

1 [Multifamily Housing Revenue Bonds - 4200 Geary - Not to Exceed \$60,000,000]

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3 **Resolution authorizing the issuance and delivery of tax-exempt multifamily housing**  
4 **revenue bonds in an aggregate principal amount not to exceed \$60,000,000 for the**  
5 **purpose of providing financing for the construction of a 98-unit, affordable multifamily**  
6 **residential rental housing project for seniors located at 4200 Geary Boulevard within**  
7 **the City; approving the form of and authorizing the execution of an indenture of trust**  
8 **providing the terms and conditions of the bonds; approving the form of and**  
9 **authorizing the execution of a loan agreement; approving the form of and authorizing**  
10 **the execution of a regulatory agreement and declaration of restrictive covenants;**  
11 **approving modifications, changes and additions to the documents; authorizing the**  
12 **collection of certain fees; approving, for purposes of the Internal Revenue Code of**  
13 **1986, as amended, the issuance and sale of residential mortgage revenue bonds by the**  
14 **City in an aggregate principal amount not to exceed \$60,000,000 to finance the**  
15 **acquisition and construction of the 4200 Geary apartments; ratifying and approving**  
16 **any action heretofore taken in connection with the bonds and the Project, as defined**  
17 **herein; granting general authority to City officials to take actions and execute any other**  
18 **documents necessary to implement this Resolution, as defined herein; and related**  
19 **matters, as defined herein.**

20

21 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
22 "Board") desires to provide for the financing of a portion of the costs of the construction by  
23 4200 Geary Associates, L.P., a California limited partnership (the "Borrower"), of a 98-unit  
24 residential rental housing development located at 4200 Geary Boulevard, San Francisco,

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1 California (the “Project”), to provide housing for seniors of low and very low income through  
2 the issuance of multifamily housing revenue bonds as described herein; and

3 WHEREAS, The City and County of San Francisco (the “City”) is authorized to issue  
4 revenue bonds for such purpose pursuant to the Charter of the City and Article I of Chapter 43  
5 of the Administrative Code of the City, as now in effect and as it may from time to time  
6 hereafter be amended or supplemented (collectively, the “Act”); and

7 WHEREAS, Any Bonds (as defined in Section 4 below) to be issued to finance the  
8 Project will be limited obligations of the City, the sole source of repayment for which shall be  
9 payments made by the Borrower or collateral security pledged by or for the Borrower, together  
10 with investment income on certain funds and accounts; and

11 WHEREAS, The interest on the Bonds may qualify for tax exemption under  
12 Section 103 of the Internal Revenue Code of 1986, as amended, (the “Code”), only if the  
13 Bonds are approved in accordance with Section 147(f) of the Code; and

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

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

17 WHEREAS, On December 5, 2022, the City caused a notice to be published in the  
18 Notices section of the Mayor’s Office of Housing and Community Development website (at  
19 <https://sfmohcd.org/notices-0>) stating that a public hearing with respect to the issuance of the  
20 Bonds would be held by the Mayor’s Office of Housing and Community Development on  
21 December 13, 2022; and

22 WHEREAS, The Mayor’s Office of Housing and Community Development held the  
23 public hearing described above on December 13, 2022, and an opportunity was provided for  
24 persons to comment on the issuance of the Bonds and the Project; and

1           WHEREAS, This Board is the elected legislative body of the City and is the applicable  
2 elected representative authorized to approve the issuance of the Bonds within the meaning of  
3 Section 147(f) of the Code; and

4           WHEREAS, There has been prepared and presented to this Board for consideration at  
5 this meeting the documentation required for the issuance of the Bonds, including the minutes  
6 of the above-referenced public hearing, and such documentation is on file with the Clerk of the  
7 Board of Supervisors (the “Clerk of the Board”); and

8           WHEREAS, It appears that each of the documents which is now before this Board is  
9 substantially in final form and is an appropriate instrument to be executed and delivered for  
10 the purposes intended; and

11           WHEREAS, This Board finds that public interest and necessity require that the City at  
12 this time make arrangements for the sale, issuance and delivery of the Bonds; and

13           WHEREAS, The City has engaged Jones Hall, A Professional Law Corporation and  
14 Husch Blackwell LLP, as co-bond counsel with respect to the Bonds (“Co-Bond Counsel”);  
15 and

16           WHEREAS, JPMorgan Chase Bank, N.A. has expressed its intention to purchase, or  
17 cause an affiliate to purchase, the Bonds authorized hereby; now, therefore, be it

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

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

22           Section 2.   Maximum Principal. The maximum principal amount of debt expected to  
23 be issued for the Project is \$60,000,000.

24           Section 3.   Approval for Purposes of Section 147(f) of the Code. This Board of  
25 Supervisors, as the applicable elected representative of the governmental unit having

1 jurisdiction over the area in which the Project is located, hereby approves the issuance of the  
2 Bonds for purposes of Section 147(f) of the Code.

3 Section 4. Approval of Issuance of Bonds. In accordance with the Act and the  
4 Indenture (hereinafter defined), the City is hereby authorized to issue and deliver tax-exempt  
5 multifamily housing revenue bonds designated as “City and County of San Francisco,  
6 California Multifamily Housing Revenue Bonds (4200 Geary) Series 2023B,” in an aggregate  
7 principal amount not to exceed \$60,000,000 (the “Bonds”); with such additional or other  
8 designation as may be necessary or appropriate to distinguish such series from every other  
9 series of bonds of the City, with an interest rate not to exceed twelve percent (12%) per  
10 annum, and each with a final maturity date not later than forty-five (45) years from the date of  
11 issuance of the Bonds. The Bonds shall be in the form set forth in and otherwise in  
12 accordance with the Indenture, and shall be executed by the manual or facsimile signature of  
13 the Mayor of the City (the “Mayor”) and as further provided in the Indenture.

14 Section 5. Indenture. The Indenture of Trust (the “Indenture”), by and between the  
15 City and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the  
16 “Trustee”), in the form presented to this Board, a copy of which is on file with the Clerk of the  
17 Board, is hereby approved. Each of the Mayor, the Director of the Mayor's Office of Housing  
18 and Community Development or any other Authorized City Representative (as such term is  
19 defined in the Indenture) of the City (collectively, the “Authorized Officers”) is hereby  
20 authorized to execute the Indenture in said form, together with such additions thereto and  
21 changes therein as the City Attorney and Co-Bond Counsel may approve or recommend in  
22 accordance with Section 9 hereof.

23 Section 6. Approval of Loan Agreement. The Loan Agreement (the “Loan  
24 Agreement”), by and between the City and the Borrower, in the form presented to this Board,  
25 a copy of which is on file with the Clerk of the Board, is hereby approved. Each Authorized

1 Officer is hereby authorized to execute the Loan Agreement in said form, together with such  
2 additions thereto and changes therein as the City Attorney and Co-Bond Counsel may  
3 approve or recommend in accordance with Section 9 hereof.

4 Section 7. Regulatory Agreement and Declaration of Restrictive Covenants. The  
5 Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory  
6 Agreement”), by and between the City and the Borrower, in the form presented to this Board,  
7 a copy of which is on file with the Clerk of the Board, is hereby approved. Each Authorized  
8 Officer is hereby authorized to execute the Regulatory Agreement, in said form, together with  
9 such additions thereto and changes therein as the City Attorney and Co-Bond Counsel may  
10 approve or recommend in accordance with Section 9 hereof.

11 Section 8. Issuer Fees. The City, acting through the Mayor's Office of Housing and  
12 Community Development, shall charge an annual administrative fee (the “Annual Fees”) for  
13 monitoring compliance with the provisions of the Regulatory Agreement in an amount not to  
14 exceed one-eighth of one percent (0.125%) of the average outstanding aggregate principal  
15 amount of the Bonds during the previous twelve months, but no less than \$2,500 annually, for  
16 the term of the Regulatory Agreement. The Board hereby authorizes the Mayor's Office of  
17 Housing and Community Development to charge and collect, or appoint an agent, which may  
18 be the Trustee, to collect on behalf of the City, the fees described in this section.

19 Notwithstanding the foregoing provisions of this Section, the City, acting through the Mayor’s  
20 Office of Housing and Community Development, is authorized to charge an Issuance Fee or  
21 Annual Fees, or both, that is or are lower than the fees prescribed in this Section if, upon the  
22 advice of Co-Bond Counsel, lower fees are necessary or advisable to ensure that the Bonds  
23 do not become “arbitrage bonds” within the meaning of Section 148 of the Code, or to ensure  
24 that interest on the Bonds does not become includable in gross income for federal income tax  
25 purposes.

1           Section 9.    Modifications, Changes, Additions. Any Authorized Officer executing the  
2 Indenture, the Loan Agreement, or the Regulatory Agreement (collectively, the “City  
3 Agreements”), in consultation with the City Attorney and Co-Bond Counsel, is hereby  
4 authorized to approve and make such modifications, changes or additions to the City  
5 Agreements as may be necessary or advisable, provided that such modification does not  
6 authorize an aggregate principal amount of the Bonds in excess of \$60,000,000, provide for a  
7 final maturity on the Bonds later than forty-five (45) years from the date of issuance of the  
8 Bonds, or provide for the Bonds to bear interest at a rate in excess of twelve percent (12%)  
9 per annum. The approval of any modification, addition or change to any of the City  
10 Agreements shall be evidenced conclusively by the execution and delivery of the document in  
11 question by an Authorized Officer.

12           Section 10. Ratification. All actions heretofore taken by the officers and agents of the  
13 City with respect to the sale, issuance and delivery of the Bonds, as consistent with the City  
14 Agreements and this Resolution, are hereby approved, confirmed and ratified.

15           Section 11. General Authority. The proper officers of the City, including but not limited  
16 to the Authorized Officers, are hereby authorized and directed, for and in the name and on  
17 behalf of the City, to do any and all things and take any and all actions and execute and  
18 deliver any and all certificates, agreements and other documents, subordinations,  
19 assignments, tax documents and those documents described or referenced in the City  
20 Agreements, which they, or any of them, may deem necessary or advisable in order to  
21 consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes  
22 thereof and of the City Agreements in consultation with the City Attorney. Any such actions  
23 are solely intended to further the purposes of this Resolution and the Project, and are subject  
24 in all respects to the terms of the Resolution. No such actions shall increase the risk to the  
25 City or require the City to spend any resources not otherwise granted herein. Final versions

1 of any such documents shall be provided to the Clerk of the Board for inclusion in the official  
2 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  
4 the Board are located in File No. 230101, which is hereby declared to be a part of this  
5 Resolution as set forth fully herein.

6 Section 13. Effectiveness. This Resolution shall take effect from and after the adoption  
7 by the Board and approval by the Mayor.

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9 APPROVED AS TO FORM:  
10 DAVID CHIU  
11 City Attorney

12 By: /s/ Kenneth D. Roux  
13 Kenneth D. Roux  
14 Deputy City Attorney

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