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# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

May 7, 1980

CITY MANAGER'S OFFICE  
**RECEIVED**  
MAY 7 1980

Housing Authority of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**CITY GOVERNING BOARD**

- PHILLIP L. ISENBERG, MAYOR
- LLOYD CONNELLY
- BLAINE H. FISHER
- THOMAS R. HOEBER
- DOUGLAS N. POPE
- JOHN ROBERTS
- LYNN ROBIE
- ANNE RUDIN
- DANIEL E. THOMPSON

**SUBJECT:** Resolution Authorizing Execution of Preliminary Loan Contract, General Depository Agreement and Issuance of Preliminary Notes - Cal. 5-21 Housing Project consisting of 75 Family Housing Units in need of Substantial Rehabilitation

SUMMARY

**COUNTY GOVERNING BOARD**

- ILLA COLLIN
- C. TOBIAS (TOBY) JOHNSON
- JOSEPH E. (TED) SHEEDY
- SANDRA R. SMOLEY
- FRED G. WADE

Attached is a Resolution authorizing the execution of the Preliminary Loan Contract, General Depository Agreement, and Preliminary Notes with DHUD in the amount of \$37,493.00.

BACKGROUND

**EXECUTIVE DIRECTOR**

WILLIAM G. SELINE

The City has previously authorized the application to DHUD for the acquisition of 75 existing units in need of substantial rehabilitation in the City of Sacramento. This Application was approved by Resolution No. 1684, dated March 13, 1979. This Preliminary Loan Contract will allow DHUD to furnish the money necessary for the preliminary work involved in the locating and obtaining of these units, i.e., inspection of potential units, appraisals and necessary rehabilitation.

P.O. Box 1834  
SACRAMENTO, CA 95809  
630 I STREET  
SACRAMENTO, CA 95814  
(916) 444-9210

This resolution was previously passed by your Board on November 27, 1979 as Resolution No. 1759. The Department of Housing and Urban Development is now insisting that this resolution be passed again inasmuch as the previous resolution predated their preparation of the Preliminary Loan Contract. Agency staff believes that this requirement of HUD is superfluous and redundant. However, it appears that it will require less time to reauthorize the attached resolution than to convince the Department of Housing and Urban Development and its legal staff of the error of their ways.

**APPROVED**  
SACRAMENTO HOUSING AUTHORITY

Date

5/13/80

5/13/80

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## FINANCIAL DATA

In the unlikely event that permanent financing is not forthcoming, as committed by DHUD, this loan is subject to repayment. Existing DHUD commitments call for the entire funding to be furnished by DHUD in this and subsequent contracts. The \$37,493.00 Preliminary Loan will be repaid at the time DHUD furnishes permanent financing for the Project. The Preliminary Loan and permanent funding will be funded by DHUD.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of November 19, 1979, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were recorded as follows:

AYES: Coleman, Luevano, A. Miller, Serna, Teramoto,  
Walton, Knepprath

NOES: None

ABSENT: Fisher, B. Miller

## RECOMMENDATION

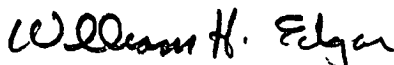
It is my recommendation that you adopt the attached resolution.

Respectfully submitted,



WILLIAM G. SELINE  
Executive Director

APPROVAL RECOMMENDED:



*for* WALTER J. SLIPE  
City Manager

Contact Person: Randall P. Wagaman

RESOLUTION NO. 1798

Adopted by the Housing Authority of the City of Sacramento

May 13, 1980

RESOLUTION AUTHORIZING EXECUTION OF PRELIMINARY  
LOAN CONTRACT, GENERAL DEPOSITORY AGREEMENT  
AND ISSUANCE OF PRELIMINARY NOTES

WHEREAS, the Housing Authority of the City of Sacramento (herein called the "Local Authority") proposes (1) to enter into a contract (herein called the "Preliminary Loan Contract") with the United States of America (herein called the "Government"); and (2) to enter into an agreement (herein called the "General Depository Agreement") with the Bank of California (a member of the Federal Deposit Insurance Corporation, herein called the "Bank"); and (3) to authorize the issuance of its notes as evidence of advances to be made by the Government to the Local Authority pursuant to the Preliminary Loan Contract.

BE IT RESOLVED BY THE LOCAL AUTHORITY, AS FOLLOWS:

Section 1. The Preliminary Loan Contract is hereby approved and the Chairman or Vice Chairman is hereby authorized and directed to execute two counterparts of the Contract on behalf of the Local Authority, and the Secretary of the Local Authority is hereby authorized to impress and attest the official seal of the Local Authority on each such counterpart and to forward said executed counterparts, or any of them, to the Government together with such related supporting documentation as may be required by the Government.

Section 2. The Bank of California and the Local Authority have previously entered into a General Depository Agreement, Form HUD-51999A dated June 10, 1970 which provides for the deposit of specified monies of "...one or more additional low rent housing projects...". The Local Authority hereby determines that pursuant to the terms of the Agreement the aforementioned Bank shall be the Depository for the project established under this Agreement.

Section 3. The Chairman or Vice Chairman or the Secretary of the Local Authority is hereby authorized to file with the Government from time to time as monies are required, requisitions together with the necessary supporting documents requesting advances to be made on account of the loan provided in the Preliminary Loan Contract, and the proper officers of the Local Authority shall prepare, execute, and deliver to the Government Preliminary Notes hereinafter authorized and shall accept payment therefor from the Government in cash and/or exchange for other notes of the Local Authority, and such persons are authorized to do and perform all other things and acts required to be done or performed in order to obtain such advances. Cash proceeds from the sale of all Preliminary Notes shall be deposited and disbursed only in accordance with the provisions of the Preliminary Loan Contract.

Section 4.

(A) In order to evidence advances made by the Government pursuant to Preliminary Loan Contract and to refund, renew, extend, or substitute for any Preliminary Notes by this Resolution authorized to be issued (or any Preliminary Notes by any other Resolution authorized to be issued which are outstanding, or on deposit for delivery pending payment therefor, as of the date this Resolution becomes effective), or for any Temporary Notes issued by the Local Authority, there are hereby authorized to be issued from time to time, Preliminary Notes of the Local Authority in an aggregate

Date 5/13/80

principal amount outstanding at any one time (whether authorized by this Resolution or any other resolution authorizing the issuance of Preliminary Notes) equal to the aggregate Estimated Cost of Preliminary Surveys and Planning specified in said Preliminary Loan Contract.

(B) Each Preliminary Note shall bear interest, and shall be payable, in form and manner as prescribed by the Preliminary Loan Contract and this Resolution; shall be signed in the name of the Local Authority by the Chairman or Vice Chairman; and shall have the Official Seal of the Local Authority impressed thereon attested by the Secretary of the Local Authority.

(C) Each Preliminary Note shall be a direct and general obligation of the Local Authority, the full faith and credit of which is hereby pledged for the punctual payment of the principal of and interest on such Notes.

(D) As additional security for the equal and ratable payment of the principal of and interest on all Preliminary Notes issued pursuant to this Resolution, the Local Authority, to the fullest extent permitted by the laws of the State, hereby pledges, mortgages, conveys, and grants, unto the Government, all the real and tangible personal property wheresoever situated which it has acquired or may hereafter acquire in connection with or relating to the low-rent housing undertaken pursuant to the Preliminary Loan Contract. If the preceding sentence shall be adjudged by a court of competent jurisdiction to be invalid or ineffective it is the intention of the Local Authority to be fully obligated under the other provisions of this Resolution and that such judgment shall not impair or invalidate the obligation of the Local Authority to pay the principal of and interest on each Note from other funds of the Local Authority as herein provided.

Section 5. Whenever the following terms, or any of them, are used in this Resolution, the same, unless the context shall indicate another or different meaning or intent, shall be construed, and are intended to have meanings as follows:

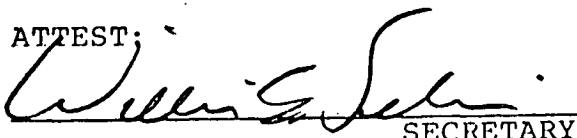
- (1) The term "Resolution" shall mean this Resolution.
- (2) All other terms used in this Resolution and which are defined in the Preliminary Loan Contract shall have the respective meanings ascribed thereto in the Preliminary Loan Contract.

Section 6. All resolutions or parts of resolutions heretofore adopted by the Local Authority which authorize the issuance and/or delivery of Preliminary Notes (sometimes called "Preliminary Loan Notes") pursuant to the Preliminary Loan Contract are hereby repealed; Provided, however, that such repeal shall in no way affect the validity of Preliminary Notes or Preliminary Loan Notes issued pursuant to said resolutions which are outstanding or on deposit for delivery pending payment therefor on the date this Resolution becomes effective.

Section 7. This Resolution shall take effect immediately.

\_\_\_\_\_  
CHAIRPERSON

ATTEST:

  
SECRETARY