

1 [Mortgage Revenue Bonds]
2 DECLARING THE INTENT OF THE CITY AND COUNTY OF SAN FRANCISCO TO
3 REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF FUTURE
4 INDEBTEDNESS; AUTHORIZING THE DIRECTOR OF THE MAYOR'S OFFICE OF
5 HOUSING TO SUBMIT AN APPLICATION AND RELATED DOCUMENTS TO THE
6 CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE TO PERMIT THE ISSUANCE OF
7 QUALIFIED MORTGAGE BONDS IN AN AMOUNT NOT TO EXCEED \$14,000,000;
8 AUTHORIZING THE MAYOR'S OFFICE OF HOUSING TO DIRECT BANK OF AMERICA
9 NATIONAL TRUST AND SAVINGS ASSOCIATION, ACTING TRUSTEE UNDER AN
10 EXISTING TRUST AGREEMENT, TO HOLD AND DEPOSIT IN TRUST AN AMOUNT NOT
11 TO EXCEED \$70,000; AUTHORIZING THE DIRECTOR TO CERTIFY THAT THE CITY HAS
12 ON DEPOSIT THE REQUIRED AMOUNT; AUTHORIZING THE MAYOR'S OFFICE OF
13 HOUSING TO PAY AN AMOUNT EQUAL TO THE DEPOSIT TO THE STATE OF
14 CALIFORNIA IF THE CITY FAILS TO ISSUE THE QUALIFIED MORTGAGE BONDS; AND
15 AUTHORIZING AND DIRECTING THE EXECUTION OF ANY DOCUMENTS NECESSARY
16 TO IMPLEMENT THIS RESOLUTION; AND RATIFYING AND APPROVING ANY ACTION
17 HERETOFORE TAKEN IN CONNECTION WITH THE PROJECT AND THE APPLICATION.

18 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
19 "Board of Supervisors"), after careful study and consideration, has determined that there is a
20 shortage of safe and sanitary housing within the City, particularly for low and moderate
21 income persons, and that it is in the best interest of the residents of the City and in
22 furtherance of the health, safety, and welfare of the public for the City to assist in the financing
23 of multi-family rental housing units; and

24 WHEREAS, Acting under and pursuant to the powers reserved to the City under
25 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections

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1 1.101 and 7.310 of the Charter, the City has enacted the City and County of San Francisco
2 Residential Mortgage Revenue Bond Law (the "City Law"), constituting Chapter 43 of the San
3 Francisco Administrative Code, in order to establish a procedure for the authorization,
4 issuance and sale of residential mortgage revenue bonds by the City for the purpose of
5 providing funds to encourage the availability of adequate housing and home finance for
6 persons and families of low or moderate income, and to develop viable communities by
7 providing decent housing, enhanced living environment, and increased economic
8 opportunities for persons and families of low or moderate income; and

9 WHEREAS, In addition, pursuant to Division 31 of the Health and Safety Code of the
10 State of California, and particularly Chapter 7 of Part 5 thereof (the "State Law"), the City is
11 empowered to issue and sell bonds for the purpose of making mortgage loans or otherwise
12 providing funds to finance the development of multi-family rental housing including units for
13 lower income households and very low income households; and

14 WHEREAS, 1166 Howard Street Associates, L.P. (the "Developer") desires to
15 construct a 73 multi-family residential rental housing development at 1188 Howard Street to be
16 known as the Howard Street Family Apartments (the "Project"); and

17 WHEREAS, The Developer has requested that the City assist in the financing of the
18 Project through the issuance of tax-exempt mortgage revenue bonds; and

19 WHEREAS, The City expects to pay on and after the date hereof certain costs incurred
20 in connection with the Project; and

21 WHEREAS, The City and County of San Francisco intends to issue mortgage revenue
22 bonds in an amount not to exceed fourteen million (\$14,000,000) to finance the costs of the
23 Project; and

24 WHEREAS, The Board of Supervisors of the City has determined that the moneys
25 advanced and to be advanced to pay certain expenditures of the Project are or will be

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1 available only for a temporary period and it is necessary to reimburse all such expenditures
2 made on and after the date hereof with respect to the Project from the proceeds of one or
3 more issues of tax-exempt bonds (the "Bonds"); and

4 WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Board of
5 Supervisors to declare its reasonable official intent to reimburse prior expenditures for the
6 Project with proceeds of a borrowing; and

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

11 WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State
12 of California governs the allocation in the State of California of the state ceiling established by
13 Section 146 of the Code among governmental units in the State having the authority to issue
14 qualified mortgage bonds; and

15 WHEREAS, Section 8869.85 of the Government Code requires a local agency to file
16 an application for a portion of the state ceiling with or upon the direction of the California Debt
17 Allocation Committee ("CDLAC") prior to the issuance of qualified mortgage bonds; and

18 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to
19 certify to CDLAC that applicant has on deposit an amount equal to one-half of one percent
20 (1/2%) of the amount of allocation requested; now, therefore be it

21 RESOLVED, by the Board of Supervisors of the City and County of San Francisco, as
22 follows:

23 Section 1. The Board of Supervisors finds and determines that the foregoing recitals
24 are true and correct.

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1 Section 2. This Resolution is adopted by the Board of Supervisors for purposes of
2 establishing compliance with the requirements of Section 1.150-2 of the Treasury
3 Regulations. This Resolution does not bind the Board of Supervisors to make any
4 expenditure, incur any indebtedness or proceed with the Project.

5 Section 3. The Board of Supervisors hereby declares its official intent under Treasury
6 Regulations Section 1.150-2 and declares its intent to use proceeds of indebtedness to
7 reimburse all future expenditures incurred in connection with the Project. The Board of
8 Supervisors hereby further declares its intent to use such proceeds to reimburse the
9 Developer for actual expenditures made by the Developer on the Project.

10 Section 4. On the date of the expenditure to be reimbursed, all reimbursable costs of
11 the Project will be of a type properly chargeable to a capital amount under general federal
12 income tax principles.

13 Section 5. The maximum principal amount of debt expected to be issued for the
14 Project is \$14,000,000.

15 Section 6. The Board of Supervisors hereby authorizes the Director of the Mayor's
16 Office of Housing for the City (the "Director"), on behalf of the City, to submit an application
17 (the "Application"), and such other documents as may be required, to CDLAC pursuant to
18 Government Code Section 8869.85 for an allocation of a portion of the state ceiling for private
19 activity bonds in a principal amount not to exceed fourteen million dollars (\$14,000,000) for
20 qualified mortgage bonds.

21 Section 7. An amount equal to seventy thousand dollars (\$70,000) ("Deposit") is
22 hereby authorized to be held on deposit in connection with the Application and the applicable
23 CDLAC procedures, and the Director is authorized to certify to CDLAC that such funds are
24 available; which Deposit shall consist of a restriction on cash in the Home Mortgage
25 Assistance Fund established pursuant to the Home Mortgage Assistance Trust Agreement,

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

4 Section 8. If the City receives an allocation and the applicable issuance requirements
5 are not met, the Mayor's Office of Housing is hereby authorized to cause an amount equal to
6 the Deposit to be paid to the State of California if required.

7 Section 9. The officers and employees of the City and the Director are hereby
8 authorized and directed, jointly and severally, to do any and all things necessary or advisable
9 to consummate the receipt of an allocation and otherwise effectuate the purposes of this
10 resolution, and all actions previously taken by such officers and employees with respect to the
11 Project, including the submission of the application to CDLAC, are hereby ratified and
12 approved.

13 Section 10. This Resolution shall take effect from and after its adoption by the Board
14 and approval by the Mayor.

15 APPROVED AS TO FORM:

16 LOUISE H. RENNE
17 City Attorney

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19 By:



20 D. MALCOLM CARSON
21 Deputy City Attorney
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24
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City and County of San Francisco

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

Tails

Resolution

File Number: 001111

Date Passed:

Resolution declaring the intent of the City and County of San Francisco to reimburse certain expenditures from proceeds of future indebtedness; authorizing the Director of the Mayor's Office of Housing to submit an application and related documents to the California Debt Limit Allocation Committee to permit the issuance of qualified mortgage Bonds in an amount not to exceed \$14,000,000; authorizing the Mayor's Office of Housing to direct Bank of America National Trust and Savings Association, acting trustee under an existing trust agreement, to hold and deposit in trust an amount not to exceed \$70,000; authorizing the Director to certify that the City has on deposit the required amount; authorizing the Mayor's Office of Housing to pay an amount equal to the deposit to the State of California if the City fails to issue the qualified mortgage Bonds; and authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the project and the application.

June 26, 2000 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng,
Yaki, Yee

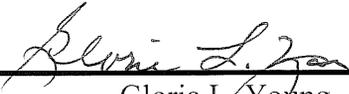
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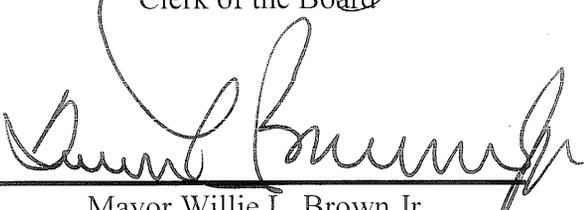
File No. 001111

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.