

**RESOLUTION NO.**

**RESOLUTION OF THE CHULA VISTA HOUSING AUTHORITY  
AUTHORIZING THE ISSUANCE OF ITS MULTIFAMILY  
HOUSING REVENUE BONDS IN ONE OR MORE SERIES IN A  
CUMULATIVE AND AGGREGATE PRINCIPAL AMOUNT NOT  
TO EXCEED \$8 MILLION FOR THE PURPOSE OF FINANCING  
THE ACQUISITION AND REHABILITATION OF THE KIKU  
GARDENS (GARDEN VILLAS) MULTIFAMILY RENTAL  
HOUSING PROJECT; APPROVING AND AUTHORIZING THE  
EXECUTION AND DELIVERY OF ANY AND ALL DOCUMENTS  
NECESSARY TO ISSUE THE BONDS, COMPLETE THE  
TRANSACTION AND IMPLEMENT THIS RESOLUTION, AND  
RATIFYING AND APPROVING ANY ACTION HERETOFORE  
TAKEN IN CONNECTION WITH THE BONDS**

**WHEREAS**, pursuant to the Housing Authorities Law, Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code (“Housing Authorities Law”), the Housing Authority of the City of Chula Vista, a public body corporate and politic organized, existing and operating pursuant to the Housing Authorities Law, (“Authority”) is empowered to issue revenue bonds for the purpose of financing the acquisition, construction, rehabilitation, refinancing, development, and operation of multifamily rental housing, and to issue bonds for the purpose of refunding bonds previously issued by Authority; and

**WHEREAS**, Kiku Gardens Housing Partners, L.P., a California limited partnership (the “Developer”), intends to acquire and rehabilitate a 100-unit project on that certain real property located at 1260 Third Avenue, in the City of Chula Vista, California (together, “Project”); and

**WHEREAS**, the Developer has requested Authority to issue tax-exempt multifamily housing revenue bonds and loan the proceeds of the bonds to the Developer to finance the acquisition, rehabilitation and equipping through completion of the Project, and

**WHEREAS**, Authority, by action of its Board of Commissioners (the “Board”), desires to assist the Developer and to increase the supply of affordable housing by making a portion of the units in the Project available for low and very low income persons or families, and in order to accomplish such purposes it is desirable for Authority to provide for the issuance of the bonds and financing of the Project; and

**WHEREAS**, Authority will loan the proceeds of the bonds to the Developer; and

**WHEREAS**, Government Code Section 8869.85 requires a local agency to file an application with the California Debt Limit Allocation Committee (“Committee”) prior to the issuance of tax-exempt multifamily housing revenue bonds and the Authority has filed such an application; and

**WHEREAS**, the Committee has allocated approximately \$8 million of the State of California 2012 State ceiling for private activity bonds under Section 146 of the Internal Revenue Code of 1986 to the Project; and

**WHEREAS**, there have been prepared and presented to the Board for consideration at this meeting the forms of various documents for the Bonds, as more fully described herein; and

**WHEREAS**, it appears that each of the documents and instruments described herein now before this meeting is in a substantially appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF CHULA VISTA DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

1. Authorization of Bonds. In accordance with the Housing Authorities Law and pursuant to the Indenture (hereinafter defined), Authority authorizes issuance of bonds designated as “City of Chula Vista Housing Authority Multifamily Housing Revenue Bonds (Garden Villas) Series 2014A” in one or more series in a cumulative and aggregate principal amount not to exceed \$8 million (collectively, the “Bonds”), with an interest rate or rates, a maturity date or dates and other terms as provided in the Indenture as finally executed for the Bonds. The Bonds shall be in substantially the form set forth in and otherwise in accordance with the Indenture, and shall be executed on behalf of Authority by the manual or facsimile signature of the Chair of the Board of Commissioners of the Authority (the “Chair”) or the Executive Director of the Authority (the “Executive Director”), and the manual or facsimile seal of the Authority shall be impressed or reproduced thereon and the Bonds shall be attested by the manual or facsimile signature of the Secretary of the Board of Commissioners of the Authority (“Secretary”).

2. Approval of Indenture. The form of Trust Indenture pursuant to which the Bonds may be issued (“Indenture”), by and between the Authority and U.S. Bank National Association, as Trustee (the “Trustee”), in substantially the form on file with the Secretary, is hereby approved. The Chair, the Executive Director, and their authorized designee(s) (each, an “Authorized Officer”) are authorized to execute, and the Secretary is authorized to attest, the Indenture in substantially said form, with such additions thereto and changes therein as the Authorized Officer may approve or recommend in accordance with Section 8 hereof. The date, maturity date or dates, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption, and other terms of the Bonds shall be as provided in the Indenture as finally executed.

3. Approval of Regulatory Agreement. The form of that certain Regulatory Agreement and Declaration of Restrictive Covenants (“Regulatory Agreement”), among the Authority, the Developer and Trustee, in substantially the form on file with the Secretary, is hereby approved. Any Authorized Officer is authorized to execute, and the Secretary is authorized to attest, the Regulatory Agreement, in substantially said form, with such additions thereto and changes therein as such Authorized Officer may approve or recommend in accordance with Section 7 hereof.

4. Approval of Loan Agreement. The form of Loan Agreement relating to the Bonds (“Loan Agreement”), by and between Authority and the Developer, in substantially the form on file with the Secretary, is hereby approved. Any Authorized Officer is authorized to execute, and the Secretary is authorized to attest, the Loan Agreement, in substantially said form, with such additions thereto and changes therein as such Authorized Officer may approve or recommend in accordance with Section 7 hereof.

5. Approval of Loan Documents. The form of Construction Funding Agreement, by and among the Developer, Trustee and Citibank, N.A., as Bondholder Representative (the “Bondholder Representative”) relating to the Bonds (“Construction Funding Agreement”), in

substantially the form on file with the Secretary, and solely to the extent it relates to the terms of the Bonds and as necessary to implement this Resolution, is hereby approved. Any Authorized Officer is authorized to execute and deliver, and the Secretary is authorized to attest, any and all certificates, agreements and other documents ancillary to the Loan Agreement, including, but not limited to, the Note, in the form approved by the City Attorney, as general counsel to Authority (“General Counsel”) and by special counsel and bond counsel to the Authority and City on these matters, Stradling Yocca Carlson & Rauth (together, “Special Counsel”) in accordance with Section 7 hereof.

6. Approval of Bond Purchase Agreement. The form of Bond Purchase Agreement, by and among the Authority, the Developer and the Bondholder Representative (the “Bond Purchase Agreement”), in substantially the form on file with the Secretary is hereby approved. Any Authorized Officer is authorized to execute, and the Secretary is authorized to attest, the Bond Purchase Agreement, in substantially said form, with such additions thereto and changes therein as such Authorized Officer may approve or recommend in accordance with Section 7 hereof.

7. Approval of Changes to Documents. Any Authorized Officer executing a document approved herein, in consultation with General Counsel and Special Counsel, is authorized to approve and make such modifications, changes or additions to the Indenture, the Regulatory Agreement, the Loan Agreement, the Bond Purchase Agreement or other documents as may be necessary or advisable, and the approval of any modification, change or addition to any of the aforementioned agreements shall be evidenced conclusively by the execution and delivery thereof by such Authorized Officer and approval as to form by General Counsel and Special Counsel. Further, any Authorized Officer, acting alone, is authorized to execute any assignment agreement related to any mortgage note, mortgage, deed of trust or other document related to the loan made to the Developer from the proceeds of the Bonds.

8. Actions Ratified and Authorized. All actions heretofore taken by the officers, employees and agents of Authority with respect to the issuance and sale of the Bonds are approved, confirmed and ratified, and the officers, employees and agents of Authority are authorized and directed, for and in the name and on behalf of 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, including, but not limited to, those documents described in the Indenture, Loan Agreement, Construction Funding Agreement, the Bond Purchase Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Governing Board. In the event that the Secretary is unavailable to sign any document related to the Bonds, any Deputy Secretary of the Authority may sign on behalf of the Secretary.

9. Further Consents, Approvals and Other Actions. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution or otherwise appropriate in the administration of the Bonds and the lending program financed thereby, including without limitation any of the foregoing that may be necessary or desirable in connection with any amendment of such documents, any transfer of the Project, any substitution of security for the Bonds, or any redemption of the Bonds may be taken or given by the Chair or the Executive Director, and the Chair or the Executive Director are hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this Resolution.

10. Conflicting Resolutions Repealed. As to the Bonds, all prior resolutions or parts thereof, if any, in conflict herewith are, to the extent of such conflict, repealed.

11. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining sections, paragraphs or provisions of this Resolution.

12. Effectiveness of Resolution and Date Thereof. This Resolution shall take effect upon its adoption.

13. Certification. The Secretary shall certify to the passage and adoption of this Resolution.

Presented by

Approved as to form by

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James D. Sandoval  
Housing Authority Director

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Glen R. Googins  
Housing Authority Legal Counsel