# RESOLUTION OF THE GOVERNING BODY OF

# [FULL LEGAL NAME OF PUBLIC ENTITY]

**PORTFOLIO REINVESTMENT PROGRAM**

## RESOLUTION NO.:

**[Name of project as it appears in the Portfolio Reinvestment Program application]**

WHEREAS, the California Department of Housing and Community Development ("Department"), as authorized by Chapter 5.5 (commencing with Section 50606) of Part 2 of Division 31 of the Health and Safety Code, has issued a Notice of Funding Availability and Guidelines, dated **[DATE]**, under its Portfolio Reinvestment Program (“NOFA”);

WHEREAS, **[FULL LEGAL NAME OF PUBLIC ENTITY], [a municipal corporation/a political subdivision of the State of California/etc]** (“Public Entity”) is authorized and directed to submit an application in response to the NOFA (the “Application”); and

WHEREAS, the Department has made or will make a conditional commitment of Portfolio Reinvestment Program funds in reliance on the representations in that Application (the “Portfolio Reinvestment Program Transaction”); and

WHEREAS, **[Public Entity is the owner of / it is in the Public Entity’s best interest to acquire]** that rental housing development knowns as **[project name]**, located at **[project address]** in the City of **[City]**, California (the “Development”); and

WHEREAS, the Development is subject to an existing Department loan under the **[original loan program name]**, Loan Number [\_**\_-\_\_\_\_-\_\_\_\_**] in the original principal amount of $**\_\_\_\_\_\_\_\_.**\_\_, plus accrued interest thereon (the “Original Department Loan”); and

WHEREAS, Pursuant to the NOFA, the Original Department Loan will be terminated and reconveyed, and a single set of loan documents evidencing both the Original Department Loan and the Portfolio Reinvestment Program Loan will be issued by the Department and entered into by the Borrower (the “Portfolio Reinvestment Program Transaction”).

WHEREAS, it is in the Public Entity’s best interest to restructure the Original Department Loan under the Department’s Portfolio Reinvestment Program and enter into new loan documents with the Department evidencing both the Original Department Loan and the Portfolio Reinvestment Program Loan (the “Portfolio Reinvestment Program Transaction”).

NOW, THEREFORE, IT IS RESOLVED, that the Public Entity does hereby determine and declare as follows:

SECTION 1. That the Public Entity is hereby authorized and directed to apply for and if awarded, accept the Department’s award of the Portfolio Reinvestment Program Loan in an amount not to exceed $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

RESOLVED FURTHER: That in connection with the Portfolio Reinvestment Program Loan, the Public Entity is authorized and directed to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to evidence the Portfolio Reinvestment Program Loan from the Department, the Public Entity’s obligations related thereto, and the Department’s security therefore. These documents may include, but are not limited to an STD 213, Standard Agreement (the “Standard Agreement”), a regulatory agreement, a promissory note, a deed of trust and security agreement, a capitalized operating reserve agreement, and any and all other documents required or deemed necessary or appropriate by the Department as security for, evidence of, or pertaining to the Portfolio Reinvestment Program funds, and all amendments thereto (collectively, the “Portfolio Reinvestment Program Loan Documents”).

RESOLVED FURTHER: Public Entity acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and the Standard Agreement will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures, uses, and activities identified in the Standard Agreement, the NOFA, the Portfolio Reinvestment Program Loan Documents, and any and all Portfolio Reinvestment Program requirements.

RESOLVED FURTHER: That **[Name and title of authorized signatory separated by “or” if there is more than one authorized signatory] [Optional**: or his or her designee**]** is hereby authorized to execute the Application and the Portfolio Reinvestment Program Loan Documents on behalf of the Public Entity.

Passed and adopted, effective as of , 20 \_\_, by the consent of the Governing Body of Public Entity by the following vote:

AYES NAYS

#### ABSTAIN ABSENT

##### CERTIFICATE OF THE **[SECRETARY/CLERK]** OF THE Public Entity

The undersigned, **[Secretary/Clerk]** of Public Entity, does hereby attest and certify that the foregoing is a true, full and correct copy of a resolution of the Public Entity’s governing body adopted at a duly convened meeting on the date above-mentioned, and that the resolution has not been altered, amended, modified, repealed, rescinded, or annulled.

DATE:

**[Full Name] [Secretary/Clerk]**