

1 [Ground Lease and Amended and Restated Loan Agreement - 1820 Post Street - 100%
2 Affordable Housing - Loan Not to Exceed \$22,578,308 - \$15,000 Annual Base Rent]

3 **Resolution 1) approving and authorizing the Director of Property and the Mayor's**
4 **Office of Housing and Community Development ("MOHCD") to enter into a Ground**
5 **Lease for real property owned by the City and located at 1820 Post Street with Golden**
6 **Gate Apartments, L.P. ("Borrower"), for a lease term of 75 years and one 24-year option**
7 **to extend and an annual base rent of \$15,000 ("Ground Lease") in order to rehabilitate a**
8 **100% affordable, 72-unit multifamily rental housing development for low-income**
9 **households ("Project"); 2) approving and authorizing the Mayor and Director of**
10 **MOHCD to execute an Amended and Restated Loan Agreement to provide the Borrower**
11 **with a loan in an aggregate amount not to exceed \$22,578,308 to finance the Project; 3)**
12 **adopting findings that the Project and proposed transactions are consistent with the**
13 **General Plan, and the eight priority policies of Planning Code, Section 101.1; 4)**
14 **affirming the Planning Department's determination under the California Environmental**
15 **Quality Act; and 5) authorizing the Director of Property and/or the Director of MOHCD**
16 **or their designee to execute any documents related to the Ground Lease and the**
17 **Amended and Restated Loan Agreement for the Project and make certain modifications**
18 **to such documents, as defined herein, and take certain actions in furtherance of this**
19 **Resolution, as defined herein.**

20
21 WHEREAS, The City and County of San Francisco, acting through the Mayor's Office
22 of Housing and Community Development ("MOHCD"), administers a variety of housing
23 programs that provide financing for the development of new housing and the rehabilitation of
24 single- and multi-family housing for low- and moderate-income households in San Francisco;
25 and

1 WHEREAS, The funding for these loans and grants comes from a variety of sources,
2 all of which are restricted to affordable housing and are subject to various housing program
3 restrictions; and

4 WHEREAS, MOHCD enters into loan agreements with affordable housing developers
5 and operators; administers loan agreements; reviews annual audits and monitoring reports;
6 monitors compliance with affordable housing requirements in accordance with capital funding
7 regulatory agreements; and if necessary, takes appropriate action to enforce compliance; and

8 WHEREAS, Among its programs, MOHCD administers the Preservation and Seismic
9 Safety Program ("PASS Program") under Administrative Code, Chapter 66, which plays a
10 critical role in advancing the City's anti-eviction and preservation strategies by providing low-
11 cost and long-term financing for the acquisition, rehabilitation, and preservation of multi-family
12 housing as well as seismic retrofits not currently available on the conventional loan market;
13 and

14 WHEREAS, The former Redevelopment Agency of the City and County of San
15 Francisco ("Agency") entered into a Ground Lease on June 2, 1999 ("Original Ground
16 Lease"), to lease land located at 1820 Post Street, San Francisco, California, Lot 045, Block
17 0684 (the "Land") to GGA 1820 Post, L.P. ("Original Borrower"), which owned the
18 improvements on the Land consisting of a 100% affordable, 72-unit multifamily residential
19 housing development restricted to low-income households (excluding one manager's unit),
20 known as the Golden Gate Apartments (the "Project") and is an affiliate of the Chinatown
21 Community Development Corporation, a nonprofit California public benefit corporation
22 ("CCDC"); and

23 WHEREAS, In connection with the Original Ground Lease, Agency provided a loan in
24 the amount of \$746,833.00 ("Original Loan") to the Original Borrower under a Tax Increment
25

1 Affordable Housing Program Loan Agreement dated June 4, 1999 ("Original Loan
2 Agreement), for the purpose of the Original Borrower rehabilitating the Project; and

3 WHEREAS, Under California State Assembly Bill No. 1X26 (Chapter 5, Statutes of
4 2011-12, first Extraordinary Session) ("AB 26"), the Agency dissolved as a matter of law on
5 February 1, 2012, and pursuant to AB 26, as amended by California State Assembly Bill No.
6 1484 ("AB 1484"), and Resolution No. 11-12, adopted by the City's Board of Supervisors and
7 Mayor on January 26, 2012, Ordinance No. 215-12, adopted by the City's Board of
8 Supervisors and Mayor on October 12, 2012, and the approved housing asset list submitted
9 by City to, and approved by, the State of California Department of Finance pursuant to AB
10 1484 (California Health and Safety Code, Section 34176(a)(2)), MOHCD has been designated
11 as the successor housing agency, and City, acting through MOHCD, is successor in interest
12 to the Agency's rights and obligations with respect to the Land, the Original Ground Lease,
13 and the Original Loan Agreement;

14 WHEREAS, MOHCD issued a Notice of Funding Availability for PASS Program funds
15 ("NOFA"), to provide qualified affordable housing developers with loans for seismic retrofits,
16 as well as the acquisition, rehabilitation, and preservation of affordable multifamily housing;
17 and

18 WHEREAS, The Project requires substantial rehabilitation consisting of upgrades to
19 the roofing, sewer lateral, siding, and residential unit finishes; and

20 WHEREAS, In response to the NOFA, the Chinatown Community Development Center
21 ("CCDC") applied and was approved by MOHCD to substantially rehabilitate the Project, and
22 CCDC formed Golden Gate Apartments, L.P., a California limited partnership ("Borrower"), for
23 the purpose of acquiring the Project and undertaking such substantial rehabilitation using
24 PASS Program funds to leverage low income housing tax credits and tax exempt bonds; and
25

1 WHEREAS, Original Borrower intends to assign to Borrower, and Borrower intends to
2 assume, all of Original Borrower's rights and duties with respect to the Original Loan for the
3 purpose of rehabilitation and permanent financing of the Project; and

4 WHEREAS, Concurrently with the transfer of the Project to the Borrower, MOHCD and
5 the Original Borrower have agreed to terminate the Original Ground Lease, and the Original
6 Borrower has requested the City to forgive the remaining balance of residual rent and accrued
7 interest in the amount of \$1,330,257 under the Original Ground Lease to support the
8 substantial rehabilitation of the Project; and

9 WHEREAS, The Borrower has requested, and MOHCD desires to consent to, the
10 assignment and refinancing of the Original Loan, including rolling the accrued interest into the
11 remaining principal amount of the Original Loan; and

12 WHEREAS, The Borrower has requested, and MOHCD desires to: 1) loan up to
13 \$22,046,000 in additional funds pursuant to the PASS Program for the substantial
14 rehabilitation of the Project ("PASS Loan") to leverage low-income housing tax credits and tax
15 exempt bonds to substantially rehabilitate the Project, 2) amend and restate the Original
16 Ground Lease, and 3) amend and restate the Original Loan Agreement; and

17 WHEREAS, MOHCD and the Director of Property have approved the form of the
18 Ground Lease between the City and the Borrower ("Ground Lease"), pursuant to which the
19 City will lease the Property to the Borrower for a term of 75 years and one 24-year option to
20 extend and a base rent of \$15,000 per year, in exchange for the Borrower's agreement,
21 among other things, to rehabilitate and operate the Project, and a copy of the substantially
22 final form of Ground Lease is on file with the Clerk of the Board of Supervisors in File
23 No. 260547, and is incorporated herein by reference; and

24 WHEREAS, The proposed rent of the Ground Lease is less than Market Rent (as
25 defined in Administrative Code, Section 23.2), but the lower rent under the Ground Lease will

1 serve a public purpose by providing affordable housing for low-income households in need;
2 and

3 WHEREAS, On April 17, 2026, the Citywide Affordable Housing Loan Committee,
4 consisting of representatives of MOHCD, the Department of Homelessness and Supportive
5 Housing, the Office of Community Investment and Infrastructure, and the Controller's Office of
6 Public Finance recommended approval to the Mayor of the additional PASS Loan for
7 rehabilitation and permanent financing of the Project and refinancing of the Original Loan, for
8 a total loan amount not to exceed \$22,578,308; and

9 WHEREAS, The form of loan documents (collectively, the "Loan Documents")
10 evidencing and securing the loan for the Project are on file with the Clerk of the Board in File
11 No. 260547, and include: Declarations of Restrictions and Affordable Housing Covenants
12 ("Declaration of Restrictions"); an Amended and Restated Loan Agreement; one or more
13 promissory notes; and a leasehold deeds of trust; and

14 WHEREAS, The Declarations of Restrictions will restrict the Project as affordable
15 housing to low-income households with annual maximum rent and income established by
16 MOHCD for as long as the Project or any modification of the Project remains in existence; and

17 WHEREAS, The Declaration of Restrictions for the Project will not be subordinated to
18 any third-party financing instrument, except as may be required by other public funding
19 agencies; and

20 WHEREAS, The Amended and Restated Loan Agreement would be entered into under
21 the following material terms: (i) a minimum term of 57 years from the date of recordation of the
22 deed of trust for the Original Loan and 44 years from the date of recordation of the deed of
23 trust for the PASS Loan; (ii) simple interest at a rate of at least three percent, but no more
24 than the long-term applicable federal rate as of the Agreement Date for the Original Loan, as
25 provided in the corresponding promissory note, and compounding interest at rates of

1 6.61023%, 1.87008%, and 1.87008% for the PASS Loan, as provided in the corresponding
2 promissory notes; (iii) annual repayment of the Original Loan through residual receipts from
3 the Project and hard debt service payments for the PASS Loan; (iv) the Project shall be
4 restricted for the life of the Project as affordable housing to low-income households with
5 annual maximum rent and income established by MOHCD; (v) the loan shall be secured by a
6 deed of trust recorded against the Borrower's leasehold interest in the Project; and

7 WHEREAS, The Planning Department, by letter dated May 15, 2025 ("Planning
8 Letter"), has determined that the proposed Project is exempt from the California
9 Environmental Quality Act, ("CEQA") as a Class 1 under CEQA Guidelines Section 15301 and
10 is consistent, on balance, with the General Plan, and the eight priority policies of Planning
11 Code, Section 101.1, and a copy of this Planning Letter is on file with the Clerk of the Board of
12 Supervisors in File No. 260547, and incorporated herein by this reference; now, therefore, be
13 it

14 RESOLVED, That the Board of Supervisors hereby affirms the Planning Department's
15 determination under CEQA and finds that the Project is consistent, on balance, with the
16 General Plan, and the eight priority policies of Planning Code, Section 101.1, for the reasons
17 set forth in the Planning Letter; and, be it

18 FURTHER RESOLVED, That in accordance with the recommendation of the Director
19 of MOHCD and the Director of Property, the Board of Supervisors approves the Ground
20 Lease in substantially the form presented to the Board, and authorizes the Director of
21 Property (or the Director's designee, as used throughout) and Director of MOHCD (or the
22 Director's designee, as used throughout), to execute and deliver the Ground Lease, in
23 substantially the form presented to the Board, and any such other documents or agreements
24 (including such agreements to provide adequate or additional security or indemnities as
25 required by lenders to consummate the financing of the Project or lease of the Land) that are

1 necessary or advisable, in consultation with the City Attorney, to complete the transaction
2 contemplated by the Ground Lease and to effectuate the purpose and intent of this
3 Resolution, and determines that the less than Market Rent payable under the Ground Lease
4 will serve a public purpose by providing affordable housing for low-income households in
5 need; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors hereby approves the Amended
7 and Restated Loan Agreement and the transaction contemplated thereby in substantially the
8 form presented to the Board, and authorizes the Mayor and the Director of MOHCD, to
9 execute and deliver the Amended and Restated Loan Agreement and any such other
10 documents or agreements (including such agreements required by lenders to consummate
11 the financing of the Project) that are necessary or advisable, in consultation with the City
12 Attorney, to complete the transaction contemplated by the Amended and Restated Loan
13 Agreement and to effectuate the purpose and intent of this Resolution; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
15 Property and/or Director of MOHCD, in consultation with the City Attorney, to enter into any
16 additions, amendments, or other modifications to the Ground Lease Amended and Restated
17 Loan Agreement, and any other documents or instruments necessary in connection therewith
18 (including, without limitation, preparation and attachment, or changes to, any of all of the
19 exhibits and ancillary agreements, and notices of special restrictions required for construction
20 of the Project), that the Director of Property and/or Director of MOHCD determine are in the
21 best interests of the City, do not materially decrease the benefits to the City with respect to the
22 Property, do not materially increase the obligations or liabilities of the City, and are necessary
23 or advisable to complete the transaction contemplated in the Ground Lease and Amended
24 and Restated Loan Agreement, and that effectuate the purpose and intent of this Resolution,
25 such determination to be conclusively evidenced by the execution and delivery by the Director

1 of Property and/or the Director of MOHCD of any such additions, amendments, or other
2 modifications; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and
4 delegates to the Director of MOHCD and/or the Director of Property, and their designees, the
5 authority to undertake any actions necessary to protect the City's financial security in the
6 Project and enforce the affordable housing restrictions, which may include, without limitation,
7 acquisition of a Project upon foreclosure and sale at a trustee sale, acceptance of a deed in
8 lieu of foreclosure, or curing the default under a senior loan; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors authorizes the forgiveness of
10 \$1,330,257 in outstanding residual rent obligations accrued by the Original Borrower upon
11 termination of the Original Ground Lease; and, be it

12 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
13 heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors;
14 and, be it

15 FURTHER RESOLVED, That within thirty (30) days of the Amended and Restated
16 Loan Agreement and Ground Lease being fully executed by all parties, MOHCD shall provide
17 copies of the Amended and Restated Loan Agreement and Ground Lease to the Clerk of the
18 Board for inclusion into the official file.

1 RECOMMENDED:
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4 /s/
5 Sarah R. Oerth, Director of Property
6

7 /s/
8 Daniel Adams, Director
9 Mayor's Office of Housing and Community Development
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City and County of San Francisco
Tails
Resolution

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

File Number: 260547

Date Passed: June 09, 2026

Resolution 1) approving and authorizing the Director of Property and the Mayor's Office of Housing and Community Development ("MOHCD") to enter into a Ground Lease for real property owned by the City and located at 1820 Post Street with Golden Gate Apartments, L.P. ("Borrower"), for a lease term of 75 years and one 24-year option to extend and an annual base rent of \$15,000 ("Ground Lease") in order to rehabilitate a 100% affordable, 72-unit multifamily rental housing development for low-income households ("Project"); 2) approving and authorizing the Mayor and Director of MOHCD to execute an Amended and Restated Loan Agreement to provide the Borrower with a loan in an aggregate amount not to exceed \$22,578,308 to finance the Project; 3) adopting findings that the Project and proposed transactions are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; 4) affirming the Planning Department's determination under the California Environmental Quality Act; and 5) authorizing the Director of Property and/or the Director of MOHCD or their designee to execute any documents related to the Ground Lease and the Amended and Restated Loan Agreement for the Project and make certain modifications to such documents, as defined herein, and take certain actions in furtherance of this Resolution, as defined herein.

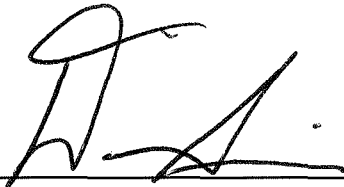
June 03, 2026 Budget and Finance Committee - RECOMMENDED

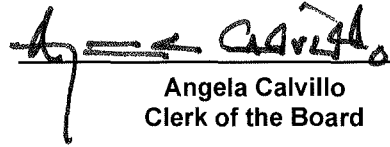
June 09, 2026 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Chen, Dorsey, Mahmood, Mandelman, Melgar, Sauter, Sherrill,
Walton and Wong
Excused: 1 - Fielder

File No. 260547

I hereby certify that the foregoing
Resolution was ADOPTED on 6/9/2026 by
the Board of Supervisors of the City and
County of San Francisco.



Daniel Lurie
Mayor

Angela Calvillo
Clerk of the Board

6/11/26

Date Approved