

(0-90-75)

ORDINANCE NUMBER 0- 17386 (New Series)

ADOPTED ON NOV 13 1989

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$32,000,000 FOR THE PURPOSE OF MAKING A MORTGAGE LOAN TO PROVIDE FUNDS TO PROVIDE FUNDS TO REFINANCE THE COST OF DEVELOPING AN APPROXIMATELY 368-UNIT MULTIFAMILY RENTAL PROJECT KNOWN AS CORAL POINT AND LOCATED IN THE AREA OF NOBEL DRIVE AND REGENTS ROAD, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, by Ordinance No. 0-15746 (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 (as amended to the date hereof, referred to herein as the "Multifamily Bond Act") provides a complete, additional and alternative method for the issuance of multifamily mortgage revenue bonds (including

refunding bonds) for the purpose of making loans or otherwise providing funds to finance the development of multifamily rental housing; and

WHEREAS, Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (as amended to the date hereof, referred to herein as the "Refunding Bond Act") authorizes local agencies to incur indebtedness for the purpose of refunding any revenue bonds of the local agency and provides a complete, additional and alternative method for doing the things authorized thereby; and

WHEREAS, pursuant to the Law, and the Multifamily Bond Act, the City previously issued its Multifamily Mortgage Revenue Bonds (Coral Point Apartments Project), 1985 Issue D (the "Prior Bonds"), for the purposes described in the Indenture dated as of April 15, 1985 (the "Prior Indenture") between the City and Bankers Trust Company of California, National Association, as successor to the original trustee thereunder (the "Prior Trustee"), and the Loan Agreement dated as of April 15, 1985 (the "Prior Loan Agreement") between the City and Lincoln La Jolla Coral Pointe, a California limited partnership (the "Developer"); and

WHEREAS, Continental Casualty Company, an Illinois insurance company (the "Surety"), as Credit Instrument Obligor under the Prior Indenture, has determined that an event of default has occurred and is continuing under the Reimbursement Agreement dated as of April 15, 1985, between the Developer and the Surety; and

WHEREAS, to work out such defaults and thereby to avoid foreclosure of its interest in the project financed by the Prior Bonds (the "Project") and thereby to preserve the purpose for which the Prior Bonds were issued, the Developer has requested that the City issue not to exceed \$32,000,000 of refunding bonds (the "Bonds"), the proceeds of which will be used, together with other available moneys, to refund all outstanding Prior Bonds; 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 Amendment No., 1 to Regulatory Agreement;
- (4) The form of Intercreditor Agreement;
- (5) The form of Bond Purchase Contract;
- (6) The form of Preliminary Official Statement relating to the Bonds; and
- (7) The form of Administration Agreement relating to the Bonds;
- (8) The form of Deed of Trust, Security Agreement and Assignment of Rents;
- (9) The form of Refunding Trust Agreement; 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 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 147(f) of the Internal Revenue Code of 1986 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 refinancing for the Project through the issuance and sale of the Bonds in order to assist in the development and maintenance of the type of dwelling units to be provided by the Project.

Section 2. Authorization of the Bonds. For the purpose of raising moneys with which to effectuate the refinancing of the Project, the City hereby determines to issue the Bonds, in a principal amount not to exceed \$32,000,000, said principal amount to be such amount as is necessary, together with other available moneys, to refund all outstanding Prior Bonds. The Bonds shall bear interest at a rate of interest producing an initial interest rate on the Bonds not to exceed eight percent (8%) per annum, maturing as provided in the Indenture, but not later than 25 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, 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. 00-17386-1, 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 loan financed by the Bonds (the "Loan"), and the duties and obligations of the Developer, 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. 00-17386-2, 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 Amendment No. 1 to Regulatory Agreement. To evidence the requirements of the Act, the Multifamily Bond Law and the Refunding Bond Law with respect to the 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 Amendment No. 1 to Regulatory Agreement, a copy of which is on file in the office of the City Clerk as Document No. 00-17386-3, 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 Amendment No. 1 to Regulatory Agreement presented to this meeting, which form of Amendment No. 1 to Regulatory Agreement is hereby in all respects approved and incorporated by reference and made a part hereof.

Section 7. Approval of Intercreditor Agreement. To provide for certain details with respect to the Loan and the Surety, 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. 00-17386-4 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 Contract presented to this meeting, a copy of which is on file in the office of the City Clerk as Document No. 00-17386-5, 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 Contract 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 Contract presented to this meeting, which form of Bond Purchase Contract is in all respects approved and incorporated by reference and made a part hereof.

Section 9. Approval of Preliminary Official Statement and Official Statement. The form of Preliminary Official Statement relating to the Bonds, in substantially the form presented to this meeting, a copy of which is on file with the City Clerk as Document No. 00-17386-6, is hereby in all respects approved and incorporated herein by reference and made a part hereof, and the City Council hereby ratifies and approves distribution of the Preliminary Official Statement to prospective purchasers of the Bonds. The City Manager or a deputy City Manager of the City is 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, 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. 00-17386-7, 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 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. Approval of Deed of Trust. The City Manager or a deputy City Manager and the City Clerk or a deputy City Clerk are hereby authorized to execute an acceptance of the Deed of Trust, Security Agreement and Assignment of Rents, a copy of which is on file in the office of the City Clerk as Document No. 00-17386-8, 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 Deed of Trust, Security Agreement and Assignment of Rents presented to this meeting, which form of Deed of Trust, Security Agreement and Assignment of Rents is hereby in all respects approved and incorporated by reference and made a part hereof.

Section 12. Approval of Refunding Trust Agreement. The form of Refunding Trust Agreement by and between the City, the trustee for the Prior Bonds, the trustee for the Bonds and the Surety, 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. 00-17386-9, 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 a Refunding Trust 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 Refunding Trust Agreement presented to this meeting, which form of Refunding Trust Agreement 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 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 Contract, 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 Law, the Multifamily Bond Act, the Refunding Bond Act and this ordinance.

Section 14. Conflicting Resolutions Repealed. All ordinances and resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

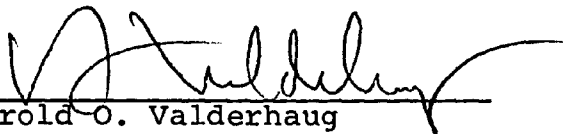
Section 15. Severability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining provisions of this ordinance.

Section 16. 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 147(f) of the Internal Revenue Code of 1986.

Section 17. 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 18. 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  
10/16/89  
Or.Dept:Hsg.Comm.  
O-90-75  
Form=o.hsg

#50

NOV 13 1989

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

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<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"/>
H. Wes Pratt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

MAUREEN O'CONNOR  
Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR  
City Clerk of The City of San Diego, California.

(Seal)

By *Shonda R. Barnes*, 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

NOV 3 01989, and on NOV 13 1989

~~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 *Shonda R. Barnes*, Deputy.

Office of the City Clerk, San Diego, California

Ordinance Number 17386 Adopted NOV 13 1989

APR 18 PM 3:32

LOS ANGELES, CA

TO: SAC, LOS ANGELES

FROM: SAC, SAN FRANCISCO (44-1111) (P)

RE: [Illegible]

[Illegible]

[Illegible]

44-1111-1111

44-1111-1111

Mr. Tolson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Boardman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Nichols	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Belmont	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. DeLoach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Mohr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Bishop	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Casper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Callahan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Conrad	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Felt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Gale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Rosen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Sullivan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Tavel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. Trotter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tele. Room	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Miss Holmes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Miss Gandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Very truly yours,  
[Illegible Signature]

RECEIVED  
 CLERK'S OFFICE  
 89 DEC -1 AM 11:35  
 SAN DIEGO, CALIF

OFFICE OF THE CITY CLERK  
 CITY ADM. BLDG., 2ND FLOOR  
 SAN DIEGO, CA 92101

IN THE MATTER OF  
 AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE  
 AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE BONDS IN  
 A PRINCIPAL AMOUNT NOT TO EXCEED \$32,000,000 FOR THE  
 PURPOSE OF MAKING A MORTGAGE LOAN ET AL. . .

NO.

**ORDINANCE NUMBER 0-17386 (New Series)**  
 AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY MORTGAGE REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$32,000,000 FOR THE PURPOSE OF MAKING A MORTGAGE LOAN TO PROVIDE FUNDS TO REFINANCE THE COST OF DEVELOPING AN APPROXIMATELY 368-UNIT MULTIFAMILY RENTAL PROJECT KNOWN AS CORAL POINT AND LOCATED IN THE AREA OF NOBEL DRIVE AND REGENTS ROAD, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

This ordinance authorizes the issuance, sale and delivery of multifamily mortgage revenue bonds in a principal amount not to exceed \$32,000,000 for the purpose of making a mortgage loan to provide funds to refinance the cost of developing an approximately 368-unit multifamily rental project known as Coral Point and located in the area of Nobel Drive and Regents Road, determines and prescribes certain matters relating thereto, and approves and authorizes the execution of related documents, agreements and actions.

Copies of the ordinance together with all related documents are on file in the office of the City Clerk and available for public inspection.

A complete copy of the Ordinance is available for inspection in the Office of the City Clerk of the City of San Diego, 2nd Floor, City Administration Building, 202 "C" Street, San Diego, CA 92101.

INTRODUCED ON Oct 30 1989  
 Passed and Adopted by the Council of The City of San Diego on Nov 13 1989  
 AUTHENTICATED BY: MAUREEN O'CONNOR  
 Mayor of The City of San Diego, CA  
 CHARLES G. ABDELNOUR  
 City Clerk of The City of San Diego, CA  
 (SEAL)  
 By RHONDA R. BARNES, Deputy.  
 Pub. Nov. 28

184597

THOMAS D. KELLEHER

I, \_\_\_\_\_, 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

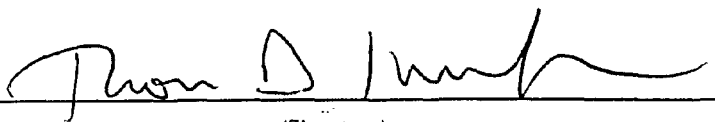
ORDINANCE NUMBER 0-17386 (New Series)

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:

NOV. 28

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

Dated at San Diego, California this 28 day of NOV., 1989

  
 \_\_\_\_\_  
 (Signature)

3 1/2 x 2 = 79.92