

1 [Multifamily Housing Revenue Bonds]
2 RESOLUTION AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY
3 HOUSING REVENUE BONDS, SERIES 1998A (THE "SERIES 1998A BONDS") AND
4 SERIES 1998B (THE "SERIES 1998B BONDS," AND TOGETHER WITH THE SERIES
5 1998A BONDS, THE "BONDS") IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO
6 EXCEED \$2,500,000 FOR THE PURPOSE OF REFUNDING BONDS PREVIOUSLY
7 ISSUED TO PROVIDE FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT;
8 AUTHORIZING THE SALE OF THE BONDS; APPROVING THE FORM OF AND
9 AUTHORIZING THE EXECUTION OF AN INDENTURE PROVIDING THE TERMS AND
10 CONDITIONS OF THE BONDS; APPROVING THE FORM OF AND AUTHORIZING THE
11 EXECUTION OF THE BOND PLACEMENT AGREEMENT PROVIDING THE TERMS AND
12 CONDITIONS FOR THE SALE OF THE BONDS; APPROVING THE FORM OF AND
13 AUTHORIZING THE EXECUTION OF AN AMENDMENT TO FINANCING AND
14 REGULATORY AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE
15 EXECUTION OF A LOAN AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING
16 THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT
17 AND THE PREPARATION, EXECUTION AND DISTRIBUTION OF AN OFFICIAL
18 STATEMENT RELATING TO THE BONDS; APPROVING THE FORM OF AND
19 AUTHORIZING THE EXECUTION OF A SUBORDINATION AGREEMENT; APPROVING
20 AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY DOCUMENT
21 NECESSARY TO IMPLEMENT THIS RESOLUTION; RATIFYING AND APPROVING ANY
22 ACTION HERETOFORE TAKEN IN CONNECTION WITH THE BONDS, THE PROJECT
23 AND THE REFUNDING OF THE PRIOR BONDS; AND RELATED MATTERS.

24
25

SUPERVISOR^S MEDINA, TENG, BROWN
BOARD OF SUPERVISORS

1 WHEREAS, The City and County of San Francisco (the "City") has heretofore financed
2 the construction of a multifamily rental housing development known as Aspen-South Hills
3 Apartments Project (the "Project"), and in order to do so issued \$2,600,000 of its Multifamily
4 Housing Revenue Bonds, Series 1985 (FHA Insured Mortgage Loan—Aspen-South Hills
5 Apartments Project) (the "Prior Bonds") (of which \$2,410,000 in principal amount are now
6 outstanding), and made a loan of the proceeds thereof to Aspen-South Hills Apartments
7 Company, a California Limited Partnership (the "Borrower"), pursuant to that certain
8 Indenture, dated as of May 1, 1985, between the City and U.S. Bank Trust National
9 Association (as successor to Seattle-First National Bank), as trustee thereunder, as amended
10 and supplemented to the date hereof (the "Prior Indenture"); and

11 WHEREAS, The Borrower has requested that the Prior Bonds be redeemed in
12 accordance with the Prior Indenture, and that the City issue the Bonds in order to accomplish
13 such redemption; and

14 WHEREAS, The Board of Supervisors of the City (the "Board") desires to assist the
15 Borrower and preserve the availability of the units in the Project for low and moderate income
16 persons or families, and in order to accomplish such purposes it is desirable for the City to
17 provide for the refunding of the Prior Bonds in order to provide for refinancing of the Project;
18 and

19 WHEREAS, It is expected that the refinancing of the Prior Bonds will result in net debt
20 service savings to the City on a present value basis, calculated as provided by ordinance; and

21 WHEREAS, The interest on the Series 1998A Bonds may qualify for tax exemption
22 under Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code"), only if
23 the Series 1998A Bonds are approved in accordance with Section 147 (f) of the Code;

24 WHEREAS, The Project is located wholly within the City and County of San Francisco,
25 California; and

SUPERVISOR MEDINA
BOARD OF SUPERVISORS

1 WHEREAS, On September 8, 1998, the City caused a notice stating that a public
2 hearing with respect to the issuance of the Bonds would be held by the Mayor's Office of
3 Housing on September 22, 1998, to appear in the Independent, which is a newspaper of
4 general circulation in the City, such date of publication being not less than fourteen days prior
5 to the date of the hearing; and

6 WHEREAS, The Mayor's Office of Housing held the public hearing described above,
7 and an opportunity was provided for interested parties to present arguments for and against
8 the issuance of the Bonds and the nature and location of the Project to be financed by the
9 issuance of the Bonds; and

10 WHEREAS, This Board is the elected legislative body of the City and is the applicable
11 elected representative required to approve the issuance of the Bonds within the meaning of
12 the Section 147(f) of the Code; and

13 WHEREAS, There has been prepared and presented to the Board for consideration at
14 this meeting the documentation required for the issuance of such Bonds; and

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

18 WHEREAS, Bank of America, FSB (the "Bond Purchaser") has expressed its intention
19 to purchase the Bonds authorized hereby, and the Board finds that the public interest and
20 necessity require that the City at this time make arrangements for the sale of such Bonds;
21 and

22 WHEREAS, The Federal National Mortgage Association ("Fannie Mae") has agreed,
23 subject to the satisfaction of certain conditions, to facilitate the refinancing of the Project by
24 providing credit enhancement for the Bonds; now, therefore, be it
25

SUPERVISOR MEDINA
BOARD OF SUPERVISORS

1 RESOLVED, BY THIS BOARD OF SUPERVISORS OF THE CITY AND
2 COUNTY OF SAN FRANCISCO AS FOLLOWS:

3 Section 1. Approval of Recitals. The Board hereby finds and declares that the above
4 recitals are true and correct.

5 Section 2. Approval of Issuance of Bonds. In accordance with the Law (as defined
6 in the hereinafter referred to Indenture) and the Indenture (hereinafter defined), the City is
7 hereby authorized to issue revenue bonds of the City, such bonds to be designated as "City
8 and County of San Francisco Multifamily Housing Revenue Bonds (FHA Insured Mortgage
9 Loan—Aspen-South Hills Apartments)," Series 1998A and Series 1998B, as the case may
10 be, in an aggregate principal amount not to exceed \$2,500,000, with an initial interest rate not
11 to exceed seven and three quarters percent (7.75%) per annum for the Series 1998A Bonds
12 and an initial interest rate not to exceed eight percent (8.0%) per annum for the Series 1998B
13 Bonds, and which shall have a final maturity date not later than December 1, 2026. The
14 Bonds shall be in the form set forth in and otherwise in accordance with the Indenture, and
15 shall be executed by the manual or facsimile signature of the Mayor of the City (the "Mayor")
16 and the manual or facsimile seal of the City shall be impressed or reproduced thereon and
17 attested by the manual or facsimile signature of the Clerk of the Board.

18 Section 3. Indenture. The Indenture (the "Indenture"), between the City and a
19 trustee bank to be determined by the City (the "Trustee"), in substantially the form presented
20 to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The
21 Mayor is hereby authorized to execute, and the Clerk of the Board is hereby authorized to
22 attest the Indenture in substantially said form, with such additions thereto and changes
23 therein as the City Attorney (the "City Attorney") and co-Bond Counsel may approve or
24 recommend in accordance with Section 10 hereof.

25
SUPERVISOR MEDINA
BOARD OF SUPERVISORS

1 Section 4. Bond Placement Agreement. The City is hereby authorized to sell the
2 Bonds pursuant to the terms and conditions of the Bond Placement Agreement (the
3 “Placement Agreement”), among the City, the Borrower and the Bond Purchaser in
4 substantially the form presented to the Board, a copy of which is on file with the Clerk of the
5 Board; and such Placement Agreement is hereby approved. The Mayor is hereby authorized
6 to execute, and the Clerk of the Board is hereby authorized to attest, the Placement
7 Agreement, in substantially said form, with such additions thereto and changes therein as the
8 City Attorney and co-Bond Counsel may approve or recommend in accordance with Section
9 10 hereof.

10 Section 5. Amendment to Financing and Regulatory Agreement. The form of
11 Amendment to Financing and Regulatory Agreement (the “Regulatory Agreement”), between
12 the City and the Borrower, in substantially the form presented to the Board, a copy of which is
13 on file with the Clerk of the Board, is hereby approved. The Mayor is hereby authorized to
14 execute, and the Clerk of the Board is hereby authorized to attest the Regulatory Agreement,
15 in substantially said form, with such additions thereto and changes therein as the City
16 Attorney and co-Bond Counsel may approve or recommend in accordance with Section 10
17 hereof.

18 Section 6. Approval of the Form and Circulation of Official Statement Relating to
19 Bonds. The form of preliminary official statement relating to the Bonds (the “Preliminary
20 Official Statement”), to be used in connection with the offer and sale of the Bonds, in
21 substantially the form presented to the Board, a copy of which is on file with the Clerk of the
22 Board, is hereby approved, and the Board hereby ratifies and approves distribution of the
23 Preliminary Official Statement to the Bond Purchaser. The Mayor, the Controller and such
24 other officers as may be authorized by the Board or the Mayor shall be, and each acting
25 alone is, hereby authorized, for and in the name and on behalf of the City, to execute a

SUPERVISOR MEDINA
BOARD OF SUPERVISORS

1 certificate deeming the Preliminary Official Statement final for purposes of Rule 15c2-12
2 promulgated under the Securities Exchange Act of 1934, as amended. The Mayor or the
3 Controller is hereby authorized to execute, at the time of sale of the Bonds, said form of
4 Preliminary Official Statement as the final Official Statement (the "Official Statement"), with
5 such additions thereto or changes therein as the City Attorney and co-Bond Counsel may
6 approve or recommend in accordance with Section 10 hereof.

7 Section 7. Approval of Subordination Agreement. The form of Subordination
8 Agreement (the "Subordination Agreement") between the City and the Borrower, in
9 substantially the form presented to the Board, a copy of which is on file with the Clerk of the
10 Board, is hereby approved. The Mayor is hereby authorized to execute, and the Clerk of the
11 Board is hereby authorized to attest, the Subordination Agreement, in substantially said form,
12 with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel
13 may approve or recommend in accordance with Section 10 hereof.

14 Section 8. Loan Agreement. The form of Loan Agreement (the "Loan Agreement")
15 between the City and the Owner, in substantially the form presented to the Board, a copy of
16 which is on file with the Clerk of the Board, is hereby approved. The Mayor is hereby
17 authorized to execute, and the Clerk of the Board is hereby authorized to attest the Loan
18 Agreement, in substantially said form, with such additions thereto and changes therein as the
19 City Attorney and co-Bond Counsel may approve or recommend in accordance with Section
20 10 hereof.

21 Section 9. Approval of Bonds. This Board hereby approves the issuance of the
22 Bonds by the City to refund the Prior Bonds and refinance costs of the Project. It is the
23 purpose and intent of this Board that this Resolution constitute approval of the Bonds by the
24 applicable elected representative of the issuer of the Bonds and the applicable elected
25

SUPERVISOR MEDINA
BOARD OF SUPERVISORS

1 representative of the governmental unit having jurisdiction over the area in which the Project
2 is located, in accordance with Section 147(f) of the Code.

3 Section 10. Modifications, Changes, Additions. An Authorized Issuer Representative
4 (as such term is defined in the Indenture) executing a document approved herein, in
5 consultation with the City Attorney and co-Bond Counsel, is hereby authorized to approve
6 and make such modifications, changes or additions to the Indenture, the Regulatory
7 Agreement, the Loan Agreement, the Bond Placement Agreement, the Preliminary Official
8 Statement, and the Subordination Agreement as may be necessary or advisable, provided
9 that such modification does not authorize an aggregate principal amount of Bonds in excess
10 of \$2,500,000 or provide for a final maturity on the Bonds later than December 1, 2026. The
11 approval of any modification, addition, or change to any of the aforementioned documents
12 shall be evidenced conclusively by the execution and delivery of the document in question.

13 Section 11. Ratification. All actions heretofore taken by the officers and agents of the
14 City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and
15 ratified, and the proper officers of the City are hereby authorized and directed, for and in the
16 name and on behalf of the City, to do any and all things and take any and all actions and
17 execute and deliver any and all certificates, agreements and other documents, including but
18 not limited to those documents described in the Indenture and the other documents herein
19 approved, which they, or any of them, may deem necessary or advisable in order to
20 consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes
21 thereof and of the documents herein approved in accordance with this Resolution.

1 Section 12. All documents referenced herein as being on file with the Clerk of the
2 Board are located in File No. 98-1560.

3
4 APPROVED AS TO FORM:
5 LOUISE H. RENNE
6 City Attorney

7
8 By: *Theresa Alvarez*
9 Deputy City Attorney

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25



City and County of San Francisco

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

Tails Resolution

File Number: 981560

Date Passed:

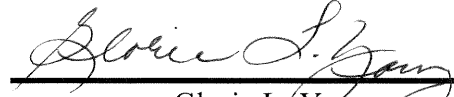
Resolution authorizing the issuance and delivery of Multifamily Housing Revenue Bonds, Series 1998A (The "Series 1998A Bonds") and Series 1998B (The "Series 1998B Bonds," and together with the Series 1998A Bonds, the "Bonds") in an aggregate principal amount not to exceed \$2,500,000 for the purpose of refunding bonds previously issued to provide financing for a multifamily rental housing project; authorizing the sale of the bonds; approving the form of and authorizing the execution of an indenture providing the terms and conditions of the bonds; approving the form of and authorizing the execution of the bond placement agreement providing the terms and conditions for the sale of the bonds; approving the form of and authorizing the execution of an amendment to financing and regulatory agreement; approving the form of and authorizing the execution of a loan agreement; approving the form of and authorizing the preparation and distribution of a preliminary official statement and the preparation, execution and distribution of an official statement relating to the bonds; approving the form of and authorizing the execution of a subordination agreement; approving and authorizing the execution and delivery of any document necessary to implement this resolution; ratifying and approving any action heretofore taken in connection with the bonds, the project and the refunding of the prior bonds; and related matters.

October 13, 1998 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Medina, Newsom, Teng, Yaki, Yee

File No. 981560

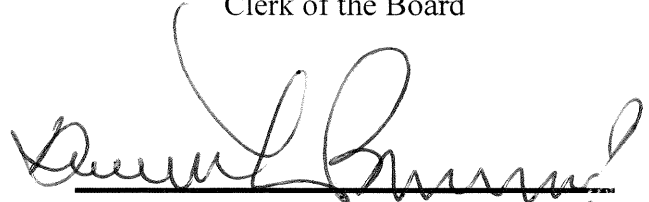
I hereby certify that the foregoing Resolution was ADOPTED on October 13, 1998 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

OCT 23 1998

Date Approved



Mayor Willie L. Brown Jr.

File No. 981560 continued...