

1 [Multifamily Housing Revenue Note - Ridgeview Terrace Apartments - Not to Exceed
2 \$20,000,000]

3 **Resolution authorizing the issuance and delivery of a multifamily housing revenue note**
4 **in a principal amount not to exceed \$20,000,000 for the purpose of providing financing**
5 **for the acquisition and rehabilitation of a 101-unit multifamily residential rental housing**
6 **project known as Ridgeview Terrace Apartments; approving the form of and**
7 **authorizing the execution of a funding loan agreement; approving the form of and**
8 **authorizing the execution of a borrower loan agreement; providing the terms and**
9 **conditions of the note and authorizing the execution and delivery thereof; approving**
10 **the form of and authorizing the execution of a regulatory agreement and declaration of**
11 **restrictive covenants; authorizing the collection of certain fees; approving issuance of**
12 **the note following a public hearing; approving modifications, changes and additions to**
13 **the documents; granting general authority to City officials to take actions necessary to**
14 **implement this resolution; and ratifying and approving any action heretofore taken in**
15 **connection with the note and the project.**

16
17 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
18 "Board") desires to provide for a portion of the costs of the acquisition and rehabilitation by
19 140 Cashmere Street, L.P., a California limited partnership (the "Borrower"), of a 101-unit
20 multi-family residential rental development located at 140 Cashmere Street, San Francisco,
21 California, known as "Ridgeview Terrace Apartments" (the "Project"), to provide housing for
22 persons and families of low income and very low income through the issuance of a multifamily
23 housing revenue note; and
24
25

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

7 WHEREAS, The interest on the Note (hereinafter defined) may qualify for tax
8 exemption under Section 103 of the Internal Revenue Code of 1986, as amended, (the
9 "Code"), only if the issuance of the Note is approved in accordance with Section 147(f) of the
10 Code; and

11 WHEREAS, This Board is the elected legislative body of the City and is one of the
12 applicable elected representatives required to approve the issuance of the Note within the
13 meaning of Section 147(f) of the Code; and

14 WHEREAS, The Mayor's Office of Housing held a public hearing at 10:00 am on
15 November 8, 2011, notice of which hearing was published in a newspaper of general
16 circulation in the City in accordance with Section 147(f) of the Code, and an opportunity was
17 provided for persons to comment on the execution and delivery of the Note and the plan of
18 financing for the Project; and

19 WHEREAS, There has been prepared and presented to the Board for consideration at
20 this meeting the documentation required for the issuance of the Note, and such
21 documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board");
22 and

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

Supervisor Cohen
BOARD OF SUPERVISORS

1 WHEREAS, The Board finds that the public interest and necessity require that the City
2 at this time make arrangements for the sale of the Note; and

3 WHEREAS, The City has engaged Sidley Austin LLP and Curls Bartling P.C., as co-
4 bond counsel with respect to the Note ("Co-Note Counsel"); and

5 WHEREAS, Citibank, N.A., a national banking association, has expressed its intention
6 to purchase, or cause an affiliate to purchase, the Note authorized hereby; now, therefore be
7 it:

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

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

12 Section 2. Approval of Issuance of Note. In accordance with the Act and the Funding
13 Loan Agreement (hereinafter defined), the City is hereby authorized to issue and deliver a
14 revenue note of the City, which note comprises a Governmental Lender Note under the
15 Funding Loan Agreement, such note to be designated as "City and County of San Francisco,
16 California Multifamily Housing Revenue Note (Ridgeview Terrace Apartments), 2012 Series
17 C," or such other designation as may be necessary or appropriate to distinguish such Note
18 from any other bonds or notes of the City, in an aggregate principal amount not to exceed
19 Twenty Million Dollars) (\$20,000,000.00) (the "Note"), with an interest rate not to exceed
20 twelve percent (12%) per annum for the Note, and which shall have a final maturity date not
21 later than February 1, 2045. The Note shall be in the form set forth in and otherwise in
22 accordance with the Funding Loan Agreement (defined below), and shall be executed by the
23 manual or facsimile signature of the Mayor of the City (the "Mayor") and attested by the
24 manual or facsimile signature of the Clerk of the Board.

1 Section 3. Approval of Funding Loan Agreement. The Funding Loan Agreement (the
2 "Funding Loan Agreement"), by and among the City, Citibank, N.A., as funding lender (the
3 "Funding Lender") and U.S. Bank, National Association, as fiscal agent, in the form presented
4 to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each
5 of the Mayor, the Director of the Mayor's Office of Housing, the Housing Development Director
6 of the Mayor's Office of Housing or any Authorized Governmental Lender Representative (as
7 such term is defined in the Funding Loan Agreement) (collectively, the "Authorized
8 Representatives" and each, an "Authorized Representative") is hereby authorized to execute
9 the Funding Loan Agreement, approved as to form by the City Attorney of the City (the "City
10 Attorney"), in substantially said form, together with such additions thereto and changes therein
11 as the City Attorney and Co-Note Counsel may approve or recommend in accordance with
12 Section 8 hereof.

13 Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement (the
14 "Borrower Loan Agreement"), by and between the City and the Borrower, in the form
15 presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby
16 approved. Each Authorized Representative is hereby authorized to execute the Borrower
17 Loan Agreement, approved as to form by the City Attorney, in substantially said form, together
18 with such additions thereto and changes therein as the City Attorney and Co-Note Counsel
19 may approve or recommend in accordance with Section 8 hereof.

20 Section 5. Approval of Regulatory Agreement and Declaration of Restrictive
21 Covenants. The Regulatory Agreement and Declaration of Restrictive Covenants (the
22 "Regulatory Agreement"), between the City and the Borrower, in the form presented to the
23 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each
24 Authorized Representative is hereby authorized to execute the Regulatory Agreement,
25 approved as to form by the City Attorney, in substantially said form, together with such

1 additions thereto and changes therein as the City Attorney and Co-Note Counsel may
2 approve or recommend in accordance with Section 8 hereof.

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

12 Section 7. Approval of Note Following a Public Hearing. This Board hereby approves
13 the execution and delivery of the Note in an amount set forth in Section 2 above. It is the
14 purpose and intent of this Board that this Resolution constitute approval of the execution and
15 delivery of the Note by the applicable elected representative of the governmental unit having
16 jurisdiction over the area in which the Project is located for the purposes of, and in
17 accordance with, Section 147(f) of the Code.

18 Section 8. Modifications, Changes, Additions. Any Authorized Representative
19 executing the Funding Loan Agreement, the Borrower Loan Agreement or the Regulatory
20 Agreement (collectively, the "City Agreements"), in consultation with the City Attorney and Co-
21 Note Counsel, is hereby authorized to approve and make such modifications, changes or
22 additions to the City Agreements as may be necessary or advisable, provided that such
23 modification does not authorize a principal amount of the Note in excess of \$20,000,000,
24 provide for a final maturity on the Note later than February 1, 2045, or provide for the Note to
25 bear interest at a rate in excess of twelve percent (12%) per annum. The approval of any

Supervisor Cohen
BOARD OF SUPERVISORS

1 modification, addition or change to any of the aforementioned documents shall be evidenced
2 conclusively by the execution and delivery of the document in question.

3 Section 9. General Authority. The proper officers of the City are hereby authorized
4 and directed, for and in the name and on behalf of the City, to do any and all things and take
5 any and all actions and execute and deliver any and all certificates, agreements and other
6 documents, including but not limited to those documents described in the City Agreements,
7 which they, or any of them, may deem necessary or advisable in order to consummate the
8 lawful issuance and delivery of the Note and to effectuate the purposes thereof and of the
9 documents herein approved in accordance with this Resolution.

10 Section 10. Ratification of Prior Actions. All actions heretofore taken by the officers
11 and agents of the City with respect to the issuance and delivery of the Note are hereby
12 approved, confirmed and ratified.

13 Section 11. File. All documents referenced herein as being on file with the Clerk of the
14 Board are located in File No. _____, which is hereby declared to be a part of this
15 Resolution as if set forth fully herein.

16
17 APPROVED AS TO FORM:

18 DENNIS J. HERRERA
19 City Attorney

20
21 By: _____
22 KENNETH DAVID ROUX
23 Deputy City Attorney