

1 [Multifamily Housing Revenue Bonds]

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3 **Resolution authorizing the issuance and delivery of multifamily housing revenue bonds**  
4 **(as defined herein) in an aggregate principal amount not to exceed \$19,200,000 for the**  
5 **purpose of providing financing for a multifamily rental housing project; approving the**  
6 **form of and authorizing the execution of an indenture providing the terms and**  
7 **conditions of the bonds; approving the form of and authorizing the execution of a**  
8 **regulatory agreement and declaration of restrictive covenants; approving the form of**  
9 **and authorizing the execution of a loan agreement; approving the form of and**  
10 **authorizing the execution of a first amendment to ground lease; ratifying and**  
11 **approving any action heretofore taken in connection with the bonds and the project;**  
12 **granting general authority to city officials to take actions necessary to implement this**  
13 **resolution; and related matters.**

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15 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
16 "Board") desires to provide for the financing of the construction by Broadway Family  
17 Apartments, L.P., a California limited partnership (the "Borrower"), of a proposed multifamily  
18 rental housing development for low income persons, consisting of 81 units and located at 810  
19 Battery Street, San Francisco, California, to be known as the Broadway Family Apartments  
20 (the "Project"), through the issuance of revenue bonds; and

21 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue  
22 revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of  
23 the Administrative Code of the City and County of San Francisco Municipal Code and, to the  
24 extent applicable, Section 52097.5 of the California Health and Safety Code, as now in effect

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1 and as it may from time to time hereafter be amended or supplemented (collectively, the  
2 “Act”); and

3 WHEREAS, The interest on the Bonds (hereinafter defined) may qualify for tax  
4 exemption under Section 103 of the Internal Revenue Code of 1986, as amended, (the  
5 “Code”), only if the Bonds are approved in accordance with Section 147(f) of the Code;

6 WHEREAS, This Board is the elected legislative body of the City and is the applicable  
7 elected representative required to approve the issuance of the Bonds within the meaning of  
8 Section 147(f) of the Code; and

9 WHEREAS, On June 22, 2004, this Board in Resolution No. 399-04 approved the  
10 issuance of the Bonds for the purposes of Section 147(f) of the Code; and

11 WHEREAS, There has been prepared and presented to the Board for consideration at  
12 this meeting the documentation required for the issuance of such Bonds, and such  
13 documentation is on file with the Clerk of the Board of Supervisors (the “Clerk of the Board”);  
14 and

15 WHEREAS, It appears that each of the documents which is now before this Board is  
16 substantially in appropriate form and is an appropriate instrument to be executed and  
17 delivered for the purposes intended; and

18 WHEREAS, The Board finds that the public interest and necessity require that the City  
19 at this time make arrangements for the sale of such Bonds; and

20 WHEREAS, Wells Fargo Bank, National Association (the “Purchaser”), has expressed  
21 its intention to purchase the Bonds authorized hereby, and

22 WHEREAS, The City, as landlord, and Chinatown Community Development Center,  
23 Inc., as tenant (“Tenant”) are parties to that certain Ground Lease, dated for reference  
24 purposes only as of December 18, 2003 (the “Lease”), pursuant to which the City leased to  
25 Tenant the Project site; and

1           WHEREAS, As part of this transaction Tenant expects to assign its interest in the  
2 Lease to the Borrower; and

3           WHEREAS, In connection with the issuance of the Bonds, Tenant, the Borrower and  
4 the Purchaser now desire to secure the amendment of certain provisions of the Lease relating  
5 to the Project, pursuant to the terms of a First Amendment to Ground Lease (“First  
6 Amendment”), a copy of which is on file with the Clerk of the Board, and the Director of the  
7 Mayor’s Office of Housing (the “Director”) recommends that the execution of the First  
8 Amendment be authorized by the Board; and

9           WHEREAS, At its meeting on November 2, 2004, this Board adopted Resolution No.  
10 679-04, which bore the title "Multifamily Housing Revenue Bonds" and addressed  
11 substantially the same subject matter as this Resolution; now, therefore, be it

12           RESOLVED, By this Board of Supervisors of the City and County of San Francisco as  
13 follows:

14           Section 1.    Rescission of Prior Resolution. Resolution No. 679-04 is hereby  
15 rescinded.

16           Section 2.    Approval of Recitals. The Board hereby finds and declares that the above  
17 recitals are true and correct.

18           Section 3.    Approval of Issuance of Bonds. In accordance with the Act and the  
19 Indenture (hereinafter defined), the City is hereby authorized to issue and deliver revenue  
20 bonds of the City, such bonds to be issued in one series and designated as “City and County  
21 of San Francisco Multifamily Housing Revenue Bonds, Series 2004A (Broadway Family  
22 Apartments),” in an aggregate principal amount not to exceed \$19,200,000 (the “Bonds”), with  
23 an initial interest rate not to exceed twelve percent (12%) per annum for the Bonds, and which  
24 shall have a final maturity date not later than January 1, 2039. The Bonds shall be in the form  
25 set forth in and otherwise in accordance with the Indenture, and shall be executed by the

1 manual or facsimile signature of the Mayor of the City (the “Mayor”) and the manual or  
2 facsimile seal of the City shall be impressed or reproduced thereon and attested by the  
3 manual or facsimile signature of the Clerk of the Board.

4 Section 4. Indenture. The Indenture of Trust (the “Indenture”), between the City and  
5 Wells Fargo Bank, National Association, as trustee, in substantially the form presented to the  
6 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Mayor,  
7 the Director or any Authorized City Representative (as such term is defined in the Indenture)  
8 is hereby authorized to execute, and the Clerk of the Board or an authorized designee is  
9 hereby authorized to attest, the Indenture in substantially said form, with such additions  
10 thereto and changes therein as the City Attorney of the City and County of San Francisco (the  
11 “City Attorney”) and Co-Bond Counsel may approve or recommend in accordance with  
12 Section 7 hereof.

13 Section 5. Regulatory Agreement and Declaration of Restrictive Covenants. The  
14 form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory  
15 Agreement”), among the City, the Purchaser, as trustee, and the Borrower, in substantially the  
16 form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby  
17 approved. The Mayor, the Director or any Authorized City Representative is hereby  
18 authorized to execute the Regulatory Agreement, in substantially said form, with such  
19 additions thereto and changes therein as the City Attorney and Co-Bond Counsel may  
20 approve or recommend in accordance with Section 7 hereof.

21 Section 6. Loan Agreement. The form of Loan Agreement (the “Loan Agreement”)  
22 among the City, the Purchaser, as bondowner representative, and the Borrower, in  
23 substantially the form presented to the Board, a copy of which is on file with the Clerk of the  
24 Board, is hereby approved. The Mayor, the Director or any Authorized City Representative is  
25 hereby authorized to execute the Loan Agreement, in substantially said form, with such

1 additions thereto and changes therein as the City Attorney and Co-Bond Counsel may  
2 approve or recommend in accordance with Section 7 hereof.

3 Section 7. Modifications, Changes, Additions. Any Authorized City Representative  
4 executing the Indenture, the Regulatory Agreement, or the Loan Agreement, in consultation  
5 with the City Attorney and Co-Bond Counsel, is hereby authorized to approve and make such  
6 modifications, changes or additions to the Indenture, the Regulatory Agreement, and the Loan  
7 Agreement as may be necessary or advisable, provided that such modification does not  
8 authorize an aggregate principal amount of Bonds in excess of \$19,200,000, provide for a  
9 final maturity on the Bonds later than January 1, 2039, or provide the Bonds to bear interest at  
10 a rate in excess of twelve percent (12%) per annum. The approval of any modification,  
11 addition or change to any of the aforementioned documents shall be evidenced conclusively  
12 by the execution and delivery of the document in question.

13 Section 8. First Amendment to Ground Lease. The First Amendment, in  
14 substantially the form presented to the Board, is hereby approved. In accordance with the  
15 recommendation of the Director, the Mayor, the Director or any Authorized City  
16 Representative is hereby authorized to execute the First Amendment, in substantially said  
17 form. The Director is authorized to enter into any additional amendments or modifications to  
18 the Lease that the Director determines, in consultation with the City Attorney, are in the best  
19 interest of the City, do not decrease the rent or otherwise materially increase the obligations  
20 or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease,  
21 the First Amendment or this Resolution, and are in compliance with all applicable laws,  
22 including the City Charter.

23 Section 9. Low Income Housing Findings. This Board hereby finds and determines  
24 that this Resolution constitutes final approval of a proposal that may result in housing  
25 assistance benefiting persons of low income within the meaning of Section 36005 of the

1 California Health and Safety Code (the "Health and Safety Code"). This Board also finds that  
2 the units of housing for persons of low income to be provided by the Project are being  
3 financed in significant part with Proposition A (Affordable Housing Bonds) proceeds approved  
4 by the voters in November, 1996, such that to the extent required under Article XXXIV of the  
5 California Constitution, the Project has been approved by the voters of the City. Furthermore,  
6 this Board finds and determines that the City's support of the Project does not constitute an  
7 activity to "develop, construct, or acquire" a low rent housing project, in that the City's  
8 activities are limited to those described in Section 37001.5(e) of the Health and Safety Code,  
9 including the provision of assistance to the Project and monitoring compliance with the  
10 conditions of such assistance.

11 Section 10. Ratification. All actions heretofore taken by the officers and agents of the  
12 City with respect to the sale and issuance of the Bonds and to the First Amendment are  
13 hereby approved, confirmed and ratified.

14 Section 11. General Authority. The proper officers of the City are hereby authorized  
15 and directed, for and in the name and on behalf of the City, to do any and all things and take  
16 any and all actions and execute and deliver any and all certificates, agreements and other  
17 documents, including but not limited to those documents described in the Indenture and the  
18 other documents herein approved, which they, or any of them, may deem necessary or  
19 advisable in order to consummate the lawful issuance and delivery of the Bonds and to  
20 effectuate the purposes thereof and of the documents herein approved in accordance with this  
21 Resolution.

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1            Section 12. All documents referenced herein as being on file with the Clerk of the  
2 Board are located in File No. \_\_\_\_\_, which is hereby declared to be a part of this  
3 resolution as if set forth fully herein.  
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5 APPROVED AS TO FORM:

6  
7 DENNIS J. HERRERA  
8 City Attorney

9 By: \_\_\_\_\_  
10            MICHAEL J. MARTIN  
11            Deputy City Attorney

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