

1 [Multifamily Housing Revenue Bonds - Alice Griffith Phase 3A Apartments Project - Not to
2 Exceed \$31,500,000]

3 **Resolution authorizing the issuance, sale and delivery of multifamily housing revenue**
4 **bonds in an aggregate principal amount not to exceed \$31,500,000 for the purpose of**
5 **providing financing for the acquisition and construction of a 82-unit multifamily rental**
6 **housing project known as Alice Griffith Phase 3A 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, as**
13 **defined herein; granting general authority to City officials to take actions necessary to**
14 **implement this Resolution, as defined herein; 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 3A, L.P., a California limited partnership (the “Borrower”), of a 82-unit
19 residential rental development located at 2500 Arelious Walker Drive, in San Francisco,
20 California, known as “Alice Griffith Phase 3A 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
25 the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of

1 Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of
2 California (“Health and Safety Code”), as now in effect and as it may from time to time
3 hereafter be amended or supplemented (collectively, the “Act”); and

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

7 WHEREAS, The Mayor’s Office of Housing and Community Development held a duly
8 noticed public hearing on May 14, 2015, at which hearing an opportunity was provided for
9 persons to comment on the issuance of the Bonds, this Board, on June 9, 2015, adopted
10 Resolution No. 228-15 approving the execution and delivery of the Note solely for the
11 purposes of Section 147(f) of the Code in an amount not to exceed \$33,000,000; and

12 WHEREAS, On October 21, 2015, the California Debt Limit Allocation Committee
13 (CDLAC) in its Resolution Number 15-124 allocated \$31,500,000 in qualified private activity
14 bonds to the Project; and

15 WHEREAS, There has been prepared and presented to the Board for consideration at
16 this meeting the documentation required for the issuance of the Bonds, and such
17 documentation is on file with the Clerk of the Board of Supervisors (the “Clerk of the Board”) in
18 File No. 151260; and

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

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

24 WHEREAS, The Bonds will be a limited obligation of the City, the sole source of
25 repayment of which shall be payments made by the Borrower under the Loan Agreement

1 (hereinafter defined), together with investment income of certain funds and accounts held
2 under the Indenture (hereinafter defined); and

3 WHEREAS, The City has engaged Stradling Yocca Carlson & Rauth, a Professional
4 Corporation, and Curls Bartling P.C., as co-bond counsel with respect to the Bonds (“Co-Bond
5 Counsel”); and

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

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

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

12 Approval of Issuance of Bonds. In accordance with the Act and the Indenture
13 (hereinafter defined), the City is hereby authorized to issue and deliver revenue bonds of the
14 City, such bonds to be issued in one or more series and subseries, and designated as “City
15 and County of San Francisco Multifamily Housing Revenue Bonds (Alice Griffith Phase 3A
16 Apartments Project), Series 2016A,” or such other designation as may be necessary or
17 appropriate to distinguish such series from every other series of bonds, in an aggregate
18 principal amount not to exceed \$31,500,000 (the “Bonds”), with an interest rate not to exceed
19 twelve percent (12%) per annum for the Bonds, and which shall have a final maturity date not
20 later than forty (40) years from the date of issuance of the Bonds. The Bonds shall be in the
21 form set forth in and otherwise in accordance with the Indenture and shall be executed by the
22 manual or facsimile signature of the Mayor of the City (the “Mayor”).

23 Indenture. The Trust Indenture (the “Indenture”) in the form presented to the Board, a
24 copy of which is on file with the Clerk of the Board, is hereby approved. The Indenture shall
25 be entered into by and between the City and a trust company, a state banking corporation or a

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

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

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

24 Issuer Fees. The City, acting through the Mayor's Office of Housing and Community
25 Development, shall charge a fee for the administrative costs associated with issuing the

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

8 Modifications, Changes, Additions. Any Authorized Representative executing the
9 Indenture, the Regulatory Agreement or the Loan Agreement (collectively, the "City
10 Agreements"), in consultation with the City Attorney and Co-Bond Counsel, is hereby
11 authorized to approve and make such modifications, changes or additions to the City
12 Agreements as may be necessary or advisable, provided that such modification does not
13 authorize an aggregate principal amount of Bonds in excess of \$31,500,000, provide for a
14 final maturity on the Bonds later than forty (40) years, or provide for the Bonds to bear interest
15 at a rate in excess of twelve percent (12%) per annum. The approval of any modification,
16 addition or change to any of the aforementioned documents shall be evidenced conclusively
17 by the execution and delivery of the document in question.

18 Ratification. All actions heretofore taken by the officers and agents of the City with
19 respect to the sale and issuance of the Bonds, as consistent with the documents herein and
20 this Resolution, are hereby approved, confirmed and ratified.

21 General Authority. The proper officers of the City are hereby authorized and directed,
22 for and in the name and on behalf of the City, to do any and all things and take any and all
23 actions and execute and deliver any and all certificates, agreements (including such
24 agreements to provide adequate or additional security or indemnities as required by lenders to
25 consummate the financing) and other documents, including but not limited to those

1 documents described in the Indenture, the Loan Agreement, and the Regulatory Agreement,
2 which they, or any of them, may deem necessary or advisable in order to consummate the
3 lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the
4 documents herein approved in accordance with this Resolution.

5 File. All documents referenced herein as being on file with the Clerk of the Board are
6 located in File No. 151260, which is hereby declared to be a part of this Resolution as if set
7 forth fully herein.

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9 APPROVED AS TO FORM:
10 DENNIS J. HERRERA
City Attorney

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12 By: _____
13 HEIDI J. GEWERTZ
Deputy City Attorney
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