

(HA-94-21)  
HOUSING AUTHORITY OF  
THE CITY OF SAN DIEGO  
RESOLUTION NO. 00675  
ADOPTED ON JANUARY 18, 1994

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,900,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FUNDS TO REFINANCE THE COST OF DEVELOPING A MULTIFAMILY RENTAL HOUSING PROJECT KNOWN AS PASEO POINT APARTMENTS, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, the Authority is authorized pursuant to Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to finance the development and construction of multifamily rental housing through the issuance of bonds; and

WHEREAS, Sections 53580 through 53589.5 of the Government Code of the State of California (as amended as of the date hereof, referred to herein as the "Local Agency Refunding Bond Law") provides a complete, additional and alternative method for the issuance of refunding bonds by local agencies, including the Authority, for the purposes described therein; and

WHEREAS, pursuant to the Act the Authority previously issued its Multifamily Housing Revenue Bonds, 1985 Issue M (Vista Court Apartments) (as modified as described below, the "1985 Bonds") for the purpose of making a loan (the "1985 Loan") to Vista Court Ltd., a California limited partnership (the "Owner") to enable the Owner to finance the construction of a multifamily residential development located within the City of San Diego and commonly known as Paseo Point Apartments (the "Project"), to be occupied partially (at least 20 percent) by persons of low or moderate income within the meaning of Section 103(b)(12)(C) of the Internal Revenue Code of 1954, as amended, all for the public purpose of assisting persons of low and moderate income within the Authority and surrounding areas to obtain decent, safe and sanitary housing; and

WHEREAS, on September 19, 1990, the Authority entered into certain arrangements resulting in the modification of the terms of the 1985 Bonds and the indenture and loan agreement securing the 1985 Bonds; and

WHEREAS, payment of the 1985 Bonds is secured by a letter of credit (the "1990 Letter of Credit") issued by The Bank of Tokyo, Ltd., Los Angeles Agency (the "Bank") pursuant to that certain Reimbursement Agreement, dated as of September 1, 1990, between the Bank and the Owner (the "1990 Reimbursement Agreement"); and

WHEREAS, the 1985 Bonds are subject to redemption upon receipt by the trustee for the 1985 Bonds (the "1985 Bond Trustee") of a written notice from the Bank that an event of default has occurred under the 1990 Reimbursement Agreement and requesting that the 1985 Bonds be redeemed at the earliest opportunity; and

WHEREAS, at the request of the Owner, but subject to certain conditions established by the Authority, the Authority has determined to issue its Variable Rate Multifamily Housing Revenue Demand Refunding Bonds (Paseo Point Apartments), 1994 Issue A (the "Bonds") pursuant to the Local Agency Refunding Bond Law to make to the Owner a lower interest rate variable rate loan (the "Loan") to provide the moneys with which to reimburse the Bank for the draw on the 1990 Letter of Credit that will be used to pay the redemption price of the 1985 Bonds; 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, including the form of Bond;
- (2) The form of Loan Agreement;
- (3) The form of Second Amendment to Regulatory Agreement and Declaration of Restrictive Covenants (the "Amendment to Regulatory Agreement");
- (4) The form of Bond Purchase Agreement;
- (5) The form of Preliminary Official Statement relating to the Bonds;
- (6) The form of Administration Agreement relating to the Bonds;
- (7) The form of Intercreditor Agreement;
- (8) The form of Escrow Agreement;
- (9) The form of First Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (the "First 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, PaineWebber Incorporated, as representative for the underwriters (the "Underwriters"), has expressed its 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; 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 refinancing for the Project through the issuance and sale of the Bonds pursuant to the Local Agency Refunding Bond Law in order to assist in the maintenance and development of the type of dwelling units being provided by the Project.

Section 2. Authorization of the Bonds. For the purpose of raising moneys with which to refinance the 1985 Loan in order to facilitate the permanent financing of the project, the Authority hereby determines to issue the Bonds, in a principal amount not to exceed \$14,900,000, said principal amount to be such amount as is necessary to provide funds to refinance the 1985 Loan. The Bonds shall bear interest initially at a variable rate as provided in the Indenture, convertible as provided in the Indenture to one or more reset rates or fixed rates, not to exceed twelve percent (12%) per annum, unless such maximum is raised as provided in the Indenture. 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 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 Loan is to be originated and serviced, the Chairman, the Vice Chairman, the Executive Director, City Manager of the City and the Secretary or a deputy Secretary of the Authority, 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, by and between the Authority and Seattle-First National Bank, as trustee (the "Trustee"), a copy of which is on file in the office of the Executive Director as Document No. 00558, in substantially the form presented to this meeting 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 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 Loan, and the duties and obligations of the Owner, the Designated Officers are each hereby authorized to execute and deliver the Loan Agreement, by and among the Authority, the Trustee and the Owner, a copy of which is on file in the office of the Executive Director as Document No. 00559, in substantially the form presented to this meeting 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 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 Amendment to Regulatory Agreement. To further the public purposes of the Authority, the Designated Officers are each hereby authorized to execute the Amendment to Regulatory Agreement, by and among the Authority, the 1985 Trustee, the Trustee and the Owner, a copy of the form of which is on file in the office of the Executive Director as Document No. 00560, in substantially the form presented to this meeting 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 thereof to constitute conclusive evidence of their approval of all changes from the form of 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.

Section 7. Approval of Bond Purchase Agreement. The form of Bond Purchase Agreement by and among the Authority, the Owner and the Underwriters, 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. 00561, is hereby approved in all respects and incorporated herein by reference and made a part hereof, and 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 thereof 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 Preliminary Official Statement. The form of Preliminary Official Statement relating to the Bonds, substantially in the form presented to this meeting, a copy of which is on file in the

office of the Executive Director as Document No. 00562, is hereby approved in all respects and incorporated herein by reference and made a part hereof, and the Board of Commissioners hereby ratifies and approves distribution of the Preliminary Official Statement to prospective purchasers of the Bonds. The Designated Officers are each hereby authorized to execute and deliver, at the time of sale of the Bonds, said form of Preliminary Official Statement as the final Official Statement, 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 thereof to constitute conclusive evidence of the approval by such officer of all changes from the form of Official Statement presented to this meeting, which form of Official Statement is in all respects approved and incorporated by reference and made a part hereof.

Section 9. 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. 00563, is hereby approved, and the Designated Officers are each 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 thereof 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 10. Approval of Intercreditor Agreement. The form of Intercreditor Agreement by and among the Trustee, the Authority and Union Bank, to provide for certain details with respect to the Loan and the Letter of Credit to be issued with respect to the Bonds, substantially in the form submitted to this meeting, a copy of which Intercreditor Agreement is on file in the office of the Executive Director as Document No. 00564, is hereby in all respects approved and incorporated herein by reference and made a part hereof, and the Designated Officers are each hereby authorized to execute and deliver in substantially the form presented to this meeting 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 thereof 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 11. Approval of Escrow Agreement. The form of Escrow Agreement, by and among the Authority, the 1985 Bond Trustee and the

Bank, 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. 00565, is hereby approved, and the Designated Officers are each hereby authorized to execute and deliver an Escrow 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 the approval by such officer of all changes from the form of Escrow Agreement presented to this meeting, which form of Escrow Agreement is in all respects approved and incorporated by reference and made a part hereof.

Section 12. Approval of First Deed of Trust. The form of First Deed of Trust, to be executed by the Owner in favor of the Trustee, 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. 00566, is hereby approved, and the Designated Officers are each hereby authorized to cause the Trustee to accept the First Deed of Trust in substantially such form or with such changes therein as may be approved by such Designated Officer, upon consultation with the General Counsel to the Authority, such acceptance to constitute conclusive evidence of the approval by such officer of all changes from the form of First Deed of Trust presented to this meeting, which form of First Deed of Trust is in all respects approved and incorporated by reference and made a part hereof.

Section 13. 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 are each hereby 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 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 Loan in accordance with the Act, the Local Agency Refunding Bond Law and this resolution.

Section 14. Additional Authority of Designated Officers. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under such documents, any transfer or other disposition of the Development, any substitution of credit enhancement for the Bonds or any redemption of the Bonds, may be given or taken by the Designated Officers without further authorization by the Authority. The Designated Officers are hereby authorized and directed to give any such consent, approval,

notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this resolution and the financing of the Development. The Designated Officers are hereby further authorized on behalf of the Authority to execute and deliver, or consent to, supplements or amendments to any of the documents authorized by this resolution without further authorization by the Authority; provided that any such supplements or amendments do not substantially alter such documents from the forms approved by this resolution.

Section 15. Conflicting Resolutions Repealed. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 16. 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 17. Effective Date. This resolution shall take effect immediately upon its adoption.

APPROVED: JOHN W. WITT, General Counsel

By Harold O. Valderhaug

Chief Deputy Counsel

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Or.Dept:Hsg.Comm.

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