

RESOLUTION NO. 2019-239

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY OF MULTI-FAMILY HOUSING REVENUE BONDS
FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION,
CONSTRUCTION, AND DEVELOPMENT OF THE AGAVE APARTMENTS
(CEQA EXEMPT)**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 et seq. and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the City of Elk Grove (the "City"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multi-family rental housing projects; and

WHEREAS, Agave by Vintage, LP or a partnership of which Vintage Housing Development, Inc. (the "Developer") or a related person or entity to the Developer is the general partner, has requested that the Authority adopt a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code") in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$50,000,000 in outstanding aggregate principal amount (the "Bonds"), to finance or refinance the acquisition, rehabilitation, and development of a 188-unit multifamily rental housing project located at 10070 Willard Parkway, Elk Grove, California, and commonly known as the Agave Apartments (the "Project"); and

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

WHEREAS, the City Council of the City (the "City Council") is the elected legislative body of the City and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, there has been published, at least seven days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

WHEREAS, such public hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Project (the "Refunding Bonds"), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement.

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

Section 1. The foregoing recitals are true and correct.

Section 2. California Environmental Quality Act (CEQA) Finding

Finding: The activity does not constitute the approval of a project under the California Environmental Quality Act ("CEQA"), and it is exempt from CEQA. (CEQA §15061(b)(3)).

Evidence: The California Environmental Quality Act (Section 21000, et. seq. of the California Public Resources Code, hereafter CEQA) requires analysis of agency approvals of discretionary "projects." A "project," under CEQA, is defined as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." CEQA Guidelines §15061(b)(3) describes the General Rule that CEQA only applies to projects which "have the potential for causing a significant effect on the environment; where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." The action being taken by the City Council is to adopt a resolution approving the issuance of revenue bonds by the California Municipal Finance Authority to provide for the financing or refinancing of acquisition, rehabilitation, and development of a 188-unit multifamily affordable rental housing project. Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Code, and the California Government Code Section 6500 (and following). The 188-unit multifamily affordable rental housing project was previously approved and environmental impacts associated with that project were analyzed under a separate CEQA document. This City Council action does not involve the approval of any physical development or activity that would have the potential for causing a significant effect on the environment. Therefore, approval of this resolution does not constitute the approval of a project under CEQA and not subject to CEQA.

Section 2. The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitutes approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code, and (b) Section 9 of the Agreement.

Section 3. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The City shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 4. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation, installation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 5. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents 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.

Section 6. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 23rd day of October 2019



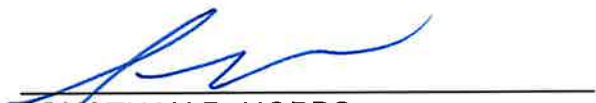
STEVE LY, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS,
CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2019-239**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on October 23, 2019 by the following vote:

AYES: **COUNCILMEMBERS:** *Ly, Hume, Detrick, Suen*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN: **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *Nguyen*



**Jason Lindgren, City Clerk
City of Elk Grove, California**