

1 [Mortgage Credit Certificates]

2 AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEBT LIMIT ALLOCATION
3 COMMITTEE TO PERMIT THE ISSUANCE OF MORTGAGE CREDIT CERTIFICATES.

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

8 WHEREAS, the City has, by Ordinance 245-81, adopted by the Board of Supervisors on May
9 11, 1981, declared its intent to engage in a home finance program pursuant to Part 5 of Division 31 of
10 the Health and Safety Code of the State of California, and to issue bonds pursuant to said Division in
11 furtherance of the home finance program; and

12 WHEREAS, the Congress of the United States by the Tax Reform Act of 1984 provided for the
13 issuance of Mortgage Credit Certificates ("Certificates") by local government agencies as an alternative
14 to the issuance of mortgage revenue bonds to assist low and moderate income first time homebuyers;
15 and
16

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

21 WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of
22 California governs the allocation in the State of California of the state ceiling established by Section 146
23 of the Code among governmental units in the State having the authority to issue mortgage credit
24 certificates; and

25 WHEREAS, Section 8869.85 of the government Code requires a local agency to file an

Supervisor, Amos C. Brown, Bierman
BOARD OF SUPERVISORS

1 application for a portion of the ceiling with or upon the direction of the California Debt Limit Allocation
2 Committee ("CDLAC") prior to the issuance of mortgage credit certificates; and

3 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to certify
4 to CDLAC that the applicant has on deposit an amount equal to one percent (1%) of the amount of the
5 allocation requested; and

6 WHEREAS, the Board of Supervisors by Resolutions 742-93, 53-95, 585-95, 96-96, and
7 Resolution 1085-97 authorized the Director of the Mayor's Office of Housing to submit previous
8 applications for allocations for the City's Mortgage Credit Certificate Program, which applications were
9 approved by CDLAC for a total of \$61,796,087 from 1993 to 1997; and

10 WHEREAS, the Mayor's Office of Housing finds a continuing need to secure allocations of
11 Mortgage Credit Certificates to assist low and moderate income first time homebuyers in San Francisco;
12 now, therefore, be it

13
14 RESOLVED, that the Board of Supervisors of the City and County of San Francisco hereby
15 authorizes the Director of the Mayor's Office of Housing for the City (the "Director"), on behalf of the
16 City and County of San Francisco, to submit an application (the "Application"), and such other
17 documents as may be required, to CDLAC pursuant to Government Code Section 8869.85 for a portion
18 of the state ceiling for private activity bonds and mortgage credit certificates in an amount not to exceed
19 twenty million dollars (\$20,000,000) for mortgage credit certificates; and, be it

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rt 20 FURTHER RESOLVED, that an amount equal to one hundred thousand dollars (\$100,000)
~~two~~ ~~(\$200,000)~~ is
21 hereby authorized to be held on deposit in connection with the Application and the applicable CDLAC
22 procedures, and the Director is authorized to certify to CDLAC that such funds are available; which
23 deposit shall consist of a restriction on cash in the Surplus Fund established pursuant to the Home
24 Mortgage Assistance Trust Agreement, made and entered into as of October 1, 1982, by and between the
25 City and County of San Francisco and Bank of America National Trust and Savings Association (the

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“Surplus Fund”); and, be it FURTHER RESOLVED, that if the City receives an allocation and the issuance requirements applicable to mortgage credit certificates are not met, a cost outlay depleting the Surplus Fund in an amount not to exceed one hundred thousand dollars (\$100,000) ~~(\$200,000)~~ is hereby authorized if required by the State of California; and, be it

FURTHER RESOLVED, that the officers and employees of the City and the Director are hereby authorized and directed, jointly and severally, to do any and all things necessary or advisable in order to consummate the receipt of an allocation and the issuance of mortgage credit certificates and otherwise effectuate the purposes of this resolution, and all actions previously taken by such officers and employees in connection with the establishment of the Program and issuance of the mortgage credit certificates, including the submission of the application to CDLAC, are hereby ratified and approved; and, be it

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



City and County of San Francisco

Veterans Building
401 Van Ness Avenue, Room 308
San Francisco, CA 94102-4532

Tails

Resolution

File Number: 982030

Date Passed:

Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of mortgage credit certificates (in an amount not to exceed \$20,000,000 to assist low to moderate income home buyers in San Francisco to purchase their first home).

December 7, 1998 Board of Supervisors — SEVERED FROM CONSENT AGENDA

December 7, 1998 Board of Supervisors — AMENDED

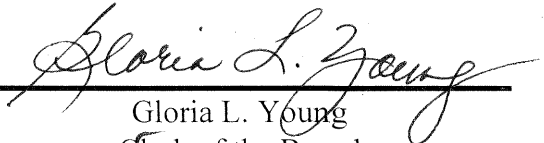
Ayes: 8 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Yaki, Yee
Absent: 3 - Medina, Newsom, Teng

December 7, 1998 Board of Supervisors — ADOPTED AS AMENDED

Ayes: 8 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Yaki, Yee
Absent: 3 - Medina, Newsom, Teng

File No. 982030


I hereby certify that the foregoing Resolution
was ADOPTED AS AMENDED on December
7, 1998 by the Board of Supervisors of the
City and County of San Francisco.



Gloria L. Young
Clerk of the Board

DEC - 8 1998

Date Approved



Mayor Willie L. Brown Jr.

File No. 982030 continued...