

RESOLUTION _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERCULES AUTHORIZING THE CITY OF HERCULES TO JOIN THE CALIFORNIA PUBLIC FINANCE AUTHORITY ("CPFA") AS AN ADDITIONAL MEMBER AND APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$28,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION AND REHABILITATION OF WILLOW GLEN APARTMENTS AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, an entity to be formed by The Reliant Group, Inc. (the "Borrower"), has requested that the California Public Finance Authority (the "Authority") adopt a plan of financing providing for the issuance of one or more series of revenue bonds issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, in an aggregate principal amount not to exceed \$28,000,000 (the "Bonds") for the acquisition, rehabilitation, improvement and equipping of a 84-unit multifamily rental housing project located at 1231 Willow Avenue. Hercules, California, generally known as Willow Glen Apartments (the "Project") and operated by The Reliant Group, Inc.; and

WHEREAS, the Project is located within the City of Hercules (the "City"); and

WHEREAS, the City proposes to become an Additional Member of the Authority pursuant to Section 12 of the Joint Exercise of Powers Agreement (the "Agreement") relating to the California Public Finance Authority; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the issuance of the Bonds by the Authority must be approved by the City because the Project is located within the territorial limits of the City; and

WHEREAS, the City Council of the City (the "City Council") is the elected legislative body of the City and is the applicable elected representative under Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority; and

WHEREAS, the City Council understands that its actions in holding this public hearing and in approving this Resolution do not obligate the City in any manner for payment of the principal, interest, fees or any other costs associated with the issuance of the Bonds, and said City Council expressly conditions its approval of this Resolution on that understanding.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hercules as follows:

Section 1. The City hereby requests to become an Additional Member of the Authority pursuant to Section 12 of the Agreement. The Agreement is hereby approved and the Mayor of the

City and all other proper officers and officials of the City, or a designee thereof, are hereby authorized and directed to execute the Agreement.

The City Council hereby approves the issuance of the Bonds by the Authority for the purposes of financing the Project. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds by the Authority for the purpose of 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 located.

Section 2. The officers of the City Council are hereby authorized and directed, jointly and severally, to do any and all things and execute and deliver any and all documents, certificates and other instruments which 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 transaction approved hereby. Any actions heretofore taken by such officers are hereby ratified and approved.

Section 3. The City Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Loan for the financing of the Project.

Section 4. This Resolution shall take effect from and after its passage and approval.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Hercules held on this ____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

MAYOR

ATTEST:

CLERK