BOARD OF HOUSING COMMISSIONERS
RESOLUTION NO. 2020-25

RESOLUTION IN SUPPORT OF THE FINANCING, GUARANTY, LONG-TERM GROUND LEASE AND CLOSING FOR THE DEVELOPMENT OF THE COMMONS AT MARTINEZTOWN

WHEREAS, the Albuquerque Housing Authority (the "*Housing Authority*"), a New Mexico municipal housing authority, is authorized to, among other things, finance, construct, provide, and operate affordable housing within its territorial jurisdiction;

WHEREAS, the Housing Authority is further authorized to organize and participate in entities in furtherance of such activities;

WHEREAS, the Housing Authority, by prior resolutions (2019-24 and 2020-14), has authorized the Housing Authority to proceed with the transactions described herein;

WHEREAS, the Housing Authority owns certain residential projects located at 415 Fruit Ave. NE, 615 Arno St. NE, and 320 Roma Ave. NE in Albuquerque, New Mexico (collectively, the "*Property*");

WHEREAS, the Housing Authority sponsored and organized the AHA Housing Development Corporation, a New Mexico nonprofit organization under the New Mexico Nonprofit Corporation Act, N.M.S.A. §§ 53-8-1 to 53-8-99 ("AHA-HDC"), for the purpose of supporting and assisting the Housing Authority in carrying out its governmental function and public mission to provide safe, decent, sanitary and affordable housing for low and moderate-income families within the Housing Authority's area of operation in the State of New Mexico, and other related development, services, and activities that benefit the mission of the Housing Authority, including the Project.

WHEREAS, AHA-HDC is the sole member of AHA Martineztown GP, LLC, a New Mexico limited liability company (the "*GP*"), which is the General Partner of The Commons at Martineztown, LLLP, a New Mexico limited liability limited partnership (the "*Partnership*" and/or "Owner");

WHEREAS, the Partnership intends to lease, finance, construct, modernize, improve, own, operate, and manage The Commons at Martineztown apartments consisting of 96 units located at the Property (the "*Project*").

WHEREAS, the Housing Authority desires, through entities named herein or otherwise, to support and collaborate in the efforts of the Partnership;

WHEREAS, the Housing Authority intends to enter into a Ground Lease with the Partnership for the Property (the "Ground Lease");

WHEREAS, the Partnership has applied to the County of Bernalillo, an urban county and political subdivision of the State of New Mexico ("*Governmental Lender*"), and to Citibank, N.A., a national banking association ("*Funding Lender*"), for a loan for the Project (the "*Borrower Loan*").

WHEREAS, the Partnership has requested that Funding Lender enter into a Funding Loan Agreement (the "*Funding Loan Agreement*"), by and between the Governmental Lender and the Funding Lender, under which the Funding Lender will make a loan (the "*Funding Loan*") to the Governmental Lender, the proceeds of which will be loaned under the Borrower Loan Agreement (the "*Borrower Loan Agreement*") to the Partnership to finance the Project.

WHEREAS, the Housing Authority, in its individual capacity, as sponsor and organizer of AHA-HDC, as sole member of GP, and as General Partner of the Partnership, intends to take such steps as are necessary or advisable in conjunction with the Ground Lease, the Borrower Loan and the Funding Loan.

WHEREAS, an overview of the participants in and key aspects of the Project are as follows:

- The Housing Authority will enter into a long-term lease of the land and buildings at the site of the Project to the Partnership (the "*Ground Lease*");

- The Project received an allocation of low income housing tax credits from the New Mexico Mortgage Finance Authority ("*MFA*") for the benefit of the Project;

- AHA-HDC will serve as a developer of the Project ("*Developer*");

- AHA-HDC is further serving as the sole member of the GP of the Partnership;

- USA Institutional Martineztown, LLC is the limited partner in the Partnership (the "*LP*");

- The Owner will receive a loan for the Project in the amount of $10,000,000 executed by the Owner in favor of Bernalillo County, New Mexico, as Governmental Lender (the "*County*") and then endorsed to Citibank, as Funding Lender ("*Citibank*") (the "*Loan*");

- The Housing Authority is required to execute certain agreements and guaranty documents to ensure the completion of the Project and repayment as set forth in said documents (collectively, the "*Guaranty Documents*");

- The Housing Authority has determined it to be in its best interest to execute and deliver the Ground Lease, the Loan, and the Guaranty Documents and all other contracts, agreements, instruments, documents and certificates related to or in connection with the Lease, the Loan, and Guaranty Documents as required and otherwise in furtherance of the transaction described herein;

- The Owner will further execute into contracts with architects, engineers, and other professionals for the purpose of completing the development of the Project, including a contract with a general contractor for the construction of the Project;

- The Housing Authority will serve as the property manager of the Project once it is completed (the "*Manager*") pursuant to a written management agreement by and between the Owner and the Housing Authority;

- The Housing Authority will provide other loans, previously authorized, to include a seller's note in the amount of approximately $6,060,000 (and in no event to exceed $6,300,000) and a loan of anticipated New Mexico Capital Outlay Funds (or, alternatively, a temporary or permanent "gap loan" from the Housing Authority in the anticipated amount of $1,500,000 (and in no event to exceed $2,000,000) for the benefit of the Project (the "*Subordinate Loans*");

- The Housing Authority will act as guarantor for construction completion and other items as outlined in the Amended and Restated Limited Partnership Agreement for the Partnership; and

- The Owner and Housing Authority will coordinate in providing vouchers that subsidize the rental of the units for eligible residents at the Project, in accordance with the laws, regulations, and rules of the United States Department of Housing and Urban Development ("*HUD*") and New Mexico Mortgage Finance Agency ("*MFA*"):

NOW, THEREFORE, BE IT RESOLVED BY THE AHA BOARD OF HOUSING COMMISSIONERS, the governing body of the Housing Authority that:

1. The Board desires to take all actions necessary or appropriate to facilitate the Housing Authority to act on behalf of the Partnership to provide support for and completion of the Project;

2. The Housing Authority authorizes and approves of the formation and organization of necessary entities (if any) in furtherance of the Project;

3. The Housing Authority, for itself and on behalf of AHA-HDC and the Partnership, is authorized to enter into the Ground Lease, the Loan, the Guaranty Documents, the Subordinate Loans, and all other transaction documents and agreements in support of the Project;

4. The Executing Officer, as defined below, is hereby authorized and directed, on behalf of the Housing Authority to execute, attest, seal and deliver the foregoing documents, and any and all documents or agreements required in connection with the Project, and to take all other actions without further resolutions of the members, as may be necessary or appropriate to the delivery of the documents;

5. The Housing Authority, for itself and on behalf of AHA-HDC and the Partnership, authorizes and approves its Executing Officer to execute any such further documentation as necessary or desirable to allow the consummation of the transaction as described herein, including at any closing to be held;

6. That Linda Bridge, the Executive Director and Secretary of the Housing Authority, acts as the authorized signatory and executing officer (the "*Executing Officer*") on behalf of the Housing Authority, for itself and on behalf of AHA-HDC and the Partnership, in connection with the documentation necessary or desirable to allow the consummation of the transaction as described herein (and in the event of Ms. Bridge's unavailability or incapacity, that her authority as Executing Officer hereunder be delegated to Deputy Director Thea Guerin).

7. That the Executive Director be and hereby is authorized, as necessary or desired by the Partnership and GP to open one or more bank accounts on the behalf of the Partnership and/or GP with

any bank(s) the Executive Director deems appropriate. It is further resolved that the spending and signature authority in connection with any bank accounts of the Partnership and GP shall be governed by the resolution(s) and policies in governing the spending and signature authority in connection with any bank accounts of AHA and AHA-HDC.

It is further resolved, that all of the documents, instruments, or other writing executed by the Housing Authority, for itself and on behalf of AHA-HDC and the Partnership, in consummation of the transactions herein described (both individually and in a representative capacity as identified in these resolutions) shall be in form and substance approved by the Executing Officer (as such term is defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof;

Be it further resolved, that the Housing Authority (both individually and in a representative capacity as identified in this resolution) review, execute and approve all other documents necessary to effectuate the foregoing transactions, including all closing documents, all on such terms and containing such provisions as the Executing Officer shall deem appropriate, and the approval of the terms of each such instrument herein described by the Executing Officer shall be conclusively evidenced by his execution and delivery thereof;

Be it further resolved, that the Board finds the actions authorized by this resolution may reasonably be expected to directly or indirectly benefit the Housing Authority;

Be it further resolved, by the Board that all actions taken prior to this date in furtherance of the Project and transaction described herein are ratified and confirmed in full; and

Be it further resolved, that the Owner be promptly notified in writing by the Secretary or any other officer of the Housing Authority of any change in these resolutions, and until it has actually received such notice in writing, the Owner is authorized to act in pursuance of this resolution.

PASSED and ADOPTED this 18th day of November 2020.
BY A VOTE OF 5 FOR, AND 0 AGAINST.

Members Absent: _____

Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS
By: /s Rebecca Robinson
Rebecca Robinson, Chairperson of the Board

ATTEST:

/s Linda Bridge
Linda Bridge, Secretary to the Board and Executive Director