OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller

ChiaYu Ma
Deputy Controller

Anna Van Degna
Director of Public Finance

October 15, 2025

Supervisor Jackie Fielder
City Hall, Room 244
City and County of San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Supervisor Fielder:

Thank you for agreeing to introduce the Board of Supervisors resolution approving, for the purposes of the Internal Revenue Code, the issuance of tax-exempt obligations (the “Obligations”) by the California Enterprise Development Authority (the “Issuer”) on behalf of Mission Resource Center, LLC, a California limited liability company (the “Borrower”). The sole member of the Borrower is the Mission Economic Development Agency (“MEDA”), located in District 9. I respectfully request the introduction of the resolution at the meeting of the Board of Supervisors on Tuesday, October 21, 2025.

Pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA), to facilitate the tax exemption of interest on the Obligations, the City is required to conduct a public hearing and to approve the financing by the Issuer. The Office of Public Finance held such a hearing on Tuesday, October 14, 2025, notice of which was published on the Controller’s Office of Public Finance Public Notices page on October 7, 2025. No public comments were heard or received through the public hearing process. The action by the Board will acknowledge that the hearing was duly held and that the financing is proceeding. The Obligations will be issued in an aggregate principal amount not to exceed $5 million.

<u>The Organization</u>

Founded in 1973, MEDA is a community economic development corporation located in San Francisco’s Mission District. MEDA helps families open and improve small businesses, purchase homes and prevent foreclosures, build credit and savings while reducing debt, access technology and find sustaining jobs. MEDA works to improve economic and social conditions for San Francisco’s low- and moderate-income residents, with primarily Latino families as MEDA’s constituents. MEDA is a tax-exempt charitable organization whose chief mission is achieving economic justice for San Francisco’s working-class Latino families by encouraging and supporting individuals and families to develop, accumulate and manage personal, social and material assets.

<u>The Project</u>

Mission Resource Center, LLC is seeking up to $5 million in a tax-exempt loan (the "Obligations") from River City Bank (the "Lender") to (i) refinance the balance of the existing 2015 loan that funded the cost of acquisition, rehabilitation, improvement, installation and equipping of the real property and improvements located at 2301 Mission Street, San Francisco, California 94110, consisting of an approximately 21,000 square foot, multi-story commercial building (the “Facilities”), and (ii) pay certain costs of issuance in connection with the Obligations. The Facilities will be owned by the Borrower and leased to and operated by MEDA, a nonprofit public benefit corporation, duly organized and existing under the laws of the State of California and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Financing Information

Assuming all required approvals are obtained, the Issuer expects to issue the Obligations in an amount not to exceed $5 million for the purpose described above. Bond Counsel on the transaction is Kutak Rock LLP.

Public Approval Process

The City and County of San Francisco is a participating member of the Issuer, a joint powers authority. The Issuer is authorized to issue bonds, notes, certificates of participation, or other forms of indebtedness, including refunding previously issued debt.

As noted above, federal tax law requires that the governing body of the jurisdiction in which the project is located approve the financing and the project after providing the opportunity for a duly-noticed public hearing before the Obligations may be issued on a tax-exempt basis. Your assistance with this matter is greatly appreciated. While the Office of Public Finance has reviewed the proposed TEFRA notice and resolution, the Office of Public Finance has performed only a limited high-level review of the proposed financing as no City resources are pledged or will be available for the repayment of the Obligations. Please contact me at (628) 652-9652, if you have any questions or require additional information. Thank you.

Sincerely,

Keith Sevigny

Keith Sevigny

Principal Administrative Analyst
Office of Public Finance

Cc: Ana Herrera, Office of Supervisor Jackie Fielder
Mark Blake, Deputy City Attorney