

RESOLUTION NO. 11504

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE APPROVING A PLAN OF FINANCE INCLUDING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$45,000,000 TO FINANCE AND REFINANCE A QUALIFIED RESIDENTIAL RENTAL PROJECT FOR THE BENEFIT OF ORANGE 702, L.P., A CALIFORNIA LIMITED PARTNERSHIP, AND CERTAIN OTHER MATTERS RELATING THERETO, LOCATED AT 1800 E. LA VETA AVENUE

WHEREAS, USA Orange 702, Inc., an affiliate of USA Properties Fund, Inc., a California corporation, and Riverside Charitable Corporation, a California nonprofit public benefit corporation (collectively, the “Sponsor”), on behalf of Orange 702, L.P., a California limited partnership, or another ownership entity to be created by the Sponsor or affiliates thereof (such ownership entity, the “Borrower”), have requested that the California Municipal Finance Authority (the “Authority”) undertake a plan of finance, including the issuance from time to time of one or more series of revenue bonds in an aggregate principal amount not to exceed \$45,000,000 (together with a like amount of refunding bonds) (the “Bonds”) to finance and refinance the acquisition, construction, development and equipping of a 166-unit qualified residential rental project (the “Project”) to be owned and operated by the Borrower and located at 1800 E. La Veta Avenue in the City of Orange, California (the “City”); and

WHEREAS, an “applicable elected representative” of the jurisdiction in which the Project is to be located is required to approve the plan of finance for the Project, including the issuance of the Bonds, under Section 147(f) of the Code; and

WHEREAS, the City Council of the City of Orange (the “City Council”) is the elected legislative body of the City and is an “applicable elected representative” for purposes of Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the plan of finance for the Project, including the issuance of the Bonds by the Authority, in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”), among certain local agencies, including the City; and

WHEREAS, pursuant to Section 147(f) of the Code, following notice duly given, a public hearing was held via teleconference on November 17, 2023, regarding the issuance of the Bonds, and the City Council now desires to approve the plan of finance for the Project, including the issuance of the Bonds by the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Orange as follows:

SECTION 1 - ENVIRONMENTAL REVIEW

The California Environmental Quality Act (Section 21000, et. seq. of the California Public Resources Code, hereafter “CEQA”) requires analysis of agency approvals of discretionary “projects.” A “project,” under CEQA, is defined as “the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.” CEQA Guidelines §15061(b)(3) sets forth the Common Sense Rule that CEQA only applies to projects which “have the potential for causing a significant effect on the environment; where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.” The action being taken by the City Council is to adopt a resolution approving the issuance of revenue bonds by the CMFA to provide for the financing of the project. Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Internal Revenue Code, and the California Government Code Section 6500 (and following). The Project was previously approved and environmental impacts associated with that project were analyzed under a separate CEQA analysis. This City Council action does not involve the approval of any physical development or activity that would have the potential for causing a significant effect on the environment. Therefore, the proposed action does not constitute approval of a project under CEQA, is exempt from CEQA, and is not subject to further environmental review. (CEQA Guidelines §15061(b)(3).)

SECTION 2 – RECITALS

The foregoing recitals are true and correct.

SECTION 3- CITY COUNCIL APPROVAL

The City Council hereby approves the plan of finance for the Project, including the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the plan of finance for the Project, including the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of a governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

SECTION 4 – CITY COUNCIL AUTHORIZATION

The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

SECTION 5 – RESOLUTION ROUTING

The City Clerk shall forward a certified copy of this Resolution to the Authority in care of its counsel:

Ronald E. Lee, Esq.
Jones Hall, APLC
475 Sansome Street, Suite 1700
San Francisco, CA 94111

SECTION 6 – EFFECTIVE DATE

This resolution shall take effect immediately upon its adoption.

ADOPTED this ____ day of _____, 2023

Daniel R. Slater, Mayor, City of Orange

ATTEST:

Pamela Coleman, City Clerk, City of Orange

APPROVED AS TO FORM:

Mike Vigliotta, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Orange at a regular meeting thereof held on the ____ day of _____, 2023 by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

Pamela Coleman, City Clerk, City of Orange