

#333  
7/19/16

(R-2017-2)

RESOLUTION NUMBER R- 310615

DATE OF FINAL PASSAGE JUL 22 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO PURSUANT TO SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 APPROVING THE ISSUANCE OF BONDS BY THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO FOR PARK & MARKET.

WHEREAS, the Housing Authority of the City of San Diego (Authority) intends to issue not to exceed \$225,000,000 aggregate principal amount of multifamily housing revenue bonds (Bonds) to finance the acquisition, construction and equipping of Park & Market, a mixed-use residential and commercial development in the City of San Diego (City) described in the Notice of Public Hearing attached as Exhibit A hereto (Project); and

WHEREAS, in order for interest on the Bonds to be tax-exempt, section 147(f) of the Internal Revenue Code of 1986 (Code) requires that the Bonds be approved by the City Council as the applicable elected representative after a public hearing following reasonable public notice; and

WHEREAS, notice of a public hearing with respect to the proposed issuance of the Bonds was published in a newspaper of general circulation in the City on July 1, 2016; and

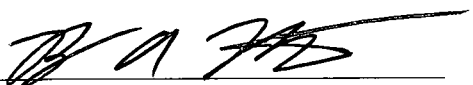
WHEREAS, the public hearing was held on July 19, 2016, and an opportunity was provided for interested persons to express their views on the issuance of the Bonds and on the nature and location of the Project; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego that this City Council, as the applicable elected representative under section 147(f) of the Code, approves the issuance of the Bonds by the Authority.

BE IT FURTHER RESOLVED, that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

BE IT FURTHER RESOLVED, that this activity is not a "project" under and is therefore not subject to, the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15060(c)(3). This determination is predicated on section 15004 of the CEQA Guidelines, which provides direction to lead agencies on the appropriate timing for environmental review.

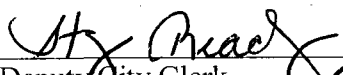
APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Bret A. Bartolotta  
Deputy City Attorney

BAB:sc  
07/05/2016  
Or.Dept: Housing Authority  
Doc. No.: 1317922

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 19 2016.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 7/20/16  
(date)

  
KEVIN L. FAULCONER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
KEVIN L. FAULCONER, Mayor

EXHIBIT A

**NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the City Council of the City of San Diego on Tuesday July 19, 2016, at the hour of 2:00 p.m. or as soon thereafter as the matter may be heard, in the City Council Chambers, 12th floor, 202 "C" Street, San Diego, California, will hold a public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986 with respect to the proposed issuance by the Housing Authority of the City of San Diego (the "Authority") of its tax-exempt multifamily housing revenue bonds in the maximum amount set forth in the table below (the "Bonds"), in order to finance a portion of the cost of the acquisition, construction and equipping of Park & Market, a proposed mixed-use development located as described in the table below (the "Project"), and consisting of: a 34-story high-rise with 427 residential units; approximately 23,000 square feet of ground-floor retail; approximately 46,000 square feet of office space; approximately 21,000 square feet of public-private space, including an outdoor amphitheater and public plaza and the renovation of the historic Remmen House; and four levels of subterranean parking.

<u>Name</u>	<u>Location</u>	<u>Number of Residential Units</u>	<u>Maximum Bond Amount</u>
Park & Market	Northwest Corner of Park Boulevard & Market Street San Diego, CA 92101	427	\$225,000,000

The owner of the Project (the "Borrower") is expected to be a limited partnership to be formed by Holland Partner Group, LLC (HPG) and an affiliate of North America Sekisui House, LLC (NASH). Of the 427 residential units, 86 are to be income and rent restricted and will be occupied by very low-income tenants at affordable rents and the balance will be market rate units.

The proceeds of the Bonds will be loaned to the Borrower for the purpose of paying certain costs of the Project, which may include (1) capitalized interest on the Bonds; (2) the costs of credit enhancement on the Bonds; and (3) certain expenses incurred in connection with the issuance of the Bonds.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

Notice is further given that at said hearing, all interested parties will have an opportunity to be heard on the question of whether or not such multifamily housing revenue bonds should be issued or on the nature and location of the facilities proposed to be financed. Written comments may also be submitted prior to the hearing, c/o Cameron Shariati, Real Estate Manager, San Diego Housing Commission, 1122 Broadway Street, Suite 300, San Diego, California 92101.

Dated: July 1, 2016

CITY COUNCIL OF THE CITY OF SAN DIEGO

Passed by the Council of The City of San Diego on JUL 19 2016, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUL 22 2016

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER  
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

(Seal)

By *Aly Mearns*, Deputy

Office of the City Clerk, San Diego, California

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