

1 [Multifamily Housing Revenue Notes - 967 Mission - Not to Exceed \$41,750,000]

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3 **Resolution authorizing the execution and delivery of a multifamily housing revenue**  
4 **note (tax-exempt) in a principal amount not to exceed \$21,750,000 and a multifamily**  
5 **housing revenue note (taxable) in an aggregate principal amount not to exceed**  
6 **\$20,000,000 for a total not to exceed amount of \$41,750,000 for the purpose of**  
7 **providing financing for the construction of a 95-unit multifamily rental housing**  
8 **development known as “967 Mission”; approving the form of and authorizing the**  
9 **execution of a funding loan agreement providing the terms and conditions of the loan**  
10 **from the funding lender identified therein to the City and for the execution and delivery**  
11 **of the notes; approving the form of and authorizing the execution of a borrower loan**  
12 **agreement providing the terms and conditions of the loan from the City to the**  
13 **borrower; approving the form of and authorizing the execution of a regulatory**  
14 **agreement and declaration of restrictive covenants; approving the form of and**  
15 **authorizing the execution of an assignment of deed of trust and loan documents;**  
16 **authorizing the collection of certain fees; approving modifications, changes, and**  
17 **additions to the documents; ratifying and approving any action heretofore taken in**  
18 **connection with the back-to-back loans, the notes, and the project; granting general**  
19 **authority to City officials to take actions necessary to implement this Resolution; and**  
20 **related matters, as defined herein.**

21

22 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
23 “Board”) desires to provide for the financing of a portion of the costs of the construction by 967  
24 Mission, LP, a California limited partnership (the “Borrower”), of a 95-unit residential rental  
25 housing development to be located at 967 Mission Street in San Francisco, California, known

1 as “967 Mission” (the “Project”), to provide housing for persons and families of low and very  
2 low income through the issuance of multifamily housing revenue notes; and

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

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

10 WHEREAS, The interest on the tax-exempt Note may qualify for federal tax exemption  
11 under the Internal Revenue Code of 1986, as amended (the “Code”), only if the tax-exempt  
12 Note is approved in accordance with Section 147(f) of the Code; and

13 WHEREAS, This Board of Supervisors is the elected legislative body of the City and is  
14 the applicable elected representative authorized to approve the issuance of the Notes  
15 (hereinafter defined) within the meaning of Section 147(f) of the Code; and

16 WHEREAS, On April 11, 2025, the City caused a notice to be published in the Notices  
17 section of the Mayor’s Office of Housing and Community Development website (at  
18 <https://sfmohcd.org/notices>) stating that a public hearing with respect to the issuance of the  
19 tax-exempt multifamily housing revenue bonds for the Project, pursuant to Section 147(f) of  
20 the Code, would be held by the Mayor’s Office of Housing and Community Development  
21 (“MOHCD”) on April 21, 2025; and

22 WHEREAS, MOHCD held the duly noticed public hearing described above on April 21,  
23 2025, at which hearing an opportunity was provided for persons to comment on the execution  
24 and delivery of the Notes and the Project; and

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1           WHEREAS, The minutes of such public hearing were provided to this Board prior to  
2 this meeting, and are on file with the Clerk of the Board in File No. 251264; and

3           WHEREAS, On August 25, 2025, the California Debt Limit Allocation Committee  
4 (CDLAC) in its Resolution No. 25-135, as amended, on September 5, 2025, allocated an  
5 amount not to exceed \$21,750,000 in qualified private activity bond allocation cap to the  
6 Project; and

7           WHEREAS, The documentation required for the execution and delivery of the Notes is  
8 on file with the Clerk of the Board; and

9           WHEREAS, Each of the documents now before the Board in File No. 251264 is  
10 substantially in final form and is an appropriate instrument to be executed and delivered for  
11 the purposes intended; and

12           WHEREAS, The Board finds that the public interest and necessity require that the City  
13 at this time make arrangements for the funding loan, the borrower loan, and the execution and  
14 delivery of the Notes and related documents; and

15           WHEREAS, Each of the Notes will be a limited obligation of the City, the sole source of  
16 repayment of which shall be payments made by the Borrower under the Borrower Loan  
17 Agreement (hereinafter defined) together with investment income on monies in certain funds  
18 and accounts held under the Funding Loan Agreement (hereinafter defined); and

19           WHEREAS, The City has engaged Orrick, Herrington & Sutcliffe LLP and the Law  
20 Office of Alexis S. M. Chiu, as co-special counsel with respect to the Notes (“Co-Special  
21 Counsel”); and

22           WHEREAS, JPMorgan Chase Bank, N.A., a national banking association (the “Funding  
23 Lender”) has expressed its intention to lend to the City the loan contemplated by the Funding  
24 Loan Agreement in exchange for the Notes authorized hereby; and

1           WHEREAS, The Borrower provided to the City the following information as a good faith  
2 estimate of the cost of the Notes financing and the City disclosed such information in  
3 accordance with Section 5852.1 of the California Government Code: (i) the true interest cost  
4 of the Notes, (ii) the finance charge of the Notes, including all third party expenses, (iii) the  
5 amount of proceeds received by the City for the execution and delivery of the Notes less the  
6 finance charge of the Notes and any reserves or capitalized interest paid or funded with the  
7 proceeds of the Notes and (iv) the total payment amount (the “Financing Information”); and

8           WHEREAS, Such Financing Information has been disclosed in connection with the  
9 Board meeting in which this Resolution is approved; now, therefore, be it

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

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

14          Section 2. Approval of Execution and Delivery of the Notes. In accordance with the  
15 Act, the Funding Loan Agreement, and the Borrower Loan Agreement, the City is hereby  
16 authorized to execute and deliver the Notes designated as “City and County of San Francisco  
17 Multifamily Housing Revenue Note (967 Mission) Series 2026A-1 (Tax-Exempt)” (the “Tax-  
18 Exempt Note”) in an aggregate principal amount not to exceed \$21,750,000 and “City and  
19 County of San Francisco Multifamily Housing Revenue Note (967 Mission) Series 2026A-2  
20 (Taxable)” (the “Taxable Note”) in an aggregate principal amount not to exceed \$20,000,000  
21 (together, referred to in this Resolution as the “Notes”), with an interest rate not to exceed  
22 twelve percent (12%) per annum for the Notes, and which shall have a final maturity date not  
23 later than forty (40) years from the date of execution and delivery of the Notes. The Notes  
24 shall be in the form set forth in and otherwise in accordance with the Funding Loan  
25 Agreement and shall be executed by the manual or facsimile signature of the Mayor. The

1 Board approves the issuance of the Notes for purposes of Section 147(f) of the Code.

2 Section 3. Approval of Funding Loan Agreement. The Funding Loan Agreement (the  
3 “Funding Loan Agreement”) in the form presented to the Board, a copy of which is on file with  
4 the Clerk of the Board, is hereby approved. The Funding Loan Agreement shall be entered  
5 into by and among the City, the Funding Lender and UMB Bank, National Association, a  
6 national banking association (the “Fiscal Agent”). Each of the Mayor, the Director of MOHCD,  
7 the Housing Development Director of MOHCD, or any other Authorized Representative, acting  
8 individually or collectively (as such term is defined in the Funding Loan Agreement) of the  
9 City, or a designee thereof, is hereby authorized to execute the Funding Loan Agreement,  
10 approved as to form by the City Attorney of the City (the “City Attorney”), in substantially said  
11 form, together with such additions thereto and changes therein as the City Attorney and Co-  
12 Special Counsel may approve or recommend in accordance with Section 8 hereof.

13 Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement (the  
14 “Borrower Loan Agreement”) by and between the City and the Borrower, in the form  
15 presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby  
16 approved. Each Authorized Representative of the City, or a designee thereof, is hereby  
17 authorized to execute the Borrower Loan Agreement, approved as to form by the City  
18 Attorney, in substantially said form, together with such additions thereto and changes therein  
19 as the City Attorney and Co-Special Counsel may approve or recommend in accordance with  
20 Section 8 hereof.

21 Section 5. Approval of Regulatory Agreement and Declaration of Restrictive  
22 Covenants. The Regulatory Agreement and Declaration of Restrictive Covenants (the  
23 “Regulatory Agreement”), between the City and the Borrower, in the form presented to the  
24 Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each  
25 Authorized Representative of the City, or a designee thereof, is hereby authorized to execute

1 the Regulatory Agreement, approved as to form by the City Attorney, in substantially said  
2 form, together with such additions thereto and changes therein as the City Attorney and Co-  
3 Special Counsel may approve or recommend in accordance with Section 8 hereof.

4 Section 6. Approval of Assignment of Deed of Trust and Related Documents. The  
5 Assignment of Deed of Trust and Loan Documents, from the City to the Funding Lender (the  
6 “Assignment” and together with the Funding Loan Agreement, the Borrower Loan Agreement,  
7 the Regulatory Agreement, the “City Documents”), in the form presented to this Board, a copy  
8 of which is on file with the Clerk of the Board, is hereby approved. Each Authorized  
9 Representative of the City, or a designee thereof, is hereby authorized to execute the  
10 Assignment, in substantially said form, together with such additions thereto and changes  
11 therein as the City Attorney and Co-Special Counsel may approve or recommend in  
12 accordance with Section 8 hereof.

13 Section 7. Issuer Fees. The City, acting through MOHCD, shall charge an annual  
14 issuer fee for monitoring compliance by the Borrower with certain provisions of the Regulatory  
15 Agreement up to an amount provided for under its standard issuer fee policies, or at some  
16 lesser amount if required upon the advice of Co-Special Counsel that such lesser amount is  
17 necessary or advisable under the Code. The annual monitoring fee due during the  
18 construction period may be payable at funding loan closing. The Board hereby authorizes  
19 MOHCD to charge and collect the fees described in this section.

20 Section 8. Modifications, Changes, Additions. Any Authorized Representative of the  
21 City executing the City Documents, in consultation with the City Attorney and Co-Special  
22 Counsel, is hereby authorized to approve and make such modifications, changes or additions  
23 to the City Documents as may be necessary or advisable, provided that such modification  
24 does not authorize an aggregate principal amount of the Tax-Exempt Note in excess of  
25 \$21,750,000 or authorize an aggregate principal amount of the Taxable Note in excess of

1 \$20,000,000, provide for a final maturity of the Notes more than forty (40) years, or provide for  
2 the Notes to bear interest at a rate in excess of twelve percent (12%) per annum. The  
3 approval of any modification, addition, or change to any of the aforementioned documents  
4 shall be evidenced conclusively by the execution and delivery of the document in question by  
5 an Authorized Representative of the City or a designee thereof.

6 Section 9. Execution of Documents. Any document authorized herein may be  
7 executed in multiple counterparts, and any document authorized herein may be executed  
8 using electronic means, to the extent permitted by applicable law and in consultation with the  
9 City Attorney and Co-Special Counsel.

10 Section 10. Ratification. All actions heretofore taken by the officers and agents of the  
11 City with respect to the Project, the funding loan and the borrower loan, and the execution and  
12 delivery of the Notes as consistent with the purposes of this Resolution and the City  
13 Documents, are hereby approved, confirmed, and ratified.

14 Section 11. General Authority. The proper officers of the City (including the Authorized  
15 Representatives of the City or designee thereof) are hereby authorized and directed, for and  
16 in the name and on behalf of the City, to do any and all things and take any and all actions  
17 and execute and deliver any and all certificates, assignments, agreements (including such  
18 agreements to provide adequate or additional security or indemnities as required by lenders to  
19 consummate the financing), and other documents and amendments, including but not limited  
20 to those documents described in the City Documents, which they, or any of them, in  
21 consultation with the City Attorney, may deem necessary or advisable in order to consummate  
22 the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of  
23 the City Documents. Any such actions are solely intended to further the purposes of this  
24 Resolution, and are subject in all respects to the terms of this Resolution. No such actions  
25 shall increase the risk to the City or require the City to spend any resources not otherwise

1 contemplated herein. Final versions of any such documents shall be provided to the Clerk of  
2 the Board for inclusion in the official file within thirty (30) days of execution by all parties.

3 Section 12. File. All documents referenced herein as being on file with the Clerk of the  
4 Board are located in File No. 251264, which is hereby declared to be a part of this Resolution  
5 as if set forth fully herein.

6 Section 13. Effective Date. This Resolution shall take effect upon its enactment.  
7 Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution  
8 unsigned or does not sign the resolution within ten days of receiving it, or the Board of  
9 Supervisors overrides the Mayor's veto of the resolution.

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11 APPROVED AS TO FORM:  
12 DAVID CHIU  
13 City Attorney

14 By: /s/ KENNETH D. ROUX  
15 KENNETH D. ROUX  
16 Deputy City Attorney

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