

RESOLUTION NO. 2258

RESOLUTION AUTHORIZING THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON (THE “**HOUSING AUTHORITY**”) APPROVING AND AUTHORIZING THE AUTHORIZED REPRESENTATIVE TO TAKE ALL ACTIONS NECESSARY TO INCREASE THE CONSTRUCTION LOAN AMOUNT FOR THE 54-UNIT SCATTERED SITE MULTIFAMILY RENTAL HOUSING PROJECT KNOWN AS THE BRUSH COLLEGE AND MEADOWLARK PROPERTIES (COLLECTIVELY THE “**PROJECT**”).

WHEREAS, the Housing Authority was created under the laws of the State of Oregon for the purpose of financing, planning, undertaking, constructing and operating housing in the City of Salem; and

WHEREAS, the Housing Authority has determined that it is consistent with its purpose to rehabilitate the Project;

WHEREAS, ORS 456.120(18) provides that a housing authority may enter in a partnership agreement with or loan money to an individual, partnership, Housing Authority or other association to finance, plan, undertake, construct, acquire or operate a housing project; and

WHEREAS, the Housing Authority formed a partnership known as Salem Housing Preservation 9 Percent Limited Partnership, an Oregon limited partnership (the “**Partnership**”), for the purpose of carrying out the Project, in which the Housing Authority is the general partner.

WHEREAS, the Housing Authority (in its individual capacity and as general partner of the Partnership) previously determined it to be in the best interests of the Housing Authority, the Partnership, and the Project for the Partnership and the Housing Authority to enter into such documents as are reasonably necessary to obtain from U.S. Bank National Association, a national banking association (“**Bank**”) a loan to the Partnership in the maximum amount of up to **\$9,500,000** for the purpose of constructing and developing the Project (“**Construction Loan**”); and

WHEREAS, the Housing Authority (in its individual capacity and as general partner of the Partnership), has determined it to be in the best interests of the Housing Authority, the Partnership, and the Project for the Partnership and the Housing Authority to increase the maximum amount of the Construction Loan to **\$9,600,000**; and

WHEREAS, in connection with the Construction Loan, the Partnership and Housing Authority (in its individual capacity and as general partner of the Partnership) will be required to enter into such documents (the “**Construction Loan Documents**”) as required to obtain the Construction Loan from Bank; and

WHEREAS, the Housing Authority will be required to provide certain guaranties and indemnities to the Bank in connection with the Construction Loan;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON AS FOLLOWS:

1. Authorize Construction Loan from Bank.

BE IT RESOLVED that the Construction Loan in the maximum amount of up to \$9,600,000 is approved and the Housing Authority is authorized to negotiate, execute and deliver on behalf of the Housing Authority (whether in its own capacity, its capacity as general partner of the Partnership, its capacity as developer, or its capacity as a guarantor) and/or the Partnership, as the case may be, the Construction Loan Documents listed on the attached **Exhibit A** (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the Construction Loan all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

2. Authorized Representatives.

BE IT RESOLVED that the following identified persons shall each be an "**Authorized Representative,**" as that term is used in these Resolutions, and individually authorized, empowered and directed to execute by a single signature and perform, without the consent or signature of the other Authorized Representative or any other officer or person, the actions authorized herein on behalf of the Housing Authority (whether in its own capacity, its capacity as general partner of the Partnership, its capacity as developer, or its capacity as a guarantor) or the Partnership.

- Steve Powers, Executive Director of the Housing Authority of the City of Salem, Oregon, or his designee
- Nicole Utz, Housing Administrator of the Housing Authority of the City of Salem, Oregon, or her designee
- Kristin Retherford, City of Salem Urban Development Director, or her designee

3. General Resolutions Authorizing and Ratifying Other Actions.

BE IT RESOLVED, that any Authorized Representative is authorized to negotiate, execute and deliver on behalf of the Housing Authority (whether in its own capacity, its capacity as general partner of the Partnership, its capacity as developer, or its capacity as a guarantor) or the Partnership, as the case may be, such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions any Authorized Representative shall deem necessary or desirable to carry out the transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of any Authorized Representative on such document); and

BE IT FURTHER RESOLVED, that to the extent any action, agreement, document or certification has heretofore been taken, executed, delivered or performed by an Authorized Representative named in these Resolutions on behalf of the Housing Authority (whether in its own capacity, its capacity as general partner of the Partnership, its capacity as developer, or its capacity as a guarantor) or the Partnership and in furtherance of the Project, the same is hereby ratified and affirmed.

ADOPTED by the Housing Authority of the City of Salem, Oregon Board of Commissioners this
____ day of _____, 2019.

ATTEST:

Recording Secretary

Approved by City Attorney: _____

EXHIBIT A
PROJECT DOCUMENTS

Bank Construction Loan Documents

1. Construction Loan Agreement;
2. Construction Loan Note;
3. Trust Deed, Assignment of Leases and Rents, Security Agreement and Fixture Filing;
4. Repayment and Completion Guaranty;
5. Environmental and ADA Indemnification Agreement;
6. Collateral Assignment of Contract Rights;
7. Assignment of Partnership Interests, Capital Contributions, and Credits;
8. Assignment of Development Services Agreement and Developer Fee Subordination Agreement;
9. Assignment of Property Management Agreement;
10. Assignment and Subordination of Construction Contract;
11. Assignment and Subordination of Architect's Contract;
12. Assignment of Rental Subsidy Agreements;
13. Priority and Subordination Agreement;
14. Subordination Agreements; and
15. Such other documents as are required in connection with closing of the Construction Loan.