

**RESOLUTION NO. 51-07**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
RICHMOND AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF  
MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL  
AMOUNT NOT TO EXCEED \$67,000,000 FOR THE PURPOSE OF MAKING A LOAN TO  
PROVIDE FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT KNOWN  
AS CRESCENT PARK APARTMENTS, DETERMINING AND PRESCRIBING CERTAIN  
MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE  
EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS

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WHEREAS, the City of Richmond (the “City”) is authorized and empowered by the provisions of Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”) to issue and sell revenue bonds for the purpose of making loans or otherwise providing funds to finance the acquisition and rehabilitation of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Housing Law;

WHEREAS, Crescent Park EAH, L.P., a California limited partnership (the “Borrower”), has requested that the City issue and sell revenue bonds to assist in the financing of the acquisition and rehabilitation of a multifamily rental housing development located in the City, and generally known as the Crescent Park Apartments (the “Project”);

WHEREAS, the City has agreed to issue not to exceed \$67,000,000 aggregate principal amount of its multifamily housing revenue bonds in one or more series (as further described in Section 2 hereof, the “Bonds”), and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income families;

WHEREAS, there have been prepared and presented at this meeting the following documents required for the issuance of the Bonds, each of which is in substantial form and an appropriate instrument to be executed and delivered for the purposes intended:

1. Master Pledge and Assignment Agreement (the “Master Pledge and Assignment Agreement”), to be entered into between the City and Union Bank of California, N.A., as Agent and Holder (the “Agent”);
2. Master Agency Agreement to be entered into among the City and the Agent (the “Master Agency Agreement”) with respect to the Bonds; and
3. Regulatory Agreement and Declaration of Restrictive Covenants to be entered into between the City and the Borrower (the “Regulatory Agreement”).

WHEREAS, this CITY COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA, hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Housing Law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The recitals set forth above are true and correct.

Section 2. It is hereby found and determined that it is necessary and desirable and serves a public purpose for the City to provide financing for the Project through the issuance and sale of the Bonds (as hereinafter defined) in order to assist in the acquisition and rehabilitation of the type of dwelling units provided by the Project.

Section 3. Pursuant to the Housing Law and the Master Pledge and Assignment Agreement, the City is hereby authorized to issue multifamily housing revenue bonds in an amount not to exceed \$67,000,000, provided that the par amount of Bonds issued as tax-exempt obligations shall not exceed the actual amount of the Allocation, as determined by CDLAC. The Bonds shall be designated as “City of Richmond Multifamily Housing Revenue Bonds (Crescent Park Apartments Project) 2007 Series A” and “City of Richmond Multifamily Housing Revenue Bonds (Crescent Park Apartments Project) 2007 Series A-T” (collectively, the “Bonds”). The

Bonds shall be in the forms set forth in and otherwise in accordance with the Master Pledge and Assignment Agreement and shall be executed by the manual or facsimile signature of the Mayor of the City, and countersigned by the manual or facsimile signature of the City Clerk of the City. The Bonds shall be issued and secured in accordance with the terms of the Master Pledge and Assignment Agreement. Payment of the principal of, redemption premium, if any, and interest on, the Bonds shall be made solely from the Collateral (as defined in the Master Pledge and Assignment Agreement). The Bonds shall not be deemed to constitute a debt or liability of the City, the State or any political subdivision thereof.

Section 4. The form, terms and provisions of the Master Pledge and Assignment Agreement in the form presented at this meeting are hereby approved and the City Manager, or his designee or the Community and Economic Development Director or his designee (each, an "Authorized Officer"), acting alone, is authorized to execute and deliver to the Agent the Master Pledge and Assignment Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the City, such approval to be conclusively evidenced by the delivery thereof. The principal amount, date, maturity date or dates (which shall not extend beyond July 1, 2047), interest rate or rates (which shall not exceed 12%), 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 Master Pledge and Assignment Agreement as finally executed.

Section 5. The form, terms and provisions of the Master Agency Agreement in the form presented at this meeting are hereby approved and any Authorized Officer, acting alone, is authorized to execute and deliver a Master Agency Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the City, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The form, terms and provisions of the Regulatory Agreement in the form presented at this meeting are hereby approved and any Authorized Officer, acting alone, is authorized to execute and deliver the Regulatory Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the City, such approval to be conclusively evidenced by the delivery thereof.

Section 7. The Bonds, when executed, shall be delivered to the Agent for authentication. The Agent is hereby requested and directed to authenticate the Bonds, as appropriate, by executing the Agent's certificate of authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Agent, in accordance with written instructions executed and delivered on behalf of the City by an Authorized Officer, which officer is hereby authorized and directed to execute and deliver such instructions to the Agent. Such instructions shall provide for the delivery of the Bonds to the Agent in accordance with the Master Pledge and Assignment Agreement upon payment of the purchase price thereof.

Section 8. All actions heretofore taken by the officers and agents of the City with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Officer, acting alone, is hereby authorized and directed, for and in the name and on behalf of the City, 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 a tax certificate, any endorsement and/or assignment of the promissory note or other security for payment of the Bonds, and such other documents, including documents described in the Master Pledge and Assignment Agreement or the Regulatory Agreement, 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 City with respect to the Project and otherwise in order to carry out the financing of the Project.

Section 9. This Resolution shall take effect immediately upon its adoption.

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PASSED AND ADOPTED by the City Council of the City of Richmond, State of California, this 29th day of May, 2007, by the following vote:

AYES: Councilmember Bates, Lopez, Marquez, Rogers, Sandhu, Thurmond, Viramontes, and Mayor McLaughlin

NOES: None

ABSENT: Councilmember Butt

ABSTAIN: None

DIANE HOLMES  
Clerk of the City of Richmond

(SEAL)

APPROVED:

GAYLE McLAUGHLIN  
Mayor

APPROVED AS TO FORM:

LOUISE RENNE, Interim  
City Attorney

State of California            }  
County of Contra Costa       : ss.  
City of Richmond             }

I certify that the foregoing is a true copy of Resolution No. 51-07, finally passed and adopted by the Council of the City of Richmond at a meeting held on May 29, 2007.