

1 [Mortgage Credit Certificates.]  
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3 **Resolution authorizing an application to the California Debt Limit Allocation**  
4 **Committee to permit the issuance of Mortgage Credit Certificates.**

5 WHEREAS, There is a shortage in the City and County of San Francisco (the  
6 "City") of decent, safe and sanitary housing, particularly of housing afforded by persons  
7 in the lower end of the purchasing spectrum, and a consequent need to facilitate the  
8 financing of home purchases by such persons and otherwise to increase the supply of  
9 housing in the City for such persons; and

10 WHEREAS, The City has, by Ordinance 245-81, adopted by the Board of  
11 Supervisors on May 11, 1981, declared its intent to engage in a home finance program  
12 pursuant to Part 5 of Division 31 of the Health and Safety Code of the State of  
13 California, and to issue bonds pursuant to said Division in furtherance of the home  
14 finance program; and

15 WHEREAS, The Congress of the United States by the Tax Reform Act of 1984  
16 provided for the issuance of Mortgage Credit Certificates ("Certificates") by local  
17 government agencies as an alternative to the issuance of mortgage revenue bonds to  
18 assist low and moderate income first time homebuyers; and

19 WHEREAS, Section 146 of the Internal Revenue Code of 1986 (the "Code")  
20 limits the amount of qualified mortgage bonds and Certificates that may be issued in  
21 any calendar year by entities within a state and authorizes the legislature of such state  
22 to provide the method of allocating authority to issue qualified mortgage bonds and  
23 Certificates within such state; and  
24  
25

1           WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the  
2 State of California governs the allocation in the State of California of the state ceiling  
3 established by Section 146 of the Code among governmental units in the State having  
4 the authority to issue Certificates; and

5           WHEREAS, The California Debt Limit Allocation Committee ("CDLAC")  
6 has announced the availability of a special allocation of Certificates through the Extra  
7 Credit Home Purchase Program for the purpose of assisting public school teachers,  
8 principals and credentialed staff who are employed in low-performing schools to  
9 become first time homebuyers; and

10           WHEREAS, Section 8869.85 of the Government Code requires a local agency to  
11 file an  
12 application for a portion of the ceiling with or upon the direction of CDLAC prior to the  
13 issuance of Certificates; and

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

18           WHEREAS, The Board of Supervisors has since 1993 authorized the Director of  
19 the Mayor's Office of Housing (the "Director") by Resolutions 742-93, 53-95, 585-95,  
20 96-96, 1085-97, 976-98, 1009-99; and 565-00 to submit previous applications for  
21 allocations of Certificates for the City's Mortgage Credit Certificate Program (the "MCC  
22 Program"), which applications were approved by CDLAC for a total of \$117,336,187  
23 from 1993 to 2002; and  
24  
25

1           WHEREAS, On October 23, 2000, by Resolution No. 930-00, File No. 001815,  
2 the Board of Supervisors authorize the Director to enter into a Memorandum of  
3 Understanding ("MOU") with the San Francisco Unified School District for the purpose  
4 of implementing a special allocation of state ceiling mortgage credit certificates to be  
5 issued for the Extra Credit Teacher Home Purchase Program (the "Program"); and

6           WHEREAS, The terms of the MOU, continues to be in effect for the duration of  
7 the Program, or amend, or supercede in order to more administer or implement any  
8 part of the MOU effectively; and

9           WHEREAS, The Mayor's Office of Housing finds a need to secure an additional  
10 allocation of Certificates to assist low and moderate income public school teachers,  
11 principals, and credential staff employed in low performing schools to become first time  
12 homebuyers in San Francisco; now, therefore, be it

13           RESOLVED, That the Board of Supervisors of the City hereby authorizes the  
14 Director, on behalf of the City, to submit an application (the "Application"), and such  
15 other documents as may be required, to CDLAC pursuant to Government Code Section  
16 8869.85 for a portion of the state ceiling for private activity bonds and Certificates in an  
17 amount not to exceed ten million dollars (\$10,000,000) for Certificates; and, be it

18           FURTHER RESOLVED, That an amount equal to fifty thousand dollars  
19 (\$50,000) is hereby authorized to be held on deposit in connection with the Application  
20 and the applicable CDLAC procedures, and the Director is authorized to certify to  
21 CDLAC that such funds are available; which deposit shall consist of a restriction on  
22 cash in the Home Ownership Assistance Loan Fund established pursuant to Section  
23 10.100-108 of the San Francisco Administrative Code (the "Fund"); and, be it

24           FURTHER RESOLVED, That if the City receives an allocation and the issuance  
25 requirements applicable to Certificates are not met, a cost outlay depleting the Fund in

1 an amount not to exceed fifty thousand dollars (\$50,000) is hereby authorized if  
2 required by the State of California; and, be it

3       FURTHER RESOLVED, That the officers and employees of the City and the  
4 Director are hereby authorized and directed, jointly and severally, to do any and all  
5 things necessary or advisable in order to consummate the receipt of an allocation and  
6 the issuance of Certificates and otherwise effectuate the purposes of this resolution,  
7 and all actions previously taken by such officers and employees in connection with the  
8 establishment of the Program and issuance of the Certificates, including the submission  
9 of the application to CDLAC, are hereby ratified and approved; and, be it

10       FURTHER RESOLVED, That this Resolution shall take effect from and after its  
11 adoption by the 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: 030395

Date Passed:

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

March 25, 2003 Board of Supervisors — ADOPTED


Ayes: 11 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick,  
Newsom, Peskin, Sandoval

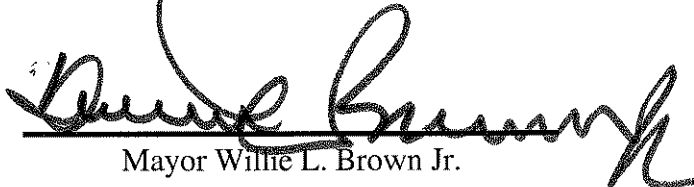
File No. 030395

I hereby certify that the foregoing Resolution was ADOPTED on March 25, 2003 by the Board of Supervisors of the City and County of San Francisco.

MAR 28 2003

Date Approved

  
Gloria L. Young  
Clerk of the Board

  
Mayor Willie L. Brown Jr.