

1 [Multifamily Housing Revenue Bonds - Alice Griffith Phase 2 Apartments Project - Not to Exceed \$32,500,000]

2 **Resolution authorizing the issuance and delivery of multifamily housing revenue bonds in an aggregate**
3 **principal amount not to exceed \$32,500,000 for the purpose of providing financing for the acquisition**
4 **and construction of a 91-unit multifamily rental housing project known as Alice Griffith Phase 2**
5 **Apartments Project, 2700 Arelious Walker Drive, San Francisco, California; approving the form of and**
6 **authorizing the execution of a trust indenture providing the terms and conditions of the bonds;**
7 **approving the form of and authorizing the execution of a regulatory agreement and declaration of**
8 **restrictive covenants; approving the form of and authorizing the execution of a loan agreement;**
9 **authorizing the collection of certain fees; ratifying and approving any action heretofore taken in**
10 **connection with the bonds and the project; granting general authority to City officials to take actions**
11 **necessary to implement this Resolution; and related matters.**

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14 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the "Board") desires to
15 provide for a portion of the costs of the acquisition and construction by Alice Griffith Phase 2, L.P., a California
16 limited partnership (the "Borrower"), of a 91-unit residential rental development located at 2700 Arelious Walker
17 Drive, in San Francisco, California, known as "Alice Griffith Phase 2 Apartments Project" (the "Project"), to
18 provide housing for persons and families of very low income through the issuance of revenue bonds; and

19 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue revenue bonds for
20 such purpose pursuant to the Charter of the City, Article I of Chapter 43 of the Administrative Code of the City
21 and, to the extent applicable, Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health
22 and Safety Code of the State of California ("Health and Safety Code"), as now in effect and as it may from time
23 to time be amended or supplemented (collectively, the "Act"); and

1 WHEREAS, The interest on the Bonds (defined in Section 2 below) may qualify for tax exemption under
2 Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code"), only if the Bonds are approved in
3 accordance with Section 147(f) of the Code; and

4 WHEREAS, On November 12, 2014, the California Debt Limit Allocation Committee (CDLAC) in its
5 Resolution Number 14-112 allocated \$32,500,000 in qualified private activity bonds to the Project; and

6 WHEREAS, There has been prepared and presented to the Board for consideration at this meeting the
7 documentation required for the issuance of the Bonds, and such documentation is on file with the Clerk of the
8 Board of Supervisors (the "Clerk of the Board"); and

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

11 WHEREAS, The Board finds that the public interest and necessity require that the City at this time make
12 arrangements for the sale of the Bonds; and

13 WHEREAS, The City has engaged Stradling Yocca Carlson & Rauth, P.C. and Amira Jackmon, Attorney
14 at Law, as co-bond counsel with respect to the Bonds ("Co-Bond Counsel"); and

15 WHEREAS, J.P. Morgan Chase Bank, N.A. has expressed its intention to purchase, or cause an affiliate
16 to purchase, the Bonds authorized hereby; now, therefore, be it

17 RESOLVED, by this Board of Supervisors of the City and County of San Francisco as follows:

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

20 Section 2. Approval of Issuance of Bonds. In accordance with the Act and the Indenture (defined in
21 Section 3 below), the City is hereby authorized to issue and deliver revenue bonds of the City, such bonds to be
22 issued in one or more series and subseries, and designated as "City and County of San Francisco Multifamily
23 Housing Revenue Bonds (Alice Griffith Phase 2 Apartments Project), Series 2015B," or such other designation
24 as may be necessary or appropriate to distinguish such series from every other series of bonds, in an aggregate
25 principal amount not to exceed \$32,500,000 (the "Bonds"), with an interest rate not to exceed twelve percent

1 (12%) per annum for the Bonds, and which shall have a final maturity date not later than forty (40) years from the
2 date of issuance of the Bonds. The Bonds shall be in the form set forth in and otherwise in accordance with the
3 Indenture, and shall be executed by the manual or facsimile signature of the Mayor of the City (the "Mayor").

4 Section 3. Indenture. The Trust Indenture (the "Indenture") in the form presented to the Board, a copy of
5 which is on file with the Clerk of the Board, is hereby approved. The Indenture shall be entered into by and
6 between the City and a trust company, a state banking corporation or a national banking association with the
7 authority to accept trusts in the State of California selected by the City and otherwise meeting the requirements
8 of the Indenture. Each of the Mayor, the Director of the Mayor's Office of Housing and Community Development
9 and the Housing Development Director of the Mayor's Office of Housing and Community Development
10 (collectively, the "Authorized Representatives" and each, an "Authorized Representative") is hereby authorized to
11 execute the Indenture, approved as to form by the City Attorney of the City (the "City Attorney"), in substantially
12 said form, together with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel
13 may approve or recommend in accordance with Section 8 below.

14 Section 4. Regulatory Agreement and Declaration of Restrictive Covenants. The Regulatory Agreement
15 and Declaration of Restrictive Covenants (the "Regulatory Agreement"), between the City and the Borrower, in
16 the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each
17 Authorized Representative is hereby authorized to execute the Regulatory Agreement, approved as to form by
18 the City Attorney, in substantially said form, together with such additions thereto and changes therein as the City
19 Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 8 below.

20 Section 5. Loan Agreement. The Loan Agreement (the "Loan Agreement") by and between the City and
21 the Borrower, in the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby
22 approved. Each Authorized Representative is hereby authorized to execute the Loan Agreement in substantially
23 said form, together with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel
24 may approve or recommend in accordance with Section 8 below.

1 Section 6. Issuer Fees. The City, acting through the Mayor's Office of Housing and Community
2 Development, shall charge a fee for the administrative costs associated with issuing the Bonds in an amount not
3 to exceed one-quarter of one percent (0.25%) of the aggregate principal amount of the Bonds. Such fee shall be
4 payable at bond closing and may be contingent on the bond sale. The City shall also charge an annual fee for
5 monitoring the restricted units in an amount not to exceed one-eighth of one percent (0.125%) of the
6 outstanding aggregate principal amount of the Bonds, but no less than \$2,500 annually, for the term of the
7 Regulatory Agreement. The initial monitoring fee shall be payable at bond closing. The Board hereby authorizes
8 the Mayor's Office of Housing and Community Development to charge and collect the fees described in this
9 Section 6.

10 Section 7. Modifications, Changes, Additions. Any Authorized Representative executing the Indenture,
11 the Regulatory Agreement or the Loan Agreement (collectively, the "City Agreements"), in consultation with the
12 City Attorney and Co-Bond Counsel, is hereby authorized to approve and make such modifications, changes or
13 additions to the City Agreements as may be necessary or advisable, provided that such modification does not
14 authorize an aggregate principal amount of Bonds in excess of \$32,500,000, provide for a final maturity on the
15 Bonds later than forty (40) years, or provide for the Bonds to bear interest at a rate in excess of twelve percent
16 (12%) per annum. The approval of any modification, addition or change to any of the aforementioned documents
17 shall be evidenced conclusively by the execution and delivery of the document in question.

18 Section 8. Ratification. All actions heretofore taken by the officers and agents of the City with respect to
19 the sale and issuance of the Bonds are hereby approved, confirmed and ratified.

20 Section 9. General Authority. The proper officers of the City are hereby authorized and directed, for and
21 in the name and on behalf of the City, to do any and all things and take any and all actions and execute and
22 deliver any and all certificates, agreements and other documents, including but not limited to those documents
23 described in the Indenture, the Loan Agreement, and the Regulatory Agreement, which they, or any of them,
24 may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to
25 effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution.

1 Section 10. File. All documents referenced herein as being on file with the Clerk of the Board are located
2 in File No. _____, which is hereby declared to be a part of this Resolution as if set forth fully herein.
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4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA
6 City Attorney

7 By: _____
8 HEIDI J. GEWERTZ
9 Deputy City Attorney
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