HOUSING AUTHORITY OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF OXNARD AUTHORIZING THE ISSUANCE OF A REVENUE NOTE TO FINANCE THE ACQUISITION AND CONSTRUCTION OF LAS VILLAS DE PASEO NUEVO, AND AUTHORIZING RELATED ACTIONS

WHEREAS, the Housing Authority of the City of Oxnard (the "Authority") is authorized by Chapter 1 (commencing with Section 34200) of Part 2 of Division 24 of the Health and Safety Code of the State of California, as amended (the "Act") to incur indebtedness for the purpose of financing the acquisition and construction of multifamily rental housing facilities located within the area of operation of the Authority; and

WHEREAS, Paseo Nuevo Partners, L.P., a California limited partnership (the "Borrower"), has requested that the Authority borrow funds and loan the funds to the Borrower to finance the acquisition and construction of 72 units of multifamily rental housing to be located on a 4.93 acre site at 5655, 5677, 5701, 5703-5705, 5709, 5711, 5713, 5715 and 5727 Cypress Road in the City of Oxnard (the "City") and currently identified as Las Villas de Paseo Nuevo (the "Project"); and

WHEREAS, the Borrower has requested that the Authority issue and sell the Note (hereinafter defined) for the purpose of making a loan to the Borrower to finance the Project; and

WHEREAS, the City Council of the City adopted its Resolution No. 14,067 approving the issuance of debt obligations by the Authority to provide financing for the Project, following notice and a public hearing regarding the proposed financing on June 21, 2011, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the California Debt Limit Allocation Committee adopted its Resolution No. 11-116 on September 28, 2011 allocating $15,000,000 of the State of California ceiling on private activity bonds for 2011 to the Authority for the purpose of financing the Project; and

WHEREAS, in order to assist in the financing of the Project, the Authority has determined to borrow money, as authorized by the Act, from Citibank, N.A. (the "Bank") pursuant to a funding loan agreement (the "Funding Loan Agreement") between the Authority and the Bank, and to use the proceeds of the loan from the Bank to make a loan to the Borrower pursuant to a borrower loan agreement (the "Borrower Loan Agreement") between the Authority and the Borrower, with amounts due from the Authority to the Bank under the Funding Loan Agreement, as evidenced by the Note, to be payable solely from amounts paid by the Borrower under the Borrower Loan Agreement; and

WHEREAS, there have been placed on file with the Authority prior to this meeting the following agreements: (a) a proposed form of the Funding Loan Agreement; (b) a

proposed form of the Borrower Loan Agreement; (c) a proposed form of a Regulatory Agreement and Declaration of Restrictive Covenants, between the Authority and the Borrower (the "Regulatory Agreement"), placing certain occupancy and other restrictions on the Project required by applicable State and federal law, and (d) a proposed Assignment of Deed of Trust and Loan Documents, by the Authority to the Bank (the "Assignment"), whereby the Authority has assigned its rights under the Borrower Loan Agreement and certain documents to the Bank as security for the repayment of the Note; and

WHEREAS, it appears that each of the above-referenced documents is in 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 Oxnard resolves as follows:

SECTION 1. Pursuant to the Act and the Funding Loan Agreement, the Authority is hereby authorized to issue its revenue note designated as the "Housing Authority of the City of Oxnard 2012 Multifamily Mortgage Revenue Note (Las Villas de Paseo Nuevo)" (referred to in this Resolution as the "Note") in an aggregate principal amount not to exceed fifteen million dollars ($15,000,000). The Note shall be executed by the manual or facsimile signature of the Chairman. The Note shall be issued and secured in accordance with the terms of, shall be in the maximum principal amount, and shall be in the form attached to, the Funding Loan Agreement, with such changes, deletions or insertions as may be approved by the Executive Director upon consultation with legal counsel to the Authority and Bond Counsel, such approval being conclusively evidenced by the execution and delivery of the Note by the Authority.

SECTION 2. The Funding Loan Agreement, in the form placed on file with the Secretary Designate, is hereby approved. The Chairman, the Vice Chairman and the Executive Director (each, an "Authorized Officer"), each acting alone, are hereby authorized, for and on behalf of the Authority, to execute and deliver the Funding Loan Agreement in said form, with such changes and insertions therein as the Authorized Officer executing the Funding Loan Agreement, upon consultation with legal counsel to the Authority and Bond Counsel, may approve, such approval to be conclusively evidenced by the execution and delivery of the Funding Loan Agreement by the Authority. The dated date, maturity date, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Note shall be as provided in the Funding Loan Agreement, as finally executed.

SECTION 3. The Borrower Loan Agreement, the Regulatory Agreement and the Assignment, in the respective forms placed on file with the Secretary Designate, are hereby approved. Each Authorized Officer, acting alone, is hereby authorized, for and on behalf of the Authority, to execute and deliver the Borrower Loan Agreement, the Regulatory Agreement and the Assignment in said forms, with such changes and insertions therein as the Authorized Officer executing such documents, upon consultation with legal counsel to the Authority and Bond Counsel, may approve, such approval to be conclusively evidenced by the execution and delivery

of the Borrower Loan Agreement, the Regulatory Agreement and the Assignment by the Authority.

SECTION 4. The Note, when executed as provided in Section 1, shall be delivered to the Bank upon the funding by the Bank of the initial advance referenced in Section 2.1(b) of the Funding Loan Agreement and the satisfaction of the conditions to (a) the closing of the loan evidenced by the Note as set forth in Section 6.1 of the Funding Loan Agreement, and (b) the closing of the Borrower Loan as set forth in Section 2.3(b) of the Borrower Loan Agreement.

SECTION 5. Any Authorized Officer and any agent of the Authority is hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with the issuance and delivery of the Note as contemplated by the Funding Loan Agreement, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the documents which the Authority has approved in this Resolution; provided that no such documents or certificates shall create any obligation or liability of the Authority other than with respect to the revenues and assets derived from the proceeds of the Note or otherwise securing the Note under the financing documents described and authorized herein.

SECTION 6. Any Authorized Officer, acting alone, is hereby authorized to execute and deliver future amendments to the documents authorized to be executed and delivered pursuant to this Resolution ("Authorized Documents"), without further action of the Authority, for the purpose of (a) adding to the covenants and agreements of the Borrower or of the provider of any credit enhancement or liquidity facility; (b) assigning or pledging additional security for the Note, which security shall be provided by or on behalf of the Borrower; (c) curing any ambiguity, inconsistency or omission or supplementing any defective provision of any of the Authorized Documents; (d) permitting the qualification of the Funding Loan Agreement or any supplement thereto under the Trust Indenture Act of 1939 or any similar federal statutes hereafter in effect; (e) providing for any additional procedures, covenants or agreements necessary to maintain the tax-exempt status of interest on the Note; (f) approving a transfer of the Project to another owner; or (g) providing for the appointment of a co-funding lender or the succession of a new funding lender authorized pursuant to the terms of the Funding Loan Agreement; provided that in any event such amendments do not provide for any additional duties or costs with respect to the Authority for which the Borrower does not agree in advance to reimburse or indemnify the Authority therefor.

SECTION 7. All actions heretofore taken by any Authorized Officer and other appropriate officers and agents of the Authority with respect to the issuance of the Note are hereby ratified, confirmed and approved.

SECTION 8. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED on this 13th day of December, 2011 by the following vote:

AYES:

NOES:

ABSENT:

Dr. Thomas E. Holden, Chairman

ATTEST:

Daniel Martinez, Secretary Designate

APPROVED AS TO FORM:

Alan Holmberg, General Counsel

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11/30/11