

ORDINANCE NUMBER O- **16254** (New Series)

Adopted on **JUL 30 1984**

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$4,725,000 FOR THE PURPOSE OF MAKING A PROJECT LOAN TO PROVIDE FUNDS FOR THE CONSTRUCTION AND PERMANENT FINANCING OF THE COST OF DEVELOPING A MULTIFAMILY RENTAL HOUSING PROJECT, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, by Ordinance No. O-15746 (New Series), adopted on May 3, 1982, the City Council of The City of San Diego (the "City Council") has adopted The City of San Diego Multifamily Residential Mortgage Revenue Bond Law (as amended to the date hereof, referred to herein as the "Law") in order to establish a procedure for the authorization, issuance and sale of multifamily mortgage revenue bonds by The City of San Diego (the "City") for the purpose of making loans or otherwise providing funds to finance the development of affordable multifamily rental housing in order to meet a substantial housing need identified in the community; and

WHEREAS, Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act") provides authority for the issuance and sale of multifamily mortgage revenue bonds by the City, and constitutes a complete alternative method for the issuance and sale of such bonds; and

WHEREAS, the City desires to engage in a program (the "Program") of financing the development of a multifamily rental housing development (the "Project") and in order to do so,

pursuant to the Law and the Act, intends to sell and issue not to exceed \$4,725,000 principal amount of its Multifamily Mortgage Revenue Bonds, 1984 Issue E (Riverview Apartments Project) (the "Bonds"); and

WHEREAS, the City Council has now determined to provide financing for 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 City Council 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 Regulatory Agreement;
- (4) The form of Intercreditor Agreement;
- (5) The form of Bond Purchase Agreement;
- (6) The form of Official Statement relating to the Bonds; and
- (7) The form of Administration Agreement relating to the Program; 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, Security Pacific Capital Markets Group and Newman and Associates, Inc. (the "Underwriters") have expressed their intention to purchase the Bonds, and the City Council finds that the public interest and necessity require that the City 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, this City Council has held a public hearing regarding the issuance of the Bonds and now desires to authorize the issuance of the Bonds; NOW, THEREFORE,

BE IT ORDAINED, by the Council 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 City to provide the financing for the Project through the issuance and sale of the Bonds in order to assist in the development of the type of dwelling units to be provided by the Project.

It is hereby further found and determined that it is not feasible to require any of the dwelling units in the Project to be held for occupancy on a priority basis by individuals and families whose adjusted gross income does not exceed 50 percent of the median adjusted gross income for the City, as median adjusted gross income may from time to time be determined pursuant to Section 8 of the United States Housing Act of 1937.

Section 2. Authorization of the Bonds. For the purpose of raising moneys with which to effectuate the construction and permanent financing of the Project, the City hereby determines to issue the Bonds, in a principal amount not to exceed \$4,725,000, said principal amount to be such amount as is necessary to make a loan (the "Project Loan") for the Project. The Bonds shall bear interest at a rate of interest producing a net interest cost not to exceed twelve percent (12%) per annum, and shall mature 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 City and shall be payable as to principal and interest, and the obligations of the City 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 City by the manual or facsimile signature of the Mayor or Deputy Mayor, and the official seal of the City, or a facsimile thereof, shall be impressed or imprinted thereon and attested with the manual or facsimile signature of the City Clerk.

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 Project Loan is to be made and serviced, the City Manager or a deputy City Manager and the City Clerk or a deputy City Clerk are hereby authorized to execute and deliver the Indenture, a copy of which is on file in the office of the City Clerk as Document No. 00-16254-1 in substantially the form presented to this meeting or with such changes as may be approved by the officers of the City executing the same, upon consultation with the City Attorney, 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 making of the Project Loan, the City Manager or a deputy City Manager and the City Clerk or a deputy City Clerk are hereby authorized to execute and deliver the Loan Agreement, a copy of which is on file in the office of the City Clerk as Document No. 00-16254-2, in substantially the form presented to this meeting or with such changes as may be approved by the officers of the City executing the same, upon consultation with the City Attorney, 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 duties and obligations of the developer of the Project relating to the requirements for the tax-exempt status of interest on the Bonds, the City Manager or a deputy City Manager and the City Clerk or a deputy City Clerk are hereby authorized to execute the Regulatory Agreement, a copy of which is on file in the office of the City Clerk as Document No. 00-16254-2, in substantially the form presented to this meeting or with such changes as may be approved by the officers of the City executing the same, upon consultation with the City Attorney, 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 in all respects approved and incorporated by reference and made a part hereof.

Section 7. Approval of Intercreditor Agreement. To provide for certain details relating to the Project Loan, the City Manager or a deputy City Manager and the City Clerk or a deputy City Clerk are hereby authorized to execute and deliver the Intercreditor Agreement, a copy of which is on file in the office of the City Clerk as Document No 10-16254-4 in substantially the form presented to this meeting or with such changes as may be approved by the officers of the City executing the same, upon consultation with the City Attorney, their 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 hereby in all respects approved and incorporated by reference and made a part hereof.

Section 8. 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 City Clerk as Document No. 10-16254-5 is hereby approved in all respects and incorporated herein by reference and made a part hereof, and the City Manager or a deputy City Manager is 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 officer of the City executing the same, upon consultation with the City Attorney, such execution to constitute conclusive evidence of the approval by such officer

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 9. Approval of Official Statement. The form of Official Statement presented to this meeting, a copy of which is on file with the City Clerk as Document No. 00-16254-6, is hereby in all respects approved and incorporated herein by reference and made a part hereof, and the City Manager or a deputy City Manager of the City is hereby authorized to execute and deliver an Official Statement in substantially such form or with such changes therein as may be approved by the officer of the City executing the same, upon consultation with the City Attorney, such execution 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 10. Approval of Administration Agreement. The form of Administration Agreement by and between the City 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 City Clerk as Document No. 00-16254-7 is hereby approved, and the City Manager or a deputy City Manager 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 officer of the City executing the same, upon consultation with the City Attorney, 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 11. Developers. Marvin Zigman and Bebe Zigman, both individuals, are hereby approved as the developers of the Project.

Section 12. Actions Ratified and Authorized. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, 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 Project Loan in accordance with the Law and the Act, and this ordinance.

Section 13. Conflicting Resolutions Repealed. All ordinances and resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 14. Severability. If any section, paragraph or provision of this ordinance 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 ordinance.

Section 15. Approval by Applicable Elected Representative.

It is the purpose and intent of this City Council that this ordinance constitute approval of the Bonds by the applicable elected representative in accordance with Section 103(k) of the Internal Revenue Code of 1954, as amended.

Section 16. Publication of Notice. The City Clerk is hereby authorized and directed to cause a digest or a copy of this ordinance to be published at least once in "The San Diego Daily Transcript" within fifteen (15) days after the adoption of this ordinance pursuant to Section 18 of the City Charter.

Section 17. Effective Date. This ordinance shall take effect on the thirtieth day after its adoption.

APPROVED: John W. Witt, City Attorney

By



Harold O. Valderhaug
Deputy City Attorney

HOV:ps:559
7/5/84
Rev. 7/11/84
Or.Dept:Hsg.Comm.
Form=0.none

JUL 30 1984

Passed and adopted by the Council of The City of San Diego on _____,
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uvaldo Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Roger Hedgecock	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

ROGER HEDGECOCK

Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

(Seal)

By *Marjorie L. Anderson*, Deputy.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

JUL 16 1984

JUL 30 1984

~~I FURTHER CERTIFY that said ordinance was read in full prior to its final passage.~~

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less than a majority of the members elected to the Council, and that there was available for the consideration of each member of the Council and the public prior to the day of its passage a written or printed copy of said ordinance.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

(Seal)

By *Marjorie L. Anderson*, Deputy.

Office of the City Clerk, San Diego, California

Ordinance
Number

0-16254

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