

1 [Public hearing approval.]

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3 **Resolution authorizing the issuance and sale of revenue bonds by the ABAG Finance**
4 **Authority for Nonprofit Corporation in an aggregate principal amount not to exceed**
5 **\$49,800,000 for the 601 King Street Apartments.**

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7 WHEREAS, The ABAG Finance Authority for Nonprofit Corporations, a joint exercise of
8 powers agency established pursuant to the laws of the State of California (the "Authority") has
9 proposed to issue and sell its revenue bonds (the "Bonds") in an aggregate principal amount
10 not to exceed \$49,800,000 for the purpose of making a loan to 601 King Associates, LLC (of
11 which A. F. Evans Development Inc. is the managing member) or a related entity (the
12 "Developer"); and,

13 WHEREAS, The City and County of San Francisco (the "City") is a member of the
14 Authority; and,

15 WHEREAS, The project to be financed with the proceeds of the Bonds includes the
16 acquisition and construction of a proposed 250 unit multifamily rental housing development,
17 together with 6,000 square feet of commercial space, to be known as 601 King Street
18 Apartments (the "Project") to be located in a 2.14 acre site at 601 King Street and 830
19 Seventh Street in the City and County of San Francisco. The initial operator of the Project will
20 be Evans Property Management Company, Inc. or an another entity selected by the
21 Developer; and,

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

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1 WHEREAS, The Authority has requested the Board of Supervisors of the City (the
2 “Board”) to approve the issuance and sale of the Bonds in order to satisfy the public approval
3 requirements of Section 147(f) of the Code; and,

4 WHEREAS, On July 19, 2003, the City caused a notice stating that a public hearing
5 with respect to the issuance of the Bonds would be held by the Mayor’s Office of Public
6 Finance on August 4 2003, to appear in *The Independent* which is a newspaper of general
7 circulation in the City; and,

8 WHEREAS, The Mayor’s Office of Public Finance has held the public hearing
9 described above on August 4, 2003, and an opportunity was provided for persons to comment
10 on the issuance and sale of the Bonds and the Project; and,

11 WHEREAS, This Board is the elected legislative body of the City and is the applicable
12 elected representative required to approve the issue within the meaning of Section 147(f) of
13 the Code; now, therefore be it

14 RESOLVED, That this Board hereby finds and declares the above recitals are true and
15 correct; and, be it

16 FURTHER RESOLVED, That this Board hereby approves the issuance and sale of the
17 Bonds by the Authority. It is the purpose and intent of this Board that this Resolution
18 constitute approval of the Bonds by the applicable elected representative of the governmental
19 unit having jurisdiction over the area in which the Project is located in accordance with Section
20 147(f) of the Code; and, be it

21 FURTHER RESOLVED, That the approval of the issuance and sale of the Bonds by
22 the City is neither an approval of the underlying credit issues of the proposed Project nor an
23 approval of the financial structure of the Bonds.

1 APPROVED AS TO FORM:

2 DENNIS J. HERRERA
3 CITY ATTORNEY

4 By: _____
5 Theresa Alvarez Hackett
6 Deputy City Attorney

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