

RESOLUTION NO. 168-2003

Adopted November 18, 2003

AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$23,000,000 TO ASSIST MERCY HOUSING CALIFORNIA XX, A CALIFORNIA LIMITED PARTNERSHIP, WITH THE CONSTRUCTION OF RESIDENTIAL RENTAL FACILITIES AT 201 BERRY STREET, SAN FRANCISCO

AUTHORIZING CERTAIN OFFICERS TO ENTER INTO AN INDENTURE, A LOAN AGREEMENT, A REGULATORY AGREEMENT, AND A BOND PURCHASE CONTRACT WITH RESPECT TO SUCH BONDS, APPROVING AN OFFICIAL STATEMENT AND APPROVING AND AUTHORIZING ACTIONS AND DOCUMENTS RELATING THERETO; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA

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 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. Mercy Housing California XX, a California Limited Partnership (the "Borrower"), has requested that the Agency issue its housing revenue bonds in order to finance the acquisition and construction of a 140-unit multifamily rental housing development (which includes one manager's unit) to be known as Mission Creek Senior Community (the "Project"). The Borrower is established solely to acquire, construct and own the Project on the real property located at 201 Berry Street, San Francisco, constituting Parcel 1 of Block N3a of the Mission Bay North Redevelopment Project Area, San Francisco, California (the "Site").
4. The Agency by its Resolution No. 133-2002, adopted on July 9, 2002, expressed its intention to issue tax-exempt mortgage revenue bonds in one or more series in an amount not to exceed \$25,000,000 for such purposes (the "Bonds"). On July 31, 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 July 31, 2003, and the Mayor of the City and County of San Francisco, as the "applicable elected representative", approved the issuance of the Bonds on August 6, 2003.

5. On September 24, 2003, the California Debt Limit Allocation Committee awarded an allocation to the Agency to issue tax-exempt bonds in an amount not to exceed \$23,000,000 for the financing of the Project.
6. The Agency intends to issue its Multifamily Housing Revenue Bonds, 2003 Series B (Mission Creek Senior Community) (the "Bonds"), and loan the proceeds thereof to the Borrower. The payment of the principal and purchase price of, and interest on, the Bonds will be supported by a direct pay letter of credit issued by Citibank, N.A. (the "Credit Bank"), on behalf of Citibank, Federal Savings Bank (the "Bank"). The Agency intends to sell the Bonds to Newman and Associates, a Division of GMAC Commercial Holding Capital Markets Corp. (the "Underwriter") pursuant to a Bond Purchase Contract among the Agency, the Borrower and the Underwriter (the "Bond Purchase Contract").
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

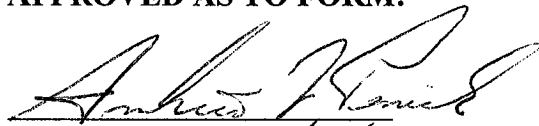
ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that:

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, 2003 Series B (Mission Creek Senior Community)" in an aggregate principal amount not to exceed \$23,000,000 (the "Bonds"). The Chair, Executive Director, Deputy Executive Director, Finance and Project 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 in behalf of the Agency by manual or facsimile signature, in the form set forth in the Indenture (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 Indenture. The Bonds, when executed, shall be delivered to or upon the order of the Trustee.

2. The Indenture, by and between the Agency and BNY Western Trust Company (the "Trustee"), the Loan Agreement, by and among the Agency, the Borrower and the Trustee, the Regulatory Agreement and Declaration of Restrictive Covenants, by and among the Agency, the Borrower and the Trustee (collectively, the "Bond Documents"), the Bond Purchase Contract and the Intercreditor Agreement among the Credit Bank, the Agency and the Trustee, substantially in the forms lodged with the 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, the Bond Purchase Contract and the Intercreditor Agreement in such forms, with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Agency.
3. The Official Statement, substantially in the form lodged with the Agency General Counsel, is hereby approved. The Agency hereby authorizes the distribution of the Official Statement, in either preliminary or final form, to potential purchasers of the Bonds, provided that the Underwriter shall ensure that all purchases of the Bonds receive copies of the final Official Statement. The Authorized Officers, each acting alone, are hereby authorized for and on behalf of the Agency to execute and deliver the Official Statement in such form, with such changes, additions or deletions as may be approved by such Authorized Officer and legal counsel to the Agency.
4. 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 Project 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 James B. Morales 11/3/03
Agency General Counsel