

1 [Multifamily Housing Revenue Note - 4840 Mission Housing Associates, LP- Not to Exceed  
2 \$75,000,000]

3 **Resolution authorizing the execution and delivery of a multifamily housing revenue**  
4 **note in one or more series in an aggregate principal amount not to exceed \$75,000,000**  
5 **for the purpose of providing financing for the construction of a 137-unit multifamily**  
6 **rental housing project known as “4840 Mission Apartments;” approving the form of**  
7 **and authorizing the execution of a funding loan agreement, providing the terms and**  
8 **conditions of the loan from the funding lender to the City, and the execution and**  
9 **delivery of the note; approving the form of and authorizing the execution of a project**  
10 **loan agreement providing the terms and conditions of the loan from the City to the**  
11 **borrower; approving the form of and authorizing the execution of a regulatory**  
12 **agreement and declaration of restrictive covenants; authorizing the collection of**  
13 **certain fees; approving modifications, changes and additions to the documents;**  
14 **ratifying and approving any action heretofore taken in connection with the back-to-**  
15 **back loans, the note and the project; granting general authority to City Officials to take**  
16 **actions necessary to implement this Resolution, as defined herein; and related matters,**  
17 **as defined herein.**

18  
19 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
20 “Board”) desires to provide for the financing of a portion of the costs of the construction by  
21 4840 Mission Housing Associates, LP (the “Borrower”), of a 137-unit residential rental  
22 development project located at 4840 Mission Street, San Francisco, California 94112, known  
23 as “4840 Mission Apartments” (the “Project”), to provide housing for persons and families of  
24 low income through the issuance of a multifamily housing revenue note in one or more series  
25 which may be taxable or tax-exempt (collectively, the “Note”); and

1           WHEREAS, The City and County of San Francisco (the “City”) is authorized to issue  
2 revenue notes for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of  
3 the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of  
4 Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of  
5 California (“Health and Safety Code”), as now in effect and as it may from time to time  
6 hereafter be amended or supplemented (collectively, the “Act”); and

7           WHEREAS, On December 21, 2020, the California Debt Limit Allocation Committee  
8 (“CDLAC”) in its Resolution Number 20-192, allocated an amount not to exceed \$51,340,687  
9 (the “Allocation Amount”) in qualified private activity bonds to the Project; and

10           WHEREAS, There has been prepared and presented to the Board for consideration at  
11 this meeting the documentation required for the execution and delivery of the Note, and such  
12 documentation is on file with the Clerk of the Board of Supervisors (the “Clerk of the Board”);  
13 and

14           WHEREAS, It appears that each of the documents which is now before this Board is  
15 substantially in final form and is an appropriate instrument to be executed and delivered for  
16 the purposes intended; and

17           WHEREAS, The Board finds that the public interest and necessity require that the City  
18 at this time make arrangements for the funding loan, the project loan and the execution and  
19 delivery of the Note; and

20           WHEREAS, The Note will be a limited obligation of the City, the sole source of  
21 repayment of which shall be payments made by the Borrower under the Project Loan  
22 Agreement (hereinafter defined), together with investment income, if any, of certain funds and  
23 accounts held under the Funding Loan Agreement (hereinafter defined); and

24       ///

25       ///

1           WHEREAS, The City has engaged Jones Hall, A Professional Law Corporation and  
2 Amira Jackmon, Attorney at Law, as co-special counsel with respect to the Note (“Co-Special  
3 Counsel”); and

4           WHEREAS, Bank of America, N.A. (or an affiliate thereof) (the “Funding Lender”) has  
5 expressed its intention to make the funding loan, to be evidenced by the Note, to the City;  
6 now, therefore, be it

7           RESOLVED, by this Board of Supervisors of the City and County of San Francisco as  
8 follows:

9           Section 1.   Approval of Recitals. The Board hereby finds and declares that the  
10 above recitals are true and correct.

11           Section 2.   Approval of Execution and Delivery of Note. In accordance with the Act  
12 and the Funding Loan Agreement, the City is hereby authorized to execute and deliver a note  
13 or notes in one or more series designated as “City and County of San Francisco Multifamily  
14 Housing Revenue Note (4840 Mission Apartments), Series 2021B” or such other or with such  
15 additional designation as may be necessary or appropriate to distinguish such series from  
16 every other series of bonds or notes, in an aggregate principal amount not to exceed  
17 \$75,000,000, provided that any tax-exempt portion of the Note shall not exceed the Allocation  
18 Amount, with an interest rate not to exceed twelve percent (12%) per annum for the Note, and  
19 which shall have a final maturity date not later than forty (40) years from the date of execution  
20 and delivery of the Note. The Note shall be in the form set forth in and otherwise in  
21 accordance with the Funding Loan Agreement and shall be executed by the manual or  
22 facsimile signature of the Mayor of the City (the “Mayor”).

23           Section 3.   Approval of Funding Loan Agreement. The Funding Loan Agreement  
24 (the “Funding Loan Agreement”) in the form presented to the Board, a copy of which is on file  
25 with the Clerk of the Board, is hereby approved. The Funding Loan Agreement shall be

1 entered into by and among the City, the Funding Lender and a fiscal agent to be named  
2 therein, as Fiscal Agent (the "Fiscal Agent"). Each of the Mayor, the Director (the "Director")  
3 of the Mayor's Office of Housing and Community Development ("MOHCD"), the Deputy  
4 Director of Housing of MOHCD, and any other Authorized Governmental Lender  
5 Representative (as such term is defined in the Funding Loan Agreement), acting individually  
6 or collectively (each, an "Authorized City Representative") is hereby authorized to execute the  
7 Funding Loan Agreement, approved as to form by the City Attorney of the City (the "City  
8 Attorney"), in substantially said form, together with such additions thereto and changes therein  
9 as the City Attorney and Co-Special Counsel may approve or recommend in accordance with  
10 Section 7 hereof.

11 Section 4. Approval of Project Loan Agreement. The Project Loan Agreement (the  
12 "Project Loan Agreement") by and among the City, the Fiscal Agent and the Borrower, and the  
13 Assignment of Deed of Trust and Loan Documents, from the City to the Fiscal Agent for the  
14 benefit of the Funding Lender (the "Assignment"), in the forms presented to the Board, copies  
15 of which are on file with the Clerk of the Board, are hereby approved. Each Authorized City  
16 Representative is hereby authorized to execute the Project Loan Agreement and the  
17 Assignment in substantially said form, together with such additions thereto and changes  
18 therein as the City Attorney and Co-Special Counsel may approve or recommend in  
19 accordance with Section 7 hereof.

20 Section 5. Approval of Regulatory Agreement and Declaration of Restrictive  
21 Covenants. The Regulatory Agreement and Declaration of Restrictive Covenants (the  
22 "Regulatory Agreement" and, together with the Funding Loan Agreement, the Assignment and  
23 the Project Loan Agreement, the "City Documents"), between the City and the Borrower, in  
24 the form presented to the Board, a copy of which is on file with the Clerk of the Board, is  
25 hereby approved. Each Authorized City Representative is hereby authorized to execute the

1 Regulatory Agreement, approved as to form by the City Attorney, in substantially said form,  
2 together with such additions thereto and changes therein as the City Attorney and Co-Special  
3 Counsel may approve or recommend in accordance with Section 7 hereof.

4 Section 6. Issuer Fees. The City, acting through MOHCD, shall charge an annual  
5 issuer fee for monitoring the restricted units in the Project up to an amount provided for under  
6 its standard issuer fee policies, or at some lesser amount if required by federal tax law  
7 applicable to the Bonds. The annual monitoring fee due during the construction period shall  
8 be payable at funding loan closing. The Board hereby authorizes MOHCD to charge and  
9 collect the fees described in this section.

10 Section 7. Modifications, Changes, Additions. Any Authorized City Representative  
11 executing the City Documents, in consultation with the City Attorney and Co-Special Counsel,  
12 is hereby authorized to approve and make such modifications, amendments, changes or  
13 additions to the City Documents as may be necessary or advisable, provided that such  
14 modification does not authorize an aggregate principal amount of the Note in excess of  
15 \$75,000,000 or an aggregate principal amount of the tax-exempt portion of the Note in excess  
16 of the Allocation Amount, provide for a final maturity of the Note later than forty (40) years  
17 from the date of execution and delivery thereof, or provide for the Note to bear interest at a  
18 rate in excess of twelve percent (12%) per annum. The approval of any modification, addition  
19 or change to any of the aforementioned documents shall be evidenced conclusively by the  
20 execution and delivery of the document in question.

21 Section 8. Ratification. All actions heretofore taken by the officers and agents of the  
22 City with respect to the funding loan and the execution and delivery of the Note consistent  
23 with the purposes of this resolution and the City Documents are hereby approved, confirmed  
24 and ratified.

25 ///

1           Section 9.    General Authority. The proper officers of the City are hereby authorized  
2 and directed, for and in the name and on behalf of the City, to do any and all things and take  
3 any and all actions and execute and deliver any and all certificates, agreements (including  
4 such agreements to provide adequate or additional security or indemnities as required by  
5 lenders to consummate the financing) and other documents and amendments, including but  
6 not limited to those documents described in the City Documents, which they, or any of them,  
7 may deem necessary or advisable in order to consummate the lawful execution and delivery  
8 of the Note and to effectuate the purposes thereof and of the City Documents. Any such  
9 actions are solely intended to further the purposes of this Resolution, and are subject in all  
10 respects to the terms of the Resolution. No such actions shall increase the risk to the City or  
11 require the City to spend any resources not otherwise contemplated herein. Final versions of  
12 such documents shall be provided to the Clerk of the Board for inclusion in the official file  
13 within 30 days of execution by all parties.

14           Section 10. File. All documents referenced herein as being on file with the Clerk of  
15 the Board are located in File No. 210384, which is hereby declared to be a part of this  
16 Resolution as if set forth fully herein.

17           Section 11. This Resolution shall take effect from and after its adoption by the Board  
18 and approval by the Mayor.

19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA  
22 City Attorney

23 By: /s/ HEIDI J. GEWERTZ  
24 Heidi J. Gewertz  
25 Deputy City Attorney

n:\financlas2021\2000171\01525238.docx