

RESOLUTION NO. 3041

A RESOLUTION DECLARING THE INTENTION OF THE CITY OF PASO ROBLES TO AUTHORIZE THE ISSUANCE AND SALE OF BONDS, FOR THE PURPOSE OF FINANCING THE CONSTRUCTION OF A PROJECT AS AUTHORIZED BY THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA

WHEREAS, the City of Paso Robles (herein sometimes referred to as the "City") is a public body, corporate and political, duly created, established and authorized pursuant to Chapter 7 of Part 5 (commencing with Section 52075) of the Health and Safety Code of the State of California) (the "Act") to issue revenue bonds to finance the development of multifamily rental housing; and

WHEREAS, a certain developer more fully described in Exhibit "A" (the "Developer"), on its own behalf and on behalf of its nominees, successors or assigns, has submitted a request to the City to issue and sell, to a purchaser at a public sale or as otherwise authorized by the Act (the "Purchaser"), revenue bonds pursuant to the Act and Section 103(b)(4)(A) of the Internal Revenue Code of 1954, as amended (the "Code") for the purposes of providing financing for the construction of a certain multifamily residential project (the "Project"), as more fully described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the City hereby declares its intent to issue its revenue bonds pursuant to the Act and the Code for the purpose of providing funds to finance the cost of the Project, upon such terms and conditions as may be agreed upon by and between the City, the Developer and the Purchaser.

NOW, THEREFORE, THE CITY OF PASO ROBLES, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The recitals set forth hereinabove are true and correct in all respects.

Section 2. The City hereby declares its intent to proceed to issue and sell its revenue bonds (the "Bonds") in an amount not to exceed the amount set for in Exhibit "A" under and in accordance with the Act and the Code, to implement the financing of the Project by the City, however, the City further declares that, by this Resolution, it incurs no obligations to issue the Bonds at any future date.

Section 3. Pursuant to the Act, the City is legally authorized to issue its limited obligation revenue bonds for the financing as described in the recitals hereof.

Section 4. This council constitutes the governing body of the City and is legally authorized to issue the Bonds under the Act.

Section 5. The Bonds shall not be a debt of the City, the State of California, or any of its political subdivisions, and neither the City, the State, nor any of its political subdivisions shall be legally or morally liable thereon, and the Bonds shall so state on their face. The Bonds shall not be payable out of any funds or properties other than all or any part of the revenues, funds or properties described in this Resolution. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the persons serving as the Mayor or members of the City

Council of the City nor any persons executing the Bonds shall be liable personally on the Bonds or subject to any personal liability or accountability by reason of the issuance thereof.

Section 6. The details of the Bonds, including the establishing of the aggregate face amount, the rate(s) of interest and the term thereof, shall be authorized by an indenture of trust, resolution or resolutions of the City at a meeting or meetings to be held for such purpose. The City Manager is hereby authorized and directed to coordinate the efforts of all concerned relating to the issuance and sale of the Bonds, and the City staff, legal counsel to the City and bond counsel are hereby authorized to take such steps as shall be appropriate to implement such sale and delivery of the Bonds.

Section 7. This Resolution constitutes a proper exercise of the powers of this City and conforms to federal, State and local legal requirements relating to the issuance of such bonds and other bonds or debt obligations in this State.

Section 8. It is intended that this Resolution shall constitute such "official action" toward the issuance of the Bonds within the meaning of the United States Treasury Regulations, the United States Tax Laws, and any legislation now or hereafter pending in the Congress of the United States which may require official action in order for the Bonds to be exempt from federal income taxation.

Section 9. The City may terminate the proceedings toward the issuance of the Bonds, in its sole discretion, at any time, by providing notice thereof to the Developer. In no event

shall the City be responsible to pay any cost, expense or other liability of any party, including without limitation the Developer, in connection with any of the proceedings toward the issuance of the Bonds, including without limitation the City's administrative expenses and attorney's fees. The preceding sentence shall also apply, without limitation, to any and all costs, expenses or losses with respect to the Project and the development thereof.

Section 10. The City hereby appoints the law firm of Camfield & Christopher, Los Angeles, to act as bond counsel for the issuance of the Bonds, and the fees and expenses of such bond counsel are to be paid by the Developer and shall not in any manner be an obligation of the City.

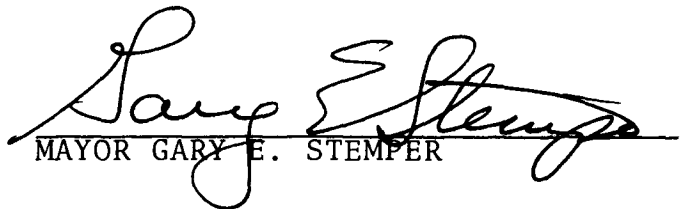
Section 11. This Resolution shall take effect upon adoption.

PASSED AND ADOPTED THIS 6th day of August, 1985 by the following roll call vote:

AYES: Councilpersons Cousins, Ovitt, Russell, Thorndyke & Stemper

NOES: None

ABSENT: None


MAYOR GARY E. STEMPER

ATTEST:

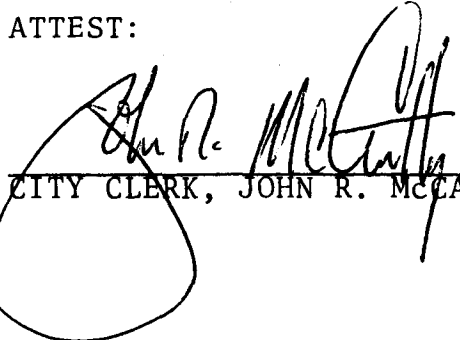

CITY CLERK, JOHN R. MCCARTHY

EXHIBIT "A"

Developer: Noble Oaks, Ltd., a California limited partnership

Project: A multifamily residential development consisting of approximately 150 rental units, all functionally related and subordinate facilities, and the real property upon which the project will be located, which is situated on Creston Road near Myrtlewood in the City of Paso Robles.

Amount: \$6,000,000