECUTION OF A SUBORDINATION AGREEMENT, AN UPDATED ADMINISTRATION AND OVERSIGHT AGREEMENT AND AN AMENDMENT TO THE SUPPLEMENTAL REGULATORY AGREEMENT RELATING TO THE LEISURE PARK, A MOBILEHOME PARK, LOCATED AT 2185 OCCIDENTAL ROAD

WHEREAS, the Independent Cities Finance Authority, a joint powers authority organized and existing under the laws of the State of California (formerly known as the Independent Cities Lease Finance Authority) (the “Finance Authority”), previously issued its Mobilehome Park Revenue Bonds (Santa Rosa Leisure Mobilehome Park) Series 2007A, its Mobilehome Park Revenue Bonds (Santa Rosa Leisure Mobilehome Park) Series 2007B, its Mobilehome Park Subordinate Revenue Bonds (Santa Rosa Leisure Mobilehome Park) Series 2007C and its Mobilehome Park Subordinate Revenue Bonds (Santa Rosa Leisure Mobilehome Park) Taxable Series 2007D (collectively, the “Prior Bonds”) pursuant to an Indenture of Trust, dated as of November 1, 2007, between the Authority and MUFG Union Bank, N.A. (formerly known as Union Bank of California, N.A.), as trustee, and loaned the proceeds of the Prior Bonds to Millennium Housing of California, a California nonprofit public benefit corporation (the “Owner”), in order to provide financing with respect to the acquisition and improvement of a mobilehome park with 182 total spaces known as Leisure Park Mobilehome Park (the “Project”) located at 2185 Occidental Road, Santa Rosa, California; and

WHEREAS, in connection with the issuance of the Prior Bonds, the Owner entered into a Supplemental Regulatory Agreement and Declaration of Restrictive Covenants dated as of November 1, 2007, recorded in the Official Records of Sonoma County, California, on November 15, 2007, as Instrument No. 2007122733 (the “Supplemental Regulatory Agreement”) with the City whereby the Owner agreed to reserve 50% of the total mobilehome spaces for very-low and low income mobilehome owners and provide certain other benefits to the Project for a fifty-five (55) year term commencing November 1, 2007; and

WHEREAS, the Owner has requested that the Finance Authority issue its not to exceed \$15,250,000 Mobilehome Park Revenue Refunding Bonds (Santa Rosa Leisure Mobilehome Park) Series 2016 in one or more series (the “Refunding Bonds”) and loan the proceeds thereof to the Owner, to, among other things, refund in part the Prior Bond and to finance additional renovations to the Project; and

WHEREAS, in order to facilitate the partial refunding of the Prior Bonds with the proceeds of the Refunding Bonds, the Owner has requested that the City agree to subordinate the Supplemental Regulatory Agreement to the Refunding Bonds as set forth in a Subordination Agreement (the “Subordination Agreement”) to be entered into with MUFG Union Bank, N.A., as trustee, and the Owner; and

WHEREAS, in order to facilitate the continued monitoring of the income levels of the residents of the mobilehome park spaces reserved for very low and low-income households (the

“Qualified Spaces”) in the Project, as defined in the Supplemental Regulatory Agreement, and for purposes of satisfying the requirements of the Supplemental Regulatory Agreement, the Owner has requested that the City agree to enter into an updated Administration and Oversight Agreement (the “Administration Agreement”) with the Finance Authority, the Owner and Wolf & Company Inc., (as oversight agent); and

WHEREAS, Owner has agreed to amending the Supplemental Regulatory Agreement to restart the fifty-five year term thereof, commencing with the date of the recordation of said Amendment; and

WHEREAS, there is now before the City Council forms of the Subordination Agreement, the Administration Agreement, and an Amendment to Supplemental Regulatory Agreement; and

WHEREAS, the City has determined that the issuance of the Refunding Bonds to refinance the Prior Bonds and to finance additional renovations to the Project will benefit the tenants residing therein and will benefit the City by improving the affordable housing available within the City; and

WHEREAS, this action is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301, because it pertains to refinancing an existing facility.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves as follows:

Section 1. The Council hereby approves the execution of the Subordination Agreement, the Administration Agreement, and the Amendment to Supplemental Regulatory Agreement, in substantially the same form as Exhibits A, B and C, respectively attached hereto, subject to approval as to form by the City Attorney. The Mayor, Vice Mayor or City Manager, or the City Manager’s designee, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Subordination Agreement, the Administration Agreement, and the Amendment to Supplemental Regulatory Agreement.

Section 2. The Council, City Manager, City Attorney, City Clerk, and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions which they, or any of them, may deem necessary or advisable in order to effectuate the purposes of this Resolution.

Section 3. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any additional financing with respect to the Project or (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 operation of the Project.

Section 4. This Resolution shall take effect immediately upon its adoption.

IN COUNCIL DULY PASSED this 2nd day of August, 2016.

AYES: (6) Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey,
Olivares, Wysocky

NOES: (0)

ABSENT: (1) Council Member Carlstrom

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM:

Interim City Attorney

Exhibit A - Subordination Agreement

Exhibit B - Administration Agreement

Exhibit C - Amendment to Supplemental Regulatory Agreement