

1 [Multifamily Housing Revenue Bonds - 2050, 2060, and 2070 Folsom Street and 255 and 265
2 Shotwell Street (also known as "17th and Folsom") - 2060 Folsom Housing, L.P. - Not to
3 Exceed \$95,000,000]

3

4 **Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended,**
5 **the issuance and sale of residential mortgage revenue bonds by the City in an**
6 **aggregate principal amount not to exceed \$95,000,000 for the construction of**
7 **approximately 127 units of affordable residential rental housing to be located**
8 **at 2050, 2060, and 2070 Folsom Street and 255 and 265 Shotwell Street (also known**
9 **as "17th and Folsom") by 2060 Folsom Housing, L.P.**

10

11 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
12 "Board 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 (the "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 multifamily 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 1.101
19 and 9.107 of the Charter, the City has enacted the City and County of San Francisco Residential
20 Mortgage Revenue Bond Law (the "City Law"), constituting Article I of Chapter 43 of the San
21 Francisco Administrative Code, in order to establish a procedure for the authorization, issuance
22 and sale of residential mortgage revenue bonds by the City for the purpose of providing funds
23 to encourage the availability of adequate housing and home finance for persons and families of
24 low or moderate income, and to develop viable communities by providing decent housing,

25

1 enhanced living environments, and increased economic opportunities for persons and families
2 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 (the "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 multifamily rental housing including units for lower
7 income households and very low income households; and

8 WHEREAS, 2060 Folsom Housing, L.P., a California limited partnership (or an affiliate
9 thereof or successor thereto) (the "Developer"), desires to construct approximately 127 units of
10 affordable residential rental housing to be located at 2050, 2060, and 2070 Folsom Street and
11 255 and 265 Shotwell Street, San Francisco, California 94110 (the "Project"); and

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

15 WHEREAS, The City intends to issue the Bonds in an amount not to exceed \$95,000,000
16 and to loan the proceeds of the Bonds to the Developer (the "Loan") to finance the costs of the
17 Project; and

18 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section 103
19 of the Internal Revenue Code of 1986, as amended (the "Code"), only if the Bonds are approved
20 in accordance with section 147(f) of the Code; and

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

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

24 ///

25

1 WHEREAS, On April 22, 2018, the City caused a notice stating that a public hearing with
2 respect to the issuance of the Bonds would be held by the Mayor’s Office of Housing and
3 Community Development on May 7, 2018, to appear in *The San Francisco Examiner*, which is
4 a newspaper of general circulation in the City; and

5 WHEREAS, The Mayor’s Office of Housing and Community Development held the public
6 hearing described above on May 7, 2018 and an opportunity was provided for persons to
7 comment on the issuance of the Bonds and the Project; and

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

11 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
12 follows:

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

15 Section 2. The maximum principal amount of tax-exempt Bonds expected to be issued
16 for the Project is \$95,000,000.

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

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

23 ///

24 ///

25 ///

1 Section 5. This Resolution shall take effect from and after its adoption by the Board and
2 approval by the Mayor.

3
4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA
6 City Attorney

7
8 By: _____
9 KENNETH DAVID ROUX
10 Deputy City Attorney
11 n:\spec\as2018\0100007\01270579.docx