



BOARD OF HOUSING COMMISSIONERS
RESOLUTION NO. 2023-17

**AUTHORIZING THE CLOSING AND EXECUTION OF DOCUMENTS
FOR THE REDEVELOPMENT OF THE 120 LA PLATA PROJECT**

WHEREAS, by Resolution No. 2021-24, the Board of Housing Commissioners (the “*Board*”) of the Albuquerque Housing Authority (the “*Authority*”) among other things, authorized the Executive Director of the Authority (“*Executive Director*”) to seek and obtain financing and enter into such agreements and make other necessary and property decisions in furtherance of the rehabilitation of the 32-unit residential property located at 120 La Plata North West, Albuquerque, New Mexico (the “*Project*”) pursuant to the U.S. Department of Housing and Urban Development (“*HUD*”) Rental Assistance Demonstration (“*RAD*”) Program;

WHEREAS, the Board’s actions in Resolution No. 2022-12 further authorized the formation of AHA 120 La Plata GP, LLC to serve as the general partner (the “*General Partner*”) of 120 La Plata, LLLP, which would serve as the owner of the project (the “*Partnership*”), and granted the Executive Director the authority to negotiate, execute, and agree to such documents and agreements as needed to affect the transaction, including borrowing, necessary to rehabilitate the Project; and

WHEREAS, the transaction to rehabilitate the Project is now set to close in the coming weeks.

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

The Board hereby authorizes the Executive Director to sign and execute all loan and transactional documents necessary to affect the closing on the Project; and

The Board further authorizes and passes the following resolutions in support of the foregoing:

1. **RESOLVED**: that the actions of the officers of the Authority, in causing the Authority to become a guarantor of certain obligations of and make certain loans and commitments to 120 La Plata, LLLP, a New Mexico limited liability limited partnership (“*Partnership*”), are hereby ratified and confirmed in all respects;

2. **RESOLVED**: that:

(a) As a permanent loan for the Project, NewWest Community Capital (“*Permanent Lender*”), has agreed to make a permanent loan in a principal amount of approximately One Million Nine Hundred Thousand and No/100th Dollars (\$1,900,000.00) to the Partnership (the “*Permanent Loan*”) with the purpose of the Permanent Loan pay a portion of the costs incurred or to be incurred by the Partnership in acquiring, developing and rehabilitating the Project, and/or to repay other debts on the Project;

(b) As a further loan for the Project, Ventana Fund, a New Mexico nonprofit corporation, has agreed to make a loan in a principal amount of approximately One Million and



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Equal Housing Opportunity Agency



No/100th Dollars (\$1,000,000.00) to the Partnership (the “*Ventana Loan*”), to rehabilitate and for the benefit of the Project;

(c) As additional loans for the Project, the Authority is making three separate loans to the Partnership (the “*Authority Loans*”), to rehabilitate and for the benefit of the Project, including but not limited to a loan of National Housing Trust Fund dollars loaned from the New Mexico Mortgage Finance Authority (“*MFA*”) to the Authority;

(d) Pursuant to a Credit Support and Funding Agreement (Construction Phase) between BOKF, NA d/b/a Bank of Albuquerque (the “*Construction Lender*”) and the Partnership, Construction Lender is agreeing to make a construction loan to the Partnership in a principal amount of approximately Six Million Sixty-One Thousand Three Hundred Sixty-Eight and No/100th Dollars (\$6,061,368) (the “*Construction Loan*”) for the purpose of paying certain costs and expenses related to the acquisition, development and construction/rehabilitation of the Project;

(e) In connection with the making of the Permanent Loan, Ventana Loan, Authority Loans, and Construction Loan (collectively, the “*Project Loans*”), the Partnership will and is hereby authorized to execute various loan agreements, related agreements and other documents (collectively, the “*Project Loan Documents*”) in favor of, respectively, the Permanent Lender, Ventana Fund, the Authority, MFA, and the Construction Lender (collectively, the “*Lenders*”);

(f) In connection with the making of the Project Loans and execution of the Project Loan Documents, the Authority is or will be required to execute one or more guaranties or other promises, each in favor of all or some of the Lenders (collectively, the “*Guaranties*”), pursuant to which the Authority guarantees certain obligations of the Partnership under the Project Loan Documents, including, but not limited to the repayment of the respective loans and the completion of the Project, and indemnifies the Lenders against certain liabilities;

(g) The Project Loans will each be evidenced by a separate Promissory Note (collectively, the “*Notes*”), with the Notes and the Partnership’s obligations under the Project Loan Documents to be secured by, among other things, a deed of trust executed by the Partnership for each of the Notes, as trustor, in favor of the applicable Lenders, as beneficiary, and recorded substantially concurrently herewith in the Official Records of the county in which the Project is located, Bernalillo County, New Mexico (the “*Security Instruments*”), which will encumber the Property. In addition, the Partnership has agreed to pledge and assign to Construction Lender, and create a first priority security interest in favor of Construction Lender, in and to the Partnership's rights and interests in, among other things: (1) the construction/rehabilitation contract for the project, (2) any architecture contract for the Project, (3) the plans and specifications for the Project, and (4) all other agreements now or hereafter entered into by the Partnership with any contractor, architect, engineer, or other consultant or third party in connection with the design, engineering, construction/rehabilitation of or on the Project or the property where it is located (the “*Property*”), or the management, maintenance, operations, marketing, or leasing of the Property, or any development of or improvement to the Property, in accordance with the Security Instruments in favor of the Construction Lender and/or an assignment of contracts;

(h) The Authority is the fee owner of the Property and is entering into a Ground Lease Agreement with the Partnership for the Property (the “*Ground Lease*”), pursuant to which the Authority ground leases the Property to the Partnership for a term of up to 99 years; and

(i) In connection with the RAD Program, the Authority will execute such documents that HUD may require to effectuate a RAD approval, which may include, but shall not be limited to a RAD Use Agreement and related documents and certifications to HUD (the “*RAD Documents*”).

3. **RESOLVED:** That the Authority and its affiliates are further authorized to

(a) Execute an amended and restated agreement of limited partnership (the “*Amended and Restated Limited Partnership Agreement*”) on behalf of the Partnership to (i) accept USA Institutional La Plata, LLC as the limited partner in the Partnership and (ii) redefine the terms of agreement among the partners of the Partnership.

(b) Execute any and all documents, instruments, agreements and notices deemed necessary or appropriate to evidence, effectuate and consummate the transactions contemplated by the Amended and Restated Limited Partnership Agreement, (collectively, the “*Equity Documents*”).

(c) Execute an Unconditional Guaranty, and the Project Loan Documents, the Guaranties, the Notes, and any and all other transactional documents necessary or required to guaranty construction/rehabilitation and other obligations of the General Partner on behalf of the Partnership in connection with the Project.

(d) Serve as the management agent and property manager of the Project, once completed.

(e) Execute, for the Authority in the role of contract administrator, the RAD Documents, to include specific approval of the RAD Project Based Voucher (“*PBV*”) Housing Assistance Payment (“*HAP*”) agreement and documents pertaining to the Project.

4. **RESOLVED:** that the Authority and its affiliates are further authorized to sign such agreements and other documents as necessary or required for the permanent financing of the Project, after construction/rehabilitation is completed and the Project is ready for occupancy, including pre-approval by this Resolution of any necessary increase to the Permanent Loan as set forth in 2(a) above, provided such increase is no more than 15 percent greater than the amount provided in 2(a) above.

5. **RESOLVED:** that Linda Bridge, Executive Director and Secretary of the Authority and any other officer of the Authority, be and each of them is hereby authorized, directed, and empowered, any one of them acting alone, in the name of the Authority and on behalf of the Authority:

(a) to execute and deliver the Ground Lease to the Partnership;

(b) to execute and deliver to the Lenders, and the Lenders are requested to accept, the Loan Documents, the Notes, and the Guaranties in such form as may be agreed upon by the Authority and Lenders pursuant to which Authority shall guaranty certain obligations of Partnership under the Project Loan Documents and indemnifies Lenders against certain liabilities;

(c) to execute and deliver to Lenders, and Lenders are requested to accept, all other guaranties, indemnities, and other documents required by Lenders in connection with any transaction between Lenders and the Partnership described herein; and

(d) to execute and deliver the Amended and Restated Limited Partnership Agreement, Unconditional Guaranty, and the Equity Documents, among other documents, to the Limited Partner and Partnership; and

(e) to execute and deliver such loan documents and other documents as necessary or required for the permanent financing of the Project.

(f) to execute and deliver the RAD Use Agreements and other documents as necessary or required by HUD for the RAD conversion of the Project; and

(g) to approve increases to the Project Financing not to exceed ten percent (10%) of the amounts authorized herein to the extent required for consummation and completion of the Project.

6. **RESOLVED:** that any act, document, or instrument relating to or evidencing any transaction between Lenders and the Authority or in regards to the Partnership made or executed and delivered in the name of Authority by any officer on behalf of the Authority, acting individually, is hereby ratified as an act of the Authority.

PASSED and ADOPTED this 15th day of November 2023.

BY A VOTE OF 3 FOR, AND 0 AGAINST.

Members Absent: Smith

Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS

By: /s Maureen Skowran
Maureen Skowran, Chairperson of the Board

ATTEST:

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