

**RESOLUTION NO. 2003-009**

**ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO**

ON DATE OF

**JUL 17 2003**

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO  
AUTHORIZING THE ISSUANCE, EXECUTION AND DELIVERY OF MULTIFAMILY  
HOUSING REVENUE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY  
OF A MASTER PLEDGE AND ASSIGNMENT, A MASTER AGENCY AGREEMENT,  
A REGULATORY AGREEMENT AND DELCARATION OF RESTRICTIVE  
COVENANTS AND OTHER DOCUMENTS RELATING THERETO; AND  
APPROVING OTHER ACTIONS AND MATTERS RELATING THERETO**

WHEREAS, the Housing Authority of the City of Sacramento (the "Authority") is authorized by Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code (the "Act") to issue revenue bonds and make loans to any person, firm, partnership or corporation licensed to do business in the State of California in the financing of multifamily rental housing projects for persons of low income; and

WHEREAS, Ping Yuen Associates, a California limited partnership (the "Borrower"), has requested the Authority to issue revenue bonds designed as the Housing Authority of the City of Sacramento Multifamily Housing Revenue Bonds (Ping Yuen Apartments) 2003 Issue A-1 and Issue A-2 (collectively, the "Bonds") and to loan the proceeds from the sale thereof to the Borrower to finance the acquisition and rehabilitation of 82-unit multifamily rental housing development, located in the City of Sacramento, California, known as the "Ping Yuen Apartments" (the "Project"); and

WHEREAS, on December 3, 2002, the City Council of the City of Sacramento held a public hearing on the proposed issuance of the Bonds, as required under the Internal Revenue Code of 1986, following published notice of such hearing, and, following such public hearing approved the issuance of the Bonds; and

WHEREAS, United States Income Tax Regulations section 1.103-18 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer must declare an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the Authority declare its official intent to reimburse the expenditures referenced herein;

WHEREAS, the Authority hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act; and

---

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: 2003-009

DATE ADOPTED: JUL 17 2003 (14)

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in connection with the issuance of the Bonds as contemplated by this resolution and the documents referred to herein will 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;

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO:

Section 1. The Authority hereby finds and declares that the above recitals are true and correct.

Section 2. Pursuant to the Act and the Pledge and Assignment (as defined below), the issuance of the Bonds, in an aggregate principal amount not to exceed \$7,218,000, is hereby authorized. The Chairperson or Executive Director of the Authority, or their designee (the "Authorized Officer"), each acting alone, are hereby authorized and directed to execute the Bonds for and in behalf of the Authority by manual or facsimile signature, in the form set forth in the Pledge and Assignment (defined below), with such changes, deletions and insertions as may be approved by such Authorized Officers and legal counsel to the Authority, such approvals being conclusively evidenced by the execution and delivery thereof, and the Clerk of the Sacramento Housing and Redevelopment Agency, or her designee, (the "Clerk") is hereby authorized and directed to attest the Bonds in said form and otherwise in accordance with the Pledge and Assignment.

Section 3. The Master Pledge and Assignment, which is expected to be dated as of June 1, 2003, by and among the Authority, U.S. Bank National Association, as Agent, and U.S. Bank National Association, as Holder (the "Pledge and Assignment"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and delivery of the Pledge and Assignment with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Master Agency Agreement, which is expected to be dated as of June 1, 2003, by and among the Authority and U.S. Bank National Association, as Agent (the "Agency Agreement"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Agency Agreement with such changes, additions and deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Regulatory Agreement and Declaration of Restrictive Covenants, which is expected to be dated as of June 1, 2003, by and between the Authority and the Borrower (the "Regulatory Agreement"), in the form on file with the Clerk, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Regulatory Agreement with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Authority, such approvals to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Bonds, when executed, shall be delivered to U.S. Bank National Association, as the initial holder thereof, upon the funding of the Bank Loan (as defined in the Pledge and Assignment) with the purchase price for the Bonds.

---

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2003-009  
DATE ADOPTED: JUL 17 2003 (15)

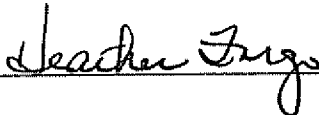
Section 7. The Authority hereby declares that it reasonably expects that a portion of the proceeds of the Obligations will be used for reimbursement of expenditures for the acquisition and rehabilitation of the Project that are paid before the date of initial execution and delivery of the Obligations.

Section 8. The maximum amount of proceeds of the Obligations to be used for reimbursement of expenditures for the acquisition and rehabilitation of the Project that are paid before the date of initial execution and delivery of the Obligations is not to exceed \$4,500,000.

Section 9. The foregoing declaration is consistent with the budgetary and financial circumstances of the Authority in that there are no funds (other than proceeds of the Obligations) that are reasonably expected to be (i) reserved, (ii) allocated or (iii) otherwise set aside, on a long-term basis, by or on behalf of the Authority, or any public entity controlled by the Authority, for the expenditures for the acquisition and rehabilitation of the Project that are expected to be reimbursed from the proceeds of the Obligations.

Section 10. 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 proper officers of the Authority, including the Authorized Officers, are 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 any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this Resolution, including but not limited to those certificates, agreements and other documents described in the Pledge and Assignment, the Agency Agreement, the Regulatory Agreement, and other documents herein approved.

Section 11. This Resolution shall take effect immediately upon its adoption.

  
\_\_\_\_\_  
CHAIR

ATTEST:

  
\_\_\_\_\_  
SECRETARY

---

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2003-009

DATE ADOPTED: JUL 17 2003(16)