

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

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

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

23 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue
24 revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of
25 the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of

1 Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of
2 California ("Health and Safety Code"), as now in effect and as it may from time to time be
3 amended or supplemented (collectively, the "Act"); and

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

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

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

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

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

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

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

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

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

3 Section 2. Approval of Issuance of Bonds. In accordance with the Act and the
4 Indenture (defined in Section 3 below), the City is hereby authorized to issue and deliver
5 revenue bonds of the City, such bonds to be issued in one or more series and subseries, and
6 designated as "City and County of San Francisco Multifamily Housing Revenue Bonds (Alice
7 Griffith Phase 2 Apartments Project), Series 2015B," or such other designation as may be
8 necessary or appropriate to distinguish such series from every other series of bonds, in an
9 aggregate principal amount not to exceed \$32,500,000 (the "Bonds"), with an interest rate not
10 to exceed twelve percent (12%) per annum for the Bonds, and which shall have a final
11 maturity date not later than forty (40) years from the date of issuance of the Bonds. The
12 Bonds shall be in the form set forth in and otherwise in accordance with the Indenture, and
13 shall be executed by the manual or facsimile signature of the Mayor of the City (the "Mayor").

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

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

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

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

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

11 Section 8. General Authority. The proper officers of the City are hereby authorized and
12 directed, for and in the name and on behalf of the City, to do any and all things and take any
13 and all actions and execute and deliver any and all certificates, agreements (including such
14 agreements to provide adequate or additional security or indemnities as required by lenders to
15 consummate the financing) and other documents, including but not limited to those
16 documents described in the Indenture, the Loan Agreement, and the Regulatory Agreement,
17 which they, or any of them, may deem necessary or advisable in order to consummate the
18 lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the
19 documents herein approved in accordance with this Resolution.

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Section 9. File. All documents referenced herein as being on file with the Clerk of the Board are located in File No. _____, which is hereby declared to be a part of this Resolution as if set forth fully herein.

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By: _____
HEIDI J. GEWERTZ
Deputy City Attorney

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