

1 [Multifamily Housing Revenue Bonds - 4840 Mission - Not to Exceed \$75,000,000]

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3 **Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended,**
4 **the issuance and sale of tax-exempt residential mortgage revenue bonds by the City**
5 **and County of San Francisco (the “City”) in an aggregate principal amount not to**
6 **exceed \$75,000,000 to finance the development of a 137-unit affordable rental housing**
7 **development located in the City at 4840 Mission Street (the “Project”); and ratifying and**
8 **approving any action heretofore taken in connection with the Project, as defined**
9 **herein, and the Application, as defined herein.**

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11 WHEREAS, The Board of Supervisors of the City and County of San Francisco (“Board
12 of Supervisors”), after careful study and consideration, has determined that there is a
13 shortage of safe and sanitary housing within the City and County of San Francisco (“City”),
14 particularly for low and moderate income persons, and that it is in the best interest of the
15 residents of the City and in furtherance of the health, safety, and welfare of the public for the
16 City to assist in the financing of multi-family rental housing units; and

17 WHEREAS, Acting under and pursuant to the powers reserved to the City under
18 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections
19 1.101 and 9.107 of the Charter of the City and County of San Francisco, the City has enacted
20 the City and County of San Francisco Residential Mortgage Revenue Bond Law (“City Law”),
21 constituting Article I of Chapter 43 of the San Francisco Administrative Code, in order to
22 establish a procedure for the authorization, issuance and sale of residential mortgage revenue
23 bonds by the City for the purpose of providing funds to encourage the availability of adequate
24 housing and home finance for persons and families of low or moderate income, and to

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1 develop viable communities by providing decent housing, enhanced living environments, and
2 increased economic opportunities for persons and families of low or moderate income; and

3 WHEREAS, In addition, pursuant to Division 31 of the Health and Safety Code of the
4 State of California, and particularly Chapter 7 of Part 5 thereof (“State Law”), the City is
5 empowered to issue and sell bonds for the purpose of making mortgage loans or otherwise
6 providing funds to finance the development of multi-family rental housing including units for
7 lower income households and very low income households; and

8 WHEREAS, 4840 Mission Housing Associates, L.P., a California limited partnership (or
9 an affiliate thereof or successor thereto) (the “Borrower”) desires to construct a 137-unit
10 affordable residential rental housing development located at 4840 Mission Street, San
11 Francisco, California 94112 (“Project”), and the Borrower will be the initial owner and/or
12 operator of the Project; and

13 WHEREAS, The Borrower has requested that the City assist in the financing of the
14 Project through the issuance of one or more series of tax-exempt mortgage revenue bonds
15 (“Bonds”); and

16 WHEREAS, The City intends to issue the Bonds in an amount not to exceed
17 \$75,000,000 and to loan the proceeds of the Bonds to the Borrower (“Loan”) to finance the
18 costs of the Project; and

19 WHEREAS, The Bonds will be limited obligations, payable solely from pledged
20 security, including Project revenues, and will not constitute a debt of the City; and

21 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
22 103 of the Internal Revenue Code of 1986, as amended (“Code”), only if the Bonds are
23 approved in accordance with Section 147(f) of the Code; and

24 WHEREAS, The City now wishes to approve the issuance of the Bonds in order to
25 satisfy the public approval requirements of Section 147(f) of the Code; and

1 WHEREAS, The Project is located wholly within the City; and

2 WHEREAS, On May 19, 2020, the City caused a notice stating that a public hearing
3 with respect to the issuance of the Bonds would be held by the Mayor’s Office of Housing and
4 Community Development on May 27, 2020, published in the Notices section of the Mayor’s
5 Office of Housing and Community Development website (at <https://sfmohcd.org/notices-0>);
6 and

7 WHEREAS, The Mayor’s Office of Housing and Community Development held the
8 public hearing described above on May 27, 2020, and an opportunity was provided for
9 persons to comment on the issuance of the Bonds and the Project; and

10 WHEREAS, This Board of Supervisors is the elected legislative body of the City and is
11 the applicable elected representative authorized to approve the issuance of the Bonds within
12 the meaning of Section 147(f) of the Code; now, therefore, be it

13 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
14 follows:

15 Section 1. The Board of Supervisors finds and determines that the foregoing recitals
16 are true and correct.

17 Section 2. The maximum principal amount of tax-exempt debt expected to be issued
18 for the Project is \$75,000,000.

19 Section 3. This Board of Supervisors, as the applicable elected representative of the
20 governmental unit having jurisdiction over the area in which the Project is located, hereby
21 approves the issuance of the Bonds for purposes of Section 147(f) of the Code.

22 Section 4. This approval of the issuance of the Bonds by the City is neither an
23 approval of the underlying credit issues of the proposed Project nor an approval of the
24 financial structure of the Bonds.

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1 Section 5. The officers and employees of the City, including the Director, are hereby
2 authorized and directed, jointly and severally, to do any and all things necessary or advisable
3 to effectuate the purposes of this Resolution, consistent with the documents cited herein and
4 this Resolution, and all actions previously taken by such officers and employees with respect
5 to the Project, consistent with the documents cited herein and this Resolution, are hereby
6 ratified and approved.

7 Section 6. This Resolution shall take effect from and after its adoption by the Board and
8 approval by the Mayor.

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10 APPROVED AS TO FORM:
11 DENNIS J. HERRERA
12 City Attorney

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13 By: /s/Heidi J. Gewertz
14 HEIDI J. GEWERTZ
15 Deputy City Attorney
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