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RESOLUTION NO. 1329

Adopted by the Housing Authority of the City of Sacramento

May 1, 1975

AUTHORIZING THE EXECUTION OF AMENDMENT NO. 16
TO ANNUAL CONTRIBUTIONS CONTRACT NO. SF-391;
PROVIDING FOR THE DEPOSIT OF MONIES UNDER A GENERAL
DEPOSITARY AGREEMENT; AND THE ISSUANCE OF PROJECT
LOAN NOTES AND PERMANENT NOTES

WHEREAS, the Housing Authority of the City of Sacramento (herein called the "Local Authority") proposes (1) to enter into an amendment to the existing Annual Contributions Contract (herein called the "Amendment") with the United States of America (herein called the "Government"); (2) to provide for the deposit of monies pursuant to a General Depositary Agreement; and (3) to authorize the issuance of its notes as evidence of advances to be made to the Local Authority pursuant to the Contract, as amended; all with respect to any "Project" as defined in the Contract, as amended, and which at any time now or hereafter is incorporated under the terms of such Contract, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO:

Section 1. The Amendment to the Annual Contributions Contract is hereby approved and accepted and the Chairman or Vice Chairman is hereby authorized and directed to execute three counterparts of the Amendment on behalf of the Local Authority, and the Secretary is hereby authorized to impress and attest the official seal of the Local Authority on each such counterpart and to forward such executed counterparts, or any of them, to the Government together with such other documents evidencing the approval and authorizing the execution thereof as may be required by the Government.

Section 2. The Bank of California, N.A. and the Local Authority have previously entered into a General Depositary 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 Depositary for the project established under this Amendment.

Section 3. The Executive Director 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 Contract, as amended, and the proper officers of the Local Authority shall prepare, execute and deliver to the Government 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 Notes shall be deposited and disbursed only in accordance with the provisions of the Contract, as amended.

Section 4. (A) In order to provide monies to finance the Development Cost of each Project and to refund, renew, extend or substitute for any Project Loan Notes (in the Contract called "Advance Notes") or permanent Notes by this Resolution authorized to

be issued (or any such Notes by any other resolution authorized to be issued and which are outstanding, or on deposit for delivery pending payment therefor, as of the date this Resolution becomes effective), or for any Project Notes (in the Contract called "Temporary Notes") issued by the Local Authority in anticipation of the delivery of Project Loan or Permanent Notes, there are hereby authorized to be issued, from time to time, Project Loan and Permanent Notes of the Local Authority in an aggregate principal amount outstanding at any one time (whether authorized by this Resolution or any other resolution authorizing the issuance of Project Loan or Permanent Notes) equal to the Maximum Development Cost (or the Actual Development Cost if such amount has been determined) of each Project, less the sum of (1) the principal amount of Bonds issued to finance such Development Cost and (2) the principal amount of Project Loan, Permanent, or Project Notes issued to finance such Development Cost and which has then been retired from funds other than the proceeds of any loan obtained by the Local Authority.

(B) Each such Note shall bear interest and be payable in the form and manner prescribed by the Contract and this Resolution; shall be signed in the name of the Local Authority by the Chairman or Vice Chairman; shall have the official seal of the Local Authority impressed thereon and attested by the Secretary. Each Project Loan Note shall be in substantially the form of Form No. HUD-9204 and each Permanent Note shall be in substantially the form of Form No. HUD-52250, each of which form is incorporated herein by reference and made a part hereof. Project Loan Notes and Permanent Notes shall be issued to finance the Development Cost of Non-Permanently Financed Projects and Permanently Financed Projects, respectively.

(C) Each Note issued with respect to any Project 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, and, together with all other Notes issued pursuant to this Resolution, shall be additionally secured by (1) a first pledge of the annual contributions payable to the Local Authority and authorized to be pledged to such payment pursuant to the Contract and (2) by a pledge of and lien on the Residual Receipts of such Project after providing for the payment of Bonds issued in respect to such Project.

(D) As additional security for the equal and ratable payment of the principal of and interest on each Note issued with respect to any Project, together with each other Note issued with respect to such Project, the Local Authority, to the fullest extent permitted by the Laws of the State, hereby pledges, mortgages, conveys and grants unto the Government all property described in the Contract constituting such Project, including that certain real property relating to each such Project and more particularly described in the trust instrument or any amendment thereto as executed and recorded by the Local Authority pursuant to the Contract; Provided, that in respect to Permanently Financed Projects the lien of such pledge and mortgage and rights granted and conveyed pursuant to this paragraph shall (1) be junior to the Bonds and junior to the pledge of Residual Receipts securing the Bonds, and (2) not be foreclosable until all Bonds shall have been paid and discharged in the manner provided in the Bond Resolutions. If the preceding sentence shall be adjudged by a court of competent jurisdiction to be invalid or ineffectual 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.

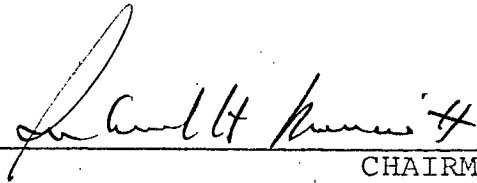
Section 5. Whenever the following terms, or any of them, are used in this Resolution, the same, unless the context shall

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 Contract shall have the respective meanings ascribed thereto in the Contract.

Section 6. All resolutions or parts of resolutions heretofore adopted by the Local Authority which authorize the issuance and/or delivery of Advance, Project Loan or Permanent Notes pursuant to the Contract are hereby repealed; Provided, however, that such repeal shall in no way affect the validity of Advance, Project Loan or Permanent Notes issued pursuant to said resolutions which are outstanding or on deposit for delivery pending payment therefor on the date this Resolution becomes effective; Provided further, that the Project Loan Notes authorized by this Resolution shall be exchanged for any Advance Notes heretofore issued pursuant to any previous resolution.

Section 7. This Resolution shall take effect immediately.


CHAIRMAN

ATTEST:


SECRETARY