

**RESOLUTION NO. 201-2002**  
**Adopted November 19, 2002**

**EXPRESSING THE INTENT OF THE REDEVELOPMENT AGENCY OF  
THE CITY AND COUNTY OF SAN FRANCISCO TO ISSUE  
MULTIFAMILY MORTGAGE REVENUE BONDS IN ONE OR MORE  
SERIES IN AN AMOUNT NOT TO EXCEED \$12,000,000 TO FINANCE  
THE REHABILITATION OF RESIDENTIAL FACILITIES KNOWN AS  
THE MARIPOSA GARDENS APARTMENTS, 2445 MARIPOSA STREET,  
AS PART OF THE AGENCY'S HOUSING PRESERVATION PROGRAM;  
CITYWIDE AFFORDABLE HOUSING PROGRAM**

**BASIS FOR RESOLUTION**

1. The Redevelopment Agency of the City and County of San Francisco ("Agency") is a public body organized and existing pursuant to California Health and Safety Code Section 33000, et seq., (the "Redevelopment Law") and is authorized by Chapter 8, beginning at California Health and Safety Code Section 33750, of the Redevelopment Law to finance residential construction and to issue mortgage revenue bonds to pay the cost of financing such residential construction.
2. The Mariposa Gardens Apartments (the "Project") is a HUD-assisted housing development located on the south side of Mariposa Street between Potrero Avenue and Hampshire Street. The Project's Section 8 Housing Assistance Payments contract is due to expire on September 19, 2003, and the bonds currently in place are set to expire on January 1, 2004, thus threatening its long-term affordability. The current owners of the Project are PMG-Inc., a Texas Corporation and PMG Housing Partners 1982-VII, a California limited partnership (the "Partnership" and together with PMG, Inc, the "Owner"). Mission Housing Development Corporation, a California nonprofit public interest development corporation ("MHDC"), currently owns a portion of the Project, as the general partner for the Partnership.
3. 480 Valencia Inc., a California nonprofit corporation ("480 Valencia" or "Developer"), with MHDC as its general partner, has entered into a purchase agreement with the Owner to purchase the Owner's interests in the Project to preserve its affordability for very low-income families through the acquisition and rehabilitation of the development. The long-term financing plan for the Project calls for the Agency's purchase of the land, tax-exempt-bonds, permanent mortgages, and low-income housing tax credits. 480 Valencia will own the improvements and commit to a long-term ground lease with the Agency, pending a bond allocation from the California Debt Limit Allocation Committee.
4. The Agency now wishes to issue and sell its mortgage revenue bonds pursuant to the Redevelopment Law in an amount not to exceed \$12,000,000 to finance a portion of the costs of renovation and rehabilitation of the "Project".
5. The Agency wishes to declare its official intention, within the meaning of Treasury Regulations Section 1.150-2, to reimburse expenditures for the Project with the proceeds of the issuance of bonds.

6. The issuance of the bonds on a tax-exempt basis will require an allocation from the California Debt Limit Allocation Committee after application from the Agency in accordance with the application process and competitive award of such allocation (including payment of application fees and posting of a performance deposit in an amount up to 1% of the principal amount of the requested amount of bond allocation).

7. The final terms and conditions of the bond issuance will be determined by agreement between the Agency and the Developer or its assignee.

### RESOLUTION

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that subject to negotiation of an agreement with the Developer to the satisfaction of the Agency of financing and other Project related terms and conditions:

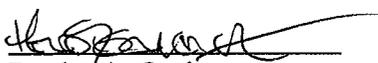
1. The Agency expresses its official intent to issue mortgage revenue bonds or notes in one or more series in an amount not to exceed \$12,000,000 to provide financing (including reimbursement of amounts previously expended as provided in Treasury Regulations Section 1.150-2) to the Developer or its assignee, for the Project in the form of construction and/or permanent loans.

2. The final terms and conditions of the bond issuance will be determined by agreement between the Agency and the Developer. If the parties are not successful in reaching an agreement, the Agency will negotiate the terms and conditions with an alternate developer designated by the Agency.

3. This expression of intent does not give the Developer any claim or rights against the Agency or any entitlement to the financing described above. The failure of the Agency to provide such financing, for any reason whatsoever or for no reason, shall not create any liability of the Agency to the Developer. Nevertheless, the Agency acknowledges that the possible availability of financing from the Agency is an inducement to the Developer to undertake the Project in the manner described by the Agency.

4. The Executive Director, Treasurer, Secretary and Assistant Secretaries, Agency General Counsel, Deputy General Counsel and other officers are authorized to execute and deliver any and all documents and to take any and all other actions necessary to consummate the transactions described in this Resolution; including making application to California Debt Limit Allocation Committee, paying application fees and posting any required performance deposit; and the execution and delivery of any such document, fee or deposit shall be conclusive evidence of its approval.

**APPROVED AS TO FORM:**

  
Bertha A. Ontiveros  
Agency General Counsel