

(R-95-1321)  
Corrected 03/16/95

RESOLUTION NUMBER R- 285510

ADOPTED ON MAR 21 1995

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN DIEGO APPROVING THE REFINANCING OF A  
MULTIFAMILY HOUSING PROJECT BY THE HOUSING  
AUTHORITY OF THE CITY OF SAN DIEGO

WHEREAS, Article 11 of Chapter 3 of Part 1 of Division 2 of  
Title 5 of the Government Code of the State of California,  
commencing with Section 53580 (the "Act"), authorizes local  
agencies to incur indebtedness for the purpose of refunding any  
revenue bonds of the local agency, and the Act provides a  
complete, additional and alternative method for such financing;  
and

WHEREAS, the Housing Authority of The City of San Diego (the  
"Authority") previously issued its \$14,320,000 Housing Authority  
of The City of San Diego Multifamily Housing Revenue Bonds, 1985  
Issue H (Fannie Mae Program - Hillside Projects) (the "1985  
Bonds") and loaned the proceeds thereof to Hillside 104  
("Hillside 104"), a California limited partnership, and Hillside  
276 ("Hillside 276"), a California limited partnership  
(collectively, the "Original Owner") for the purpose of financing  
the construction and development of a multifamily rental housing  
development commonly known as Hillside Gardens Apartments,  
including the rehabilitation of 300 existing units and the  
construction of 80 new units (the "Project"), located at 5802  
University Avenue in the City of San Diego (the "City"); and

WHEREAS, as a consequence of a default by the Original Owner on the mortgage loans with respect to the Project, the 1985 Bonds will be paid in full with the proceeds of a new mortgage loan to be made by Arcs Mortgage, Inc. (the "Lender") to Hillside 380, a California general partnership, the successor in interest to the Original Owner (the "Owner"); and

WHEREAS, the Owner has requested that the Authority issue and sell the Bonds (hereinafter defined) to provide funds for the new mortgage loan to be made to the Owner by the Lender and thereby refinance the Project; and

WHEREAS, the Bonds will be considered to be "private activity bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and Section 147(f) of the Code requires that the "applicable elected representatives" approve the issuance of the Bonds following a public hearing for which reasonable public notice was given; and

WHEREAS, the City Council is composed of the "applicable elected representatives" authorized to approve the issuance of the Bonds; and

WHEREAS, a notice of public hearing with respect to issuance of the Bonds was published in a newspaper of general circulation in the City; and

WHEREAS, on March 21, 1995, a public hearing was held before the Housing Authority with respect to the Bonds and the opportunity was provided for interested parties to present arguments for and against the Bonds; and

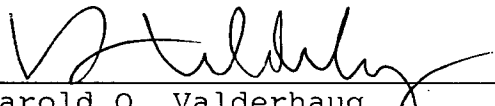
WHEREAS, pursuant to the public hearing and the Act, the Authority adopted a resolution finding and declaring that it is necessary, essential and a public purpose for the Authority to refund the 1985 Bonds, and approved the issuance of revenue refunding bonds designated as "Housing Authority of The City of San Diego, Multifamily Housing Revenue Refunding Bonds (Hillside Gardens Apartments), 1995 Issue A" (the "Bonds") for that purpose; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

1. The City Council hereby finds and determines that the foregoing recitals are true and correct.
2. The City Council hereby ratifies the holding of the public hearing by the Authority.
3. The City Council hereby approves the issuance of the Bonds and the refinancing of the Project by the Authority under the Act.
4. This resolution shall take effect immediately.

APPROVED: JOHN W. WITT, City Attorney

By

  
Harold O. Valderhaug  
Chief Deputy City Attorney

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03/09/95  
03/16/95 COR.COPY  
Or.Dept:Hsg.Comm.  
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