

HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO
RESOLUTION NO. 1164
ADOPTED ON JUNE 25, 2002

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,500,000 FOR THE PURPOSE OF REPAYING BOND ANTICIPATION NOTES ISSUED IN CONNECTION WITH THE FINANCING OF LOGAN SQUARE APARTMENTS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS.

WHEREAS, pursuant to Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California, as amended [the Act], the Housing Authority of the City of San Diego [the Authority] is authorized to issue revenue notes and bonds for the purpose of financing the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to the multifamily rental housing; and

WHEREAS, on November 28, 2001, the Authority issued its \$10,500,000 principal amount of Multifamily Housing Revenue Bond Anticipation Notes (Logan Square Apartments) Series 2001G [the Notes] to provide interim financing to Logan Square Housing Partners, L.P., a California limited partnership [the Borrower] in connection with the acquisition and rehabilitation by the Borrower of a multifamily rental housing project known as Logan Square Apartments, located at 4742 Solola Avenue in the City of San Diego [the Project]; and

WHEREAS, the Board of Commissioners of the Authority [the Board] has now

determined to approve the issuance by the Authority of up to \$10,500,000 initial principal amount of Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds (Logan Square Apartments) Series 2002E [the Bonds] and the funding of a mortgage loan [the Loan] to Borrower from the proceeds of the Bonds, with the proceeds of the Loan to be used to repay the Notes; and

WHEREAS, the City Council of the City of San Diego, after publication of a notice of public hearing and the holding of a public hearing as required by applicable United States Treasury Regulations regarding the Bonds and the financing of the Project, has approved the issuance of the Bonds by the Authority; and

WHEREAS, Newman and Associates, Inc. [the Placement Agent] has expressed its intention to place the Bonds, and the Board finds that the public interest and necessity require that the Authority at this time make arrangements for the sale of the Bonds; and

WHEREAS, there have been prepared and presented to the Board for consideration at this meeting the following documents [collectively, the Documents]: (a) a Trust Indenture [the Indenture], between the Authority and the trustee identified therein [the Trustee], including the form of Bond as an exhibit thereto; (b) a Loan Agreement [the Loan Agreement], between the Authority and the Borrower; (c) an Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants [the Regulatory Agreement], among the Authority, the Trustee and the Borrower; (d) a Private Placement Memorandum [the Placement Memorandum] describing the Bonds; and (e) a Bond Placement Agreement [the Bond Placement Agreement], among the Authority, the Borrower and the Placement Agent; and

WHEREAS, it appears that each of the Documents, in the respective form now before the Board at this meeting, is in appropriate form and is an appropriate instrument to be executed and

delivered by the Authority for the purposes intended; NOW, THEREFORE,

BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of San Diego, as follows:

Section 1. Finding and Determination. It is found and determined that it is necessary and desirable for the Authority to provide for the repayment of the Notes, and the permanent financing of the acquisition and rehabilitation of the Project, through the issuance and sale of the Bonds, all in order to assist persons of low or moderate income within the City of San Diego in obtaining decent, safe and sanitary housing.

Section 2. Authorization of Bonds. For the purpose of repaying the Notes and providing permanent financing for the acquisition and rehabilitation of the Project, the Authority determines to issue the Bonds under the authority granted in the Act in an initial aggregate principal amount not to exceed \$10,500,000. The Bonds shall bear interest at the rates and shall mature on the date as provided in the Indenture. The Bonds shall be in the form set forth in the Indenture, together with such variations, omissions, insertions and provisions as are required or permitted by the Indenture. The Bonds shall be special, limited obligations of the Authority, and shall be payable as to principal and interest, and the obligations of the Authority under the Indenture shall be paid and satisfied, solely from the revenues, receipts and other moneys and assets pledged therefor under the Indenture.

Section 3. Execution and Delivery of the Bonds . The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairman, Vice Chairman or the Executive Director, and the official seal of the Authority, or a facsimile thereof, shall be impressed or imprinted thereon and attested with the manual or facsimile signature of the Secretary or a Deputy Secretary.

Section 4. Approval of Indenture. The Indenture, in the form on file in the Housing Commission offices, is approved. The Chairman, the Vice Chairman, the Executive Director, the Secretary or a Deputy Secretary, and the Housing Finance & Development Manager of the San Diego Housing Commission, or the designee of any such officer (all such officers and any of their respective designees are hereinafter referred to as the Designated Officers) are authorized, each acting alone, for and on behalf of the Authority, to execute and deliver the Indenture in such form, together with such changes as may be approved by the Designated Officers executing the same, upon consultation with the General Counsel to the Authority, the execution thereof by a Designated Officer to constitute conclusive evidence of the approval of all changes from the form of the Indenture presented to this meeting.

The date, maturity date, interest rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

Section 5. Approval of Loan Agreement. The Loan Agreement, in the form on file in Housing Commission offices, is approved. The Designated Officers are each authorized, for and on behalf of the Authority, to execute and deliver the Loan Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, and the execution thereof by a Designated Officer shall constitute conclusive evidence of the approval of all changes from the form of the Loan Agreement presented to this meeting. The Loan Agreement shall, in any event, contain a provision requiring that the selection of the property manager for the Project will be subject to the approval of the Authority.

Section 6. Approval of Regulatory Agreement. The Regulatory Agreement, in the form

on file in the Housing Commission offices, is approved. The Designated Officers are each hereby authorized, for and on behalf of the Authority, to execute and deliver the Regulatory Agreement in such form, together with such changes as may be approved by the Designated Officers executing the same, upon consultation with the General Counsel to the Authority, and the execution thereof by a Designated Officer shall constitute conclusive evidence of the approval of all changes from the form of the Regulatory Agreement presented to this meeting.

Section 7. Approval of Bond Placement Agreement. The Bond Placement Agreement, in the form on file in the Housing Commission offices, is approved. The Authority is authorized to sell the Bonds pursuant to the terms and conditions of the Bond Placement Agreement. Any Designated Officer is authorized, for and on behalf of the Authority, to execute and deliver the Bond Placement Agreement in such form, together with such changes as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, and the execution thereof by a Designated Officer shall constitute conclusive evidence of the approval of all changes from the form of the Bond Placement Agreement presented to this meeting (provided that, in any event, the initial aggregate principal amount of the Bonds shall not be in excess of \$10,500,000, the initial true interest cost of the Bonds shall not be in excess of 8.0% per annum and the purchaser's discount or fee with respect to the Bonds shall not be in excess of 3.0% of the principal amount of the Bonds).

Section 8. Approval of Placement Memorandum. The Placement Memorandum, in the form on file in the Housing Commission offices, is approved. Distribution by the Underwriter of the Placement Memorandum in preliminary form [the Preliminary Placement Memorandum] to prospective investors in the Bonds is approved. The Designated Officers are each authorized, for and on behalf of the Authority, to execute and deliver the Placement Memorandum in such form,

together with such changes as maybe approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, and the execution thereof by a Designated Officer shall constitute conclusive evidence of the approval of all changes from the form of the Placement Memorandum presented to this meeting. The Designated Officers are hereby authorized to execute, for and on behalf of the Authority, certificates to the effect that the Preliminary Placement Memorandum and the Placement Memorandum, as of their respective dates, are deemed final by the Authority for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

Section 9. Actions Ratified and Authorized. All actions heretofore taken by the officers and agents of the Authority with respect to the issuance and sale of the Bonds are approved, confirmed and ratified, and the Designated Officers are each authorized, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements (including one or more investment agreements) and other documents, including but not limited to those described in any of the Documents approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds, the making of the Loan and the repayment of the Notes in accordance with the Act, the Indenture, the Loan Agreement and this Resolution, but which shall not create any obligation or liability of the Authority other than with respect to the revenues, receipts and other moneys and assets pledged or assigned under the Indenture or the Loan Agreement.

Section 10. Further Consents, Approvals and Other Actions. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the Documents or otherwise appropriate in the administration of the Bonds and the lending program financed

thereby, including without limitation any of the foregoing which may be necessary or desirable in connection with any amendment of the Documents, any transfer of the Project, any approval of the property manager for the Project, any substitution of security for the Bonds, or any redemption of the Bonds, may be taken or given by the Chairman, the Vice Chairman or the Executive Director of the Authority without further authorization by the Board of Commissioners, and the Chairman, the Vice Chairman and the Executive Director are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this Resolution and the financing program contemplated by the Documents.

Section 11. Conflicting Resolutions Repealed . All resolutions or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, repealed.

Section 12. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: CASEY GWINN, General Counsel

By: _____
Prescilla Dugard
Deputy General Counsel

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Orig.Dept. SDHC
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