

1 [Multifamily Housing Revenue Bonds - Eddy and Taylor Family Housing - Not to Exceed
2 \$47,423,000]

3 **Resolution authorizing the issuance, sale and delivery of multifamily housing revenue**
4 **bonds in an aggregate principal amount not to exceed \$47,423,000 for the purpose of**
5 **providing financing for the acquisition, development and construction of a 113-unit**
6 **multifamily rental housing project known as Eddy and Taylor Family Housing;**
7 **approving the form of and authorizing the execution of an indenture of trust providing**
8 **the terms and conditions of the bonds; approving the form of and authorizing the**
9 **execution of a regulatory agreement and declaration of restrictive covenants;**
10 **approving the form of and authorizing the execution of a loan agreement; authorizing**
11 **the collection of certain fees; approving modifications, changes and additions to the**
12 **documents; ratifying and approving any action heretofore taken in connection with the**
13 **bonds and the project; granting general authority to City officials to take actions**
14 **necessary to implement this Resolution; and related matters, as defined herein.**

15
16 WHEREAS, The Board of Supervisors of the City and County of San Francisco (this
17 "Board") desires to provide for a portion of the costs of the acquisition, development and
18 construction by Eddy & Taylor Associates, L.P., a California limited partnership (the
19 "Borrower"), of a 113-unit (including one manager's unit) residential rental development
20 located at 210 and 238 Taylor Street, San Francisco, California 94102, known as "Eddy and
21 Taylor Family Housing" (the "Project"), to provide housing for persons and families of very low
22 income through the issuance of multifamily housing revenue bonds; and

23 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue
24 multifamily housing revenue bonds for such purpose pursuant to the Charter of the City,
25 Article I of Chapter 43 of the Administrative Code of the City and, to the extent applicable,

1 Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety
2 Code of the State of California (“Health and Safety Code”), as now in effect and as it may from
3 time to time hereafter be amended or supplemented (collectively, the “Act”); and

4 WHEREAS, On December 14, 2016, the California Debt Limit Allocation Committee in
5 its Resolution Number 16-194 allocated \$47,423,000 in qualified private activity bonds to the
6 Project (the “CDLAC Resolution”); and

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

10 WHEREAS, It appears that each of the documents which is now before this Board is
11 substantially in appropriate form and, with such modifications, changes and additions as may
12 be contemplated by Section 7 hereof, is an appropriate instrument to be executed and
13 delivered for the purposes intended; and

14 WHEREAS, This Board finds that the public interest and necessity require that the City
15 at this time make arrangements for the sale of the Bonds; and

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

20 WHEREAS, The City has engaged Jones Hall, a Professional Law Corporation, and
21 Curls Bartling P.C., as co-bond counsel with respect to the Bonds (“Co-Bond Counsel”); and

22 WHEREAS, Capital One, National Association, has expressed its intention to
23 purchase, or cause an affiliate to purchase, the Bonds authorized hereby; now, therefore, be it

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

1 Section 1. Approval of Recitals. This Board hereby finds and declares that the
2 above recitals are true and correct.

3 Section 2. Approval of Issuance of Bonds. In accordance with the Act and the
4 Indenture (hereinafter defined), the City is hereby authorized to issue and deliver multifamily
5 housing revenue bonds of the City, such bonds to be issued in one or more series and
6 subseries, and designated as “City and County of San Francisco Multifamily Housing
7 Revenue Bonds (Eddy and Taylor Family Housing), Series 2017A,” or such other designation
8 as may be necessary or appropriate to distinguish such series from every other series of
9 bonds, in an aggregate principal amount not to exceed \$47,423,000 (the “Bonds”), with a fixed
10 and/or variable interest rate not to exceed twelve percent (12%) per annum for the Bonds, and
11 which shall have a final maturity date not later than forty (40) years from the date of issuance
12 of the Bonds. The Bonds shall be in the form set forth in and otherwise in accordance with
13 the Indenture and shall be executed by the manual or facsimile signature of the Mayor of the
14 City (the “Mayor”).

15 Section 3. Indenture. The Indenture of Trust (the “Indenture”) in the form presented
16 to this Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The
17 Indenture shall be entered into by and between the City and Zions Bank, a division of ZB,
18 National Association, as trustee (the “Trustee”). Each of the Mayor, the Director of the
19 Mayor’s Office of Housing and Community Development and the Deputy Director - Housing of
20 the Mayor’s Office of Housing and Community Development (collectively, the “Authorized
21 Representatives” and each, an “Authorized Representative”) is hereby authorized to execute
22 the Indenture, approved as to form by the City Attorney of the City (the “City Attorney”), in
23 substantially said form, together with such additions thereto and changes therein as the City
24 Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 7
25 hereof.

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

9 Section 5. Loan Agreement. The Loan Agreement (the “Loan Agreement”) by and
10 between the City and the Borrower, in the form presented to this Board, a copy of which is on
11 file with the Clerk of the Board, is hereby approved. Each Authorized Representative is
12 hereby authorized to execute the Loan Agreement in substantially said form, together with
13 such additions thereto and changes therein as the City Attorney and Co-Bond Counsel may
14 approve or recommend in accordance with Section 7 hereof.

15 Section 6. Issuer Fees. The City, acting through the Mayor’s Office of Housing and
16 Community Development, shall charge a fee for the administrative costs associated with
17 issuing the Bonds in an amount not to exceed 0.25% of the aggregate principal amount of the
18 Bonds. Such fee shall be payable at bond closing and may be contingent on the bond sale.
19 The City shall also charge an annual fee for monitoring the restricted units in an amount not to
20 exceed 0.125% of the outstanding aggregate principal amount of the Bonds, but no less than
21 \$2,500 annually, for the term of the Regulatory Agreement. The initial monitoring fee shall be
22 payable at and contingent upon bond closing. The Board hereby authorizes the Mayor’s
23 Office of Housing and Community Development to charge and collect the fees described in
24 this section.

1 Section 7. Modifications, Changes, Additions. Any Authorized Representative
2 executing the Indenture, the Regulatory Agreement or the Loan Agreement (collectively, the
3 “City Agreements”), in consultation with the City Attorney and Co-Bond Counsel, is hereby
4 authorized to approve and make such modifications, changes or additions to the City
5 Agreements as may be necessary or advisable, provided that such modification does not
6 authorize an aggregate principal amount of Bonds in excess of \$47,423,000, provide for a
7 final maturity on the Bonds later than forty (40) years, or provide for the Bonds to bear interest
8 at a rate in excess of twelve percent (12%) per annum. The approval of any modification,
9 addition or change to any of the aforementioned documents shall be evidenced conclusively
10 by the execution and delivery of the document in question.

11 Section 8. Ratification. All actions heretofore taken by the officers and agents of the
12 City with respect to the sale and issuance of the Bonds as consistent with the City
13 Agreements are hereby approved, confirmed and ratified.

14 Section 9. General Authority. The proper officers of the City are hereby authorized
15 and directed, for and in the name and on behalf of the City, to do any and all things and take
16 any and all actions and execute and deliver any and all certificates, agreements and other
17 documents, including but not limited to those documents described in the City Agreements,
18 which they, or any of them, may deem necessary or advisable in order to consummate the
19 lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the
20 documents herein approved in accordance with this Resolution. Any such actions are solely
21 intended to further the purposes of this Resolution, and are subject in all respects to the terms
22 of this Resolution. No such actions shall increase the risk to the City or require the City to
23 spend any resources not otherwise granted herein. Final versions of such documents shall be
24 provided to the Clerk of the Board for inclusion in the official file within 30 days of execution by
25 all parties.

1 Section 10. File. All documents referenced herein as being on file with the Clerk of
2 the Board are located in File No. _____, which is hereby declared to be a part of this
3 Resolution as if set forth fully herein.
4

5 APPROVED AS TO FORM:
6 DENNIS J. HERRERA
7

8 By: _____
9 KENNETH ROUX
10 Deputy City Attorney
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