

*Chula Vista  
Copy*

**AGREEMENT**

**JOINT POWERS AGREEMENT TO CREATE THE  
ESCONDIDO - CHULA VISTA HOUSING FINANCE  
AGENCY TO EXERCISE COMMON POWERS OF THE  
CITY OF ESCONDIDO AND THE CITY OF CHULA VISTA  
TO FINANCE HOME MORTGAGES PURSUANT TO PART  
5 OF DIVISION 31 OF THE HEALTH AND SAFETY  
CODE OF THE STATE OF CALIFORNIA**

THIS AGREEMENT, made this 5th day of April, 1985, by and between the CITY OF ESCONDIDO, CALIFORNIA, a general law city, duly organized and existing under the laws of the State of California, hereinafter called "Escondido", and the CITY OF CHULA VISTA, CALIFORNIA, a chartered city, duly organized and existing under the Constitution and laws of the State of California, hereinafter called "Chula Vista";

**W I T N E S S E T H:**

WHEREAS, Escondido and Chula Vista, pursuant and subject to the provisions of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act"), are each authorized and empowered to provide, through lending institutions, long-term, low interest home mortgage loans to income qualified persons and families to finance the acquisition of homes and to issue revenue bonds to provide the funds therefor; and,

WHEREAS, said Part 5 also provides that such powers may be exercised by an agency created by a joint powers agreement under Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California entered into by cities for the express purpose of the joint exercise of such powers; and,

WHEREAS, said Article 1 provides (a) that two or more public agencies by agreement may jointly exercise any powers common to the contracting parties, and (b) that the agency provided by the agreement to administer or execute the agreement may be a separate commission or board constituted pursuant to the agreement; and,

WHEREAS, Escondido and Chula Vista have determined that (a) the public interest and economy will be served by, and require, the joint exercise of their common powers under said Part 5, and (b) to create a separate agency, which agency shall have and exercise said common powers.

NOW, THEREFORE, IT IS AGREED, as follows:

1. **FORMATION.** Escondido and Chula Vista, pursuant to the Act and Government Code Sections 6500 et seq., hereby form, establish and create the **ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY**, hereinafter called "Agency", which shall constitute a separate and distinct public entity.

4/1/85

*R-11988*

**EXHIBIT A**

Escondido-Chula Vista  
Joint Powers Agreement  
Page 2

2. **PURPOSE.** The Agency is formed for the purpose of exercising any and all of the common powers of Escondido and Chula Vista for the purpose of financing home mortgages pursuant to the Act. In this regard, Escondido and Chula Vista have each obtained a conditional allocation from the Mortgage Bond Allocation Committee under the provisions of the Costa-Marks Housing Bond Allocation Act of 1981 (the "Costa Marks Act"), which allocation each agrees to assign in a timely manner to the Agency for application in accordance with the further provisions of the Costa Marks Act. In the event that all or any portion of an allocation from the Mortgage Bond Allocation Committee is not sold by the Agency within the prescribed period, then any forfeiture required by the provisions of the Costa Marks Act shall be determined as if the allocation or portion thereof not sold had not been assigned to the Agency.

3. **INTERNAL ORGANIZATION.** The Agency shall have a governing body designated as the Board of Directors of the ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY (the "Board of Directors"), which shall consist of two members of the City Council of Escondido and two members of the City Council of Chula Vista. Each of the initial Directors shall be approved by his or her respective City Council forthwith, upon approval of this Agreement and each shall serve at the pleasure of his or her respective appointing body.

(a) Duties of Directors. The duties of the Directors shall be:

- (1) To make all policy decisions and exercise all of the powers of the Agency;
- (2) To submit full and regular reports to each of the parties to this Agreement; and
- (3) To adopt from time to time such rules and regulations for the conduct of Agency affairs as may be required.

(b) Officers. The Agency shall have a President and Vice-President periodically elected by and from the members of the Board of Directors, and shall have a Secretary who shall be the City Clerk of Escondido and a Treasurer and Auditor who shall be the Finance Director of Chula Vista.

(c) Duties of Officers. Officers shall perform duties normal to their office; and

- (1) The President shall sign all contracts on behalf of the Agency and perform such other duties as may be imposed by the Board of Directors.

Escondido-Chula Vista  
 Joint Powers Agreement  
 Page 3

- (2) The Vice-President shall act in the absence of the President.
- (3) The Secretary shall countersign all contracts on behalf of the Agency; perform such other duties as may be imposed by the Board of Directors; and keep minutes of all meetings and cause a copy of the minutes to be forwarded to each of the members of the Board of Directors and each of the parties to this Agreement.
- (4) The Treasurer and the Auditor shall have the duties and obligations set forth in Section 6505.5 of the Government Code of the State of California.
- (d) Meetings. Regular meetings of the Board of Directors shall be held at such time and place as may be established by the Board.
- (e) Ralph M. Brown Act. All meetings held by the Board of Directors, including regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Sections 54950 and 54961 of the Government Code of the State of California.
- (f) Quorum. Three members of the Board of Directors shall constitute a quorum. Any action of the Board of Directors shall require the affirmative vote of not less than three Board members.
- (g) Compensation. The members of the Board of Directors shall receive compensation for their services, which shall be the sum of \$50.00 for each meeting of the Board of Directors and shall receive reimbursement for all out-of-pocket expenses incurred in connection with Agency business.

4. **AGENCY TO ADMINISTER AGREEMENT.** As established by this Agreement, the ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY is hereby designated as a public entity separate from the members thereof, and as the entity to administer this Agreement. The Agency shall exercise its powers subject to the restrictions of the Act and this Agreement.

5. **POWERS.** The Agency shall have the power in its own name to:

- (a) Finance home mortgages pursuant to the Act; and
- (b) Make and enter contracts; adopt a seal; employ agents, employees and consultants, including legal, fiscal and paying agents; acquire, construct, manage, maintain and operate buildings, works and

R. 11988

Escondido-Chula Vista  
Joint Powers Agreement  
Page 4

improvements; acquire, hold and dispose of property; incur debts, liabilities and obligations which do not constitute the debt, liability or obligation of the parties hereto; sue and be sued; and to do all other things reasonably necessary for the accomplishment of its purposes and the exercise of its powers.

6. **NO LIABILITY.** The debts, liabilities and obligations of the Agency shall not be the debts, liabilities and obligations of Escondido and Chula Vista.

7. **FINANCES.**

- (a) **Budget.** The Agency shall prepare an annual budget of revenues and expenses in each fiscal year, which shall be from July 1 to June 30. Such budget shall also show the revenues and expenses anticipated in connection with each project for which revenue bonds, notes and other evidences of indebtedness are outstanding.
- (b) **Accountability of Funds, Reports and Audits.** There shall be strict accountability of all funds and a report of all receipts and disbursements of the Agency. The Auditor shall make or contract with a Certified Public Accountant or public accountant to make annual audits of the accounts and records of the Agency to be filed annually with the Finance Directors of Escondido and Chula Vista. The Auditor need not make or contract for such audit in any case where an annual audit of the accounts and records of such Agency by a Certified Public Accountant or public accountant is otherwise made by any Agency of the state or United States only as to such accounts and records which are directly subject to such a federal or state audit. The annual audits shall conform to generally accepted auditing standards, the minimum requirements of which shall be as prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California. The Agency shall establish and maintain all necessary funds and accounts which shall be open to inspection at all reasonable times by each of the parties hereto.
- (c) **Bonding Person Having Access to Property.** The officers who have charge of, handle, or have access to any property of the Agency, shall be required to file an official bond with the Agency in such amount as may be established by the Board of Directors. Should an existing bond of any of said officers be extended to cover the obligation provided herein, said bond shall be the official bond of said officers required to be posted herein. The premium on any such bond or bonds shall be an appropriate expense of the Agency.

8. **AMENDMENT.** This Agreement may be amended by the mutual consent of the parties hereto, duly authorized by resolution of the respective legislative bodies thereof; provided that no amendment shall be to the detriment of holders of outstanding bonds, notes or other evidences of indebtedness.

9. **PERIOD OF AGREEMENT.** This Agreement shall continue until rescinded or terminated by either mutual consent of the parties hereto duly authorized by resolution of the respective legislative bodies thereof, or by unilateral withdrawal by one of the parties hereto duly authorized by resolution of its legislative body; provided that this Agreement shall be irrevocable as long as the Agency has bonds, notes or other evidences of indebtedness outstanding.

10. **DISPOSITION OF PROPERTY.** Properties acquired by the Agency shall be held and managed by the Agency and shall not be disposed of to, distributed to, or divided between the parties hereto, except in accordance with their directions, duly authorized by resolution of the respective legislative bodies thereof; provided that no disposition, distribution or division shall be made of properties acquired and/or constructed from the proceeds of outstanding bonds, notes or other evidences of indebtedness except in accordance with the resolution authorizing such bonds, notes or other evidences of indebtedness.

11. **SURPLUS MONEY.** After the completion of the purposes of this Agreement, any surplus money held by the Agency shall be returned in proportion to the contributions made by the parties hereto.

12. **FURTHER ASSURANCE.** Escondido and Chula Vista shall execute all documents and do all things necessary to enable Agency to execute its powers and accomplish its purposes.

13. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers thereunto duly authorized the day and year first above written.

ATTEST:

Jeanne Bunch  
CITY CLERK  
(SEAL)

CITY OF ESCONDIDO

By: Ernie Cowan  
Mayor

ATTEST:

Jennie M. Julasz  
CITY CLERK  
(SEAL)

CITY OF CHULA VISTA

By: Gregory R. Cox  
Mayor

I hereby certify that the foregoing instrument is a true copy of the original instrument on file in my office.

Jeanne Bunch  
SECRETARY OF THE ESCONDIDO - CHULA VISTA  
HOUSING FINANCE AGENCY

R-11988

*Chula Vista*  
R

RESOLUTION NO. 85-87

RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF ESCONDIDO, CALIFORNIA, APPROVING  
JOINT POWERS AGREEMENT BY AND BETWEEN THE  
CITY OF ESCONDIDO AND THE CITY OF CHULA  
VISTA FOR THE PURPOSE OF FINANCING HOME  
MORTGAGES

WHEREAS, the CITY OF ESCONDIDO, CALIFORNIA (the "City") and the CITY OF CHULA VISTA, CALIFORNIA, pursuant and subject to the provisions of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act"), are each authorized and empowered to provide, through lending institutions, long-term low interest home mortgage loans to income-qualified persons and families to finance the acquisition of homes and to issue revenue bonds to provide the funds therefor; and,

WHEREAS, said Part 5 also provides that such powers may be exercised by an agency created by a joint powers agreement under Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, entered into by cities for the express purpose of the joint exercise of such powers; and,

WHEREAS, such a Joint Powers Agreement has been proposed and submitted to accomplish the formation of such agency.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the City Council of the City of Escondido make and enter into a Joint Powers Agreement to create the "ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY" to exercise common powers of the City and the City of Chula Vista, to finance home mortgages pursuant to

R 11788

to the Act; such Joint Powers Agreement to be in the form attached hereto as Exhibit "A", and by this reference incorporated in and presented to the City Council.

- 3. That the Mayor is hereby authorized to execute such Joint Powers Agreement on behalf of the City, and the City Clerk of said City is authorized to attest the Mayor's signature thereto and affix thereto the seal of the City.



PASSED, ADOPTED AND APPROVED by the City Council of  
the City of Escondido, California at a regular meeting thereof  
this 3rd day of April, 1985 by the following vote to-wit:

AYES : Councilmembers: BEST, COWAN, HARMON, THURSTON  
NOES : Councilmembers: NONE  
ABSENT : Councilmembers: NONE  
ABSTAIN : Councilmembers: RADY

APPROVED:

*Ernie Cowan*  
ERNIE COWAN, Mayor of the  
City of Escondido, California

ATTEST:

*Jeanne Bunch*  
JEANNE BUNCH, City Clerk of the  
City of Escondido, California

STATE OF CALIFORNIA )  
COUNTY OF SAN DIEGO : ss.  
CITY OF ESCONDIDO )

I, JEANNE BUNCH, City Clerk of the City of Escondido,  
California, hereby certify that I have compared the foregoing  
copy with the original RESOLUTION NO. 85-87 passed and adopted  
by said City Council at a regular meeting thereof, at the time  
and by the vote therein stated, which original resolution is  
now on file in my office, and that the same is a full, true  
and correct copy thereof and has not been amended or repealed.

WITNESS my hand and the seal of the City of Escondido  
this 3rd day of April, 1985.

*Jeanne Bunch*  
JEANNE BUNCH, City Clerk of the  
City of Escondido, California

(SEAL)

12-11788

AGREEMENT

JOINT POWERS AGREEMENT TO CREATE THE  
ESCONDIDO - CHULA VISTA HOUSING FINANCE  
AGENCY TO EXERCISE COMMON POWERS OF THE  
CITY OF ESCONDIDO AND THE CITY OF CHULA VISTA  
TO FINANCE HOME MORTGAGES PURSUANT TO PART  
5 OF DIVISION 31 OF THE HEALTH AND SAFETY  
CODE OF THE STATE OF CALIFORNIA

THIS AGREEMENT, made this 9th day of April, 1985, by and between the CITY OF ESCONDIDO, CALIFORNIA, a general law city, duly organized and existing under the laws of the State of California, hereinafter called "Escondido", and the CITY OF CHULA VISTA, CALIFORNIA, a chartered city, duly organized and existing under the Constitution and laws of the State of California, hereinafter called "Chula Vista";

W I T N E S S E T H:

WHEREAS, Escondido and Chula Vista, pursuant and subject to the provisions of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act"), are each authorized and empowered to provide, through lending institutions, long-term, low interest home mortgage loans to income qualified persons and families to finance the acquisition of homes and to issue revenue bonds to provide the funds therefor; and,

WHEREAS, said Part 5 also provides that such powers may be exercised by an agency created by a joint powers agreement under Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California entered into by cities for the express purpose of the joint exercise of such powers; and,

WHEREAS, said Article 1 provides (a) that two or more public agencies by agreement may jointly exercise any powers common to the contracting parties, and (b) that the agency provided by the agreement to administer or execute the agreement may be a separate commission or board constituted pursuant to the agreement; and,

WHEREAS, Escondido and Chula Vista have determined that (a) the public interest and economy will be served by, and require, the joint exercise of their common powers under said Part 5, and (b) to create a separate agency, which agency shall have and exercise said common powers.

NOW, THEREFORE, IT IS AGREED, as follows:

1. **FORMATION.** Escondido and Chula Vista, pursuant to the Act and Government Code Sections 6500 et seq., hereby form, establish and create the ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY, hereinafter called "Agency", which shall constitute a separate and distinct public entity.

R-11988

4/1/85

R-11988 (C.V.)  
R-85-87 (Esc.)

EXHIBIT A

2. **PURPOSE.** The Agency is formed for the purpose of exercising any and all of the common powers of Escondido and Chula Vista for the purpose of financing home mortgages pursuant to the Act. In this regard, Escondido and Chula Vista have each obtained a conditional allocation from the Mortgage Bond Allocation Committee under the provisions of the Costa-Marks Housing Bond Allocation Act of 1981 (the "Costa Marks Act"), which allocation each agrees to assign in a timely manner to the Agency for application in accordance with the further provisions of the Costa Marks Act. In the event that all or any portion of an allocation from the Mortgage Bond Allocation Committee is not sold by the Agency within the prescribed period, then any forfeiture required by the provisions of the Costa Marks Act shall be determined as if the allocation or portion thereof not sold had not been assigned to the Agency.

3. **INTERNAL ORGANIZATION.** The Agency shall have a governing body designated as the Board of Directors of the ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY (the "Board of Directors"), which shall consist of two members of the City Council of Escondido and two members of the City Council of Chula Vista. Each of the initial Directors shall be approved by his or her respective City Council forthwith, upon approval of this Agreement and each shall serve at the pleasure of his or her respective appointing body.

(a) Duties of Directors. The duties of the Directors shall be:

- (1) To make all policy decisions and exercise all of the powers of the Agency;
- (2) To submit full and regular reports to each of the parties to this Agreement; and
- (3) To adopt from time to time such rules and regulations for the conduct of Agency affairs as may be required.

(b) Officers. The Agency shall have a President and Vice-President periodically elected by and from the members of the Board of Directors, and shall have a Secretary who shall be the City Clerk of Escondido and a Treasurer and Auditor who shall be the Finance Director of Chula Vista.

(c) Duties of Officers. Officers shall perform duties normal to their office; and

- (1) The President shall sign all contracts on behalf of the Agency and perform such other duties as may be imposed by the Board of Directors.

11988

- (2) The Vice-President shall act in the absence of the President.
  - (3) The Secretary shall countersign all contracts on behalf of the Agency; perform such other duties as may be imposed by the Board of Directors; and keep minutes of all meetings and cause a copy of the minutes to be forwarded to each of the members of the Board of Directors and each of the parties to this Agreement.
  - (4) The Treasurer and the Auditor shall have the duties and obligations set forth in Section 6505.5 of the Government Code of the State of California.
- (d) Meetings. Regular meetings of the Board of Directors shall be held at such time and place as may be established by the Board.
  - (e) Ralph M. Brown Act. All meetings held by the Board of Directors, including regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Sections 54950 and 54961 of the Government Code of the State of California.
  - (f) Quorum. Three members of the Board of Directors shall constitute a quorum. Any action of the Board of Directors shall require the affirmative vote of not less than three Board members.
  - (g) Compensation. The members of the Board of Directors shall receive compensation for their services, which shall be the sum of \$50.00 for each meeting of the Board of Directors and shall receive reimbursement for all out-of-pocket expenses incurred in connection with Agency business.

4. **AGENCY TO ADMINISTER AGREEMENT.** As established by this Agreement, the ESCONDIDO - CHULA VISTA HOUSING FINANCE AGENCY is hereby designated as a public entity separate from the members thereof, and as the entity to administer this Agreement. The Agency shall exercise its powers subject to the restrictions of the Act and this Agreement.

5. **POWERS.** The Agency shall have the power in its own name to:

- (a) Finance home mortgages pursuant to the Act; and
- (b) Make and enter contracts; adopt a seal; employ agents, employees and consultants, including legal, fiscal and paying agents; acquire, construct, manage, maintain and operate buildings, works and

A 11988

improvements; acquire, hold and dispose of property; incur debts, liabilities and obligations which do not constitute the debt, liability or obligation of the parties hereto; sue and be sued; and to do all other things reasonably necessary for the accomplishment of its purposes and the exercise of its powers.

6. **NO LIABILITY.** The debts, liabilities and obligations of the Agency shall not be the debts, liabilities and obligations of Escondido and Chula Vista.

7. **FINANCES.**

(a) Budget. The Agency shall prepare an annual budget of revenues and expenses in each fiscal year, which shall be from July 1 to June 30. Such budget shall also show the revenues and expenses anticipated in connection with each project for which revenue bonds, notes and other evidences of indebtedness are outstanding.

(b) Accountability of Funds, Reports and Audits. There shall be strict accountability of all funds and a report of all receipts and disbursements of the Agency. The Auditor shall make or contract with a Certified Public Accountant or public accountant to make annual audits of the accounts and records of the Agency to be filed annually with the Finance Directors of Escondido and Chula Vista. The Auditor need not make or contract for such audit in any case where an annual audit of the accounts and records of such Agency by a Certified Public Accountant or public accountant is otherwise made by any Agency of the state or United States only as to such accounts and records which are directly subject to such a federal or state audit. The annual audits shall conform to generally accepted auditing standards, the minimum requirements of which shall be as prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California. The Agency shall establish and maintain all necessary funds and accounts which shall be open to inspection at all reasonable times by each of the parties hereto.

(c) Bonding Person Having Access to Property. The officers who have charge of, handle, or have access to any property of the Agency, shall be required to file an official bond with the Agency in such amount as may be established by the Board of Directors. Should an existing bond of any of said officers be extended to cover the obligation provided herein, said bond shall be the official bond of said officers required to be posted herein. The premium on any such bond or bonds shall be an appropriate expense of the Agency.

8. **AMENDMENT.** This Agreement may be amended by the mutual consent of the parties hereto, duly authorized by resolution of the respective legislative bodies thereof; provided that no amendment shall be to the detriment of holders of outstanding bonds, notes or other evidences of indebtedness.

R. 11988

9. **PERIOD OF AGREEMENT.** This Agreement shall continue until rescinded or terminated by either mutual consent of the parties hereto duly authorized by resolution of the respective legislative bodies thereof, or by unilateral withdrawal by one of the parties hereto duly authorized by resolution of its legislative body; provided that this Agreement shall be irrevocable as long as the Agency has bonds, notes or other evidences of indebtedness outstanding.

10. **DISPOSITION OF PROPERTY.** Properties acquired by the Agency shall be held and managed by the Agency and shall not be disposed of to, distributed to, or divided between the parties hereto, except in accordance with their directions, duly authorized by resolution of the respective legislative bodies thereof; provided that no disposition, distribution or division shall be made of properties acquired and/or constructed from the proceeds of outstanding bonds, notes or other evidences of indebtedness except in accordance with the resolution authorizing such bonds, notes or other evidences of indebtedness.

11. **SURPLUS MONEY.** After the completion of the purposes of this Agreement, any surplus money held by the Agency shall be returned in proportion to the contributions made by the parties hereto.

12. **FURTHER ASSURANCE.** Escondido and Chula Vista shall execute all documents and do all things necessary to enable Agency to execute its powers and accomplish its purposes.

13. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers thereunto duly authorized the day and year first above written.

ATTEST:

Jennie M. Sulasz  
CITY CLERK  
(SEAL)

CITY OF CHULA VISTA

By: August R. Cox  
Mayor

ATTEST:

Jeanne Bunch  
CITY CLERK  
(SEAL)

CITY OF ESCONDIDO

By: Ernie Ewan  
Mayor

I hereby certify that the foregoing instrument is a true copy of the original instrument on file in my office.

Jeanne Bunch  
SECRETARY OF THE ESCONDIDO - CHULA VISTA  
HOUSING FINANCE AGENCY

R. 11 988

## FIRST AMENDMENT

JOINT POWERS AGREEMENT TO CREATE THE ESCONDIDO-CHULA VISTA  
HOUSING FINANCE AGENCY TO EXERCISE COMMON POWERS  
OF THE CITIES OF ESCONDIDO AND CHULA VISTA, STATE OF CALIFORNIA  
TO FINANCE HOME MORTGAGES PURSUANT TO PART 5 OF DIVISION 31  
OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA

THIS FIRST AMENDMENT TO AGREEMENT, made as of the 1st day of June, 1985, by and between the City of Escondido and the City of Chula Vista, both being municipal corporations duly organized and existing under the laws of the State of California, hereinafter called respectively "Escondido" and "Chula Vista";

W I T N E S S E T H:

WHEREAS, Escondido and Chula Vista, pursuant and subject to the provisions of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act"), are each authorized and empowered to provide, through lending institutions, long-term, low interest home mortgage loans to income qualified persons and families to finance the acquisition of homes and to issue revenue bonds to provide the funds therefor;

WHEREAS, said Part 5 also provides that such powers may be exercised by an agency created by a joint powers agreement under Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California entered into by cities for the express purpose of the joint exercise of such powers;

WHEREAS, Escondido and Chula Vista have entered into an Agreement, dated as of April 5, 1985, providing for the joint exercise of their common powers under said Part 5 and creating the Escondido-Chula Vista Housing Finance Agency (the "Agency") as a separate agency for such purpose; and

WHEREAS, Escondido and Chula Vista have been advised by the bond counsel to the Agency that a recent private letter ruling of the Internal Revenue Service has made it prudent to amend the provisions of the Agreement, as hereinafter provided, in order to assure the federal tax exemption of interest to be paid upon mortgage revenue bonds proposed to be issued by the Agency;

R-12043

NOW, THEREFORE, IT IS AGREED, as follows:

1. The Agreement between Escondido and Chula Vista, dated as of April 5, 1985, is amended by adding a new paragraph 14 thereto, to read as follows:

"14. Eminent Domain. The Agency shall be vested with the power of eminent domain, but solely to the extent necessary to carry out the purposes of this Agreement."

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their officers thereunto duly authorized as of the day and year first above written.

CITY OF ESCONDIDO

By Ernie Loran  
Mayor

( S E A L )

Attest: Jeanne Bunch  
City Clerk

CITY OF CHULA VISTA

By Gregory R. Cox  
Mayor

( S E A L )

Attest: Jennie M. Julasz  
City Clerk

R-12043

I.3

RESOLUTION NO. 85-142

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING FIRST AMENDMENT TO JOINT POWERS AGREEMENT TO CREATE THE ESCONDIDO-CHULA VISTA HOUSING AGENCY TO EXERCISE COMMON POWERS OF THE CITIES OF ESCONDIDO AND CHULA VISTA, STATE OF CALIFORNIA, TO FINANCE HOME MORTGAGES PURSUANT TO PART 5 OF DIVISION 31 OF THE HEALTH AND SAFETY CODE OF CALIFORNIA

RESOLVED, by the City Council of the CITY OF ESCONDIDO that the Escondido-Chula Vista Housing Finance Agency enter into a First Amendment to Joint Powers Agreement to Create the Escondido-Chula Vista Housing Finance Agency to Exercise Common Powers of the Cities of Escondido and Chula Vista, State of California, to Finance Home Mortgages pursuant to Part 5 of Division 31 of the Health and Safety Code of the State of California, dated and in form this day presented to this City, and the Mayor is hereby authorized to execute said agreement on behalf of the City and the City Clerk is authorized to attest his signature and to affix the corporate seal of the City thereto.

R-12043

PASSED, ADOPTED AND APPROVED by the City Council of  
the City of Escondido, California at a regular meeting thereof  
this 12th day of June, 1985 by the following vote to-wit:

AYES : Councilmembers: BEST, HARMON, THURSTON,  
NOES : Councilmembers: NONE  
ABSENT : Councilmembers: COWAN  
ABSTAIN : Councilmembers: RADY

/s/ James M. Rady  
JAMES M. RADY, Mayor Pro Tempore  
of the City of Escondido, California

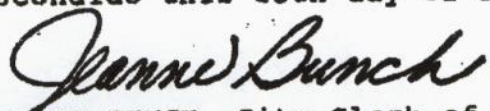
ATTEST:

/s/ Jeanne Bunch  
JEANNE BUNCH, City Clerk of the  
City of Escondido, California

STATE OF CALIFORNIA )  
COUNTY OF SAN DIEGO : ss.  
CITY OF ESCONDIDO )

I, JEANNE BUNCH, City Clerk of the City of Escondido,  
California, hereby certify that I have compared the foregoing  
copy with the original RESOLUTION NO. 85-142 passed and  
adopted by said City Council at a regular meeting thereof, at  
the time and by the vote therein stated, which original  
resolution is now on file in my office, and that the same is a  
full, true and correct copy thereof and has not been amended  
or repealed.

Witness by my hand and the seal of the City of  
Escondido this 13th day of June, 1985.

  
JEANNE BUNCH, City Clerk of the  
City of Escondido, California

(SEAL)

R. 12043