

1 [Mortgage Credit Certificates and Mortgage Revenue Bonds]

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3 **Resolution authorizing an application to the California Debt Limit Allocation Committee**
4 **to permit the issuance of Mortgage Credit Certificates and Mortgage Revenue Bonds.**

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7 WHEREAS, There is a shortage in the City and County of San Francisco (the "City") of
8 decent, safe and sanitary housing, particularly of housing afforded by persons in the lower end
9 of the purchasing spectrum, and a consequent need to facilitate the financing of home
10 purchases by such persons and otherwise to increase the supply of housing in the City for
11 such persons; and

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12 WHEREAS, The City has, by Ordinance 245-81, adopted by the Board of Supervisors
13 on May 11, 1981, declared its intent to engage in a home finance program pursuant to Part 5
14 of Division 31 of the Health and Safety Code of the State of California, and to issue bonds
15 pursuant to said Division in furtherance of the home finance program; and

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17 WHEREAS, The Congress of the United States by the Tax Reform Act of 1984
18 provided for the issuance of Mortgage Credit Certificates ("Certificates") and qualified
19 mortgage revenue bonds ("Bonds") by local government agencies to assist low and moderate
20 income first time homebuyers; and

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22 WHEREAS, Section 146 of the Internal Revenue Code of 1986 (the "Code") limits the
23 amount of Bonds and Certificates that may be issued in any calendar year by entities within a
24 state and authorizes the legislature of such state to provide the method of allocating authority
25 to issue Bonds and Certificates within such state; and

1 WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State
2 of California governs the allocation in the State of California of the state ceiling established by
3 Section 146 of the Code among governmental units in the State having the authority to issue
4 Certificates and Bonds; and
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6 WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an
7 application for a portion of the ceiling with or upon the direction of California Debt Limit
8 Allocation Committee ("CDLAC") prior to the issuance of Certificates or Bonds; and
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10 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to
11 certify to CDLAC that the applicant has on deposit an amount equal to 0.5% (one-half of one
12 percent) of the allocation request not to exceed one hundred thousand dollars (\$100,000); and
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14 WHEREAS, The Board of Supervisors has since 1982 authorized the Director of the
15 Mayor's Office of Housing to submit previous applications for allocations for Bonds for the
16 City's First Time Homebuyer Program (the "Bond Program"), which applications were
17 approved for CDLAC for a total of \$203,845,000 from 1982 to 2002; and
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19 WHEREAS, The Board of Supervisors has since 1993 authorized the Director of the
20 Mayor's Office of Housing to submit previous applications for allocations of Certificates for the
21 City's Mortgage Credit Certificate Program (the "MCC Program"), which applications were
22 approved by CDLAC for a total of \$117,336,187 from 1993 to 2002; and
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24 WHEREAS, The Mayor's Office of Housing finds a continuing need to secure
25 allocations of Bonds and Certificates to assist low and moderate income first time homebuyers
in San Francisco; now, therefore, be it

1 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
2 hereby authorizes the Director of the Mayor's Office of Housing for the City (the "Director"), on
3 behalf of the City and County of San Francisco, to submit an application or applications (the
4 "Application"), and such other documents as may be required, to CDLAC pursuant to
5 Government Code Section 8869.85 for a portion of the state ceiling for private activity bonds
6 and mortgage credit certificates in an amount not to exceed twenty million dollars
7 (\$20,000,000) for mortgage credit certificates and not to exceed twenty million dollars
8 (\$20,000,000) for mortgage revenue bonds; and, be it

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10 FURTHER RESOLVED, That an amount equal to one hundred thousand dollars
11 (\$100,000) for each application is hereby authorized to be held on deposit in connection with
12 the Application and the applicable CDLAC procedures, and the Director is authorized to certify
13 to CDLAC that such funds are available; which deposit shall consist of a restriction on cash in
14 the Home Ownership Assistance Loan Fund established pursuant to Section 10.100-108 of the
15 San Francisco Administrative Code (the "Fund"); and, be it

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17 FURTHER RESOLVED, That if the City receives an allocation and the issuance
18 requirements applicable to Bonds and Certificates are not met, a cost outlay depleting the
19 Fund in an amount not to exceed two hundred thousand dollars (\$200,000) is hereby
20 authorized if required by the State of California; and, be it

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22 FURTHER RESOLVED, That the officers and employees of the City and the Director
23 are hereby authorized and directed, jointly and severally, to do any and all things necessary or
24 advisable in order to consummate the receipt of an allocation and the issuance of Bonds
25 and/or Certificates and otherwise effectuate the purposes of this resolution, and all actions

1 previously taken by such officers and employees in connection with the establishment of the
2 MCC Program and the Bond Program and issuance of mortgage credit certificates and bonds,
3 including the submission of the application to CDLAC, are hereby ratified and approved; and,
4 be it

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6 FURTHER RESOLVED, That this Resolution shall take effect from and after its
7 adoption by the Board and approval by the Mayor.

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 022003

Date Passed:

Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Certificates and Mortgage Revenue Bonds.

December 16, 2002 Board of Supervisors — ADOPTED

Ayes: 9 - Ammiano, Dufty, Gonzalez, Hall, Ma, Maxwell, Newsom, Peskin,
Sandoval

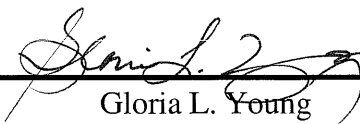
Absent: 2 - Daly, McGoldrick

File No. 022003

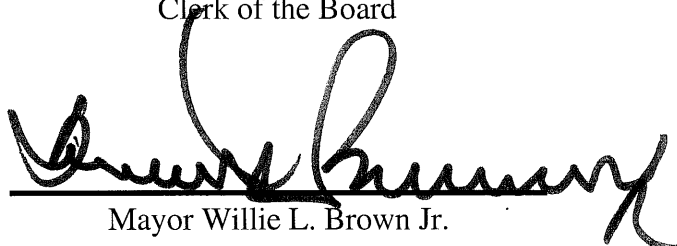
I hereby certify that the foregoing Resolution was ADOPTED on December 16, 2002 by the Board of Supervisors of the City and County of San Francisco.

DEC 20 2002

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Willie L. Brown Jr.