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[Mortgage Revenue Bonds.]

Resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of qualified mortgage bonds in an aggregate principal amount not to exceed \$25,000,000; authorizing and directing the Director to deposit with the Controller's Office an amount not to exceed \$125,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to the deposit to the State of California if the City fails to issue the qualified mortgage bonds; and authorizing and directing the execution of any documents necessary to implement this Resolution and of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project (as defined herein) and the application.

WHEREAS, The Board of Supervisors of the City and County of San Francisco (the "Board of Supervisors"), after careful study and consideration, has determined that there is a shortage of safe and sanitary housing within the City and County of San Francisco (the "City"), particularly for low and moderate income persons, and that it is in the best interest of the residents of the City and in furtherance of the health, safety, and welfare of the public for the City to assist in the financing of multi-family rental housing units; and,

Supervisor Peskin

1 WHEREAS, Acting under and pursuant to the powers reserved to the City under
2 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections
3 1.101 and 7.310 of the Charter, the City has enacted the City and County of San Francisco
4 Residential Mortgage Revenue Bond Law (the "City Law"), constituting Chapter 43 of the San
5 Francisco Administrative Code, in order to establish a procedure for the authorization,
6 issuance and sale of residential mortgage revenue bonds by the City for the purpose of
7 providing funds to encourage the availability of adequate housing and home finance for
8 persons and families of low or moderate income, and to develop viable communities by
9 providing decent housing, enhanced living environment, and increased economic
10 opportunities for persons and families of low or moderate income; and,

11 WHEREAS, In addition, pursuant to Division 31 of the Health and Safety Code of the
12 State of California, and particularly Chapter 7 of Part 5 thereof (the "State Law"), the City is
13 empowered to issue and sell bonds for the purpose of making mortgage loans or otherwise
14 providing funds to finance the development of multi-family rental housing including units for
15 lower income households and very low income households; and,

16 WHEREAS, Chinatown Community Development Center (the "Developer") desires to
17 construct an 81-unit multi-family residential rental housing development at 810 Battery Street
18 to be known as the Broadway Family Apartments (the "Project"); and,

19 WHEREAS, The Developer has requested that the City assist in the financing of the
20 Project through the issuance of tax-exempt mortgage revenue bonds; and,

21 WHEREAS, The City expects to pay on and after the date hereof certain costs incurred
22 in connection with the Project; and,

23 WHEREAS, The City intends to issue mortgage revenue bonds in an amount not to
24 exceed twenty-five million dollars (\$25,000,000) to finance the costs of the Project; and,
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Supervisor Peskin

BOARD OF SUPERVISORS

Page 2
5/17/2004

1 WHEREAS, The Board of Supervisors of the City has determined that the moneys
2 advanced and to be advanced to pay certain expenditures of the Project are or will be
3 available only for a temporary period and it is necessary to reimburse all such expenditures
4 made on and after the date hereof with respect to the Project from the proceeds of one or
5 more issues of tax-exempt bonds (the "Bonds"); and,

6 WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Board of
7 Supervisors to declare its reasonable official intent to reimburse prior expenditures for the
8 Project with proceeds of a borrowing; and,

9 WHEREAS, Section 146 of the Internal Revenue Code of 1986 (the "Code") limits the
10 amount of qualified mortgage bonds that may be issued in any calendar year by entities within
11 a state and authorizes the legislature of such state to provide the method of allocating
12 authority to issue qualified mortgage bonds within such state; and,

13 WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State
14 of California governs the allocation in the State of California of the state ceiling established by
15 Section 146 of the Code among governmental units in the State having the authority to issue
16 qualified mortgage bonds; and,

17 WHEREAS, Section 8869.85 of the Government Code requires a local agency to file
18 an application for a portion of the state ceiling with or upon the direction of the California Debt
19 Allocation Committee ("CDLAC") prior to the issuance of qualified mortgage bonds; and,

20 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to
21 certify to CDLAC that applicant has on deposit an amount equal to one-half of one percent
22 (1/2%) of the amount of allocation requested; now, therefore be it

23 RESOLVED, by the Board of Supervisors of the City and County of San Francisco, as
24 follows:
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Supervisor Peskin

BOARD OF SUPERVISORS

1 Section 1. The Board of Supervisors finds and determines that the foregoing recitals
2 are true and correct.

3 Section 2. The Board of Supervisors adopts this Resolution for purposes of
4 establishing compliance with the requirements of Section 1.150-2 of the Treasury
5 Regulations. This Resolution does not bind the Board of Supervisors to make any
6 expenditure, incur any indebtedness or proceed with the Project.

7 Section 3. The Board of Supervisors hereby declares its official intent under Treasury
8 Regulations Section 1.150-2 and declares its intent to use proceeds of indebtedness to
9 reimburse all future expenditures incurred in connection with the Project. The Board of
10 Supervisors hereby further declares its intent to use such proceeds to reimburse the
11 Developer for actual expenditures made by the Developer on the Project.

12 Section 4. On the date of the expenditure to be reimbursed, all reimbursable costs of
13 the Project will be of a type properly chargeable to a capital amount under general federal
14 income tax principles.

15 Section 5. The maximum principal amount of debt expected to be issued for the
16 Project is \$25,000,000.

17 Section 6. The Board of Supervisors hereby authorizes the Director of the Mayor's
18 Office of Housing for the City (the "Director"), on behalf of the City, to submit an application
19 (the "Application"), and such other documents as may be required, to CDLAC pursuant to
20 Government Code Section 8869.85 for an allocation of a portion of the state ceiling for private
21 activity bonds in a principal amount not to exceed twenty-five million dollars (\$25,000,000) for
22 qualified mortgage bonds.

23 Section 7. An amount equal to one hundred and twenty-five thousand dollars
24 (\$125,000) ("Deposit") is hereby authorized to be held on deposit in connection with the
25 Application and the applicable CDLAC procedures, and the Director is authorized to certify to

Supervisor Peskin

BOARD OF SUPERVISORS

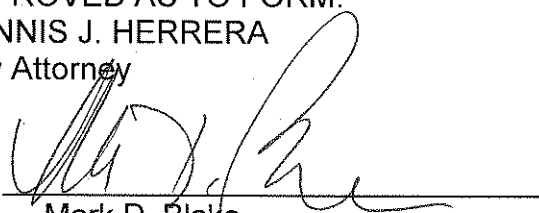
1 CDLAC that such funds are available; which Deposit shall consist of a restriction on cash in
2 the Hotel Tax Fund established pursuant to Section 515 of Article 7 of the San Francisco
3 Business and Tax Regulations Code (the "Hotel Tax Fund").

4 Section 8. If the City receives a CDLAC allocation and the applicable issuance
5 requirements are not met, the Mayor's Office of Housing is hereby authorized to cause an
6 amount equal to the Deposit to be paid to the State of California, if required.

7 Section 9. The officers and employees of the City and the Director are hereby
8 authorized and directed, jointly and severally, to do any and all things necessary or advisable
9 to consummate the receipt of an allocation from CDLAC and otherwise effectuate the
10 purposes of this Resolution, and all actions previously taken by such officers and employees
11 with respect to the Project, including but not limited to the submission of the application to
12 CDLAC, are hereby ratified and approved.

13 Section 10. This Resolution shall take effect from and after its adoption by the Board
14 and approval by the Mayor.

15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA
17 City Attorney

18 By: 
19 Mark D. Blake
20 Deputy City Attorney

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Supervisor Peskin

BOARD OF SUPERVISORS



City and County of San Francisco

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

Tails Resolution

File Number: 040660

Date Passed:

Resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of qualified mortgage bonds in an aggregate principal amount not to exceed \$25,000,000; authorizing and directing the Director to deposit with the Controller's Office an amount not to exceed \$125,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to the deposit to the State of California if the City fails to issue the qualified mortgage bonds; and authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project (as defined herein) and the application.

June 15, 2004 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, McGoldrick,
Peskin, Sandoval


Absent: 1 - Maxwell

File No. 040660

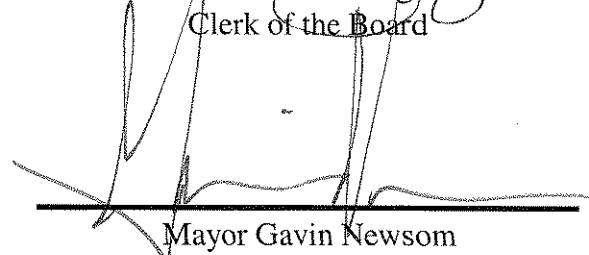
I hereby certify that the foregoing Resolution was ADOPTED on June 15, 2004 by the Board of Supervisors of the City and County of San Francisco.

JUN 21 2004

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Gavin Newsom