

FAIRFIELD HOUSING AUTHORITY

RESOLUTION NO. HA2021-05

RESOLUTION OF THE FAIRFIELD HOUSING AUTHORITY APPROVING THE EXECUTION OF A SUBORDINATION AGREEMENT FOR REGULATORY AGREEMENT BETWEEN THE FAIRFIELD HOUSING AUTHORITY, AS SUCCESSOR IN INTEREST TO THE REDEVELOPMENT AGENCY OF THE CITY OF FAIRFIELD, AND EDEN WOODSIDE COURT, L.P., FOR THE BENEFIT OF CITIBANK, N.A.

WHEREAS, on February 2, 1999, the Fairfield City Council held a public hearing and approved Resolution No. 99-40 approving the issuance of multifamily housing revenue bonds by the California Statewide Communities Development Authority; and

WHEREAS, the purpose of the bond issuance was to provide funding for the acquisition and rehabilitation of the Woodside Court apartments, a 129- unit rental project located at 555 Alaska Avenue (the "Property"); and

WHEREAS, the bond issue was not an obligation of the City nor was there any local financing involved in this project; and

WHEREAS, as a condition of receiving the tax credit financing, all the units would be rental and income restricted for families earning no more than 60% of area median income for at least 55 years; and

WHEREAS, the RDA recorded an Affordable Housing Covenant against the property in order for the RDA to get credit for 63.5 low-income inclusionary housing units that would assist the RDA meet their unmet inclusionary housing obligation at no cost to the RDA; and

WHEREAS, Eden Woodside Court, LP is seeking to refinance a permanent loan that is scheduled to mature in June 2021 with a new loan from Fannie Mae, which requires that the RDA's Affordable Housing Covenant be subordinated to the new loan; and

WHEREAS, the Fairfield Housing Authority wishes to approve the proposed Subordination Agreement For Regulatory Agreement and has determined that it is in the best interest of the public's health, safety, and welfare to do so.

NOW, THEREFORE, THE FAIRFIELD HOUSING AUTHORITY HEREBY RESOLVES:

Section 1. The Board of the Fairfield Housing Authority, finds, determines and declares that an economically feasible alternative method of refinancing the Woodside Court apartments on terms and conditions substantially comparable to those of the proposed Fannie Mae loan, but

without subordination of the Affordable Housing Covenant is not reasonably available, and the proposed Subordination Agreement contains provisions reasonably designed to protect the Fairfield Housing Authority's interests in the event of a default under the Fannie Mae loan.

Section 2. The Executive Director is hereby authorized to execute, on behalf of the Fairfield Housing Authority, the Subordination Agreement for Regulatory Agreement for the property located at 555 Alaska Avenue, as attached hereto.

Section 3. The Executive Director (or his designee) is hereby authorized to execute the Subordination Agreement for Regulatory Agreement in the form attached hereto, but with such changes as the Executive Director may approve as being necessary or convenient to effectuate the proposed refinancing, and to do all other acts and things necessary to implement this resolution.

PASSED AND ADOPTED this 6th day of April, 2021, by the following vote:

AYES: COMMISSIONERS: PRICE / BERTANI / MOY / PANDURO / TIMM / TONNESEN / VACCARO

NOES: COMMISSIONERS: _____

ABSENT: COMMISSIONERS: _____

ABSTAIN: COMMISSIONERS: _____

CHAIR

ATTEST:

SECRETARY