



RESOLUTION NO. 2011-216

**A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO,
CALIFORNIA APPROVING THE ISSUANCE BY THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT
AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS
IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$9 MILLION FOR THE CASA VELASCO APARTMENTS**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 et seq. and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the City of Fresno (the "City"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily low income residential rental housing projects; and

WHEREAS, a to-be formed limited partnership (the "Borrower") whose general partner will have as its sole member Cesar Chavez Foundation, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the "Bonds") in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series issued from time to time, and at no time to exceed \$9 million in outstanding aggregate principal amount, for the purpose of, among other things: (a) to finance the acquisition and rehabilitation of a 150-unit multifamily low income residential rental housing project, commonly known as "the Casa Velasco Apartments", (the "Project"), located at 4050 North Fruit Avenue, Fresno, California and operated by the Borrower and managed by Cesar Chavez Foundation; and (b) fund a debt service reserve fund, if deemed necessary and advisable by the Authority, and (c) pay certain costs of issuing the Bonds; and

WHEREAS, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

Adopted 10/27/11
Approved 11/7/11
Effective 11/7/11

2011-216



WHEREAS, the Council of the City of Fresno (the "Council") is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the 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 9 the Agreement, among certain local agencies, including the City; and

WHEREAS, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a public hearing regarding the Bonds would be held on the date specified in such notice; and

WHEREAS, pursuant to Section 147(f) of the Code, the Council, following notice duly given, has held a public hearing regarding the issuance of the Bonds, in which interested persons were provided an opportunity to present arguments both for and against the issuance of the Bonds; and

WHEREAS, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Project (the "Refunding Bonds"), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

WHEREAS, the Council now desires to approve the issuance of the Bonds by the Authority and the approval is intended to constitute the approval required by Section 147(f) of the Code and Section 9 of the Agreement;

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

Section 1. The Council accepts the above recitals as true and correct.

Section 2. The Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the Council that this Resolution constitutes approval of the issuance of the Bonds by the Authority, for the purposes of: (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f), and (b) Section 9 of the Agreement.

Section 3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing approved hereby.



Section 4. Neither the City nor its staff have reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regards to any State of California statutory requirements, and adoption of this Resolution shall not obligate, without further formal action on the part of the Council: (i) the City to provide financing to the Applicant for the acquisition, refurbishment and development of the Project or to issue the Bonds for purposes of financing; or (ii) the City, 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, construction, development or operation of the Project.

Section 5. The Bonds will not constitute indebtedness or obligation, or a pledge of the faith and credit of the City. The Bonds will be limited obligations of the Authority, payable solely from revenues of the Project.

Section 6. Notwithstanding any other provision of this Resolution, neither the Council, nor the City or any of its officials or employees, represents, warrants, or guarantees that the Bonds qualify as "private activity bonds" pursuant to Sections 141 or 147(f) of the Code.

Section 7. The City Clerk shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the hearing notice to:

J. Toger Swanson, Esq.
Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102

Section 8. This Resolution shall take effect upon the date of its final passage.

* * * * *



STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno at a regular meeting held on the 27th day of October, 2011.

AYES: Baines, Olivier, Quintero, Westerlund, Xiong, Brand

NOES: None

ABSENT: Borgeas

ASBTAIN: None

Mayor Approval: _____ November 7 _____, 2011

Mayor Approval /No Return: _____ N/A _____, 2011

Mayor Veto: _____ N/A _____, 2011

Council Override Vote: _____ N/A _____, 2011

REBECCA E. KLISCH
City Clerk

BY: *Rebecca Klisch*
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: *Mark Gleason*
Mark Gleason, Deputy



October 27, 2011

RECEIVED

Council Adoption: 10/27/11
Mayor Approval:
Mayor Veto:
Override Request:

TO: MAYOR ASHLEY SWEARENGIN
FROM: REBECCA E. KLISCH, CMC
City Clerk

NOV -7 PM 4:02
CITY CLERK, FRESNO CA

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 10/27/11, Council adopted the attached Resolution No. 2011-216 entitled **TEFRA, multifamily hsg rev bonds not to exceed \$9 million, Casa Velasco Apartments**, Item No. **10:10⁵ A.M. #1**, by the following vote:

Ayes : Baines, Olivier, Quintero, Westerlund, Xiong, Brand
Noes : None
Absent : Borgeas
Abstain : None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk's office on or before November 7, 2011. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk's office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor's signed approval.

Thank you.

APPROVED:

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)

Ashley Swearengin, Mayor

Date: 11/7/11

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes :
Noes :
Absent :
Abstain :