

RESOLUTION NO. 89-07

RESOLUTION OF THE CALIFORNIA HOUSING  
FINANCE AGENCY AUTHORIZING THE ISSUANCE  
OF THE AGENCY'S BONDS FOR THE  
PURPOSE OF FINANCING MULTIFAMILY HOUSING

WHEREAS, the California Housing Finance Agency (the "Agency") has determined that there exists a need in California for the financing of mortgage loans for multi-unit rental housing developments (the "Developments") for the purpose of providing housing for persons and families of low or moderate income;

WHEREAS, the Agency has determined that it is in the public interest for the Agency to provide such financial assistance by means of an ongoing program (the "Program") to make mortgage loans for the purpose of financing such Developments (the "Loans");

WHEREAS, pursuant to Parts 1 through 4 of Division 31 of the Health and Safety Code of the State of California (the "Act"), the Agency has the authority to issue bonds to provide sufficient funds to finance the Program, including the making of Loans, the payment of capitalized interest on the bonds, the establishment of reserves to secure the bonds, and the payment of other costs of the Agency incident to, and necessary or convenient to, the issuance of the bonds; and

WHEREAS, the Housing Bond Credit Committee, pursuant to the Act, is required to determine the general adequacy of the Program's security in protecting the credit of the State of California;

NOW, THEREFORE, BE IT RESOLVED, by the California Housing Finance Agency as follows:

Section 1. The Agency is of the opinion and hereby determines that the offer, sale and issuance of one or more issues of multifamily housing revenue bonds (the "Bonds"), in an aggregate amount, together with any bonds issued pursuant to Resolution No. 89-02, not to exceed the sum of (i) the aggregate amount of private activity bond allocations under federal tax law heretofore or hereafter made available to the Agency for such purpose, (ii) if and to the extent the bonds are "qualified 501(c)(3) bonds" under federal tax law, \$100,000,000, (iii) if and to the extent the bonds are not "private activity bonds" under federal tax law, \$100,000,000, and (iv) if and to the extent interest on the bonds is

determined by the Executive Director of the Agency (the "Executive Director") to be intended not to be excludable from gross income for federal income tax purposes, \$100,000,000, is necessary to provide sufficient funds for the Program. The proper officers of the Agency are hereby authorized to apply from time to time for private activity bond allocations in an aggregate amount (in addition to the amount authorized by Resolution No. 89-02) of up to \$100,000,000 from the 1989 state ceiling, to be used in connection with bonds issued under this resolution or resolutions heretofore or hereafter adopted by the Agency.

Section 2. Pursuant to the Act, the Bonds are authorized to be issued, in the aggregate amount specified by Section 1, at such time or times on or before December 31, 1989, as the Executive Director deems appropriate upon consultation with the Treasurer of the State of California (the "Treasurer"). The Bonds are to have the maturities and are initially to bear interest at the fixed or variable rates deemed appropriate by the Executive Director; provided that no Bond shall have a term in excess of fifty years or bear interest at a fixed or variable rate in excess of twelve percent (12%) per annum or, if interest is determined to be intended not to be excludable from gross income for federal income tax purposes, fifteen percent (15%) per annum.

Section 3. The Executive Director is hereby requested and authorized on behalf of the Board of Directors of the Agency to submit to the Housing Bond Credit Committee, pursuant to the Act, a statement of the purpose for which the Bonds are proposed to be issued and the amount of the proposed issuance.

Section 4. For each issue of Bonds, the indenture relating to the Bonds (the "Indenture") to be entered into by and among a duly qualified bank or trust company selected by the Executive Director to act as trustee or co-trustee and/or the Treasurer as trustee or co-trustee (collectively, the "Trustees") and the Agency shall be in substantially the form presented to this meeting.

For each issue of Bonds, the Executive Director is hereby authorized and directed to execute, and the Secretary of the Board of Directors of the Agency is hereby authorized to attest, for and in the name and on behalf of the Agency and under its seal, an Indenture in substantially said form, with such additions, changes and modifications as the Executive Director may approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture by the Executive Director.

Each Indenture as finally executed may include such modifications as the Executive Director may deem necessary or desirable in furtherance of the objectives of the Program, including provisions for the Agency's insured or uninsured, limited or general, obligation to pay any debt secured thereby. In lieu of or in addition to any such general obligation, the Executive Director is hereby authorized to execute, and the Secretary of the Board of Directors of the Agency is hereby authorized to attest, for and in the name and behalf of the Agency and under its seal, a risk-sharing agreement between the Agency and the credit provider for the issue of Bonds secured by such Indenture, dividing in such manner as the Executive Director may deem necessary or desirable in furtherance of the objectives of the Program, the risks that would be borne by the Agency pledging its general obligation to pay any debt secured by such Indenture.

Section 5. The Executive Director is hereby expressly authorized and directed, for and in the name and on behalf of the Agency, to determine the principal amount, the maturity or maturities, the amounts of money to be credited to the various Accounts established pursuant to each Indenture. The date(s), the maturity date(s), manner of determination of interest rate, interest payment date(s), denomination(s), form(s), registration privileges, terms and place or places of payment, terms of redemption, security and other terms of the Bonds and the designation of the various accounts shall be as provided in each Indenture as finally executed.

Section 6. The Bonds are hereby authorized to be sold at negotiated or competitive sale or sales. The Executive Director is hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver one or more purchase contracts relating to the Bonds, by and among the Agency, the Treasurer, Smith Barney, Harris Upham & Co. Incorporated and/or such other underwriters, if any, as the Executive Director may select, in such form as the Executive Director may approve upon consultation with the Agency's legal counsel, such approval to be evidenced conclusively by the execution and delivery of said purchase contracts by the Executive Director.

Section 7. The Treasurer is hereby authorized and requested, without further action of this Board and unless instructed otherwise by this Board, to sell the Bonds pursuant to the terms and conditions set forth in each purchase contract as finally executed on behalf of the Agency. The Treasurer is hereby further authorized and requested to cash and deposit the proceeds of any good faith deposit check to be received by the Treasurer under the terms of said purchase contract in a special trust account for the benefit of the

Agency, and the amount of said check shall be applied at the time of delivery of the Bonds as part of the purchase price thereof or returned to the underwriters as provided in said purchase contract.

Section 8. The Executive Director is further authorized to hold information meetings concerning the Bonds and to distribute other information and material relating to the Bonds.

Section 9. The Executive Director is hereby authorized and directed to execute, and the Secretary of this Board is hereby authorized and directed to attest, for and on behalf and in the name of the Agency and under its seal, the Bonds, in an aggregate amount not to exceed the amount authorized hereby, in accordance with each Indenture in one or more of the forms set forth in such Indenture.

Section 10. The Bonds when so executed, shall be delivered to the Trustees to be authenticated by or caused to be authenticated by the Trustees. The Trustees are hereby requested and directed to authenticate, or cause to be authenticated, the Bonds by the execution of the certificate of authentication and registration appearing thereon, and to deliver or cause to be delivered the Bonds when duly executed and authenticated to the underwriters in accordance with written instructions executed on behalf of the Agency by the Executive Director, which instructions said officer is hereby authorized and directed, for and on behalf and in the name of the Agency, to execute and deliver to the Trustees. Such instructions shall provide for the delivery of the Bonds to the underwriters, upon payment of the purchase price thereof.

Section 11. The Executive Director and the other proper officers of the Agency are hereby authorized and directed to execute all documents they deem necessary in connection with the Program, including, but not limited to, regulatory agreements, letter of credit agreements, loan agreements, origination and servicing agreements and investment agreements, in each case with such other parties as the Executive Director may select in furtherance of the objectives of the Program.

Section 12. The Executive Director is hereby authorized to circulate one or more preliminary official statements relating to the Bonds and, after the sale of the Bonds, to execute and circulate one or more official statements relating to the Bonds, and the circulation of such preliminary official statement and such official statement to prospective and actual purchasers of the Bonds is hereby approved.

Section 13. All actions previously taken by the officers of the Agency in connection with the issuance of the Bonds are hereby approved and ratified.

Section 14. The proper officers of the Agency are hereby authorized and directed to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this resolution.

Section 15. In the Executive Director's absence or upon his authorization, all actions by the Executive Director herein approved or authorized may be taken by the Director of Financing of the Agency.

SECRETARY'S CERTIFICATE

I, Robert L. McWhirk, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true, and correct copy of the Resolution 89-07 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 11th day of May, 1989, of which meeting all said directors had due notice; and that at said meeting said resolution was adopted by the following vote:

AYES: Baldwin, Hendricks, Langston, O'Brien, Van Gundy for  
Reed, Sterpa.

NOES: None

ABSTENTIONS: None

ABSENT: Geoghegan, Gordon, Hawkins, Hayes, Huff.

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true, and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Directors of the California Housing Finance Agency hereto this 11th day of May, 1989.

[SEAL]

  
\_\_\_\_\_  
Robert L. McWhirk  
Secretary of the Board of  
Directors of the California  
Housing Finance Agency