

(HA-90-45)
HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO
RESOLUTION NO. 00507
ADOPTED ON JUNE 26, 1990

A RESOLUTION APPROVING AND AUTHORIZING THE
EXECUTION OF DOCUMENTS, AGREEMENTS AND
ACTIONS RELATING TO THE HOUSING AUTHORITY OF
THE CITY OF SAN DIEGO MULTIFAMILY HOUSING
REVENUE BONDS, 1985 ISSUE M (VISTA COURT
APARTMENTS)

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 has heretofore issued its Multifamily Housing Revenue Bonds, 1985 Issue M, in the principal amount of \$17,100,000 (the "Bonds") pursuant to that certain Indenture of Trust, dated as of June 1, 1985 (the "Original Indenture"), and has applied a portion of the proceeds derived from the sale thereof to make a loan (the "Developer Loan") to Vista Court Ltd., a California limited partnership (the "Developer"), to finance the construction of a 250-unit multifamily rental housing project (the "Project") pursuant to that certain Loan Agreement, dated as of December 1, 1985 (the "Original Loan Agreement"); and

WHEREAS, the Bonds are secured by, and are payable from drawings upon, that certain Irrevocable Standby Letter of Credit issued by First Interstate Bancorp on December 26, 1985, for the account of the Developer (the "Original Letter of Credit"); and

WHEREAS, pursuant to section 602 of the Indenture, the Developer has elected to replace the Original Letter of Credit with a Substitute Letter of Credit (as defined in the Indenture) issued by Bank of Tokyo, Los Angeles Agency (the "Letter of

Credit Issuer"); and

WHEREAS, the Developer and the Letter of Credit Issuer have requested certain amendments to the Indenture, the Bonds, the Loan Agreement and the Developer Loan and have agreed to amend the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of December 1, 1985, (the "Original Regulatory Agreement"), so as to restrict the rents which may be charged for certain of the residential dwelling units within the Project; and

WHEREAS, it appears that the public interest and necessity require that such amendments be approved; and

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

- (1) The form of First Supplemental Indenture of Trust;
- (2) The form of Second Supplemental Indenture of Trust;
- (3) The form of First Amendment to Loan Agreement;
- (4) The form of Second Amendment to Loan Agreement;
- (5) The form of First Amendment to Regulatory Agreement and Declaration of Restrictive Covenants (the "First Amendment to Regulatory Agreement");
- (6) The form of Intercreditor Agreement; and
- (7) The form of Preliminary Secondary Marketing Circular relating to the Bonds; 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; 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 approve the instruments referred to hereinabove.

Section 2. Approval of First Supplemental Indenture of Trust. To provide for the details of the Bonds, as amended, and to prescribe the terms and conditions upon which they are to be secured, executed, authenticated and held and upon which the Developer Loan, as amended, is to be 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 First Supplemental Indenture of Trust, a copy of which is on file in the office of the Executive Director as Document No. 00483, 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 First Supplemental Indenture of Trust presented to this meeting, which form of First Supplemental Indenture of Trust is hereby in all respects approved and incorporated by reference and made a part hereof. Notwithstanding the foregoing, the Designated Officers shall not execute and deliver the First Supplemental Indenture of Trust unless and until Seattle-First National Bank (the "Trustee") acknowledges that it has received the consents of the Letter of Credit Issuer, the owners of the Bonds, and the Developer referred to in the recitals of the First Supplemental Indenture of Trust and unless and until the Authority has received an opinion of Bond Counsel to the effect that the First Supplemental Indenture of Trust complies with the requirements of Article X of the Original Indenture and will not impair the exemption of the interest on the Bonds from federal income taxation and California personal income taxation.

Section 3. Approval of Second Supplemental Indenture of Trust. To further provide for the details of the Bonds, as amended, and to further prescribe the terms and conditions upon which they are to be secured, executed, authenticated and held and upon which the Developer Loan, as amended, is to be serviced, the Designated Officers are each hereby authorized to execute and deliver the Second Supplemental Indenture of Trust, a copy of which is on file in the office of the Executive Director as Document No. 00474, 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 Second Supplemental Indenture of Trust presented to this meeting, which form of Second Supplemental Indenture of Trust is hereby in all respects approved and incorporated by reference and made a part hereof. Notwithstanding the foregoing, the Designated Officers shall not execute and deliver the Second Supplemental Indenture of Trust unless and until Seattle-First National Bank (the "Trustee") acknowledges that it has received the consents of the Letter of Credit Issuer, the owners of the Bonds, and the Developer referred to in the recitals of the Second Supplemental Indenture of Trust and unless and until the Authority has received an opinion of Bond Counsel to the effect that the Second Supplemental Indenture of Trust complies with the requirements of Article X of the Original Indenture and will not impair the exemption of the interest on the Bonds from federal income taxation and California personal income taxation.

Section 4. Execution and Delivery of the Bonds. The Bonds, as amended by the First Supplemental Indenture of Trust and the Second Supplemental Indenture of Trust, 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 5. Approval of First Amendment to Loan Agreement. To provide for the details of the Developer Loan, as amended, and the duties and obligations of the Developer, the Designated Officers each are hereby authorized to execute and deliver the First Amendment to Loan Agreement, a copy of which is on file in the office of the Executive Director as Document No. 00475, 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 First Amendment to Loan Agreement presented to this meeting, which form of First Amendment to Loan Agreement is hereby in all respects approved and incorporated by reference and made a part hereof. Notwithstanding the foregoing, the Designated Officers shall not execute and deliver the First Amendment to Loan Agreement unless and until the Trustee acknowledges receipt of the consent of the Letter of Credit Issuer and the owners of the Bonds referred to in the recitals of the First Amendment to Loan Agreement.

Section 6. Approval of Second Amendment to Loan Agreement. To further provide for the details of the Developer Loan, as amended, and the duties and obligations of the Developer, the Designated Officers each are hereby authorized to execute and deliver the Second Amendment to Loan Agreement, a copy of which is on file in the office of the Executive Director as Document No. 00476, 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 Second Amendment to Loan Agreement presented to this meeting, which form of Second Amendment to Loan Agreement is hereby in all respects approved and incorporated by reference and made a part hereof. Notwithstanding the foregoing, the Designated Officers shall not execute and deliver the Second Amendment to Loan Agreement unless and until the Trustee acknowledges receipt of the consents of the Letter of Credit Issuer and the owners of the Bonds referred to in the recitals of the Second Amendment to Loan Agreement.

Section 7. Approval of First Amendment to 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 First Amendment to Regulatory Agreement, a copy of which is on file in the office of the Executive Director as Document No. 00477, 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 the First Amendment to 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. Notwithstanding the foregoing, the Designated Officers shall not execute and deliver the First Amendment to Regulatory Loan Agreement unless and until the Trustee acknowledges receipt of the consents of the Letter of Credit Issuer and the owners of the Bonds referred to in the recitals of the First Amendment to Regulatory Agreement.

Section 8. Approval of Intercreditor Agreement. The form of Intercreditor Agreement presented to this meeting, a copy of which is on file in the office of the Executive Director as Document No. 00478, 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 Letter of Credit Issuer and the Trustee the Designated Officers are each hereby authorized to execute and deliver to the Letter of Credit Issuer and the Trustee an Intercreditor 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 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 9. Approval of Secondary Market Circular. The form of Preliminary Secondary Market Circular presented to this meeting, a copy of which is on file in the office of the Executive Director as Document No. 00479, is hereby in all respects approved and incorporated herein by reference and made a part hereof and (except for the portions thereof relating to the Developer, the Developer Loan, the Substitute Letter of Credit, the Reimbursement Agreement and the Letter of Credit Issuer, as to which no view is expressed) is deemed final for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule")

other than with respect to information permitted thereby to be omitted; and the Designated Officers are each hereby authorized to certify as to the finality, for purposes of the Rule, of a final Secondary Market Circular (except for the portions thereof referred to hereinabove, as to which no view is expressed) in substantially such form or with such changes therein as may be approved by the Designated Officer certifying the same, upon consultation with the General Counsel to the Authority, such certification to constitute conclusive evidence of the approval by such officer of all changes from the form of Preliminary Secondary Market Circular presented to this meeting, which form of Preliminary Secondary Market Circular is in all respects approved and incorporated by reference and made a part hereof.

Section 10. Actions Ratified and Authorized. All actions heretofore taken by the officers and agents of the Authority with respect to the foregoing 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, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the bonds, as amended, and the making of the Developer Loan, as amended, in accordance with the Law and this resolution.

Section 11. 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 12. 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 13. 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

06/20/90

Or.Dept:Hsg.Comm.

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I HEREBY CERTIFY that the above and
foregoing is a full, true and correct
copy of the RESOLUTION NO. 00507 of the
Housing Authority of The City of San
Diego, California, passed and adopted
by the Authority on June 26, 1990.

Executive Secretary