

RESOLUTION NO. 2006-318

Adopted by the Sacramento City Council

May 9, 2006

APPROVING THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS AND DIRECTING CERTAIN ACTIONS

BACKGROUND

- A. The Housing Authority of the City of Sacramento (the "Issuer") intends to issue tax-exempt obligations in a principal amount not to exceed \$6,500,000 (the "Obligations") for the purpose of making a loan to a California limited partnership or limited liability company related to or formed by The Ezralow Company or Gala Construction Company ("Developer"), the proceeds of which shall be used by the Developer to finance the acquisition and rehabilitation of a 100-unit multifamily rental housing facility located at 6205 Riverside Boulevard, Sacramento, California and commonly known as the Riverside Commons Apartments (the "Project"); and
- B. The Issuer is authorized by Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California to issue and sell revenue bonds for the purpose of financing the acquisition, rehabilitation and development of multifamily rental housing facilities to be occupied in part by low and very low income tenants; and
- C. In order for the Obligations to be considered "qualified exempt facility bonds" under Section 142(a) of the Internal Revenue Code of 1986, as amended (the "Code"), Section 147(f) of the Code requires that the "applicable elected representatives" of the area in which the Project is to be located hold a public hearing on and approve the issuance of the Obligations; and
- D. This City Council is the elected legislative body of the City; and
- E. A notice of public hearing in a newspaper of general circulation in the City has been published, to the effect that a public hearing would be held by this City Council regarding the issuance of the Obligations by the Issuer and the nature and location of the Project; and
- F. This City Council held said public hearing on the published date, at which time an opportunity was provided to present arguments both for and against the issuance of such Bonds and the nature and location of the Project; and

- G. It is in the public interest and for the public benefit that the City approves the issuance and delivery of the Obligations for the purpose of financing the acquisition and rehabilitation of the Project;
- H. The City shall not have any liability for the repayment of the Obligations or any responsibility for the Project;

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City hereby finds and determines that the foregoing recitals are true and correct. After due consideration of the evidence presented, the findings, including the environmental findings regarding this action, are approved.

Section 2. Solely for the purpose of fulfilling the requirement of Section 147(f) of the Code, the City hereby approves the issuance and delivery of the Obligations.


Section 3. This resolution shall take effect upon its adoption.

Adopted by the City of Sacramento City Council on May 9, 2006 by the following vote:

- Ayes: Councilmembers Cohn, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Vice Mayor Fong.
- Noes: None.
- Abstain: None.
- Absent: Mayor Fargo.

Attest:


Shirley Concolino, City Clerk


Vice Mayor, Robert King Fong