

(HA-86-7)

HOUSING AUTHORITY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. 00382

ADOPTED ON OCTOBER 15, 1985

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$57,500,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FUNDS FOR THE CONSTRUCTION AND PERMANENT FINANCING OF THE COST OF DEVELOPING A MULTIFAMILY RENTAL PROJECT, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, the Housing Authority of The City of San Diego (the "Authority") is authorized pursuant to the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California, (as amended to the date hereof, referred to

herein as the "Law") to issue revenue bonds for the purpose of making loans or otherwise providing funds to finance the development of multifamily rental housing in order to meet a substantial housing need identified in the community; and

WHEREAS, the Authority desires to make a loan (the "Developer Loan") to Nobel Court Partners, a California limited partnership, to finance the construction of a 685-unit multifamily rental housing project (the "Project"), and in order to do so intends to sell and issue not to exceed \$57,500,000 of its Multifamily Housing Revenue Bonds, 1985 Issue (the "Bonds"); and

WHEREAS, the Board of Commissioners of the Authority (the "Board of Commissioners") has now determined to provide funds to assist in the financing of the Project for the purpose of providing housing for low and moderate income persons or families; and

WHEREAS, there have been prepared and presented to the Board of Commissioners for consideration at this meeting the following instruments:

- (1) The form of Indenture of Trust (the "Indenture"), including the form of Bond;
- (2) The form of Loan Agreement;
- (3) The form of Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement);

- (4) The form of Bond Purchase Agreement;
- (5) The form of Official Statement relating to the Bonds;
- (6) The form of Remarketing Agreement;
- (7) The form of Intercreditor Agreement;
- (8) The form of Administration Agreement relating to the

Bonds; and

- (9) The form of Memorandum of Assignment of Deed of Trust;

and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended; and

WHEREAS, Newman & Associates, Inc. and Citibank Capital Markets (collectively, the "Underwriters") have expressed their intention to purchase the Bonds, and the Board of Commissioners finds that the public interest and necessity require that the Authority at this time make arrangements for the sale of the Bonds; and

WHEREAS, pursuant to Section 103(k) of the Internal Revenue Code of 1954, as amended, the City Council has held a public hearing regarding the issuance of the Bonds and has approved the issuance of the Bonds; 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 hereby found and determined that it is necessary and desirable for the Authority to provide the financing for the Project through the issuance and sale of the Bonds in order to assist in the development of dwelling units to be occupied by low and moderate income persons in the community.

Section 2. Authorization of the Bonds. For the purpose of raising moneys with which to make the Developer Loan in order to effectuate the construction and permanent financing of the Project, the Authority hereby determines to issue the Bonds, in a principal amount not to exceed \$57,500,000, with the exact principal amount to be such amount as is set forth in the Bond Purchase Agreement (as hereinafter defined). The Bonds shall bear interest at a rate or rates producing a net interest cost on the Bonds not to exceed twelve percent (12%) per annum and maturing as provided in the Indenture, but not later than 30 years from the date of issue. The Bonds shall be in substantially the form set forth in the Indenture, with such appropriate variations, omissions, insertions and provisions as are permitted or required by the Indenture, which shall be appropriately completed when the Bonds are prepared.

The Bonds shall be limited obligations of the Authority and

shall be payable as to principal, premium, if any, and interest, and the obligations of the Authority under the Indenture shall be paid and satisfied, solely from the revenues, receipts and other moneys 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 or Vice Chairman, 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. To provide for the details of the Bonds, and to prescribe the terms and conditions upon which they are to be issued, secured, executed, authenticated and held and upon which the Developer Loan is to be made and serviced, the Executive Director and the Secretary or a deputy Secretary, or the designee of any such officer (such officer and any of his or her respective designees are hereinafter referred to as the "Designated Officers") are each hereby authorized to execute and deliver the Indenture, a copy of which is on file in the office of the Executive Director as Document No. 00354, in substantially the form presented to this meeting or with such changes as may be approved by the Designated Officers executing the same (including, but not limited to, the

provision of a reserve fund, the designation of letter credit banks other than those set forth in the Indenture and any modifications of the Indenture required in order to obtain a policy of insurance with respect to some or all of the Bonds), upon consultation with the General Counsel to the Authority, their execution thereof to constitute conclusive evidence of their approval of all changes from the form of Indenture presented to this meeting, which form of Indenture is hereby in all respects approved and incorporated by reference and made a part hereof.

Section 5. Approval of Loan Agreement. To provide for the details of the Developer Loan, and the duties and obligations of the Developer, the Designated Officers each are hereby authorized to execute and deliver the Loan Agreement, a copy of which is on file in the office of the Executive Director as Document No. 00355, in substantially the form presented to this meeting or with such changes as may be approved by the Designated Officers executing the same, upon consultation with the General Counsel to the Authority, their execution thereof to constitute conclusive evidence of their approval of all changes from the form of Loan Agreement presented to this meeting, which form of Loan Agreement is hereby in all respects approved and incorporated by reference and made a part hereof.

Section 6. Approval of Regulatory Agreement. To provide for certain conditions and terms of the operation of the Project and the duties and obligations of the Developer, each of the Designated Officers is hereby authorized to execute the Regulatory Agreement, a copy of which is on file in the office of the Executive Director as Document No. 00356, in substantially the form presented to this meeting or with such changes as may be approved by the Designated Officers executing the same, upon consultation with the General Counsel to the Authority, their execution thereof to constitute conclusive evidence of their approval of all changes from the form of Regulatory Agreement presented to this meeting, which form of Regulatory Agreement is hereby in all respects approved and incorporated by reference and made a part hereof.

Section 7. Approval of Bond Purchase Agreement. The form of Bond Purchase Agreement presented to this meeting, a copy of which is on file in the office of the Executive Director as Document No. 00357, is hereby approved in all respects and incorporated herein by reference and made a part hereof, and upon receipt of an executed and completed copy thereof from the Underwriters the Designated Officers are each hereby authorized to execute and deliver to the Underwriters a Bond Purchase Agreement in substantially such form or with such changes as may

be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of their approval of all changes from the form of Bond Purchase Agreement presented to this meeting, which form of Bond Purchase Agreement is in all respects approved and incorporated by reference and made a part hereof.

Section 8. Approval of Official Statement. The form of Preliminary Official Statement presented to this meeting, a copy of which is on file in the office of the Executive Director as Document No. 00358, is hereby in all respects approved and incorporated herein by reference and made a part hereof, and the Underwriters are authorized to distribute the Preliminary Official Statement in connection with the offering of the Bonds, and the Designated Officers are each hereby authorized to execute and deliver a final Official Statement in substantially such form or with such changes therein as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval by such officer of all changes from the form of Preliminary Official Statement presented to this meeting, which form of Preliminary Official Statement is in all respects approved and incorporated by reference and made a part hereof.



Section 9. Approval of Remarketing Agreement. To provide for the details of the remarketing of the Bonds from time to time, the Designated Officers are hereby authorized to execute and deliver the Remarketing Agreement, a copy of which is on file in the office of the Executive Director as Document No. 00359, in substantially the form presented to this meeting or with such changes therein as may be approved by the Designated Officers executing the same, upon consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval by such officers of all changes from the form of Remarketing Agreement presented to this meeting, which form of Remarketing Agreement is in all respects approved and incorporated by reference and made a part hereof.

Section 10. Approval of Intercreditor Agreement. The form of Intercreditor Agreement substantially in the form submitted to this meeting, a copy of which is on file in the office of the Executive Director as Document No. 00360, is hereby approved, and the Designated Officers each are hereby authorized to execute and deliver an Intercreditor Agreement in substantially such form or with such changes therein as may be approved by the Designated Officers executing the same, upon consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval by such officers of all changes from the

form of Intercreditor Agreement presented to this meeting, which form of Intercreditor Agreement is in all respects approved and incorporated by reference and made a part hereof.

Section 11. Approval of Administration Agreement. The form of Administration Agreement by and between the Authority and the San Diego Housing Commission, substantially in the form submitted to this meeting, a copy of which is on file in the office of the Executive Director as Document No. 00361, is hereby approved, and each of the Designated Officers is hereby authorized to execute and deliver an Administration Agreement in substantially such form or with such changes therein as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval by such officer of all changes from the form of Administration Agreement presented to this meeting, which form of Administration Agreement is in all respects approved and incorporated by reference and made a part hereof.

Section 12. Approval of Memorandum of Assignment of Deed of Trust. The form of Memorandum of Assignment of Deed of Trust, a copy of which is on file in the office of the Executive Director as Document No. 00362, is hereby approved, and each of the Designated Officers is hereby authorized to execute and deliver

the Memorandum of Assignment of Deed of Trust in substantially the form presented, with such changes therein as may be approved by the Designated Officer executing the same, upon consultation with the General Counsel to the Authority, such execution to constitute conclusive evidence of the approval by such officer of all changes from the form of Memorandum of Assignment of Deed of Trust presented to this meeting, which form of Memorandum of Assignment of Deed of Trust is in all respects approved and incorporated by reference and made a part hereof.

Section 13. Selection of Trustee. The Executive Director, or his designee, is hereby authorized and directed to select a trustee to serve as Trustee under the Indenture, provided that such Trustee must comply with the qualification requirements set forth in Section 901 of the Indenture. The Trustee so selected is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication and Registration appearing thereon and to deliver the Bonds, when duly executed and authenticated, to the Underwriters, in accordance with written instructions executed on behalf of the Authority by a Designated Officer or a duly authorized representative of the San Diego Housing Commission, which instructions said officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and

deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds in accordance with the Bond Purchase Agreement, upon payment of the purchase price thereof.

Section 14. Actions Ratified and Authorized. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the Designated Officers or any representative of the San Diego Housing Commission duly designated by the Executive Director are hereby authorized and directed, 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 and other documents, including but not limited to those described in the Bond Purchase Agreement, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the making of the Developer Loan in accordance with the Law and this resolution.

Section 15. Feasibility of Very Low Income Tenant Occupancy. Based upon information available to it, the Authority has determined that it is economically feasible to make ten percent of the units available to Very Low Income Tenants as defined in the Regulatory Agreement only to the extent set forth in the Regulatory Agreement.

Section 16. Conflicting Resolutions Repealed. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 17. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining provisions of this resolution.

Section 18. Designation of Officers. The Executive Secretary to the Executive Director of the Housing Authority is hereby designated as a deputy secretary of the Authority. In the event that the Executive Director is unavailable to execute any documents as specified herein, the Executive Secretary may sign in his place.

Section 19. Effective Date. This resolution shall take effect immediately upon its adoption.

APPROVED: John W. Witt, General Counsel

By

Harold O. Valderhaug

Deputy Counsel

HOV:ps:559

10/2/85

Or.Dept:Hsg.Comm.

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