

(O-86-59)

ORDINANCE NUMBER O- 16528 (New Series)

ADOPTED ON OCT 28 1985

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$57,500,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FUNDS TO PROVIDE THE INTERIM AND PERMANENT FINANCING OF THE COST OF DEVELOPING A MULTIFAMILY RENTAL HOUSING PROJECT OF APPROXIMATELY 685 UNITS TO BE LOCATED IN THE AREA OF NOBEL COURT AND LEBON DRIVE, 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 Multi-family 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, the City desires to make a loan (the "Developer Loan") to Nobel Court Partners, a California limited partnership (the "Developer"), to finance the construction of a 685-unit multifamily rental housing development (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  
\_ (Nobel Court Apartments) (the "Bonds"); and

WHEREAS, the City Council has now determined to make the  
Developer Loan to provide funds to assist in the financing of the  
Development 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 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 referred to above, which is 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 and Associates, Inc., Citibank Capital Markets (collectively, 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 of the Development 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 Development, the City 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. 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 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 or of any deputy thereof.

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 City Manager or an Assistant or 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.

00-16528, 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 (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 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 Developer Loan, and the duties and obligations of the Developer, the City Manager or an Assistant or 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. 00-16528-2, 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 conditions and terms of the operation of the Project and obligations of the Developer, the City Manager or an Assistant or 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. 00-16528-3, 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 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 City Clerk as Document No. 00-16528-4, 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 and such reports with respect thereto as may be required by law, and the City Manager or an Assistant or deputy City Manager is hereby authorized to execute and deliver to the Underwriter 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; provided, however, that the purchase price of the Bonds shall not be less than 97 percent of the principal amount thereof.

Section 8. Approval of Official Statement. The form of Preliminary Official Statement presented to this meeting, a copy of which is on file with the City Clerk as Document No.

00-16528-5, 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 City Manager or an Assistant or deputy City Manager of the City is 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 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 Preliminary Official Statement presented to this meeting.

Section 9. Approval of Remarketing Agreement. To provide for the details of the remarketing of the Bonds from time to time, the City Manager or an Assistant or deputy City Manager and the City Clerk or a deputy City Clerk are hereby authorized to execute and deliver the Remarketing Agreement, a copy of which is on file in the office of the City Clerk as Document No.

00-16528-6, in substantially the form presented to this meeting or with such changes therein as may be approved by the officers of the City executing the same, upon consultation with the City Attorney, 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. To provide for the details of the relationship among various of the creditors of the Developer, the City Manager or an Assistant or 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. 00-16528-7, in substantially the form presented to this meeting or with such changes therein as may be approved by the officers of the City executing the same, upon consultation with the City Attorney, 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. To provide for the details of monitoring the Developer's compliance with the Regulatory Agreement, the City Manager or an Assistant or deputy City Manager is hereby authorized to execute and deliver the Administration Agreement, a copy of which is on file in the office of the City Clerk as Document No. 00-16528-8, in substantially the form presented at this meeting 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 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 City Clerk as Document No. 00-16528-9, is hereby approved, and the City Manager or an Assistant or deputy City Manager 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 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 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. Notwithstanding the designation of a trustee in the forms of documents referred to hereinabove, the City Manager or an Assistant or deputy City Manager 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 City by the City Manager, an Assistant or deputy City Manager 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 City, 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 City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the officers of the City or any representative of the San Diego Housing Commission duly designated by the City Manager or an Assistant or deputy City Manager 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 Developer Loan in accordance with the Law, the Act and this ordinance.

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


Section 16. 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 17. Ordinance Constitutes Approval. 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 18. 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 19. 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  
10/2/85  
Or.Dept:Hsg.Comm.  
0-86-59  
Form=o.hsg

OCT 28 1985

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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struikama	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District 7	<input 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"/>

VACANT

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. Porterson*, 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

OCT 15 1985

OCT 28 1985

~~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. Porterson*, Deputy.

Office of the City Clerk, San Diego, California

Ordinance 0-16528 OCT 28 1985  
Number ..... Adopted .....

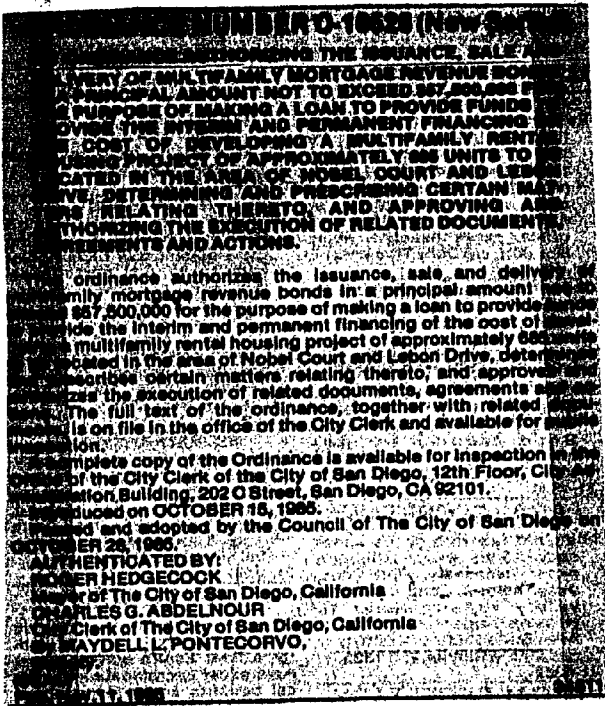
CERTIFICATE OF PUBLICATION

CITY OF SAN DIEGO  
OFFICE OF THE CITY CLERK  
202 "C" STREET  
12TH FLOOR  
SAN DIEGO, CA 92101

IN THE MATTER OF

NO.

BOND ISSUE



I, Gerald F. Blair, am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the San Diego Daily Transcript, a newspaper of general circulation, printed and published daily, except Saturdays and Sundays, in the City of San Diego, County of San Diego, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Diego, State of California, under the date of January 23, 1909, Decree No. 14894; and the

ORDINANCE NUMBER O-16528 (NEW SERIES)

is a true and correct copy of which the annexed is a printed copy and was published in said newspaper on the following date(s), to wit:

November 11, 1985

I certify under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California this 11th day of Nov., 19 85.

Gerald F. Blair  
(Signature)

$$3\frac{1}{2} \times 2 \times 9.76 = 68.32$$

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