

RESOLUTION NO. 80-2003

Adopted May 27, 2003

AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,400,000 TO ASSIST HERALD APARTMENTS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, WITH THE ACQUISITION AND REHABILITATION OF RESIDENTIAL FACILITIES LOCATED AT 308 EDDY STREET, SAN FRANCISCO, AUTHORIZING A MASTER PLEDGE AND ASSIGNMENT, A MASTER AGENCY AGREEMENT, AND A REGULATORY AGREEMENT WITH RESPECT TO SUCH BONDS, AND APPROVING AND AUTHORIZING ALL ACTIONS AND DOCUMENTS RELATING THERETO; CITYWIDE TAX INCREMENT HOUSING PROGRAM

BASIS FOR RESOLUTION

1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*, the "Law"), the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of slums and blighted areas in the City and County of San Francisco (the "City").
2. The Agency is authorized by Chapter 8, commencing with Section 33750, of Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue revenue bonds, the interest on which is tax-exempt under State and federal laws, and to make loans to finance the cost of acquisition, construction and rehabilitation of multifamily residential housing developments for occupancy, in part, by persons of very low and low income.
3. Herald Apartments, L.P., a California limited partnership (the "Borrower"), has requested that the Agency issue its multifamily housing revenue bonds in order to finance the acquisition and rehabilitation of an approximately 73-unit multifamily rental housing development to be known as Herald Hotel Apartments (the "Project"). The Borrower is established solely to acquire, rehabilitate, own and operate the Project on the real property located at 308 Eddy Street, San Francisco, California (the "Site").
4. The Agency by its Resolution No. 1-2003, adopted on January 14, 2003, expressed its intention to issue tax-exempt mortgage revenue bonds in one or more series in an amount of not to exceed \$10,000,000 for such purposes (the "Bonds"). On February 5, 2003, the Agency held a public hearing on the proposed issuance of the Bonds, as required under the Internal Revenue Code of 1986, following published notice of such hearing on January 21 and on January

28, 2003, and the Mayor of the City and County of San Francisco, as the “applicable elected representative,” approved the issuance of the Bonds on February 7, 2003.

5. On April 4, 2003, the California Debt Limit Allocation Committee awarded an allocation to the Agency to issue tax-exempt bonds in an amount not to exceed \$7,400,000 for the financing of the Project.
6. The Agency intends to issue its Multifamily Housing Revenue Bonds (Herald Hotel Apartments), 2003 Series A (the “Bonds”), and lend the proceeds thereof to the Borrower. The payment of the principal and purchase price of, and interest on, the Bonds will be supported by Promissory Note of the Borrower and secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing with respect to the Project. The Agency intends to sell the Bonds to U.S. Bank National Association (the “Holder”).
7. All acts, conditions and things required by the Law, the Act and by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Agency is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize such financing and to authorize the execution of documents related thereto, for the purposes, in the manner and upon the terms contemplated in this resolution.

RESOLUTION


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

1. Pursuant to the Act, the Agency hereby authorizes the issuance and delivery of revenue bonds to be designated as “Redevelopment Agency of the City and County of San Francisco Multifamily Housing Revenue Bonds (Herald Hotel Apartments), 2003 Series A” in an aggregate principal amount not to exceed \$7,400,000 (the “Bonds”). The Chair, Executive Director, the Deputy Executive Director, Finance and Administration, and the Secretary of the Agency (each an “Authorized Officer”), each acting alone, are hereby authorized and directed to execute the Bonds for and on behalf of the Agency by manual or facsimile signature, in the form set forth in the Pledge and Assignment (as defined below), with such changes, deletions and insertions as may be approved by such Authorized Officer and legal counsel to the Agency, such approvals being conclusively evidenced by the execution and delivery thereof, and the Authorized Officers, each acting alone, are hereby authorized and directed to attest the Bonds in said form and otherwise in accordance with the Pledge and Assignment. The Bonds, when executed, shall be delivered to or upon the order of the Holder.

2. The Master Pledge and Assignment, by and among the Agency, U.S. Bank National Association, as Agent (in such capacity, the "Agent"), and the Holder (the "Pledge and Assignment"), the Master Agency Agreement (the "Agency Agreement"), by and between the Agency and the Agent, and the Regulatory Agreement and Declaration of Restrictive Covenants, by and among the Agency, the Borrower and the Agent (collectively, the "Bond Documents"), each substantially in the form lodged with Agency General Counsel, are hereby approved. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Agency to execute and deliver the Bond Documents and the Bonds in such forms, with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Agency.

3. All actions heretofore taken by the officers and agents of the Agency with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified. The Executive Director, the Deputy Executive Director, Finance and Administration, the Secretary and Assistant Secretaries, the Agency General Counsel and Deputy General Counsels and other officers of the Agency, including the Authorized Officers, are hereby authorized and directed, jointly and severally, to do any and all things, and to execute and deliver any and all documents and certificates, including without limitation a tax certificate, which they may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds, and otherwise to implement the purposes of this Resolution.

APPROVED AS TO FORM:


for Bertha A. Ontiveros 5/22/03
Agency General Counsel