

**RESOLUTION NO. 2003-88**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE APPROVING THE ISSUANCE OF MULTIFAMILY REVENUE BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY ON BEHALF OF AGAVÉ ASSOCIATES, LP**

**WHEREAS**, at its April 2, 2003 the City Council of Elk Grove approved a financial commitment to Agavé at Elk Grove (the "Project"), a 188-unit multifamily residential rental project to be generally known as the Agavé at Elk Grove and to be located at the southeast corner of Poppy Ridge Road and Franklin Boulevard, Elk Grove, California; and

**WHEREAS**, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 et seq. and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the City of Elk Grove (the "City"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

**WHEREAS**, Agavé Associates, LP, a California limited partnership (collectively, with any related entity, the "Borrower") has requested that the Authority issue multifamily housing revenue bonds in an aggregate principal amount not to exceed \$16,000,000 (the "Bonds") for the purpose of providing financing for the acquisition, construction and development of the Project; and

**WHEREAS**, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

**WHEREAS**, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

**WHEREAS**, the members of this City Council are the applicable elected representatives of the City; and

**WHEREAS**, a public hearing was held by the Council on this 30th day of April, 2003, following duly published notice thereof, and all persons desiring to be heard have been heard; and

**WHEREAS**, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement; and

**WHEREAS**, it is in the public interest and for the public benefit that the City Council of the City of Elk Grove, as the elected representative of the City of Elk Grove, the host jurisdiction of the subject multifamily housing residential facility, approve the issuance and delivery by the Authority of the Bonds.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Elk Grove hereby:

1. The City Council of the City of Elk Grove hereby finds, determines and declares that issuance by the Authority of the Bonds in the maximum principal amount not to exceed \$16,000,000 for the purposes described above is hereby approved. It is the purpose and intent of the City Council that this resolution constitutes approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

2. The issuance and delivery of the Bonds shall be subject to the approval of and execution by the Authority of all financing documents relating thereto to which the Authority is a party and subject to the sale of the Bonds by the Authority.

3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

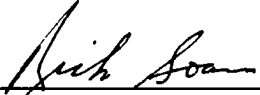
4. The adoption of this Resolution shall not obligate (i) the City to provide financing to the Borrower for the acquisition, construction, rehabilitation and development of the Project or to issue the Bonds for purposes of such financing; or (ii) the City, or any department of the City to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, rehabilitation, development or operation of the Project.

5. The City Clerk of the City shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the public hearing notice to:

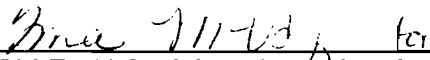
Justin Cooper, Esq.  
Orrick, Herrington & Sutcliffe LLP  
Old Federal Reserve Bank Building  
400 Sansome Street  
San Francisco, California 94111

6. This resolution shall take effect upon its adoption.

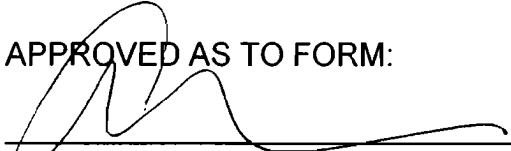
**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 30<sup>th</sup> day of April 2003.

  
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RICK SOARES, MAYOR of the CITY  
OF ELK GROVE

ATTEST:

  
\_\_\_\_\_  
PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
ANTHONY B. MANZANETTI,  
CITY ATTORNEY

**AYES:** Soares, Scherman, Briggs, Cooper, Leary  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None