

1 [Multifamily Housing Revenue Bonds - 1035 Folsom Street and 21 Columbia Square Street -
2 Not to Exceed \$16,000,000]

3 **Resolution authorizing the issuance and delivery of multifamily housing revenue bonds**
4 **in an aggregate principal amount not to exceed \$16,000,000 for the purpose of**
5 **providing financing for the acquisition and rehabilitation of a 50-unit multifamily**
6 **residential rental housing project known as Columbia Park Apartments; ratifying the**
7 **approvals and terms and conditions of a previous Resolution; and related matters.**

8
9 WHEREAS, Pursuant to Resolution No. 0075-16 passed on March 1, 2016, and
10 approved by the Mayor of the City on March 11, 2016 (the "Prior Resolution"), the Board of
11 Supervisors of the City and County of San Francisco (the "Board of Supervisors" or the
12 "Board"), made provision to finance a portion of the costs of the acquisition and rehabilitation
13 by Mercy Housing California 67, L.P., a California limited partnership (the "Borrower"), of a 50-
14 unit residential rental housing development located at 1035 Folsom Street and 21 Columbia
15 Square Street, San Francisco, California, known as "Columbia Park Apartments" (the
16 "Project"), to provide housing for persons and families of low income through the issuance of
17 multifamily housing revenue bonds (the "Bonds") in an amount not to exceed \$13,779,028;
18 and

19 WHEREAS, The City and County of San Francisco (the "City") is authorized to issue
20 revenue bonds for such purpose pursuant to the Charter of the City, Article I of Chapter 43 of
21 the Administrative Code of the City and, to the extent applicable, Chapter 7 of Part 5 of
22 Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of
23 California ("Health and Safety Code"), as now in effect and as it may from time to time
24 hereafter be amended or supplemented (collectively, the "Act"); and

1 WHEREAS, Pursuant to Resolution No. 357-15, passed on September 29, 2015 and
2 adopted by the Mayor of the City on October 8, 2015 (the "Inducement Resolution"), this
3 Board approved the issuance of the Bonds for the purposes of Section 147(f) of the Internal
4 Revenue Code of 1986, as amended, (the "Code"), declared its intent to issue the Bonds in an
5 amount not to exceed \$16,000,000, and authorized officers of the City to submit an
6 application and related documents to the California Debt Limit Allocation Committee
7 ("CDLAC") and take other actions in connection with the proposed financing of the Project;
8 and

9 WHEREAS, On December 16, 2015, CDLAC in its Resolution No. 15-154, allocated
10 \$13,779,028 (the "Initial Allocation") in qualified private activity bond volume cap to the Project
11 and, pursuant to the Prior Resolution, this Board authorized the issuance of the Bonds up to
12 the Initial Allocation; and

13 WHEREAS, Pursuant to the Prior Resolution, there has been prepared and presented
14 to this Board for consideration the documentation required for the issuance of the Bonds,
15 consisting of an Indenture, a Regulatory Agreement and a Loan Agreement (each as defined
16 in the Prior Resolution and collectively referred to therein as the "City Documents") and this
17 Board has authorized and directed the Authorized Officers (as defined in the Prior Resolution)
18 to, among other things, execute and deliver the City Documents and consummate the lawful
19 issuance and delivery of the Bonds; and

20 WHEREAS, The Borrower has determined that the Initial Allocation is insufficient to
21 finance the Project and has decided to pursue an additional allocation from CDLAC and, if
22 CDLAC approves the Borrower's application, the Mayor's Office of Housing and Community
23 Development anticipates that the Initial Allocation will be increased to \$16,000,000, as
24 contemplated in the Inducement Resolution; and

1 WHEREAS, This Board finds that public interest and necessity require that the City at
2 this time make arrangements for the sale of the Bonds in an amount not to exceed
3 \$16,000,000, or such other lesser amount as is ultimately allocated by CDLAC to the Project;
4 now, therefore, be it

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

7 Section 1. Approval of Recitals. This Board hereby finds and declares that the above
8 recitals are true and correct.

9 Section 2. Approval of Issuance of Bonds. In accordance with the Act, the Indenture,
10 and the Prior Resolution, the City is hereby authorized to issue and deliver revenue bonds of
11 the City, such bonds to be issued in one or more series, and designated as “City and County
12 of San Francisco Multifamily Housing Revenue Bonds (Columbia Park Apartments), Series
13 2016B,” or such other designation as may be necessary or appropriate to distinguish such
14 series from every other series of bonds of the City. The Bonds shall be issued in an
15 aggregate principal amount not to exceed \$16,000,000, or such other lesser amount as is
16 ultimately allocated by CDLAC to the Project.

17 Section 3. Ratification. The terms, conditions and approvals of the Prior Resolution,
18 except as such terms, conditions and approvals are superseded by this resolution, and all
19 actions taken pursuant to the Prior Resolution in connection with the issuance of the Bonds,
20
21
22
23
24
25

1 are hereby approved, confirmed and ratified.

2

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

6

7 By: _____

8 Heidi J. Gewertz
9 Deputy City Attorney

10 n:\finan\las2016\1600431\01094518.docx

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25