

RESOLUTION NO. 2015-07

RESOLUTION AUTHORIZING AND APPROVING THE FURTHER DEVELOPMENT AND EXPANSION OF COMMUNITIES FIRST - OHIO; AUTHORIZING EXECUTION AND DELIVERY OF RELATED AMENDMENTS, SUPPLEMENTS OR OTHER AGREEMENTS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, in order to promote the vital public purposes identified in Section 1 of Resolution No. 2014-02 adopted by this Board on March 2, 2014 (“Homeownership Program Resolution”), the Port of Greater Cincinnati Development Authority (“Port Authority”), in cooperation with First Southwest Company (“First Southwest”), has established and sponsored Communities First – Ohio, a market-rate single-family homeownership assistance program (“Communities First” or “Homeownership Assistance Program”); and

WHEREAS, consistent with the Homeownership Program Resolution, the authorized purposes of the Port Authority identified therein (“Program Purposes”) and Sections 4582.21, et seq., of the Ohio Revised Code (together with other authorities therein mentioned, “Port Act”), the Port Authority entered into the PA Agreement (that and any other term used but not defined herein being used as defined in the Homeownership Program Resolution) with First Southwest, the Servicing Agreement (with U.S. Bank National Association, as Master Servicer), the FSC Purchase Agreement with First Southwest, and the Custodial Agreement (with The Huntington National Bank, as Custodian) and, under those existing Program Agreements (“Existing Program Agreements”), established Communities First to make available, through participating local and national lenders approved by the Master Servicer (“Program Lenders”), competitively-priced government-insured mortgage loans for single-family residential properties (“Insured Home Loans”) financed or refinanced through the sale of GNMA-backed MBS (“Ginnie Maes”) and downpayment assistance (“DPA”) paid or provided for from Program Revenues; and

WHEREAS, First Southwest has identified additional opportunities for the Port Authority to promote the Program Purposes of Communities First, including by expanding the Homeownership Assistance Program to make available, through existing and potential Program Lenders, competitively-priced conventional mortgage loans, originated pursuant to underwriting requirements of the Federal National Mortgage Association (“FNMA”) or the Federal Home Loan Mortgage Corporation (“FHLMC”), to qualified borrowers for single-family residential properties (“Conventional Home Loans”) financed or refinanced through the sale of MBS including Participation Certificates guaranteed by FHLMC (“Freddie Macs”) and on FNMA approval, MBS backed by FNMA (“Fannie Maes”), and DPA paid or provided for from Program Revenues; and

WHEREAS, this Board has determined that establishing, sponsoring and participating in the Homeownership Assistance Program and making Communities First and related Insured Home Loans and DPA available, in the manner contemplated by the Homeownership Program Resolution, has promoted and continues to promote the Program Purposes consistent with Article VIII of the Ohio Constitution and the Port Act, including supporting the Port Authority’s Community Reinvestment and Revitalization Initiatives, and has now determined that the further development and expansion of Communities First consistent with the Homeownership Program Resolution, as supplemented by the approvals and authorizations granted in this resolution, including making Communities First and related Conventional Home Loans and DPA available, in the manner contemplated by this resolution, is authorized under and consistent

with Article VIII of the Ohio Constitution and the Port Act, is in the best interests of the Port Authority, and will support and otherwise promote the Program Purposes, including supporting the Port Authority's Community Reinvestment and Revitalization Initiatives and otherwise promoting the authorized purposes of the Port Authority by (i) enhancing, fostering, aiding, providing and promoting housing, economic development, recreation and education within the City, the County and the jurisdiction of the Port Authority, and (ii) promoting and furthering the public purposes established under Sections 13 and 16 of Article VIII of the Ohio Constitution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Port of Greater Cincinnati Development Authority:

Section 1. The Recitals hereto (including the definitions of terms stated or incorporated therein) are incorporated herein by this reference as additional findings and determinations of this Board and of the vital public purposes, and the authorized purposes of the Port Authority, served by the Homeownership Assistance Program established under and pursuant to the Homeownership Program Resolution and of the further development and expansion of the Homeownership Assistance Program authorized and approved hereby. Without limiting the generality of the foregoing, this Board hereby finds and determines that:

a) establishing, sponsoring and participating in the Homeownership Assistance Program, and making Communities First and related Insured Home Loans and DPA available, in the manner contemplated by the Homeownership Program Resolution, has promoted and continues to promote the Program Purposes consistent with Article VIII of the Ohio Constitution and the Port Act, including supporting the Port Authority's Community Reinvestment and Revitalization Initiatives;

b) the further development and expansion of the Homeownership Assistance Program consistent with the Homeownership Program Resolution, as supplemented by the approvals and authorizations granted in this resolution, including making Communities First and related Conventional Home Loans and DPA available, in the manner contemplated by the Recitals hereto, will promote the Program Purposes consistent with Article VIII of the Ohio Constitution and the Port Act, including supporting the Port Authority's Community Reinvestment and Revitalization Initiatives and otherwise promoting authorized purposes of the Port Authority, including (i) enhancing, fostering, aiding, providing and promoting housing, economic development, recreation and education within the City, the County and the jurisdiction of the Port Authority, and (ii) promoting and furthering the public purposes established under Sections 13 and 16 of Article VIII of the Ohio Constitution; and

c) the further development and expansion of the Homeownership Assistance Program pursuant to and in accordance herewith, and with the Homeownership Program Resolution to the extent applicable, is consistent with Article VIII of the Ohio Constitution, is authorized under and consistent with the Port Act, is in the best interests of the Port Authority, and will: (i) enhance, aid and assist the Port Authority in promoting the Community Reinvestment and Revitalization Initiatives and providing and promoting related services and activities within the City, the County and the jurisdiction of the Port Authority, (ii) enhance the availability of adequate housing in the City, the County and the State and improve the economic and general well-being of the people of

the City, the County and the State, and (iii) create or preserve jobs and employment opportunities and improve the economic welfare of the people of the State.

This resolution, and the authorizations and approvals herein granted, is supplemental to the Homeownership Program Resolution and nothing herein shall be construed as limiting, or in any way in derogation of, the authorizations and approvals granted in the Homeownership Program Resolution or the manner of undertaking and implementing those authorizations and approvals, all of which are hereby confirmed, adopted, ratified and extended to the Homeownership Assistance Program as further developed and expanded pursuant to this resolution.

Section 2. In order to promote the public purposes identified in Section 1 of this resolution, this Board hereby approves and authorizes the further development and expansion by the Port Authority of the Homeownership Assistance Program, and all actions of the Port Authority necessary or desirable for that further development and expansion, consistent with the Program Purposes, this resolution, the Homeownership Program Resolution (as supplemented by this resolution and to the extent applicable) and any applicable legal requirements. The further development and expansion of the Homeownership Assistance Program shall be implemented in cooperation with FirstSouthwest, the Master Servicer and the Custodian, and the Port Authority agrees to take such actions as are necessary or desirable for that purpose including, without limitation: (i) negotiation, execution and delivery of any amendments or supplements to the Existing Program Agreements necessary or desirable (as supplemented and amended from time to time, "Program Agreements"), (ii) preparation of additional guidelines or other necessary documentation relating to the further development and expansion of the Homeownership Assistance Program consistent with the Program Agreements, and (iii) working cooperatively with the Program Administrator and the Master Servicer to establish or qualify additional Program Lenders for participation in the expanded Homeownership Assistance Program. Without limiting the generality of any of the foregoing, this Board hereby further agrees that the Port Authority will continue to sponsor the Homeownership Assistance Program and the further development and expansion thereof, finance or refinance Conventional Home Loans through the sale of Freddie Macs (or, subject to approval by FNMA, of Fannie Maes) issued by the Master Servicer pursuant to the Servicing Agreement and its arrangements with FHLMC and FNMA, provide the DPA consistent with the requirements of the Program Agreements and all legal requirements, and take such other actions as are required of the Port Authority under the Program Agreements.

Section 3. This Board hereby acknowledges that the revenues derived by the Port Authority from the further development and expansion of the Homeownership Assistance Program will constitute Program Revenues to the same extent as the revenues derived by the Port Authority from the existing Homeownership Assistance Program and hereby appropriates such portion thereof as is necessary to pay or reimburse all costs, fees and expenses incurred by the Port Authority in connection with the Homeownership Assistance Program including, without limitation, DPA, legal or marketing costs, and reimbursement of any amounts advanced to, for or on behalf of the Port Authority to pay DPA. This Board further finds and determines that, notwithstanding any restrictions that apply to the investment of funds by the Port Authority, in order to implement the further development and expansion of the Homeownership Assistance Program, it is necessary and proper and in the best interest of the Port Authority to, and the Port Authority shall, in consideration of the provision of the Conventional Home Loans and the DPA to the homeowners utilizing Conventional Home Loans

through the Homeownership Assistance Program, and the acquisition by, conveyance to and mortgage by those homeowners of the properties acquired, accept and hold, until transferred to FirstSouthwest pursuant to the Program Agreements, the Freddie Macs and any Fannie Maes and the Conventional Home Loans securing each such MBS, including the related notes and mortgages; provided, that all such property and interests therein shall only be so held until transferred in accordance with the Program Agreements.

Section 4. This Board hereby authorizes the President of the Port Authority to negotiate the terms of, and to execute and deliver on behalf of the Port Authority, such amendments or supplements to the Existing Program Agreements as may from time to time be deemed necessary or desirable for the further development and expansion by the Port Authority of the Homeownership Assistance Program, and any such amendments or supplements may be implemented by executing and delivering amended and restated Program Agreements with any one or more of First Southwest, the Master Servicer and the Custodian. All such amendments, supplements or amended and restated agreements shall be consistent with the Port Act, Article VIII of the Ohio Constitution, this resolution and the Homeownership Program Resolution as supplemented hereby, and shall be determined by the President to be in the best interests of the Port Authority, which determination shall be conclusively evidenced by the execution thereof in accordance with this resolution.

Section 5. This Board hereby adopts and ratifies the actions taken and the authority exercised by the President and other officers of the Port Authority pursuant to the Homeownership Program Resolution, hereby authorizes the President and other officers of the Port Authority to take such other actions, consistent with this resolution (and the Homeownership Program Resolution as supplemented hereby) as are necessary or appropriate to effect the purposes of this resolution, and hereby adopts and ratifies all such actions heretofore taken.

Section 6. This Board finds and determines that all formal actions of this Board concerning and relating to the adoption of this resolution were taken, and that all deliberations of this Board and any committees thereof that resulted in such formal action were held in meetings open to the public in compliance with the law.


Section 7. This resolution shall be in full force and effect upon its adoption.

Adopted:


Yeas: 7

Nays: 0

Abstention: 0



Chairperson



Attest:
Secretary