

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

RESOLUTION 96-14

WHEREAS, pursuant to the Zenovich-Moscone-Chacon Housing and Home Finance Act ("Act"), the California Housing Finance Agency ("Agency") has the authority to engage in activities to reduce the cost of mortgage financing for home purchase and rental housing development, including the issuance of bonds and the insuring of mortgage loans;

WHEREAS, the Agency's statutory objectives include, among others, increasing the range of housing choices for California residents, meeting the housing needs of persons and families of low or moderate income, maximizing the impact of financing activities on employment and local economic activity, and implementing the objectives of the California Statewide Housing Plan;

WHEREAS, the Agency has adopted Resolution 93-17 on June 9, 1993, committing the Agency to a business plan for the years 1993 through 1997, adopted Resolution 94-11 on July 14, 1994, amending the prior plan and committing the Agency to a business plan for the years 1994 through 1998, and adopted Resolution 95-19 on May 11, 1995, amending the prior plan and committing the Agency to a business plan for the fiscal years 1995-96 through 1999-2000; and

WHEREAS, the Agency has presented to the Board of Directors a fiscal year 1996-97 through 2000-2001 third annual update of the business plan, in order to adjust to the ever changing economic, fiscal and legal environment, which updated business plan is designed to assist the Agency to meet its statutory objectives, to address the housing needs of the people of the State of California and to provide the Agency with the necessary road map to continue its bond, mortgage financing, and mortgage insurance activities well into the future.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Agency as follows:

1. The updated business plan, a copy of which is attached hereto and made a part hereof, is hereby fully endorsed and adopted except for the provision in the updated business plan that states the Agency will change the interest rate strategy on multifamily taxable bonds.

2. The updated business plan will be agendized for the next board meeting so that members of the Board can obtain

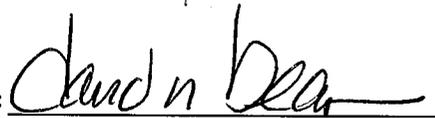
2
3 clarification, or reconsideration, of various aspects of the
4 updated business plan including, but not limited to, the
interest rate strategy on multifamily taxable bonds.

5 3. In implementing the updated business plan, the Agency
6 shall, as appropriate, satisfy all the capital adequacy,
7 reserve, and any other requirements necessary to maintain the
8 Agency's top-tier designation by Standard & Poor's Corporation,
9 to maintain its general obligation credit ratings and the
current credit ratings on its debt obligations, to comply with
the requirements of the Agency's providers of credit
enhancement, and to satisfy any other requirements of the
Agency's bond and insurance programs.

10 4. Because the updated business plan is necessarily based
11 on various economic, fiscal and legal assumptions, in order for
12 the Agency to respond to changing circumstances, the Executive
13 Director shall have the authority to adjust the Agency's
day-to-day activities to reflect actual economic, fiscal and
legal circumstances in order to attain goals and objectives
consistent with the intent of the updated business plan.

14 I hereby certify that this is a true and correct copy of
15 Resolution 96-14 adopted at a duly constituted meeting of the
16 Board of Directors of the Agency held on May 9, 1996 in
17 Millbrae, California.

18 ATTEST:



Secretary

David N. Beaver for

A. Theodore Giattina

19
20 Attachment
21
22
23
24
25
26
27