

1 [Multifamily Housing Revenue Bonds - Rosa Parks II Senior Housing - Not to Exceed
2 \$30,000,000]

3 **Resolution authorizing the issuance and delivery of multifamily housing revenue bonds**
4 **in an aggregate principal amount not to exceed \$30,000,000 for the purpose of**
5 **providing financing for the acquisition and construction of a 98-unit multifamily rental**
6 **housing project known as Rosa Parks II Senior Housing; approving the form of and**
7 **authorizing the execution of a trust indenture providing the terms and conditions of the**
8 **bonds; approving the form of and authorizing the execution of a regulatory agreement**
9 **and declaration of restrictive covenants; approving the form of and authorizing the**
10 **execution of a loan agreement; authorizing the collection of certain fees; ratifying and**
11 **approving any action heretofore taken in connection with the bonds and the project;**
12 **granting general authority to City officials to take actions necessary to implement this**
13 **Resolution; and related matters.**

14
15 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
16 "Board") desires to provide for a portion of the costs of the acquisition and construction by
17 Rosa Parks II, L.P., a California limited partnership (the "Borrower"), of a 98-unit residential
18 rental development located at 1239 Turk Street, in San Francisco, California, known as "Rosa
19 Parks II Senior Housing" (the "Project"), to provide housing for persons and families of very
20 low income through the issuance of revenue bonds; and

21 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue
22 revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of
23 the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of
24 Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of
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1 California ("Health and Safety Code"), as now in effect and as it may from time to time
2 hereafter be amended or supplemented (collectively, the "Act"); and

3 WHEREAS, any Bonds (hereinafter defined) to be issued to finance the Project will be
4 limited obligations of the City, the sole source of repayment for which shall be payments made
5 by the Borrower together with investment income on certain funds and accounts; and

6 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
7 103 of the Internal Revenue Code of 1986, as amended, (the "Code"), only if the Bonds are
8 approved in accordance with Section 147(f) of the Code; and

9 WHEREAS, This Board is the elected legislative body of the City and is the applicable
10 elected representative required to approve the issuance of the Bonds within the meaning of
11 Section 147(f) of the Code; and

12 WHEREAS, On May 18, 2013, the City published a notice regarding its intent to hold a
13 public hearing with respect to the issuance of the Bonds in a newspaper of general circulation
14 in the City and such hearing was held on June 3, 2013; and

15 WHEREAS, Thereafter, on July 9, 2013, in Resolution No. 230-13, this Board approved
16 the issuance of the Bonds for the purposes of Section 147(f) of the Code; and

17 WHEREAS, Because more than one year has elapsed since the above-mentioned
18 hearing and approval, on May 30, 2014, the City caused a notice stating that a public hearing
19 with respect to the issuance of the Bonds would be held by the Mayor's Office of Housing and
20 Community Development on June 16, 2014, to appear in The San Francisco Chronicle, which
21 is a newspaper of general circulation in the City; and

22 WHEREAS, The Mayor's Office of Housing and Community Development held the
23 public hearing described above on June 16, 2014 and an opportunity was provided for
24 persons to comment on the issuance of the Bonds and the Project; and the minutes of such
25 hearing were provided to this Board of Supervisors prior to this meeting; and

1 WHEREAS, The City now wishes to, once again, approve the issuance of the Bonds in
2 order to satisfy the public approval requirements of Section 147(f) of the Code; and,

3 WHEREAS, The Project is located wholly within the City; and

4 WHEREAS, On May 21, 2014, the California Debt Limit Allocation Committee (CDLAC)
5 in its Resolution Number 14-42 allocated \$30,000,000 in qualified private activity bonds to the
6 Project; and

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

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

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

16 WHEREAS, The City has engaged Orrick Herrington & Sutcliffe LLP and Amira
17 Jackmon, Attorney at Law, as co-bond counsel with respect to the Bonds ("Co-Bond
18 Counsel"); and

19 WHEREAS, Silicon Valley Bank has expressed its intention to purchase, or cause an
20 affiliate to purchase, the Bonds authorized hereby; now, therefore, be it

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

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

1 Section 2. Approval Pursuant to the Code. This Board of Supervisors, as the applicable
2 elected representative of the governmental unit having jurisdiction over the area in which the
3 Project is located, hereby approves the issuance of the Bonds in an amount not to exceed
4 \$30,000,000 for purposes of Section 147 (f) of the Code.

5 Section 3. Approval of Issuance of Bonds. In accordance with the Act and the
6 Indenture (hereinafter defined), the City is hereby authorized to issue and deliver revenue
7 bonds of the City, such bonds to be issued in one or more series and subseries, and
8 designated as "City and County of San Francisco, Multifamily Housing Revenue Bonds (Rosa
9 Parks II Senior Housing), Series 2014C," or such other designation as may be necessary or
10 appropriate to distinguish such series from every other series of bonds, in an aggregate
11 principal amount not to exceed \$30,000,000 (the "Bonds"), with an interest rate not to exceed
12 twelve percent (12%) per annum for the Bonds, and which shall have a final maturity date not
13 later than forty (40) years from the date of issuance of the Bonds. The Bonds shall be in the
14 form set forth in and otherwise in accordance with the Indenture, and shall be executed by the
15 manual signature of the Mayor of the City (the "Mayor") and attested by the manual signature
16 of the Clerk of the Board.

17 Section 4. Indenture. The Trust Indenture (the "Indenture"), by and between the City
18 and U.S. Bank National Association, as trustee (the "Trustee"), in the form presented to the
19 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each of the
20 Mayor, the Director of the Mayor's Office of Housing and Community Development and the
21 Housing Development Director of the Mayor's Office of Housing and Community Development
22 (collectively, the "Authorized Representatives" and each, an "Authorized Representative") is
23 hereby authorized to execute the Indenture, approved as to form by the City Attorney of the
24 City (the "City Attorney"), in substantially said form, together with such additions thereto and
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1 changes therein as the City Attorney and Co-Bond Counsel may approve or recommend in
2 accordance with Section 8 hereof.

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

11 Section 6. Loan Agreement. The Loan Agreement (the "Loan Agreement") by and
12 among the City, the Trustee and the Borrower, in the form presented to the Board, a copy of
13 which is on file with the Clerk of the Board, is hereby approved. Each Authorized
14 Representative is hereby authorized to execute the Loan Agreement in substantially said
15 form, together with such additions thereto and changes therein as the City Attorney and Co-
16 Bond Counsel may approve or recommend in accordance with Section 8 hereof.

17 Section 7. Issuer Fees. 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 issuing the Bonds in an amount not to exceed 0.25% of the aggregate principal amount of the
20 Bonds. Such fee shall be payable at bond closing and may be contingent on the bond sale.
21 The City shall also charge an annual fee for monitoring the restricted units in an amount not to
22 exceed 0.125% of the outstanding aggregate principal amount of the Bonds, but no less than
23 \$2,500 annually, for the term of the Regulatory Agreement. The initial monitoring fee shall be
24 payable at bond closing. The Board hereby authorizes the Mayor's Office of Housing and
25 Community Development to charge and collect the fees described in this section.

1 Section 8. 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 \$30,000,000, 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 9. Ratification. All actions heretofore taken by the officers and agents of the
12 City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and
13 ratified.

14 Section 10. General Authority. The proper officers of the City are hereby authorized
15 and directed, for and in the name and on behalf of the City, to do any and all things and take
16 any and all actions and execute and deliver any and all certificates, agreements and other
17 documents, including but not limited to those documents described in the Indenture, the Loan
18 Agreement, and the Regulatory Agreement, which they, or any of them, may deem necessary
19 or advisable in order to consummate the lawful issuance and delivery of the Bonds and to
20 effectuate the purposes thereof and of the documents herein approved in accordance with this
21 Resolution.

1 Section 11. File. All documents referenced herein as being on file with the Clerk of the
2 Board are located in File No. 140733, which is hereby declared to be a part of this
3 Resolution as if set forth fully herein.
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5 APPROVED AS TO FORM:

6 DENNIS J. HERRERA

7 City Attorney

8 By: Kenneth D. Roux

9 KENNETH D. ROUX
Deputy City Attorney

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City and County of San Francisco
Tails
Resolution

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

File Number: 140733

Date Passed: July 08, 2014

Resolution authorizing the issuance and delivery of multifamily housing revenue bonds in an aggregate principal amount not to exceed \$30,000,000 for the purpose of providing financing for the acquisition and construction of a 98-unit multifamily rental housing project known as Rosa Parks II Senior Housing; approving the form of and authorizing the execution of a trust indenture providing the terms and conditions of the bonds; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of a loan agreement; authorizing the collection of certain fees; ratifying and approving any action heretofore taken in connection with the bonds and the project; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters.


June 30, 2014 Land Use and Economic Development Committee - RECOMMENDED

July 08, 2014 Board of Supervisors - ADOPTED

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

File No. 140733

I hereby certify that the foregoing Resolution was ADOPTED on 7/8/2014 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


Mayor


Date Approved