

RESOLUTION NO. 15-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, AUTHORIZING PARTICIPATION IN THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) PUBLIC OFFERING SCHEDULED FOR MAY 28, 2015 TO REFINANCE THE EXISTING SECTION 108 LOAN NOTE B-02-MC-06-0558 (SERIES 2003-A) USED FOR THE MENTAL HEALTH ASSOCIATION

WHEREAS, the City of Lancaster, by Resolution No. 02-247 adopted September 24, 2002, authorized an application seeking loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, from the United States Department of Housing and Urban Development (“HUD”), and did authorize the City Manager to execute the documents necessary to accomplish the transaction, and did accept HUD’s guarantee of Section 108 note number B-02-MC-06-0558 for the Mental Health Association under a Section 108 Contract for Loan Guarantee Assistance dated December 13, 2002; and

WHEREAS, the assistance provided by HUD was the guarantee of a note in the original principal amount of \$1,450,000, plus interest thereon; and

WHEREAS, HUD has notified the City that a public offering will occur in May 2015, and to participate, the City must immediately notify HUD of its intention to refinance all or a portion of its existing Section 108 commitment through the public offering; and

WHEREAS, HUD may require, as a condition of participation in the public offering, that the City execute documents related to the transaction, and whereas the City has previously agreed to pay the City’s share, as determined by HUD, of the customary and usual issuance, underwriting, and other costs related to the public offering and future administration of the Note and the trust certificates; and

WHEREAS, it is economically sound and in the best interest of the City to accept more favorable fixed rates of interest under the Section 108 Loan Guarantee program offered by HUD under the public offering;

NOW THEREFORE BE IT RESOLVED BY the City Council of the City of Lancaster, the City Manager, or his duly authorized agent, shall notify HUD of the City’s desires to participate in the May 2015 public offering by HUD through the loan guarantee assistance program under Section 108 of the Housing and Community Development Act of 1974, as amended, for the existing obligation B-02-MC-06-0558 in the original principal amount of \$1,450,000, and to refinance the current outstanding loan balance of \$794,000 at such rates of interest that will be determined by HUD at the time of the public offering and achieve a net savings to the City.

BE IT FURTHER RESOLVED HEREBY, the City Manager is authorized to execute the necessary documents as required by HUD to refinance the existing guaranteed Section 108 Note, and to execute such other documents, contracts, amendments and agreements with HUD, and to authorize payment of any required fees, as may be necessary to effectuate this refinancing transaction.

This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED this _____ day of _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 15-16, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

RESOLUTION NO. 15-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER AUTHORIZING PARTICIPATION IN THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) PUBLIC OFFERING SCHEDULED FOR MAY 28, 2015 TO REFINANCE THE EXISTING SECTION 108 LOAN NOTE B-02-MC-06-0558-A (SERIES 2004-A) USED FOR THE CHILDREN'S CENTER OF THE ANTELOPE VALLEY

WHEREAS, the City of Lancaster, by Resolution No. 02-246 adopted September 24, 2002, authorized an application seeking loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, from the United States Department of Housing and Urban Development ("HUD"), and did authorize the City Manager to execute the documents necessary to accomplish the transaction, and did accept HUD's guarantee of Section 108 note number B-02-MC-06-0558-A for the Children's Center of the Antelope Valley under a Section 108 Contract for Loan Guarantee Assistance dated August 26, 2003; and

WHEREAS, the assistance provided by HUD was the guarantee of a note in the original principal amount of \$1,500,000, plus interest thereon; and

WHEREAS, HUD has notified the City that a public offering will occur in May 2015, and to participate, the City must immediately notify HUD of its intention to refinance all or a portion of its existing Section 108 commitment through the public offering; and

WHEREAS, HUD may require, as a condition of participation in the public offering, that the City execute documents related to the transaction, and whereas the City has previously agreed to pay the City's share, as determined by HUD, of the customary and usual issuance, underwriting, and other costs related to the public offering and future administration of the Note and the trust certificates; and

WHEREAS, it is economically sound and in the best interest of the City to accept more favorable fixed rates of interest under the Section 108 Loan Guarantee program offered by HUD under the public offering;

NOW THEREFORE BE IT RESOLVED BY the City Council of the City of Lancaster, the City Manager, or his duly authorized agent, shall notify HUD of the City's desires to participate in the May 2015 public offering by HUD through the loan guarantee assistance program under Section 108 of the Housing and Community Development Act of 1974, as amended, for the existing obligation B-02-MC-06-0558-A in the original principal amount of \$1,500,000, and to refinance the current outstanding loan balance of \$898,000 at such rates of interest that will be determined by HUD at the time of the public offering and achieve a net savings to the City.

BE IT FURTHER RESOLVED HEREBY, the City Manager is authorized to execute the necessary documents as required by HUD to refinance the existing guaranteed Section 108 Note, and to execute such other documents, contracts, amendments and agreements with HUD, and to authorize payment of any required fees, as may be necessary to effectuate this refinancing transaction.

This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED this _____ day of _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 15-17, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)
