

RESOLUTION NO. 2887-2005

RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION AND REHABILITATION OF THE WALNUT APARTMENTS

WHEREAS, the Affordable Housing Agency (the "Agency") is authorized by the laws of the State of California (the "Law") to execute and deliver multifamily housing revenue obligations and to lend the proceeds thereof to The Coldbrook Foundation, or another entity related thereto (the "Borrower"), to be used for the acquisition and rehabilitation of a 56-unit multifamily residential rental facility commonly known as the Walnut Apartments, which is located at 311 Walnut Street in the City of Fort Bragg, California (the "Project"), all to be owned and operated by the Borrower; and

WHEREAS, the Borrower has requested that the Agency issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$1,800,000 (the "Obligations"), the proceeds of which may only be used for the purpose of financing the acquisition and rehabilitation of the Project; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986 (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 Fort Bragg as the "applicable elected representative" to hold said public hearing, has held said public hearing at which all those interested in speaking with respect to the proposed financing of the Project were heard.

WHEREAS, Sections 34208 and 34209 of the Health and Safety Code, being part of the Housing Authorities Law (the "Act"), authorize the Agency to operate in an incorporated city if the city governing body grants its consent to such operation;

WHEREAS, the City desires to invest in the Agency the jurisdiction necessary to operate within the jurisdiction of the City to accomplish the financing of the Project in the method and manner provided in the Act;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The City Council hereby finds and determines that the foregoing recitals are true and correct.
2. For purposes of the requirements of the Code only, the City Council hereby approves the proposed financing of the Project by the Agency with the proceeds of the Obligations.
3. The issuance and delivery of the Obligations shall be subject to the approval of and execution by the Agency of all financing documents relating thereto to which the Agency is a party and subject to the sale of the Obligations by the Agency.
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, neither 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, 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.

5. This City Council hereby authorizes the Agency to operate within the boundaries of the City, but only with respect to such powers granted under the Act necessary or incident to the acquisition and rehabilitation of the Project financed with the proceeds of the Bonds. Any other operation by the Agency within the City shall be pursuant to separate written agreement between the City and the Agency.
6. 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:

Julie A. Wunderlich
Jones Hall, A Professional Law Corporation
650 California Street, 18th Floor
San Francisco, California 94108
7. This resolution shall take effect upon its adoption.

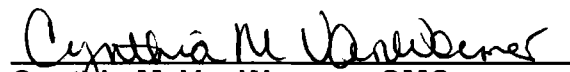
The above and foregoing Resolution was introduced by Councilmember Melo, seconded by Councilmember Baltierra, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 12th day of September, 2005, by the following vote:

AYES: Councilmembers Gjerde, Baltierra, Hammerstrom, Melo, and Mayor Turner.
NOES: None.
ABSENT: None.
ABSTAIN: None.



DAVE TURNER,
Mayor

ATTEST:


Cynthia M. VanWormer, CMC
City Clerk