

RESOLUTION NO. 97-37

RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY
CONCERNING COOPERATION WITH LOCAL AGENCIES
FOR THE PURPOSE OF FINANCING LOANS
FOR SINGLE FAMILY RESIDENCES
AND THE EXECUTION OF
AGREEMENTS FOR THAT PURPOSE

WHEREAS, the California Housing Finance Agency (the "Agency") has determined that there exists a need in California for providing financial assistance to persons and families of low or moderate income to enable them to purchase moderately priced single family residences (the "Residences");

WHEREAS, the Agency has determined that it is in the public interest for the Agency to provide such financial assistance by means of ongoing programs (collectively, the "Program") to make lower-than-market-rate loans for the permanent financing of Residences (the "Loans");

WHEREAS, pursuant to Chapter 6 of Part 5 of Division 31 (Sections 52060 et seq.) of the Health and Safety Code of the State of California (the "Local Agency Assistance Act"), the Agency has the authority to enter into agreements with cities, counties and joint powers authorities created by cities and counties (collectively, "Local Agencies"), which provide that the Agency shall sell bonds on behalf of such Local Agencies for the purpose of providing funds for home mortgages financing residences within the respective jurisdictions of such Local Agencies;

WHEREAS, the Local Agency Assistance Act provides that although such bonds are to be bonds of the Local Agency ("Local Agency Bonds"), the proceeds of such Local Agency Bonds may be utilized in the Agency's Program;

WHEREAS, one method by which the Agency may utilize the proceeds of Local Agency Bonds in the Agency's Program is for the Agency to borrow such proceeds by the issuance of bonds of the Agency ("CHFA Bonds") to the Local Agency;

WHEREAS, the Agency, pursuant to its Resolution 97-09, has previously authorized the issuance of various series of CHFA Bonds, and is authorized pursuant to the Act to issue additional CHFA Bonds to obtain funds to finance the Program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the California Housing Finance Agency as follows:

Section 1. Authorization and Timing. The Executive Director of the Agency (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 agreements with one or more Local Agencies providing that the Agency shall sell Local Agency Bonds for the purpose of providing funds for the Program for the purchase of Loans financing Residences within the jurisdiction of the applicable Local Agency. Each such agreement shall contain the provisions required by Section 52062 of the Assistance Act and shall provide that the method by which the Agency shall utilize the proceeds of Local Agency Bonds in the Agency's Program shall be for the Agency to borrow such proceeds by the issuance of CHFA Bonds to the Local Agency. The CHFA Bonds shall be in the form and shall be issued under the terms and conditions authorized by Resolution 97-09, applied as appropriate under the circumstances. The CHFA Bonds shall serve as the primary source of payment of and as security for the Local Agency Bonds.

The Local Agency Bonds are hereby authorized to be sold at such time or times, on or before the day 30 days after the date on which is held the first meeting in 1998 of the Board at which a quorum is present, as the Executive Director deems appropriate, upon consultation with the Treasurer of the State of California (the "Treasurer") as to the timing of each such sale.

Section 2. Authorization of Disclosure. The Executive Director is hereby authorized to circulate one or more Preliminary Official Statements relating to the Local Agency Bonds and, after the sale of the Local Agency Bonds, to execute and circulate one or more Official Statements relating to the Local Agency Bonds, and the circulation of such Preliminary Official Statements and such Official Statements to prospective and actual purchasers of the Local Agency Bonds is hereby approved. The Executive Director is further authorized to hold information meetings concerning the Local Agency Bonds and to distribute other information and material relating to the Local Agency Bonds.

Section 3. Authorization of Sale of Local Agency Bonds. The Local Agency 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 and the Local Agency, to execute and deliver one or more purchase contracts (including one or more forward purchase agreements) relating to the Local Agency Bonds, by and among the Agency, the Treasurer, the Local Agency (if appropriate) and such underwriters or other purchasers (including, but not limited to, FNMA) as the Executive Director may select (the "Purchasers"), in the form or forms approved by the Executive Director upon consultation with the Agency's legal counsel, such approval to be evidenced conclusively by the execution and delivery of said purchase contract by the Executive Director.

The Treasurer is hereby authorized and requested, without further action of the Board and unless instructed otherwise by the Board, to sell each series of Local Agency Bonds at the time and place and pursuant to the terms and conditions set forth in each such purchase contract as finally executed. The Treasurer is hereby further authorized and requested to deposit the proceeds of any good faith deposit to be received by the Treasurer under the terms of a purchase contract in a special trust account for the benefit of the Agency and the Local Agency, and the amount of said deposit shall be applied at the time of delivery of the applicable Local Agency Bonds, as the case may be, as part of the purchase price thereof or returned to the Purchasers as provided in such purchase contract.

Section 4. Ratification of Prior Actions. All actions previously taken by the Agency relating to the sale of Local Agency Bonds in accordance with this resolution are hereby ratified.

Section 5. Authorization of Related Actions and Agreements. The Treasurer and the officers of the Agency, or the duly authorized deputies thereof, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all agreements and documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Local Agency Bonds and otherwise to effectuate the purposes of this resolution. Such agreements may include a tender agreement or similar agreement regarding any put option for the Local Agency Bonds, agreements for the investment of moneys relating to the Local Agency Bonds.

Section 6. Absence of Executive Director. In the Executive Director's absence or upon the Executive Director's authorization, all actions by the Executive Director approved or authorized by this resolution may be taken by the Chief Deputy Director of the Agency, the Director of Financing of the Agency, the Comptroller of the Agency or any other person specifically authorized in writing by the Executive Director.

SECRETARY'S CERTIFICATE

I, A. Theodore Giattina, 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 Resolution 97-37 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 10th day of July, 1997, of which meeting all said directors had due notice; and that at said meeting said Resolution was adopted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

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 10th day of July, 1997.

[SEAL]



A. Theodore Giattina
Secretary of the Board of
Directors of the California
Housing Finance Agency