

**MAYOR'S OFFICE OF HOUSING AND COMMUNITY  
DEVELOPMENT  
CITY AND COUNTY OF SAN FRANCISCO**



**EDWIN M. LEE  
MAYOR**

**OLSON LEE  
DIRECTOR**

July 22, 2016

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

**RE: Resolution Authorizing the execution and delivery of a Multifamily Housing Bonds for Mission Bay South Block 6 East, 626 Mission Bay Boulevard North, for an amount not to exceed \$52,500,000**

Dear Supervisor Kim,

The Mayor's Office of Housing and Community Development (MOHCD) requests your support in introducing and sponsoring a resolution (attached) at the Board of Supervisors on Tuesday, July 26, 2016, which would authorize the City to enter into qualified mortgage revenue indebtedness for Mission Bay South Block 6 East, 626 Mission Bay Boulevard North (the "Project"). This is the follow-up legislation to the resolution you sponsored in November 2015 that authorized MOHCD to apply to the California Debt Limit Allocation Committee (CDLAC) for an allocation of \$75 million in qualified mortgage revenue indebtedness. The City, on behalf of the project sponsor, 1300 Fourth Street Associates, L.P., received a \$52,500,000 allocation on July 20, 2016.

The project, Mission Bay South Block 6 East (also known as 626 Mission Bay Boulevard North), is located in the Mission Bay South community. The Developer, 1300 Fourth Street Associates, L.P., will develop 143 units (53 one bedroom, 47 two bedroom and 43 three bedroom units (plus one manager's units)) of affordable family rental housing, approximately 9,730 sf of commercial space, 41 on-site parking spaces, 136 bicycle parking spaces, and open space. s, walkways, open courtyards, a fitness room and community room. Incomes and rents at the development will serve households with incomes between 20% - 50% Area Median Income (AMI), with 29 units set aside for formerly homeless households.

As you may know, 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 are the project revenues themselves and the credit enhancement provided by lenders.**

We kindly request that the resolution be introduced at the Board on **July 26, 2016**, in anticipation of being referred to the Budget and Finance Committee, possibly for the **September 7<sup>th</sup>** committee meeting, and forwarded to the full Board on **September 13<sup>th</sup>**. We are required by the California Debt Limit Allocation to close the bonds by September 20, 2016, and we anticipate construction will start in early October.

The attached resolution has been approved as-to-form by Deputy City Attorney Kenneth Roux. 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 Pam Sims at 701-5564.

Sincerely,

A handwritten signature in black ink, appearing to read "Mara Blitzer", with a long horizontal flourish extending to the right.

Mara Blitzer  
Director of Housing Development  
Mayor's Office of Housing and Community Development