

1 [Multifamily Housing Revenue Bonds - Alice Griffith Phase 1 Apartments Project - Not to  
2 Exceed \$32,500,000]

3 **Resolution authorizing the issuance and delivery of multifamily housing revenue bonds**  
4 **in an aggregate principal amount not to exceed \$32,500,000 for the purpose of**  
5 **providing financing for the acquisition and construction of a 93-unit multifamily rental**  
6 **housing project known as Alice Griffith Phase 1 Apartments Project, 2600 Arelious**  
7 **Walker Drive, in San Francisco, California; approving the form of and authorizing the**  
8 **execution of a trust indenture providing the terms and conditions of the bonds;**  
9 **approving the form of and authorizing the execution of a regulatory agreement and**  
10 **declaration of restrictive covenants; approving the form of and authorizing the**  
11 **execution of a loan agreement; authorizing the collection of certain fees; and**  
12 **approving any action heretofore taken in connection with the bonds and the project;**  
13 **granting general authority to City officials to take actions necessary to implement this**  
14 **Resolution; and related matters.**

15 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
16 "Board") desires to provide for a portion of the costs of the acquisition and construction by  
17 Alice Griffith Phase 1, L.P., a California limited partnership (the "Borrower"), of a 93-unit  
18 residential rental development located at 2600 Arelious Walker Drive, in San Francisco,  
19 California, known as "Alice Griffith Phase 1 Apartments Project" (the "Project"), to provide  
20 housing for persons and families of very low income through the issuance of revenue bonds;  
21 and

22 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue  
23 revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of  
24 the Administrative Code of the City, and, to the extent applicable, Chapter 7 of Part 5 of  
25

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 be  
3 amended or supplemented (collectively, the "Act"); and

4 WHEREAS, The interest on the Bonds (defined in Section 2 below) 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, On September 17, 2014, the California Debt Limit Allocation Committee  
8 ("CDLAC") in its Resolution Number 14-106 allocated \$32,500,000 in qualified private activity  
9 bonds to the Project; and

10 WHEREAS, There has been prepared and presented to the Board for consideration at  
11 this meeting the documentation required for the issuance of the Bonds, and such  
12 documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board");  
13 and

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

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

19 WHEREAS, The City has engaged Stradling Yocca Carlson & Rauth, P.C. and Amira  
20 Jackmon, Attorney at Law, as co-bond counsel with respect to the Bonds ("Co-Bond  
21 Counsel"); and

22 WHEREAS, J.P. Morgan Chase Bank, N.A. has expressed its intention to purchase, or  
23 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. The Board finds and declares that the above recitals  
2 are true and correct.

3 Section 2. Approval of Issuance of Bonds. In accordance with the Act and the  
4 Indenture (defined in Section 3 below), the City is hereby authorized to issue and deliver  
5 revenue bonds of the City, such bonds to be issued in one or more series and subseries, and  
6 designated as "City and County of San Francisco Multifamily Housing Revenue Bonds (Alice  
7 Griffith Phase 1 Apartments Project), Series 2015A," or such other designation as may be  
8 necessary or appropriate to distinguish such series from every other series of bonds, in an  
9 aggregate principal amount not to exceed \$32,500,000 (the "Bonds"), with an interest rate not  
10 to exceed twelve percent (12%) per annum for the Bonds, and which shall have a final  
11 maturity date not later than forty (40) years from the date of issuance of the Bonds. The  
12 Bonds shall be in the form set forth in and otherwise in accordance with the Indenture and  
13 shall be executed by the manual or facsimile signature of the Mayor of the City (the "Mayor").

14 Section 3. Indenture. The Trust Indenture (the "Indenture") in the form presented to the  
15 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The  
16 Indenture shall be entered into by and between the City and a trust company, a state banking  
17 corporation, or a national banking association with the authority to accept trusts in the State of  
18 California selected by the City and otherwise meeting the requirements of the Indenture.  
19 Each of the Mayor, the Director of the Mayor's Office of Housing and Community  
20 Development, and the Housing Development Director of the Mayor's Office of Housing and  
21 Community Development (collectively, the "Authorized Representatives" and each, an  
22 "Authorized Representative") is hereby authorized to execute the Indenture, approved as to  
23 form by the City Attorney of the City (the "City Attorney"), in substantially said form, together  
24 with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel  
25 may approve or recommend in accordance with Section 8 below.

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 the 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 8 below.

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 the Board, a copy of which is on  
11 file with the Clerk of the Board, is hereby approved. Each Authorized Representative is hereby  
12 authorized to execute the Loan Agreement in substantially said form, together with such  
13 additions thereto and changes therein as the City Attorney and Co-Bond Counsel may  
14 approve or recommend in accordance with Section 8 below.

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 one-quarter of one percent (0.25%) of the  
18 aggregate principal amount of the Bonds. Such fee shall be payable at bond closing and may  
19 be contingent on the bond sale. The City shall also charge an annual fee for monitoring the  
20 restricted units in an amount not to exceed one-eighth of one percent (0.125%) of the  
21 outstanding aggregate principal amount of the Bonds, but no less than \$2,500 annually, for  
22 the term of the Regulatory Agreement. The initial monitoring fee shall be payable at bond  
23 closing. The Board hereby authorizes the Mayor's Office of Housing and Community  
24 Development to charge and collect the fees described in this Section 6.

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 \$32,500,000, 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. General Authority. The proper officers of the City are hereby authorized and  
12          directed, for and in the name and on behalf of the City, to do any and all things and take any  
13          and all actions and execute and deliver any and all certificates, agreements (including such  
14          agreements to provide adequate or additional security or indemnities as required by lenders to  
15          consummate the financing) and other documents, including but not limited to those  
16          documents described in the Indenture, the Loan Agreement, and the Regulatory Agreement,  
17          which they, or any of them, may deem necessary or advisable in order to consummate the  
18          lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the  
19          documents herein approved in accordance with this Resolution.

20  
21  
22  
23  
24  
25

1           Section 9. File. All documents referenced herein as being on file with the Clerk of the  
2 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 City Attorney

7

8 By: \_\_\_\_\_  
9 HEIDI J. GEWERTZ  
10 Deputy City Attorney

n:\spec\as2014\1500349\00977491.doc

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25