

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

RESOLUTION NO. RES-08-0123

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH APPROVING THIRD LOAN  
MODIFICATION AGREEMENT RELATED TO  
MULTIFAMILY HOUSING REVENUE BONDS FOR  
JAMBOREE WEST GATEWAY APARTMENTS, AND  
APPROVING OTHER RELATED ACTIONS

WHEREAS, pursuant to Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code, as amended (the "Act"), the City of Long Beach (the "City") is authorized to issue revenue bonds for the purpose of financing the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to the multifamily rental housing; and

WHEREAS, at the request of Jamboree West Gateway L.P., a California limited partnership (the "Borrower"), on December 13, 2004 the City issued its up to \$11,000,000 of Multifamily Housing Revenue Bonds (Jamboree West Gateway Apartments), Series 2004B and on December 1, 2005 the City issued its up to \$2,000,000 of Multifamily Housing Revenue Bonds (Jamboree West Gateway Apartments), Series 2005A (collectively, the "Bonds"), and the City has made a loan (the "Loan") of the proceeds of the Bonds to the Borrower to finance the acquisition and construction by the Borrower of a 64 unit multifamily rental housing facility located at 745 West Third Street in the City (the "Project") currently known as Puerto Del Sol Apartment Homes (formerly known as Jamboree West Gateway Apartments); and

WHEREAS, in April of 2008, the Borrower advised the City that, due to unforeseen circumstance, the completion of the Project was delayed and the Borrower then requested that the City enter into a Second Loan Modification Agreement with the

1 Borrower and Washington Mutual Bank, FA, the purchaser of the Bonds (the "Bank"), to  
2 extend the maturity date of the Loan from May 1, 2008 to August 1, 2008; and

3 WHEREAS, the Borrower has now advised the City that further unforeseen  
4 delays have occurred in connection with the Borrower obtaining some of the funds  
5 necessary to repay the Loan at its maturity, and the Borrower has now requested that the  
6 City execute a Third Loan Modification Agreement with the Borrower and the Bank  
7 providing for a further extension of the maturity date of the Loan to December 1, 2008;  
8 and

9 WHEREAS, because the further extension of the maturity date of the Loan  
10 may result in a reissuance of the Bonds for federal tax purposes, a public hearing must  
11 be held with respect to the possible reissuance of the Bonds in order that the interest on  
12 the Bonds continue to be exempt from federal income taxes; and

13 WHEREAS, on September 16, 2008, the City Treasurer held a public  
14 hearing regarding the reissuance of the Bonds as required by applicable federal tax law  
15 at which any interested party could be heard regarding the reissuance of the Bonds and  
16 the location, ownership, construction, operation or financing of the Project; and

17 WHEREAS, there has been prepared and have been placed on file with the  
18 City Attorney a copy of the Third Loan Modification Agreement (the "Third Modification  
19 Agreement"); and

20 WHEREAS, it appears that the Third Modification Agreement is in  
21 appropriate form and is an appropriate document to be executed and delivered for the  
22 purposes intended.

23 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
24 follows:

25 Section 1. Approval of Reissuance of Bonds. The reissuance of the Bonds  
26 by reason of the extension of the maturity of the loan funded with the proceeds of the  
27 Bonds, all as contemplated by the Third Modification Agreement, is hereby approved.

28 Section 2. Approval of Third Modification Agreement. The Third

1 Modification Agreement, in the form on file in the City Attorney's office, is hereby  
2 approved. The City Manager, the Director of Financial Management or the Treasurer  
3 (each being a "Designated Officer" and, collectively, the "Designated Officers"), each  
4 acting alone, are hereby authorized to execute and deliver the Third Modification  
5 Agreement in such form, together with such changes as may be approved by the  
6 Designated Officer executing the same upon consultation with the City Attorney and  
7 Bond Counsel to the City for the Bonds, such execution thereof to constitute conclusive  
8 evidence of the approval of all changes from the form of the Third Modification  
9 Agreement approved by this Resolution.

10           Section 3. Actions Ratified and Authorized. All actions heretofore taken by  
11 the officers and agents of the City with respect to the issuance and sale of the Bonds are  
12 hereby approved, confirmed and ratified, and the Designated Officers are each hereby  
13 authorized, for and in the name and on behalf of the City, to do any and all things and  
14 take any and all actions and execute and deliver any and all certificates, agreements and  
15 other documents, including but not limited to (a) a subordination agreement (in a form  
16 acceptable to the City Attorney), and (b) any certificates and other documents described  
17 in the Third Modification Agreement, which they, or any of them, may deem necessary of  
18 advisable in order to consummate the modification of the documents for the Bonds as  
19 contemplated by the Third Modification Agreement.

20           Section 4. Further Consents, Approvals and Other Actions. All consents,  
21 approvals, notices, orders, requests and other actions permitted or required by the Third  
22 Modification Agreement or the documents referred to therein, or otherwise appropriate in  
23 the administration of the Bonds and the lending program financed thereby, including  
24 without limitation any of the foregoing which may be necessary or desirable in connection  
25 with any amendment of such documents, any sale or transfer of the Project, any  
26 substitution of security for the Bonds, or any redemption of the Bonds, may be taken or  
27 given by any of the Designated Officers, without further authorization by the City Council,  
28 and the Designated Officers are hereby authorized and directed to give any such

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1 consent, approval, notice, order or request and to take any such action which such officer  
2 may deem necessary or desirable to further the purposes of this Resolution.

3 Section 5. Effective Date. This Resolution shall take effect from and after  
4 the date of its passage and adoption.

5 I hereby certify that the foregoing Resolution was adopted by the City  
6 Council of the City of Long Beach, at its meeting of October 7, 2008, by the  
7 following vote:

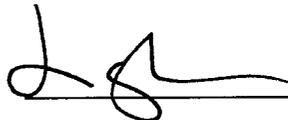
8 Ayes: Councilmembers: B. Lowenthal, O'Donnell, Schipske,  
9 Andrews, Gabelich, Lerch.

10 \_\_\_\_\_  
11 \_\_\_\_\_

12 Noes: Councilmembers: None.

13 \_\_\_\_\_  
14 Absent: Councilmembers: S. Lowenthal, DeLong, Reyes Uranga.

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16 \_\_\_\_\_

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18 \_\_\_\_\_  
19 City Clerk

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