

Mayor's Office of Housing and Community Development  
City and County of San Francisco



Edwin M. Lee  
Mayor

Olson Lee  
Director

September 8, 2015

Honorable Supervisor Kim  
City and County of San Francisco  
City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

RE: Resolution Authorizing Application to California Debt Limit Allocation Committee for Multifamily Housing Revenue Bonds for Columbia Park Apartments – 1035 Folsom Street and 21 Columbia Square Street.

With this letter, I am submitting to you for introduction at the Board of Supervisors meeting on Tuesday, September 8, 2015, a resolution regarding qualified mortgage revenue bonds for Columbia Park, a residential housing development sponsored by Mercy Housing California 67, LP. The resolution would authorize me, as Director of this office, to submit an application to the California Debt Limit Allocation Committee for permission to issue such bonds in an amount not to exceed sixteen million dollars (\$16,000,000), and to declare the intent of the City and County of San Francisco to reimburse certain expenditures from proceeds of future bonded indebtedness. This resolution would only authorize us to apply for an allocation of bond issuing authority. Should we receive authority, we will need to return to the Board for permission to actually issue the bonds. Funds generated from the issuance and sale of the bonds would be used to finance rehabilitation of the project.

The sponsor is proposing the rehabilitation of 50 units of rental housing at Columbia Park Apartments, located at 1035 Folsom Street and 21 Columbia Square Street. All units will be restricted to not more than 60% AMI, with the exception of one manager's units and, those units currently housing over-income residents, who have the right to return.

The Mayor's Office of Housing and Community Development has previously issued bonds for both rental housing and for first time homeownership. These financings are conduit financings, which do not require the City to pledge repayment of the bonds. Rather, the bondholders' only recourse for payment is the project revenues themselves and the credit enhancement provided by lenders.

The attached resolution has been approved as-to-form by Deputy City Attorney Heidi J. Gewertz. I am enclosing a brief description of the project for your review.

If you have any questions about the resolution or the project, please contact Adam Cray at (415) 701-5512.

Thank you,

A handwritten signature in blue ink, appearing to read "Olson Lee". The signature is fluid and cursive, with the first name "Olson" and the last name "Lee" clearly distinguishable.

Olson Lee  
Director