

## RESOLUTION NO. 1-2003

Adopted January 14, 2003

**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 TO FINANCE THE ACQUISITION AND REHABILITATION OF A MULTIFAMILY RESIDENTIAL RENTAL HOUSING DEVELOPMENT KNOWN AS THE HERALD HOTEL, LOCATED AT 308 EDDY STREET, PURSUANT TO THE AGENCY'S HOUSING PRESERVATION PROGRAM, FOR REDEVELOPMENT PURPOSES IN AN AMOUNT NOT TO EXCEED \$10,000,000; CITYWIDE HOUSING PROGRAM**

### BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (the "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.
2. RHC Communities Inc. or an affiliate thereof (the "Developer") intends to acquire and rehabilitate a 73-unit multifamily residential rental housing development known as the Herald Hotel located at 308 Eddy Street in the City and County of San Francisco (also known as Serenity Towers, herein referred to as the "Site"), and has requested the Agency to issue mortgage revenue bonds pursuant to the Redevelopment Law for the purpose of financing the acquisition and rehabilitation of the Site and said development thereon.
3. The Agency now wishes to issue and sell its mortgage revenue bonds pursuant to the Redevelopment Law in an amount not to exceed \$10,000,000 to finance the acquisition and rehabilitation of the Site and the 73-unit development located thereon (collectively, the "Project").
4. Pursuant to Sections 1.142-4 and 1.150-2 of the Treasury Regulations, the Agency wishes to declare its official intent to reimburse expenditures paid with respect to the Project with the proceeds of the bonds.
5. The issuance of the bonds on a tax-exempt basis will require an allocation from the California Debt Limit Allocation Committee ("CDLAC"), 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).
6. The final terms and conditions of the bond issuance will be determined at such time by agreement between the Agency and the Developer or its assignee at the completion of negotiations of a certain Bond Regulatory Agreement.

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that:


1. The Agency expresses its official intent to issue mortgage revenue bonds in one or more series in an amount not to exceed \$10,000,000 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. The Agency reasonably expects on the date hereof that it will reimburse expenditures made prior to the issuance of such bonds with the proceeds of such bonds.

2. The final terms and conditions of the bond issuance will be determined at such time by agreement between the Agency and the Developer or its assignee at the completion of negotiating a certain Bond Regulatory Agreement.

3. This expression of intent does not give the Developer or its assignee 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 or its assignee. 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 CDLAC, 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:**



*for* Bertha A. Ontiveros *11/13/03*  
Agency General Counsel