

RESOLUTION NO. 7547

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE DESIGNATING THE CITY OF SOUTH GATE AS A MEMBER TO THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY, AND APPROVING AND AUTHORIZING THE EXECUTION OF A JOINT EXERCISE OF POWERS AGREEMENT WITH AND RELATING TO THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY AND THE ISSUANCE OF TAX-EXEMPT MULTIFAMILY REVENUE BONDS BY SAID AUTHORITY FOR THE PURPOSE OF FINANCING THE CONSTRUCTION AND DEVELOPMENT OF THE CALDEN APARTMENT HOMES PROJECT

WHEREAS, pursuant Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), certain public agencies (the “Members”) have entered into a Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”) in order to form the California Municipal Finance Authority (the “Authority”), for the purpose of promoting economic, cultural and community development, and in order to exercise any powers common to the Members, including the issuance of bonds, notes or other evidences of indebtedness; and

WHEREAS, the City of South Gate (the “City”) has determined that it is in the public interest and for the public benefit that the City become a Member of the Authority in order to facilitate the promotion of economic, cultural and community development activities in the City, including the financing of projects therefore by the Authority; and

WHEREAS, there is now before this City Council (the “City Council”) the form of the Agreement; and

WHEREAS, the Agreement has been filed with the City, and the members of the City Council, with the assistance of its staff, have reviewed said document; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the acquisition and rehabilitation of capital projects; and

WHEREAS, Pacific West Communities, Inc. and TELACU Homes, Inc., or entities related thereto (the “Borrower”) has requested that the Authority adopt a plan of financing providing for the issuance and sale of tax-exempt multifamily revenue bonds in the maximum principal amount of \$80,000,000 (the “Bonds”), in one or more series, for the purpose of making a loan to the Borrower, to enable the Borrower to finance the construction and development of a 216-unit multifamily affordable housing development commonly known as Calden Apartment Homes and located on 2405 Southern Avenue (APN 6204-033-015, 6204-033-016 and 6204-033-018), within the City (the “Project”); and

WHEREAS, in order for the interest on the Bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that an “applicable elected representative” of the governmental unit, the geographic jurisdiction of which contains the site or facilities to be financed with the proceeds of the Bonds, hold a public hearing on the issuance of the Bonds and approve the issuance of the Bonds following such hearing; and

WHEREAS, the Authority has determined that the City Council is an “applicable elected representative” for purposes of holding such hearing; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and, the requirements of Section 4 of the Agreement; and

WHEREAS, notice of such public hearing has been duly given as required by the Code, and this City Council has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters relative to the financing or refinancing of the Project and the Authority’s issuance of the Bonds therefore; and

WHEREAS, it is in the public interest and for the public benefit that the City Council approves the issuance of the Bonds by the Authority for the aforesaid purposes;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council finds and determines that the foregoing recitals are true and correct.

SECTION 2. The City Council hereby designates the City of South Gate as a Member to the California Municipal Finance Authority.

SECTION 3. The Agreement is hereby approved and the Mayor is hereby authorized to execute said Agreement, and the City Clerk is hereby authorized and directed to attest thereto.

SECTION 4. The City Council hereby approves the issuance of the Bonds by the Authority for the Project. It is the purpose and intent of the City Council that this resolution constitute approval of the issuance of the Bonds (a) by the “applicable elected representative” of the governmental unit having jurisdiction over the area in which the Project is located in accordance with Section 147(f) of the Code and; (b) by the City Council in accordance with Section 4 of the Agreement.

SECTION 5. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The City shall have no responsibility or liability whatsoever with respect to the Bonds.

SECTION 6. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or rehabilitate the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning, approval, permit or other action necessary for the acquisition, rehabilitation or

operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

SECTION 7. The executing officers(s), the Clerk and all other proper officers and officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

SECTION 8. The City Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to the Authority in care of its counsel:

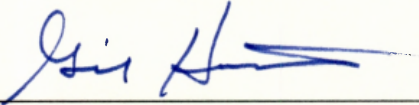
Ronald E. Lee, Esq.
Jones Hall, a Professional Law Corporation
650 California Street, 18th Floor
San Francisco, CA 94108

SECTION 9. The City Council hereby declares that if any provision, sentence, clause, section or part of this Resolution is found to be unconstitutional, illegal or invalid, such finding shall affect only such provision, sentence, clause, section or part, and shall not affect or impair any of the remaining parts.

SECTION 10. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

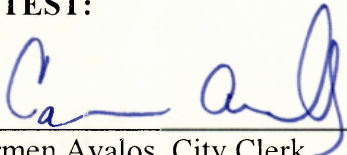
PASSED, APPROVED and ADOPTED on this **9th** day of **April, 2013**.

CITY OF SOUTH GATE:



Gil Hurtado, Mayor


ATTEST:



Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

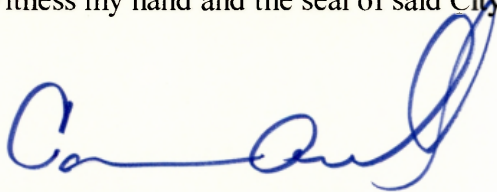
RESOLUTION CERTIFICATION PAGE

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) **SS**
CITY OF SOUTH GATE)

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 7547 was adopted by the City Council at their Regular Meeting held on April 9, 2013, by the following vote:

Ayes: Council Members: Hurtado, Gonzalez, Morales, Davila and De Witt
Noes: Council Members: None
Absent: Council Members: None
Abstain: Council Members: None

Witness my hand and the seal of said City on April 15, 2013.



Carmen Avalos, City Clerk
City of South Gate, California