

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO
RESOLUTION NO. 1104
ADOPTED ON MAY 29, 2001

A RESOLUTION AUTHORIZING AN INCREASE IN THE AMOUNT OF SENIOR BOND DEBT AHEAD OF THE HOUSING COMMISSION; THE RECORDING OF A HUD INTEREST REDUCTION PAYMENT AHEAD OF THE HOUSING COMMISSION'S LOAN; AND A CHANGE IN LANGUAGE IN THE DECLARATION OF COVENANTS AND RESTRICTIONS FOR BOTH THE VISTA TERRACE AND CORONADO TERRACE APARTMENT DEVELOPMENTS.

WHEREAS, The Related Companies, LLC, and Wakeland Housing and Development Corporation [Related/Wakeland] have formed a partnership and requested financial assistance of up to \$1,200,000 for the acquisition and rehabilitation of Vista Terrace Apartments, and up to \$1,400,000 for the acquisition and rehabilitation of Coronado Terrace Apartments, both for occupancy by very low- and low-income households, located at 1606 Del Sur Boulevard and 1183 25th Street, respectively; and

WHEREAS, the Housing Authority approved the loan for Vista Terrace on December 12, 2000, (HA Resolution No. 1077), and for Coronado Terrace on February 13, 2001, (HA Resolution No. 2089); and

WHEREAS, the developer has requested certain modifications to the original structure of the financing and maximum rent limitations; NOW, THEREFORE,

BE IT RESOLVED by the Housing Authority of the City of San Diego that the following modifications are approved:

1. The amount of senior bond debt ahead of the Housing Commission's \$1,200,000 loan on

Vista Terrace is amended from \$16,680,000 to \$17,380,000 to allow for the multiple security instruments CHFA needs to secure its financing, and to be consistent with the structure approved for Coronado Terrace.

2. The HUD Interest Reduction Payment (IRP) lien on Vista Terrace, in the amount of \$1,895,527, is authorized to be recorded ahead of the Housing Commission's loan as required by HUD, even though there is no debt service obligation (also consistent with the structure approved for Coronado Terrace).

3. Language is included in the Declaration of Covenants and Restrictions, for both Vista Terrace and Coronado Terrace, to allow the developer to continue to collect HUD project-based Section 8 contract rent levels (higher than Housing Commission rents) through the later of 2017, or the HUD contract expiration date, to be consistent with cash flow and underwriting assumptions on both Vista Terrace and Coronado Terrace.

APPROVED: CASEY GWINN, General Counsel

By _____
Prescilla Dugard
Deputy Counsel

PD:cdk
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