Resolution authorizing the execution, sale and delivery of a housing revenue note in an aggregate principal amount not to exceed $28,500,000 for the purpose of providing financing for the construction of a 121-unit affordable multifamily senior residential rental housing project, known as Bayview Senior Housing; approving the form and authorizing the execution of a funding loan agreement and a borrower loan agreement; providing the terms and conditions of the note and authorizing the execution and delivery thereof; approving the form and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; authorizing the collection of certain fees; approving modifications, changes, and additions to the documents; granting general authority to City officials to take actions necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the note and the Project, as defined herein.

WHEREAS, The Board of Supervisors of the City and County of San Francisco (the "Board") desires to provide for a portion of the costs of the acquisition, development, construction and equipping by Carroll Avenue Senior Homes, L.P., a California limited partnership (the "Borrower"), of a 121-unit affordable multifamily senior residential rental housing development located at 1751 Carroll Avenue, San Francisco, California, known as "Bayview Senior Housing" (the "Project"), to provide housing for persons of very low income through the execution of a multifamily housing revenue note; and

WHEREAS, The City and County of San Francisco (the "City") is authorized to issue revenue obligations to provide financing for multifamily rental housing pursuant to the Charter of the City, Article I of Chapter 43 of the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health

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and Safety Code of the State of California (the "Health and Safety Code"), as now in effect and as it may from time to time hereafter be amended or supplemented (collectively, the "Act"); and

WHEREAS, The interest on the Note (hereinafter defined) may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code"), only if the issuance of the Note is approved in accordance with Section 147(f) of the Code; and

WHEREAS, This Board is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Note within the meaning of Section 147(f) of the Code; and

WHEREAS, The Mayor's Office of Housing held a public hearing at 10:00 a.m. on September 10, 2013, notice of which hearing was published in a newspaper of general circulation in the City in accordance with Section 147(f) of the Code, and an opportunity was provided for persons to comment on the execution and delivery of the Note in the amount of $28,500,000 and the plan of financing for the Project; and

WHEREAS, On November 13, 2013, the California Debt Limit Allocation Committee (CDLAC) in its Resolution Number 13-83 allocated $28,500,000 in qualified private activity bonds to the Project;

WHEREAS, There has been prepared and presented to the Board for consideration at this meeting the following documentation: Funding Agreement; Borrower Loan Agreement; Regulatory Agreement; CDLAC Resolution; and Tax Equity and Fiscal Responsibility Act (TEFRA) Public Hearing notice, which are all required for the execution and delivery of the Note, and such documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board"); and

WHEREAS, It appears that each of the documents which is now before this Board is

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substantially in appropriate form and is an appropriate instrument to be executed and
delivered for the purposes intended; and

WHEREAS, The Board finds that the public interest and necessity require that the City
at this time make arrangements for the execution and delivery of the Note; and

WHEREAS, The Note is a limited obligation of the City, the sole source of repayment of
which shall be payments made by the Borrower under the Borrower Loan Agreement
(hereinafter defined), together with investment income of certain funds and accounts held
under the Funding Loan Agreement (hereinafter defined); and

WHEREAS, The City has engaged Squire Sanders (US) LLP and Garcia, Hernández,
Sawhney & Bermudez, LLP, as co-note counsel with respect to the Note ("Co-Note Counsel");
and

WHEREAS, Citibank, N.A., a national banking association, has expressed its intention
to purchase, or cause an affiliate to purchase, the Note authorized hereby; now, therefore, be
it

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

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

Section 2. Approval of Execution and Delivery of Note. In accordance with the Act and
the Funding Loan Agreement, the City is hereby authorized to execute and deliver a revenue
note of the City, which note comprises a Governmental Lender Note under the Funding Loan
Agreement, such note to be designated as "City and County of San Francisco, Multifamily
Housing Revenue Note (Bayview Senior Housing), 2014 Series," or such other designation as
may be necessary or appropriate to distinguish such Note from any other bonds or notes of
the City, in an aggregate principal amount not to exceed Twenty-Eight Million Five Hundred
Thousand Dollars ($28,500,000) (the "Note"), with an interest rate not to exceed twelve
percent (12%) per annum for the Note, and which shall have a final maturity date not later
than forty years after the date on which the Note is executed and delivered. The Note shall be
in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and
shall be executed by the manual or facsimile signature of the Mayor of the City (the "Mayor"),
approved as to form by the City Attorney of the City (the "City Attorney").

Section 3. Approval of Funding Loan Agreement. The Funding Loan Agreement (the
"Funding Loan Agreement"), by and among the City, Citibank, N.A., as funding lender
("Funding Lender"), and, as fiscal agent, a trust company, a state banking corporation or a
national banking association with the authority to accept trusts in the State selected by the
City and meeting the requirements of Section 11.9 of the Funding Loan Agreement, in the
form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby
approved. Each of the Mayor, the Director of the Mayor's Office of Housing and Community
Development, the Housing Development Director of the Mayor's Office of Housing and
Community Development or any Authorized Governmental Lender Representative (as such
term is defined in the Funding Loan Agreement) (collectively, the "Authorized
Representatives" and each, an "Authorized Representative") is hereby authorized to execute
the Funding Loan Agreement, approved as to form by the City Attorney, in substantially said
form, together with such additions thereto and changes therein as the City Attorney and Co-
Note Counsel may approve or recommend in accordance with Section 7 hereof.

Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement (the
"Borrower Loan Agreement"), by and between the City and the Borrower, in the form
presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby
approved. Each Authorized Representative is hereby authorized to execute the Borrower
Loan Agreement, approved as to form by the City Attorney, in substantially said form, together
with such additions thereto and changes therein as the City Attorney and Co-Note Counsel may approve or recommend in accordance with Section 7 hereof.

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

Section 6. Issuer Fees. The City, acting through the Mayor's Office of Housing and Community Development, shall charge a fee for the administrative costs associated with issuing the Note in an amount not to exceed 0.25% of the aggregate principal amount of the Note. Such fee shall be payable at closing and may be contingent on the delivery of the Note. The City shall also charge an annual fee for monitoring compliance with the terms of the Regulatory Agreement in an amount not to exceed 0.125% of the outstanding principal amount of the Note, but no less than $2,500 annually, for the term of the Regulatory Agreement. The initial monitoring fee shall be payable upon delivery of the Note. The Board hereby authorizes the Mayor's Office of Housing and Community Development to charge and collect the fees described in this section, which shall be computed as set forth in Section 19 of the Regulatory Agreement.

Section 7. Modifications, Changes, Additions. Any Authorized Representative executing the Funding Loan Agreement, the Borrower Loan Agreement or the Regulatory Agreement (collectively, "City Agreements"), in consultation with the City Attorney and Co-Note Counsel, is hereby authorized to approve and make such modifications, changes or
additions to the City Agreements as may be necessary or advisable, provided that such
modification does not authorize an aggregate principal amount of the Note in excess of
$28,500,000, provide for a final maturity on the Note that is later than forty years after date on
which the Note is executed and delivered, or provide for the Note to bear interest at a rate in
excess of twelve percent (12%) per annum. The approval of any modification, addition or
change to any of the aforementioned documents shall be evidenced conclusively by the
execution and delivery of the document in question.

Section 8. General Authority. The Authorized Representatives of the City are hereby
authorized and directed, for and in the name and on behalf of the City, to do any and all things
and take any and all actions and execute and deliver any and all certificates, agreements and
other documents, including but not limited to those documents described in the City
Agreements, which they, or any of them, may deem necessary or advisable in order to
consummate the lawful execution and delivery of the Note and to effectuate the purposes
thereof and of the documents herein approved in accordance with this Resolution.

Section 9. Ratification of Prior Actions. All actions heretofore taken by the officers and
agents of the City with respect to the issuance and delivery of the Note are hereby approved,
confirmed and ratified.

Section 10. File. All documents referenced herein as being on file with the Clerk of the
Board are located in File No. 131152, 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 GEWERTZ
Deputy City Attorney
Resolution authorizing the execution, sale, and delivery of a housing revenue note in an aggregate principal amount not to exceed $28,500,000 for the purpose of providing financing for the construction of a 121-unit affordable multifamily senior residential rental housing project, known as Bayview Senior Housing; approving the form and authorizing the execution of a funding loan agreement and a borrower loan agreement; providing the terms and conditions of the note and authorizing the execution and delivery thereof; approving the form and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; authorizing the collection of certain fees; approving modifications, changes, and additions to the documents; granting general authority to City officials to take actions necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the note and the Project, as defined herein.

December 16, 2013 Budget and Finance Committee - RECOMMENDED

January 07, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 131152

I hereby certify that the foregoing Resolution was ADOPTED on 1/7/2014 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved

1/14/14