

CITY AND COUNT OF SAN FRANCISCO
STATE OF CALIFORNIA

Declaration of Official Intent
(Project Name)

_____, 20__

WHEREAS, the City and County of San Francisco, California (the “City”) is authorized and empowered pursuant to the City and County of San Francisco Residential Mortgage Revenue Bond Law (the “City Housing Bond Law”), constituting Article I of Chapter 43 of the San Francisco Administrative Code and/or Division 31 of the Health and Safety Code of the State of California, and particularly Chapter 7 of Part 5 thereof (“State Housing Bond Law” and together with the City Housing Bond Law, the “Housing Bond Laws”), to issue revenue bonds for the purpose of financing or refinancing the acquisition, development, construction, rehabilitation, improvement and/or equipping of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to that multifamily rental housing; and; and

WHEREAS, [name of general partner] (the “Developer”), on behalf of [if an LP has been formed: {insert name of LP borrower}, a limited partnership, or another ownership entity] [if no LP has been formed: a limited partnership or other ownership entity] to be created by the Developer or an affiliate of the Developer (such limited partnership or other ownership entity being referred to herein as the “Owner”), has requested that the City consider the issuance and sale of tax-exempt residential mortgage revenue bonds (the “Bonds”) pursuant to the Housing Bond Laws for the purpose of lending the proceeds thereof to the Owner to finance the acquisition, development, [construction/rehabilitation - as applicable], improvement and equipping of [description of project including number of units], to be located in the City at [street address of project], and to be owned and/or operated by the Owner (the “Project”); and

WHEREAS, the Owner has requested a declaration of the City’s official intent to reimburse original Project expenditures with proceeds of Bonds of the City at a future date, provided that the City’s requirements for the issuance of such Bonds shall have been satisfied, including the approval thereof by the Board of Supervisors of the City (the “Board”); and

WHEREAS, the City wishes to declare its official intent to reimburse original Project expenditures with proceeds of Bonds of the City at a future date, provided the City’s requirements are satisfied, for the purpose of financing costs of the Project; and

WHEREAS, on _____, 20__, the Board adopted, and on _____, 20__, the Mayor approved, Resolution No. _____, delegating to the Mayor the authority to execute and deliver a certificate or other written instrument in the name of and on behalf of the City, without further action of the Board, for the purposes of (i) declaring the City’s official intent to issue tax-exempt obligations (“Bonds”) to finance multifamily rental housing projects in the City and to reimburse original project expenditures with proceeds of such Bonds, all for purposes of U.S. Treasury Regulations Section 1.150-2; and (ii) authorizing

the Mayor's Office of Housing and Community Development to prepare and submit an application to the California Debt Limit Allocation Committee for an allocation of the State of California's private activity bond volume cap, if determined to be necessary; and

NOW, THEREFORE, for and on behalf of the City, the undersigned hereby states, certifies, finds, determines and declares as follows:

1. The undersigned is familiar with the facts herein certified and is authorized to certify the same on behalf of the City.

2. The undersigned hereby finds and determines that the above recitals are true and correct.

3. The undersigned hereby declares the City's official intent to reimburse original Project expenditures with proceeds of the above-described Bonds, provided that the issuance, sale and delivery of the Bonds shall be subject to the satisfaction of all City requirements. This certificate does not bind the City to make any expenditure, incur any indebtedness, or proceed with the financing of the Project. The Bonds will be payable solely from revenues to be received by the City pursuant to a loan agreement or other agreements to be entered into with the Owner in connection with the Project. The issuance of the Bonds is subject to the following conditions, among others: (a) the City and the Owner shall have first agreed to mutually acceptable terms for the Bonds and of the sale and delivery thereof, and mutually acceptable terms and conditions of the indenture, loan agreement, lease agreement or other agreements and other related documents for the financing of the Project; (b) all requisite governmental approvals for the Bonds shall have been obtained; and (c) a resolution approving the financing documents to which the Bonds will be a party shall have been adopted by the Board.

5. This certificate constitutes a declaration of official intent pursuant to U.S. Treasury Regulation 1.150-2, promulgated under the Internal Revenue Code of 1986, as amended (the "Code"). Based upon the representations of the Owner, the City reasonably expects that certain of the costs of the Project will be reimbursed with the proceeds of the Bonds. The expected maximum principal amount of the Bonds is \$[_____].

6. The Mayor's Office of Housing and Community Development is hereby authorized and directed to take any and all actions as may be necessary or appropriate in connection with an application to the California Debt Limit Allocation Committee for an allocation of the State's private activity bond volume cap under Section 146 of the Code and Section 8869.85 of the Government Code, if determined to be necessary. Any such actions heretofore taken by such office with respect thereto are hereby ratified, approved and confirmed.

London N. Breed, Mayor

EXHIBIT A

NOTICE OF PUBLIC HEARING