

FILE NO. 00 1057RESOLUTION NO. 565-00

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

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

24 WHEREAS, the California Debt Limit Allocation Committee (CDLAC) has announced the
25 availability of a special allocation of Mortgage Credit Certificates through the Extra Credit Teacher

1 Home Purchase Program for the purpose of assisting public school teachers and principals in low-
2 performing schools to become first time homebuyers; and

3 WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an
4 application for a portion of the ceiling with or upon the direction of CDLAC prior to the issuance of
5 Mortgage Credit Certificates; and

6 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to certify
7 to CDLAC that the applicant has on deposit an amount equal to 0.5% (one-half of one percent) of the
8 allocation request not to exceed one hundred thousand dollars (\$100,000); and

9 WHEREAS, the Board of Supervisors by Resolutions 742-93, 53-95, 585-95, 96-96, 1085-97,
10 976-98 and Resolution 1009-99 authorized the Director of the Mayor's Office of Housing to submit
11 previous applications for allocations for the City's Mortgage Credit Certificate Program, which
12 applications were approved by CDLAC for a total of \$91,117,745 from 1993 to 1999; and

13 WHEREAS, the Mayor's Office of Housing finds a need to secure an additional allocation of
14 Mortgage Credit Certificates to assist low and moderate income public school teachers and principals to
15 become first time homebuyers in San Francisco; now, therefore, be it

16 RESOLVED, that the Board of Supervisors of the City and County of San Francisco hereby
17 authorizes the Director of the Mayor's Office of Housing for the City (the "Director"), on behalf of the
18 City and County of San Francisco, to submit an application (the "Application"), and such other
19 documents as may be required, to CDLAC pursuant to Government Code Section 8869.85 for a portion
20 of the state ceiling for private activity bonds and mortgage credit certificates in an amount not to exceed
21 ten million dollars (\$10,000,000) for mortgage credit certificates; and, be it

22 FURTHER RESOLVED, that an amount equal to fifty thousand dollars (\$50,000) is hereby
23 authorized to be held on deposit in connection with the Application and the applicable CDLAC
24 procedures, and the Director is authorized to certify to CDLAC that such funds are available; which
25 deposit shall consist of a restriction on cash in the Home Mortgage Assistance Fund established pursuant

1 to the Home Mortgage Assistance Trust Agreement, made and entered into as of October 1, 1982, by
2 and between the City and County of San Francisco and Bank of America National Trust and Savings
3 Association (the Home Mortgage Assistance Fund"); and, be it

4 FURTHER RESOLVED, that if the City receives an allocation and the issuance requirements
5 applicable to Mortgage Credit Certificates are not met, a cost outlay depleting the Home Mortgage
6 Assistance Fund in an amount not to exceed fifty thousand dollars (\$50,000) is hereby authorized if
7 required by the State of California; and, be it

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

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



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 001057

Date Passed:

Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Credit Certificates.

June 26, 2000 Board of Supervisors — ADOPTED

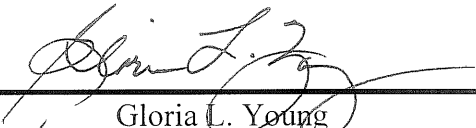
Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

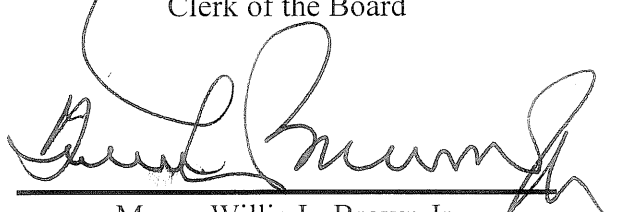
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I hereby certify that the foregoing Resolution was ADOPTED on June 26, 2000 by the Board of Supervisors of the City and County of San Francisco.

JUN 30 2000

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Willie L. Brown Jr.