

1 [Multifamily Housing Revenue Bonds - Alice Griffith Phase 4 Apartments Project - Not to  
2 Exceed \$14,450,000]

3 **Resolution authorizing the issuance, sale and delivery of multifamily housing revenue**  
4 **bonds in an aggregate principal amount not to exceed \$14,450,000 for the purpose of**  
5 **providing financing for the acquisition and construction of a 31-unit multifamily rental**  
6 **housing project known as Alice Griffith Phase 4 Apartments Project; approving the**  
7 **form of and authorizing the execution of a trust indenture providing the terms and**  
8 **conditions of the bonds; approving the form of and authorizing the execution of a**  
9 **regulatory agreement and declaration of restrictive covenants; approving the form of**  
10 **and authorizing the execution of a loan agreement; authorizing the collection of certain**  
11 **fees; approving modifications, changes and additions to the documents; ratifying and**  
12 **approving any action heretofore taken in connection with the bonds and the project;**  
13 **granting general authority to City officials to take actions necessary to implement this**  
14 **Resolution; and related matters.**

15  
16 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
17 “Board”) desires to provide for a portion of the costs of the acquisition and construction by  
18 Alice Griffith Phase 4, L.P., a California limited partnership (the “Borrower”), of a 31-unit  
19 residential rental development located at [2800 Arelious Walker Drive], in San Francisco,  
20 California, known as “Alice Griffith Phase 4 Apartments Project” (the “Project”), to provide  
21 housing for persons and families of low income and very low income through the issuance of  
22 multifamily housing revenue bonds; and

23 WHEREAS, The City and County of San Francisco (the “City”) is authorized to issue  
24 revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of  
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1 the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of  
2 Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of  
3 California (“Health and Safety Code”), as now in effect and as it may from time to time  
4 hereafter be amended or supplemented (collectively, the “Act”); and

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

8 WHEREAS, The Mayor’s Office of Housing and Community Development held a duly  
9 noticed public hearing on September 28, 2016, at which hearing an opportunity was provided  
10 for persons to comment on the issuance of the Bonds, this Board, on November 1, 2016,  
11 adopted Resolution No. 473-16, approving the execution and delivery of the Note solely for  
12 the purposes of Section 147(f) of the Code in an amount not to exceed \$16,000,000; and

13 WHEREAS, On May 17, 2017, the California Debt Limit Allocation Committee (CDLAC)  
14 in its Resolution No. 17-38 allocated \$14,450,000 in qualified private activity bonds to the  
15 Project; and

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

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

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

1           WHEREAS, The Bonds will be a limited obligation of the City, the sole source of  
2 repayment of which shall be payments made by the Borrower under the Loan Agreement  
3 (hereinafter defined), together with investment income of certain funds and accounts held  
4 under the Indenture (hereinafter defined); and

5           WHEREAS, The City has engaged Kutak Rock LLP and Fox Rothschild LLP, as co-  
6 bond counsel with respect to the Bonds (“Co-Bond Counsel”); and

7           WHEREAS, J.P. Morgan Chase Bank, N. A. has expressed its intention to purchase, or  
8 cause an affiliate to purchase, the Bonds authorized hereby; now, therefore, be it

9           RESOLVED, by this Board of Supervisors of the City and County of San Francisco as  
10 follows:

11           Section 1.   Approval of Recitals. The Board hereby finds and declares that the  
12 above recitals are true and correct.

13           Section 2.   Approval of Issuance of Bonds. In accordance with the Act and the  
14 Indenture (hereinafter defined), the City is hereby authorized to issue and deliver revenue  
15 bonds of the City, such bonds to be issued in one or more series and subseries, and  
16 designated as “City and County of San Francisco Multifamily Housing Revenue Bonds (Alice  
17 Griffith Phase 4 Apartments Project), Series2017A,” or such other designation as may be  
18 necessary or appropriate to distinguish such series from every other series of bonds, in an  
19 aggregate principal amount not to exceed \$14,450,000 (the “Bonds”), with an interest rate not  
20 to exceed 12% per annum for the Bonds, and which shall have a final maturity date not later  
21 than 40 years from the date of issuance of the Bonds. The Bonds shall be in the form set  
22 forth in and otherwise in accordance with the Indenture and shall be executed by the manual  
23 or facsimile signature of the Mayor of the City (the “Mayor”).

24           Section 3.   Indenture. The Trust Indenture (the “Indenture”) in the form presented to  
25 the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The

1 Indenture shall be entered into by and between the City and a trust company, a state banking  
2 corporation or a national banking association with the authority to accept trusts in the State of  
3 California selected by the City and otherwise meeting the requirements of the Indenture (the  
4 “Trustee”). Each of the Mayor, the Director of the Mayor’s Office of Housing and Community  
5 Development and the Housing Development Director of the Mayor’s Office of Housing and  
6 Community Development (collectively, the “Authorized Representatives” and each, an  
7 “Authorized Representative”) is hereby authorized to execute the Indenture, approved as to  
8 form by the City Attorney of the City (the “City Attorney”), in substantially said form, together  
9 with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel  
10 may approve or recommend in accordance with Section 7 hereof.

11 Section 4. Regulatory Agreement and Declaration of Restrictive Covenants. The  
12 Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory  
13 Agreement”), between the City and the Borrower, in the form presented to the Board, a copy  
14 of which is on file with the Clerk of the Board, is hereby approved. Each Authorized  
15 Representative is hereby authorized to execute the Regulatory Agreement, approved as to  
16 form by the City Attorney, in substantially said form, together with such additions thereto and  
17 changes therein as the City Attorney and Co-Bond Counsel may approve or recommend in  
18 accordance with Section 7 hereof.

19 Section 5. Loan Agreement. The Loan Agreement (the “Loan Agreement”) by and  
20 among the City, the Trustee and the Borrower, in the form presented to the Board, a copy of  
21 which is on file with the Clerk of the Board, is hereby approved. Each Authorized  
22 Representative is hereby authorized to execute the Loan Agreement in substantially said  
23 form, together with such additions thereto and changes therein as the City Attorney and Co-  
24 Bond Counsel may approve or recommend in accordance with Section 7 hereof.

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1           Section 6.    Issuer Fees. The City, acting through the Mayor’s Office of Housing and  
2 Community Development, shall charge a fee for the administrative costs associated with  
3 issuing the Bonds in an amount not to exceed 0.25% of the aggregate principal amount of the  
4 Bonds. Such fee shall be payable at bond closing and may be contingent on the bond sale.  
5 The City shall also charge an annual fee for monitoring the restricted units in an amount not to  
6 exceed 0.125% of the outstanding aggregate principal amount of the Bonds, but no less than  
7 \$2,500 annually, for the term of the Regulatory Agreement. The initial monitoring fee shall be  
8 payable at bond closing. The Board hereby authorizes the Mayor’s Office of Housing and  
9 Community Development to charge and collect the fees described in this section.

10           Section 7.   Modifications, Changes, Additions. Any Authorized Representative  
11 executing the Indenture, the Regulatory Agreement or the Loan Agreement (collectively, the  
12 “City Agreements”), in consultation with the City Attorney and Co-Bond Counsel, is hereby  
13 authorized to approve and make such modifications, changes or additions to the City  
14 Agreements as may be necessary or advisable, provided that such modification does not  
15 authorize an aggregate principal amount of Bonds in excess of \$14,450,000, provide for a  
16 final maturity on the Bonds later than 40 years, or provide for the Bonds to bear interest at a  
17 rate in excess of 12% per annum. The approval of any modification, addition or change to  
18 any of the aforementioned documents shall be evidenced conclusively by the execution and  
19 delivery of the document in question.

20           Section 8.   Ratification. All actions heretofore taken by the officers and agents of the  
21 City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and  
22 ratified.

23           Section 9.   General Authority. The proper officers of the City are hereby authorized  
24 and directed, for and in the name and on behalf of the City, to do any and all things and take  
25 any and all actions and execute and deliver any and all certificates, agreements (including

1 such agreements to provide adequate or additional security or indemnities as required by  
2 lenders to consummate the financing) and other documents, including but not limited to those  
3 documents described in the Indenture, the Loan Agreement, and the Regulatory Agreement,  
4 which they, or any of them, may deem necessary or advisable in order to consummate the  
5 lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the  
6 documents herein approved in accordance with this Resolution.

7 Section 10. File. All documents referenced herein as being on file with the Clerk of  
8 the Board are located in File No. \_\_\_\_\_, which is hereby declared to be a part of this  
9 Resolution as if set forth fully herein.

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11 APPROVED AS TO FORM:  
12 DENNIS J. HERRERA  
13 City Attorney

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14 By: \_\_\_\_\_  
15 HEIDI J. GEWERTZ  
16 Deputy City Attorney  
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