

1 [Multifamily Housing Revenue Bonds - 1500-1580 Mission Street and 77 South Van Ness  
2 Avenue (also known as "Goodwill") - Not to Exceed \$475,000,000]

3 **Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended,**  
4 **the issuance and sale of residential mortgage revenue bonds by the City in an**  
5 **aggregate principal amount not to exceed \$475,000,000 for the purpose of providing**  
6 **financing for the construction of approximately 550 units of residential rental housing**  
7 **located at 1500-1580 Mission Street and 77 South Van Ness Avenue, also known as**  
8 **Goodwill; authorizing and directing the execution of any documents necessary to**  
9 **implement this Resolution; and ratifying and approving any action heretofore taken in**  
10 **connection with the Project, as defined herein.**

11  
12 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the  
13 "Board of Supervisors"), after careful study and consideration, has determined that there is a  
14 shortage of safe and sanitary housing within the City and County of San Francisco (the "City"),  
15 particularly for low and moderate income persons, and that it is in the best interest of the  
16 residents of the City and in furtherance of the health, safety, and welfare of the public for the  
17 City to assist in the financing of multifamily rental housing units; and

18 WHEREAS, Acting under and pursuant to the powers reserved to the City under  
19 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections  
20 1.101 and 9.107 of the Charter, the City has enacted the City and County of San Francisco  
21 Residential Mortgage Revenue Bond Law (the "City Law"), constituting Article I of Chapter 43  
22 of the San Francisco Administrative Code, in order to establish a procedure for the  
23 authorization, issuance and sale of residential mortgage revenue bonds by the City for the  
24 purpose of providing funds to encourage the availability of adequate housing and home  
25 finance for persons and families of low or moderate income, and to develop viable

1 communities by providing decent housing, enhanced living environments, and increased  
2 economic opportunities for persons and families of low or moderate income; and

3 WHEREAS, In addition, pursuant to Division 31 of the Health and Safety Code of the  
4 State of California, and particularly Chapter 7 of Part 5 thereof (the "State Law"), the City is  
5 empowered to issue and sell bonds for the purpose of making mortgage loans or otherwise  
6 providing funds to finance the development of multifamily rental housing including units for  
7 lower income households and very low income households; and

8 WHEREAS, Goodwill SF Urban Development, LLC, a limited liability company (or an  
9 affiliate thereof or successor thereto) (the "Developer"), desires to construct approximately  
10 550 units of residential rental housing located on the site including 1500-1580 Mission Street  
11 and 77 South Van Ness Avenue (the "Project"); and

12 WHEREAS, The Developer has requested that the City assist in the financing of the  
13 Project through the issuance of one or more series of tax-exempt mortgage revenue bonds  
14 (the "Bonds"); and

15 WHEREAS, The City intends to issue the Bonds in an amount not to exceed  
16 \$475,000,000 and to loan the proceeds of the Bonds to the Developer (the "Loan") to finance  
17 the costs of the Project; and

18 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section  
19 103 of the Internal Revenue Code of 1986, as amended (the "Code"), only if the Bonds are  
20 approved in accordance with section 147(f) of the Code; and

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

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

24 WHEREAS, On June 13, 2017, the City caused a notice stating that a public hearing  
25 with respect to the issuance of the Bonds would be held by the Mayor's Office of Housing and

1 Community Development on June 28, 2017, to appear in *The San Francisco Examiner*, which  
2 is a newspaper of general circulation in the City; and

3 WHEREAS, The Mayor’s Office of Housing and Community Development held the  
4 public hearing described above on June 28, 2017 and an opportunity was provided for  
5 persons to comment on the issuance of the Bonds and the Project; and

6 WHEREAS, This Board of Supervisors is the elected legislative body of the City and is  
7 the applicable elected representative authorized to approve the issuance of the Bonds within  
8 the meaning of section 147(f) of the Code; now, therefore be it

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

11 Section 1. The Board of Supervisors finds and determines that the foregoing recitals  
12 are true and correct.

13 Section 2. The maximum principal amount of tax-exempt Bonds expected to be issued  
14 for the Project is \$475,000,000.

15 Section 3. This Board of Supervisors, as the applicable elected representative of the  
16 governmental unit having jurisdiction over the area in which the Project is located, hereby  
17 approves the issuance of the Bonds for purposes of Section 147(f) of the Code.

18 Section 4. This approval of the issuance of the Bonds by the City is neither an approval  
19 of the underlying credit issues of the proposed Project nor an approval of the financial  
20 structure of the Bonds.

1            Section 5. This Resolution shall take effect from and after its adoption by the Board and  
2 approval by the Mayor.

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

7  
8 By: \_\_\_\_\_  
9        KENNETH DAVID ROUX  
10        Deputy City Attorney  
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