

**CITY COUNCIL RESOLUTION NO. 78-16**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND  
APPROVING AN AMENDMENT TO LOAN DOCUMENTS AND THE EXECUTION OF  
A NEW SUBORDINATION AGREEMENT FOR FRIENDSHIP MANOR AND  
TRIANGLE COURT**

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**WHEREAS**, the Housing Authority of the City of Richmond (the "**Authority**") is the owner of that certain real property located at 564 Stege Ave. (formerly 603 South 37<sup>th</sup> Street) and 980 Triangle Court, in the City of Richmond, County of Contra Costa, State of California (the "**Land**"); and RHA RAD Housing Partners LP, a California limited partnership (the "**Partnership**") owns all the improvements and fixtures located on the Land consisting of one hundred fifty-six (156) units of affordable multifamily housing commonly known as Friendship Manor and Triangle Court (the "**Improvements**"). The Land and the Improvements are, collectively, the "**Property**";

**WHEREAS**, on December 22, 2015, the financing for the Project closed with the Authority issuing an allocation of bonds in the total amount of Sixteen Million Five Hundred Thousand Dollars (\$16,500,000) in order for the Partnership to finance and rehabilitate the Property (the "**Project**");

**WHEREAS**, the Authority shall issue and deliver an additional allocation of bonds for the development of the Project in the amount not to exceed One Million Dollars (\$1,000,000) (the "**Additional Bonds**") and JPMorgan Chase Bank, N.A. ("**Chase Bank**") has committed to purchasing the Additional Bonds from the Authority, the proceeds of which will be used to increase the existing loan to the Partnership to the total amount of Seventeen Million Five Hundred Thousand Dollars (\$17,500,000) (the "**Bond Loan**");

**WHEREAS**, the City provided the Partnership a loan in the amount of Five Million Four Hundred Thousand Dollars (\$5,400,000), as evidenced by a loan agreement, a promissory note, and secured by a deed of trust recorded against the Improvements (the "**Loan Documents**");

**WHEREAS**, the City Councilmembers deem it to be in the best interest of the City for the City to amend the Loan Documents and enter into any all documents, including but not limited, to an amendment agreement, a subordination agreement, and any and all other City documents necessary to reflect the Additional Bonds and the Bond Loan, all to be entered into after negotiation with the Authority and Chase Bank, as the case may be (the "**City Documents**"); and

**WHEREAS**, the City Councilmembers deem it to be in its best interest of the City for the City to execute any other document, certification or agreement necessary to enable the Partnership to consummate the Additional Bonds and the Bond Loan and to complete the rehabilitation and operation of the Project.

**NOW, THEREFORE, BE IT RESOLVED:** That the City is hereby authorized to amend the Loan Documents and enter into the City Documents.

**BE IT FURTHER RESOLVED:** That the City is hereby authorized to enter into any other document, certification or agreement necessary to enable the Partnership to complete the rehabilitation and operation of the Project.

**BE IT FURTHER RESOLVED:** That the City Manager, acting alone, on behalf of the City, shall be authorized and directed to negotiate, finalize and execute any and all necessary documents, agreements and certificates, including but not limited to, the City Documents, Loan Documents and any and all other documents necessary to amend the Loan Documents and assist the Partnership in consummating the Bond Loan, and is further authorized to undertake any other activity contemplated in this Resolution or that is necessary for completing the financing and rehabilitation of the Project.

**FURTHER RESOLVED:** That the City Manager, or any other officer of the City, shall be authorized and directed to execute any other form of resolution required by a lender, investor, regulator, or other third party involved in the transaction, so long as the City Manager, with the advice of counsel, deems it to be substantially equivalent to this resolution and does not materially conflict with the substance of this resolution.

**FURTHER RESOLVED:** That to the extent that any actions authorized herein have already been performed, such actions are hereby ratified, confirmed and approved in all respects.

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I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held July 26, 2016, by the following vote:

AYES: Councilmembers Bates, Beckles, McLaughlin, Myrick, Pimplé, Vice Mayor Martinez, and Mayor Butt.  
NOES: None.  
ABSTENTIONS: None.  
ABSENT: None.

PAMELA CHRISTIAN  
CLERK OF THE CITY OF RICHMOND  
(SEAL)

Approved:

TOM BUTT  
Mayor

Approved as to form:

BRUCE GOODMILLER  
City Attorney

State of California }  
County of Contra Costa : ss.  
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 78-16**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on July 26, 2016.

  
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Pamela Christian, Clerk of the City of Richmond