

RESOLUTION NO. 2011-012

Adopted by the Housing Authority
of the City of Sacramento

October 25, 2011

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED TRUST INDENTURE, AN AMENDED AND RESTATED FINANCING AGREEMENT, A FIRST AMENDMENT TO REGULATORY AGREEMENT, AND AUTHORIZING THE EXECUTION AND DELIVERY OF AND APPROVING OTHER RELATED DOCUMENTS AND APPROVING OTHER RELATED ACTIONS IN CONNECTION THEREWITH; SHENANDOAH APARTMENTS

BACKGROUND

- A. Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California, commencing with Section 34200 (the "Act"), authorizes housing authorities to incur indebtedness for the purpose of financing the acquisition, rehabilitation and development of multifamily rental housing facilities to be occupied in part by persons of low and very low income.
- B. The Authority previously issued its Variable Rate Demand Multifamily Housing Revenue Bonds (Shenandoah Apartments) 2006 Issue F, in the aggregate principal amount of \$7,000,000 (the "Bonds"), pursuant to a Trust Indenture, dated as of August 1, 2006 (the "Original Indenture"), by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee").
- C. The proceeds of the Bonds were used to provide funds for a loan to The Shenandoah, L.P., a California limited partnership (the "Borrower"), under a Financing Agreement, dated as of August 1, 2006, by and among the Authority, the Trustee and the Borrower (the "Original Financing Agreement") to finance the acquisition, rehabilitation and equipping of a multifamily rental housing project located in City of Sacramento, California and generally known as The Shenandoah Apartments (the "Project").
- D. The Borrower desires to replace the credit enhancement provided by Fannie Mae currently securing the Bonds (the "Existing Credit Enhancement") with a direct-pay irrevocable letter of credit to be delivered by East West Bank, a California banking corporation (the "Credit Bank"), supported by a standby letter of credit from the Federal Home Loan Bank of San Francisco.
- E. All conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the connection with the replacement of the Existing Credit Enhancement as contemplated by this resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. The Authority hereby finds and declares that the above recitals are true and correct.
- Section 2. The following documents between and/or among the Authority and the institutions named therein with respect to the replacement of the Existing Credit Enhancement (the "Amendment Documents"), in the forms on file with the Clerk, are hereby approved:
- (a) an amended and restated trust indenture (the "Amended and Restated Indenture") between the Authority and U.S. Bank National Association, as trustee (the "Trustee");
 - (b) an amended and restated financing agreement (the "Amended and Restated Financing Agreement") among the Authority, the Trustee and the Borrower; and
 - (c) a first amendment to regulatory agreement (the "Regulatory Agreement Amendment") among the Authority, the Trustee and the Borrower.

The Executive Director of the Authority (the "Designated Officer") is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Amendment Documents, and Clerk of the Sacramento Housing and Redevelopment Agency is hereby authorized and directed, for and in the name and on behalf of the Authority, to attest the Designated Officer's signature on the Amendment Documents, if necessary, in substantially said forms, with such additions thereto or changes therein as are recommended or approved by such officer upon consultation with bond counsel to the Authority, including such additions or changes as are necessary or advisable in accordance with Section 3 hereof, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the Authority of the Amendment Documents.

- Section 3. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the Designated Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, and execute and deliver any and all certificates, agreements and other documents which she may deem necessary or advisable in order to consummate the lawful replacement of the Existing Credit Enhancement in accordance with this Resolution and resolutions heretofore adopted by the Authority, including but not limited to those certificates, agreements, deeds of trust and other documents described in the Amended and Restated Indenture, the Amended and Restated Financing Agreement, the Regulatory Agreement Amendment and the other documents herein approved and any certificates, agreements or documents as may be necessary to further the purpose hereof, evidence credit support or additional security for the Bonds, but which shall not create any obligation or liability of the Authority other than

with respect to the revenues and assets derived from the proceeds of the Bonds.

Section 4. This resolution shall take effect immediately upon its adoption.

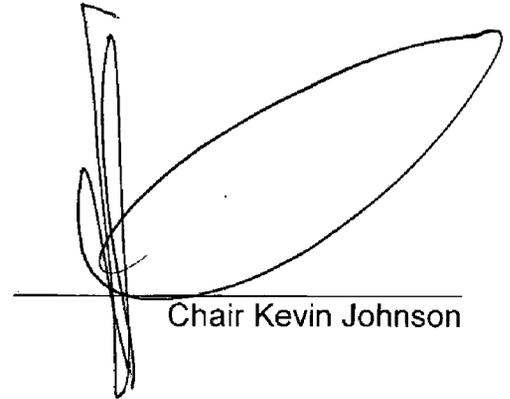
Adopted by the Housing Authority of the City of Sacramento on October 25, 2011 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Chair Kevin Johnson

Attest:


Shirley Concolino, Secretary