

1 [Variable Rate Multifamily Housing Revenue Bonds - Transbay Block 8 - Not to Exceed
2 \$211,920,000]

3 **Resolution authorizing certain amendments to the Indenture of Trust and the Loan**
4 **Agreement relating to the City’s variable rate multifamily housing revenue bonds,**
5 **currently outstanding in an aggregate principal amount of \$211,920,000 issued in 2016**
6 **for the purpose of providing financing for the acquisition, development, and**
7 **construction of a 350-unit multifamily rental housing project located at 450 Folsom**
8 **Street (originally known as the “Transbay Block 8 Tower Apartments” and also now**
9 **known as “Avery 450”); authorizing the collection of certain fees; ratifying and**
10 **approving any action heretofore taken in connection with the bonds, the notes, and the**
11 **projects, as defined herein; granting general authority to City officials to take actions**
12 **necessary to implement this Resolution, as defined herein, subject to the terms of this**
13 **Resolution, as defined herein; and related matters, as defined herein.**

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15 WHEREAS, On November 1, 2016, the Board of Supervisors of the City and County of
16 San Francisco (the "Board") adopted its Resolution No. 456-16 (the “Original Resolution”),
17 authorizing the issuance and sale of up to \$263,100,000 aggregate principal amount of
18 multifamily housing revenue bonds to provide for a portion of the costs of the acquisition,
19 development and construction by T8 Urban Housing Associates, LLC, a Delaware limited
20 liability company, or an affiliate thereof, and/or T8 Urban Condo Owner, LLC, a Delaware
21 limited liability company, or an affiliate thereof (the “Bond Borrowers”), of a 350-unit
22 multifamily housing rental development located at 450 Folsom Street, San Francisco,
23 California (originally known as the “Transbay Block 8 Tower Apartments,” also now known as
24 “Avery 450,” and referred to herein as the “Project”), a portion of which Project provides
25 housing for persons and families of very low income; and

1 WHEREAS, Pursuant to the Original Resolution, the Charter of the City, Article I of
2 Chapter 43 of the Administrative Code of the City and, to the extent applicable, Chapter 7 of
3 Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety Code of the
4 State of California ("Health and Safety Code") (collectively, the "Act"), the City and County of
5 San Francisco (the "City") entered into an Indenture of Trust, dated as of December 1, 2016
6 (the "Indenture"), between the City and U.S. Bank National Association, as trustee thereunder
7 (the "Trustee") and a Loan Agreement, dated as of December 1, 2016 (the "Loan
8 Agreement"), among the City, the Bond Borrowers and the Trustee, and issued its
9 \$240,260,000 aggregate original principal amount Variable Rate Multifamily Housing Revenue
10 Bonds (Transbay Block 8 Tower Apartments), 2016 Series H, in four subseries (the "Bonds");
11 and

12 WHEREAS, The Project has been constructed and occupied, and has achieved
13 operational stability; and

14 WHEREAS, The Bond Borrowers now desire to convert the Bonds from construction
15 financing terms to permanent financing terms, which will require certain amendments to the
16 Indenture and the Loan Agreement, and certain changes to the financing structure of the
17 Bonds; and

18 WHEREAS, There has been prepared and presented to the Board for consideration at
19 this meeting the form of an Omnibus Amendment and Release Agreement (the "Amendment")
20 relating to the Bonds, and such document is on file with the Clerk of the Board of Supervisors
21 (the "Clerk of the Board"); and

22 WHEREAS, It appears that the aforesaid Amendment which is now before this Board is
23 substantially in appropriate form and is an appropriate instrument to be executed and
24 delivered for the purposes intended; and

25

1 WHEREAS, The Board finds that the public interest and necessity require that the City
2 at this time assist in converting the Bond financing to a permanent financing structure by
3 entering into the Amendment; and

4 RESOLVED, By this Board of Supervisors of the City and County of San Francisco, as
5 follows:

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

8 Section 2. Approval of Amendment. The Amendment, in the form presented to the
9 Board, a copy of which is on file with the Clerk of the Board, and the transactions described
10 therein, are hereby approved. The Mayor, the Director of the Mayor's Office of Housing and
11 Community Development, or the designee of either (each, an "Authorized Representative") is
12 hereby authorized to execute the Amendment, approved as to form by the City Attorney of the
13 City (the "City Attorney"), in substantially said form, together with such additions thereto and
14 changes therein as the City Attorney may approve or recommend in accordance with Section
15 4 hereof.

16 Section 3. Issuer Fees. In addition to any other fees permitted to be charged with
17 respect to the Bonds or the Project, the City, acting through the Mayor's Office of Housing and
18 Community Development, shall charge a fee for the administrative costs associated with
19 entering into the Amendment and assisting with the conversion of the Bonds to a permanent
20 financing structure. Such fee shall be payable upon execution and delivery of the
21 Amendment. The Board hereby authorizes the Mayor's Office of Housing and Community
22 Development to charge and collect the fee described in this section.

23 Section 4. Modifications, Changes, Additions. Any Authorized Representative
24 executing the Amendment, in consultation with the City Attorney, is hereby authorized to
25 approve and make such modifications, changes or additions to the Amendment as may be

1 necessary or advisable, provided that such modification does not increase the liability or risk
2 to the City, require the City to spend any resources, or otherwise harm the interests of the
3 City. The approval of any modification, addition or change to any of the aforementioned
4 documents shall be evidenced conclusively by the execution and delivery of the document in
5 question. Within 30 days of the documents approved by this Resolution being executed by all
6 parties, such final documents (showing marked changes, if any) shall be provided to the Clerk
7 of the Board, for inclusion in the official file, together with a brief explanation of any changes
8 from the date of the adoption of this Resolution.

9 Section 5. Ratification. All actions heretofore taken by the officers and agents of the
10 City with respect to the Amendment and the conversion of the Bonds to a permanent
11 financing structure, as consistent with the documents authorized herein and this Resolution,
12 are hereby approved, confirmed and ratified.

13 Section 6. General Authority. The proper officers of the City are hereby authorized and
14 directed, for and in the name and on behalf of the City, to do any and all things and take any
15 and all actions and approve, and execute and deliver any and all certificates, agreements and
16 other documents, including but not limited to estoppels, tax documents, releases,
17 terminations, consents, assignments, replacement Bonds, acknowledgments, recognitions,
18 notices and those documents described in the Amendment, which they, or any of them, may
19 deem necessary or advisable in order to effectuate the purposes of this Resolution in
20 consultation with the City Attorney. Any such actions shall not increase the liability or risk to
21 the City, require the City to spend any resources, or otherwise harm the interests of the City,
22 and any such officer shall consult with the City Attorney prior to taking any such action or
23 executing any such document.

1 Section 7. File. All documents referenced herein as being on file with the Clerk of the
2 Board are located in File No. _____, which is hereby declared to be a part of this
3 Resolution as if set forth fully herein.
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8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA
10 City Attorney

11 By: _____
12 HEIDI J. GEWERTZ
13 Deputy City Attorney
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