

1 [Multifamily Housing Revenue Note - Ridgeview Terrace Apartments - Not to Exceed  
2 \$20,000,000]

3 **Resolution authorizing the issuance and delivery of a multifamily housing revenue note**  
4 **in a principal amount not to exceed \$20,000,000 for the purpose of providing financing**  
5 **for the acquisition and rehabilitation of a 101-unit multifamily residential rental housing**  
6 **project known as Ridgeview Terrace Apartments; approving the form of and**  
7 **authorizing the execution of a funding loan agreement; approving the form of and**  
8 **authorizing the execution of a borrower loan agreement; providing the terms and**  
9 **conditions of the note and authorizing the execution and delivery thereof; approving**  
10 **the form of and authorizing the execution of a regulatory agreement and declaration of**  
11 **restrictive covenants; authorizing the collection of certain fees; approving issuance of**  
12 **the note following a public hearing; approving modifications, changes and additions to**  
13 **the documents; granting general authority to City officials to take actions necessary to**  
14 **implement this resolution; and ratifying and approving any action heretofore taken in**  
15 **connection with the note and the project.**

16  
17 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
18 "Board") desires to provide for a portion of the costs of the acquisition and rehabilitation by  
19 140 Cashmere Street, L.P., a California limited partnership (the "Borrower"), of a 101-unit  
20 multi-family residential rental development located at 140 Cashmere Street, San Francisco,  
21 California, known as "Ridgeview Terrace Apartments" (the "Project"), to provide housing for  
22 persons and families of low income and very low income through the issuance of a multifamily  
23 housing revenue note; and

24 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue  
25 revenue obligations to provide financing for multifamily rental housing pursuant to the Charter

1 of the City, Article I of Chapter 43 of the Administrative Code of the City and, to the extent  
2 applicable, Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health  
3 and Safety Code of the State of California ("Health and Safety Code"), as now in effect and as  
4 it may from time to time hereafter be amended or supplemented (collectively, the "Act"); and

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

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

12 WHEREAS, The Mayor's Office of Housing held a public hearing at 10:00 am on  
13 November 8, 2011, notice of which hearing was published in a newspaper of general  
14 circulation in the City in accordance with Section 147(f) of the Code, and an opportunity was  
15 provided for persons to comment on the execution and delivery of the Note and the plan of  
16 financing for the Project; and

17 WHEREAS, There has been prepared and presented to the Board for consideration at  
18 this meeting the documentation required for the issuance of the Note, and such  
19 documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board");  
20 and

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

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

1           WHEREAS, The City has engaged Sidley Austin LLP and Curis Bartling P.C., as co-  
2 bond counsel with respect to the Note ("Co-Note Counsel"); and

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

6           RESOLVED, by this Board of Supervisors of the City and County of San Francisco as  
7 follows:

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

10          Section 2. Approval of Issuance of Note. In accordance with the Act and the Funding  
11 Loan Agreement (hereinafter defined), the City is hereby authorized to issue and deliver a  
12 revenue note of the City, which note comprises a Governmental Lender Note under the  
13 Funding Loan Agreement, such note to be designated as "City and County of San Francisco,  
14 California Multifamily Housing Revenue Note (Ridgeview Terrace Apartments), 2012 Series  
15 C," or such other designation as may be necessary or appropriate to distinguish such Note  
16 from any other bonds or notes of the City, in an aggregate principal amount not to exceed  
17 Twenty Million Dollars) (\$20,000,000.00) (the "Note"), with an interest rate not to exceed  
18 twelve percent (12%) per annum for the Note, and which shall have a final maturity date not  
19 later than February 1, 2045. The Note shall be in the form set forth in and otherwise in  
20 accordance with the Funding Loan Agreement (defined below), and shall be executed by the  
21 manual or facsimile signature of the Mayor of the City (the "Mayor") and attested by the  
22 manual or facsimile signature of the Clerk of the Board.

23          Section 3. Approval of Funding Loan Agreement. The Funding Loan Agreement (the  
24 "Funding Loan Agreement"), by and among the City, Citibank, N.A., as funding lender (the  
25 "Funding Lender") and U.S. Bank, National Association, as fiscal agent, in the form presented

1 to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each  
2 of the Mayor, the Director of the Mayor's Office of Housing, the Housing Development Director  
3 of the Mayor's Office of Housing or any Authorized Governmental Lender Representative (as  
4 such term is defined in the Funding Loan Agreement) (collectively, the "Authorized  
5 Representatives" and each, an "Authorized Representative") is hereby authorized to execute  
6 the Funding Loan Agreement, approved as to form by the City Attorney of the City (the "City  
7 Attorney"), in substantially said form, together with such additions thereto and changes therein  
8 as the City Attorney and Co-Note Counsel may approve or recommend in accordance with  
9 Section 8 hereof.

10 Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement (the  
11 "Borrower Loan Agreement"), by and between the City and the Borrower, in the form  
12 presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby  
13 approved. Each Authorized Representative is hereby authorized to execute the Borrower  
14 Loan Agreement, approved as to form by the City Attorney, in substantially said form, together  
15 with such additions thereto and changes therein as the City Attorney and Co-Note Counsel  
16 may approve or recommend in accordance with Section 8 hereof.

17 Section 5. Approval of Regulatory Agreement and Declaration of Restrictive  
18 Covenants. The Regulatory Agreement and Declaration of Restrictive Covenants (the  
19 "Regulatory Agreement"), between the City and the Borrower, in the form presented to the  
20 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each  
21 Authorized Representative is hereby authorized to execute the Regulatory Agreement,  
22 approved as to form by the City Attorney, in substantially said form, together with such  
23 additions thereto and changes therein as the City Attorney and Co-Note Counsel may  
24 approve or recommend in accordance with Section 8 hereof.

1           Section 6. Issuer Fees. The City, acting through the Mayor's Office of Housing, shall  
2 charge a fee for the administrative costs associated with issuing the Note in an amount not to  
3 exceed 0.25% of the principal amount of the Note. Such fee shall be payable at note closing  
4 and may be contingent on the delivery of the Note. The City shall also charge an annual fee  
5 for monitoring the restricted units in an amount not to exceed 0.125% of the outstanding  
6 principal amount of the Note, but no less than \$2,500 annually, for the term of the Regulatory  
7 Agreement. The initial monitoring fee shall be payable upon delivery of the Note. The Board  
8 hereby authorizes the Mayor's Office of Housing to charge and collect the fees described in  
9 this section.

10           Section 7. Approval of Note Following a Public Hearing. This Board hereby approves  
11 the execution and delivery of the Note in an amount set forth in Section 2 above. It is the  
12 purpose and intent of this Board that this Resolution constitute approval of the execution and  
13 delivery of the Note by the applicable elected representative of the governmental unit having  
14 jurisdiction over the area in which the Project is located for the purposes of, and in  
15 accordance with, Section 147(f) of the Code.

16           Section 8. Modifications, Changes, Additions. Any Authorized Representative  
17 executing the Funding Loan Agreement, the Borrower Loan Agreement or the Regulatory  
18 Agreement (collectively, the "City Agreements"), in consultation with the City Attorney and Co-  
19 Note Counsel, is hereby authorized to approve and make such modifications, changes or  
20 additions to the City Agreements as may be necessary or advisable, provided that such  
21 modification does not authorize a principal amount of the Note in excess of \$20,000,000,  
22 provide for a final maturity on the Note later than February 1, 2045, or provide for the Note to  
23 bear interest at a rate in excess of twelve percent (12%) per annum. The approval of any  
24 modification, addition or change to any of the aforementioned documents shall be evidenced  
25 conclusively by the execution and delivery of the document in question.

1 Section 9. General Authority. The proper officers of the City are hereby authorized  
2 and directed, for and in the name and on behalf of the City, to do any and all things and take  
3 any and all actions and execute and deliver any and all certificates, agreements and other  
4 documents, including but not limited to those documents described in the City Agreements,  
5 which they, or any of them, may deem necessary or advisable in order to consummate the  
6 lawful issuance and delivery of the Note and to effectuate the purposes thereof and of the  
7 documents herein approved in accordance with this Resolution.

8 Section 10. Ratification of Prior Actions. All actions heretofore taken by the officers  
9 and agents of the City with respect to the issuance and delivery of the Note are hereby  
10 approved, confirmed and ratified.

11 Section 11. File. All documents referenced herein as being on file with the Clerk of the  
12 Board are located in File No. 120757, which is hereby declared to be a part of this  
13 Resolution as if set forth fully herein.

14  
15 APPROVED AS TO FORM:

16 DENNIS J. HERRERA  
17 City Attorney

18 By: Kenneth David Roux  
19 KENNETH DAVID ROUX  
20 Deputy City Attorney

21  
22  
23  
24  
25  
Supervisor Cohen  
**BOARD OF SUPERVISORS**

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7/9/2012



City and County of San Francisco

Tails

Resolution

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

File Number: 120757

Date Passed: July 31, 2012

Resolution authorizing the issuance and delivery of a multifamily housing revenue note in a principal amount not to exceed \$20,000,000 for the purpose of providing financing for the acquisition and rehabilitation of a 101-unit multifamily residential rental housing project known as Ridgeview Terrace Apartments located at 140 Cashmere Street; approving the form of and authorizing the execution of a funding loan agreement; approving the form of and authorizing the execution of a borrower loan agreement; providing the terms and conditions of the note and authorizing the execution and delivery thereof; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; authorizing the collection of certain fees; approving issuance of the note following a public hearing; 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.

July 25, 2012 Budget and Finance Sub-Committee - RECOMMENDED

July 31, 2012 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

File No. 120757

I hereby certify that the foregoing Resolution was ADOPTED on 7/31/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo  
Clerk of the Board

Mayor

8/7/12

Date Approved