

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



EDWIN M. LEE
MAYOR

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October 21, 2013

Honorable David Chiu
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 Revenue Note for Tenderloin Family Housing, 201 Turk Street.

With this letter, I am submitting to you for introduction at the Board of Supervisors meeting on October 22, 2013, a resolution regarding a qualified mortgage revenue note for Tenderloin Family Housing, located at 201 Turk Street. Tenderloin Family Housing is an existing affordable housing development owned by 201 Turk, L.P., a partnership for which Chinatown Community Development Center (CCDC) is the managing general partner. A prior resolution introduced by your office and passed by the full Board of Supervisors on May 1, 2012 authorized me, as Director of this office, to submit an application to the California Debt Limit Allocation Committee (CDLAC) for permission to execute a note in an amount not to exceed \$22,000,000. Proceeds from the note will be used to finance rehabilitation of the project.

The project is a 175-unit affordable family rental development in the Tenderloin neighborhood. It serves households ranging from 50-80% of unadjusted AMI in units ranging from studios to three-bedrooms. Originally constructed in 1994 using low income housing tax credit equity, private debt, and local financing, the property is in need of renovation in order to maintain it as a viable asset for the long term.

The Mayor's Office of Housing 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.

In order to meet the deadline of closing the financing and starting construction, the resolution