

**HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
AUTHORIZING RESOLUTION NO. 5253**

RE: Approving Sale of Property, Assignment and Assumption of Ground Lease, Assignment of
HAP and Dissolving Partnership
(DeAnza Gardens Apartments)

At a duly constituted meeting of the Board of Commissioners (the "**Board**") of the Housing Authority of the County of Contra Costa, a public body, corporate and politic the "**Housing Authority**"), held on September 12, 2023, the following resolutions were adopted:

WHEREAS, in this resolution, the Board shall be acting on behalf of the Housing Authority: (i) on its own behalf and (ii) as the limited partner of DeAnza Gardens, L.P., a California limited partnership (the "**Partnership**").

WHEREAS, the Housing Authority is the limited partner of the Partnership together with DeAnza Housing Corporation, a California nonprofit public benefit corporation (the "**Corporation**") as the general partner.

WHEREAS, the Housing Authority owns that certain property located at 205 Pueblo Avenue, Bay Point in the County of Contra Costa, California (the "**Property**").

WHEREAS, the Housing Authority and the Partnership entered to that certain Ground Lease (DeAnza Gardens) dated June 1, 2003 ("**Ground Lease**"), whereby Housing Authority agreed to lease the Property to Partnership to facilitate Partnership's development of an affordable housing community ("**Project**") on the Property. The Ground Lease is evidenced by that certain Memorandum of Ground Lease dated June 1, 2003, and recorded against the Property in the Official Records of Contra Costa County as document number 2003-493184 on June 30, 2003.

WHEREAS, the Partnership owns the leasehold interest in the Property and a fee interest in the Project ("**Partnership Estate**") and the Partnership desires to sell its Partnership Estate to the Corporation.

WHEREAS, the Corporation will be obtaining a loan in the approximate amount of \$13,000,000 from PNC Bank (the "**Acquisition Loan**") to pay the costs of acquisition of the Partnership Estate.

WHEREAS, the Acquisition Loan requires that the Housing Authority join in the deed of trust securing the Acquisition Loan and that the Housing Authority agree that its fee interest in the Property is additional security for the Acquisition Loan (the "**Acquisition Deed of Trust**").

WHEREAS, the Housing Authority has determined that it is in the best interest of the Housing Authority to join in the Acquisition Deed of Trust to facilitate the acquisition of the Partnership Estate by the Corporation which will ensure the continued use of the Project as affordable housing.

WHEREAS, the Housing Authority desires to amend the Ground Lease to among other things extend the term of the Ground Lease until October 2083 (the "**Amended Ground Lease**").

WHEREAS, the Housing Authority has determined that the sale of the Partnership Estate to the Corporation is in the best interest of the Housing Authority.

WHEREAS, the Partnership and the Housing Authority shall enter into any and all documents, including without limitations, any purchase and sale agreements, grant deeds, assignments, amendments, certifications, resolutions, and any other documents deemed reasonably necessary for the Corporation to convey the Partnership Estate in the Property (the "**Partnership Estate Documents**").

WHEREAS, the Housing Authority desires to consent to the assignment of the Ground Lease to the Corporation (the "**Assignment of Ground Lease**").

WHEREAS, the Housing Authority desires to approve an assignment of the existing Housing Assistance Payment Contract from the Partnership to the Corporation (the "**HAP Contract Assignment**").

WHEREAS, the Housing Authority deems it to be the best interest of the Housing Authority to dissolve the Partnership and wind up the Partnership's affairs and enter into any and all documents necessary to complete the dissolution of the Partnership (the "**Dissolution Documents**").

NOW, THEREFORE, BE IT RESOLVED: That the Housing Authority approves the sale of the Partnership Estate to the Corporation.

FURTHER RESOLVED: That the Housing Authority consents to the Corporation securing the Acquisition Loan with the Partnership Estate.

FURTHER RESOLVED: That the Housing Authority agrees to join in the Acquisition Deed of Trust by entering into a joinder agreement with PNC and that the Housing Authority's fee interest in the Property shall serve as additional security for the Acquisition Loan.

FURTHER RESOLVED: That the Housing Authority approves the Amended and Restated Ground Lease.

FURTHER RESOLVED: That the Housing Authority consents to the Assignment of the Ground Lease to the Corporation.

FURTHER RESOLVED: That the Housing Authority consents to the HAP Contract Assignment.

FURTHER RESOLVED: That the Housing Authority approves the termination of the dissolution of the Partnership, and authorizes the Dissolution Documents.

FURTHER RESOLVED: That Joseph Villarreal, Executive Director of the Housing Authority, or any other officer of the Housing Authority, acting alone on behalf of the Housing Authority, in its own capacity, and in its capacity as the limited partner of the Partnership, is authorized, empowered and directed to execute any and all necessary documents in its own capacity and in its capacity as the limited partner of the Partnership, including, but not limited to, the Joinder to the Acquisition Deed of Trust, the Assignment of Ground Lease, the Amended Ground Lease, the Partnership Estate Documents, the HAP Contract Assignment, and the Dissolution Documents, and to take any further action contemplated by this resolution.

RESOLVED FURTHER: That to the extent that any actions authorized herein have already been performed, such actions are ratified and approved.

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SECRETARY'S CERTIFICATE

I, the undersigned, hereby certify that the foregoing is a true copy of the Resolution adopted by the Board of Commissioners at a meeting of the Housing Authority, and that said Resolution is in full force and effect.

_____ Ayes

_____ Nays

_____ No Vote

Dated: September_____, 2023

By: _____
Joseph Villarreal, Secretary