

File No. 151129

Committee Item No. 10
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date November 18, 2015

Board of Supervisors Meeting

Date _____

Cmte Board

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Completed by: Linda Wong Date November 13, 2015
Completed by: Linda Wong Date _____

1 [Multifamily Housing Revenue Bonds - 1760 Bush Street - Not to Exceed \$44,005,000]

2
3 **Resolution declaring the intent of the City and County of San Francisco (the "City") to**
4 **reimburse certain expenditures from proceeds of future bonded indebtedness;**
5 **authorizing the Director of the Mayor's Office of Housing and Community Development**
6 **(the "Director") to submit an application and related documents to the California Debt**
7 **Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage**
8 **revenue bonds in an aggregate principal amount not to exceed \$44,005,000 for 1760**
9 **Bush Street; authorizing and directing the Director to direct the Controller's Office to**
10 **hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures;**
11 **authorizing the Director to certify to CDLAC that the City has on deposit the required**
12 **amount; authorizing the Director to pay an amount equal to such deposit to the State of**
13 **California if the City fails to issue the residential mortgage revenue bonds; approving,**
14 **for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale**
15 **of residential mortgage revenue bonds by the City in an aggregate principal amount**
16 **not to exceed \$44,005,000; authorizing and directing the execution of any documents**
17 **necessary to implement this Resolution; and ratifying and approving any action**
18 **heretofore taken in connection with the Project, as defined herein, and the Application,**
19 **as defined herein.**

20
21 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
22 "Board of Supervisors"), after careful study and consideration, has determined that there is a
23 shortage of safe and sanitary housing within the City and County of San Francisco (the "City"),
24 particularly for low and moderate income persons, and that it is in the best interest of the
25

1 residents of the City and in furtherance of the health, safety, and welfare of the public for the
2 City to assist in the financing of multi-family rental housing units; and

3 WHEREAS, Acting under and pursuant to the powers reserved to the City under
4 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections
5 1.101 and 9.107 of the Charter, the City has enacted the City and County of San Francisco
6 Residential Mortgage Revenue Bond Law (the "City Law"), constituting Article I of Chapter 43
7 of the San Francisco Administrative Code, in order to establish a procedure for the
8 authorization, issuance and sale of residential mortgage revenue bonds by the City for the
9 purpose of providing funds to encourage the availability of adequate housing and home
10 finance for persons and families of low or moderate income, and to develop viable
11 communities by providing decent housing, enhanced living environments, and increased
12 economic opportunities for persons and families of low or moderate income; and

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

18 WHEREAS, 1760 Bush, L.P., a California limited partnership (or any successor thereto
19 including any successor owner of the Project, the "Developer"), desires to
20 rehabilitate/construct a 108-unit affordable residential rental housing development located at
21 1760 Bush Street, San Francisco, California 94109 (the "Project"); and

22 WHEREAS, The Developer has requested that the City assist in the financing of the
23 Project through the issuance of one or more series of tax-exempt mortgage revenue bonds
24 (the "Bonds"); and
25

1 WHEREAS, The City expects that proceeds of the Bonds will be used to pay certain
2 costs incurred in connection with the Project prior to the date of issuance of the Bonds; and

3 WHEREAS, The City intends to issue the Bonds in an amount not to exceed
4 \$44,005,000 and to loan the proceeds of the Bonds to the Developer (the "Loan") to finance
5 the costs of the Project; and

6 WHEREAS, The Bonds will be limited obligations, payable solely from pledged
7 security, including Project revenues, and will not constitute a debt of the City; and

8 WHEREAS, The Board of Supervisors has determined that the moneys advanced and
9 to be advanced to pay certain expenditures of the Project are or will be available only for a
10 temporary period and it is necessary to reimburse such expenditures with respect to the
11 Project from the proceeds of the Bonds; and

12 WHEREAS, Section 1.150-2 of the United States Treasury Regulations requires that
13 the Board of Supervisors declare its reasonable official intent to reimburse prior expenditures
14 for the Project with proceeds of the Bonds; and

15 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
16 103 of the Internal Revenue Code of 1986, as amended (the "Code"), only if the Bonds are
17 approved in accordance with Section 147(f) of the Code; and

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

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

21 WHEREAS, On October 16, 2015 the City caused a notice stating that a public hearing
22 with respect to the issuance of the Bonds would be held by the Mayor's Office of Housing and
23 Community Development and Community Development on October 30, 2015, to appear in
24 The San Francisco Examiner, which is a newspaper of general circulation in the City; and
25

1 WHEREAS, The Mayor's Office of Housing and Community Development held the
2 public hearing described above on October 30, 2015 and an opportunity was provided for
3 persons to comment on the issuance of the Bonds and the Project; and the minutes of such
4 hearing were provided to this Board of Supervisors prior to this meeting; and

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

8 WHEREAS, Section 146 of the Code limits the amount of tax-exempt private activity
9 bonds, which include qualified mortgage bonds, that may be issued in any calendar year by
10 entities within a state and authorizes the legislature of each state to provide the method of
11 allocating authority to issue tax-exempt private activity bonds within the respective state; and

12 WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State
13 of California governs the allocation in the State of California of the state ceiling established by
14 Section 146 of the Code among governmental units in the State having the authority to issue
15 tax-exempt private activity bonds; and

16 WHEREAS, Section 8869.85(b) of the Government Code requires that a local agency
17 file an application for a portion of the state ceiling with or upon the direction of the California
18 Debt Allocation Committee ("CDLAC") prior to the issuance of tax-exempt private activity
19 bonds, including qualified mortgage bonds; and

20 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to
21 certify to CDLAC that applicant has on deposit an amount equal to one-half of one percent
22 (1/2%) of the amount of allocation requested not to exceed \$100,000.00; now, therefore, be it

23 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
24 follows:
25

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

3 Section 2. The Board of Supervisors adopts this Resolution for purposes of
4 establishing compliance with the requirements of Section 1.150-2 of the United States
5 Treasury Regulations. This Resolution does not bind the Board of Supervisors to issue the
6 Bonds, approve the Loan or to make any expenditure, incur any indebtedness or proceed with
7 the Project.

8 Section 3. The Board of Supervisors hereby declares its official intent under United
9 States Treasury Regulations Section 1.150-2 to use proceeds of the Bonds to reimburse
10 expenditures incurred in connection with the Project. The Board of Supervisors hereby further
11 declares its intent to use such proceeds to reimburse the Developer for actual expenditures
12 made by the Developer on the Project.

13 Section 4. On the date of the expenditure to be reimbursed, all reimbursable costs of
14 the Project will be of a type properly chargeable to a capital account under general federal
15 income tax principles.

16 Section 5. The maximum principal amount of debt expected to be issued for the Project
17 is \$44,005,000.

18 Section 6. This Board of Supervisors, as the applicable elected representative of the
19 governmental unit having jurisdiction over the area in which the Project is located, hereby
20 approves the issuance of the Bonds for purposes of Section 147(f) of the Code.

21 Section 7. This approval of the issuance of the Bonds by the City is neither an approval
22 of the underlying credit issues of the proposed Project nor an approval of the financial
23 structure of the Bonds.

24 Section 8. The Board of Supervisors hereby authorizes the Director, or his designee of
25 the Mayor's Office of Housing and Community Development (the "Director"), on behalf of the

1 City, to submit an application (the "Application"), and such other documents as may be
2 required, to CDLAC pursuant to Government Code Section 8869.85 for an allocation for the
3 Project of a portion of the state ceiling for private activity bonds in a principal amount not to
4 exceed \$44,005,000.

5 Section 9. An amount equal to \$100,000 ("Deposit") is hereby authorized to be held on
6 deposit in connection with the Application and the applicable CDLAC procedures, and the
7 Director is authorized to certify to CDLAC that such funds are available.

8 Section 10. If the City receives a CDLAC allocation and the applicable issuance
9 requirements are not met, the Mayor's Office of Housing and Community Development is
10 hereby authorized to cause an amount equal to the Deposit to be paid to the State of
11 California.

12 Section 11. The officers and employees of the City and the Director are hereby
13 authorized and directed, jointly and severally, to do any and all things necessary or advisable
14 to consummate the receipt of an allocation from CDLAC and otherwise effectuate the
15 purposes of this Resolution, consistent with the documents cited herein and this Resolution,
16 and all actions previously taken by such officers and employees with respect to the Project,
17 consistent with the documents cited herein and this Resolution, including but not limited to the
18 submission of the application to CDLAC, are hereby ratified and approved.

1 Section 12. This Resolution shall take effect from and after its adoption by the Board
2 and approval by the Mayor.

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

7
8 By: Kenneth D. Roux
9 KENNETH D. ROUX
Deputy City Attorney
10 n:\financlas2015\1600235\01057910.doc

**1760 Bush – RAD Phase II
Project Overview**

Project Summary

1760 Bush consists of 108 public housing units located at 1760 Bush Street in the City and County of San Francisco. The project is being rehabilitated as part of a citywide program under which public housing units currently owned and operated by the San Francisco Housing Authority will convert to the Rental Assistance Demonstration (RAD) program. Under RAD, 3,584 units of public housing in 29 different projects will convert in two phases.

1760 Bush, which is part of phase II, will include approximately 74,740 square feet of gross floor area, including 63,040 square feet of residential area as well as nearly 6,352 square feet of common space and 5,348 square feet of garage area. Residents will have access to a courtyard on the ground floor and second floor, a community room, a library and a laundry room.

Total project costs, including the cost to acquire and rehabilitate the existing buildings, will be nearly \$44 million, or approximately \$407,000 per dwelling unit.

The residential unit distribution, which will include a one 1-bedroom superintendent unit, is:

Studios	83 units
1-BRs	24 units
2-BRs	1 unit

All of the residential units will serve households earning less than 50% of the San Francisco County Area Median Income (AMI), though the rents may be increased to 60% of California Tax Credit Allocation Committee AMI in the event of loss of subsidy.

Description of Residents

No residents will be displaced. All residents have the right to return after any temporary relocation that might be required. RAD does not allow re-screening or re-application of any residents.

1760 Bush is a senior/disabled project. The population is quite diverse, with English, Russian, and Chinese being the primary languages residents speak.

Site Description and Scope of Work

Address: 1760 Bush Street, San Francisco, CA 94109
Block/Lot: 0664/031

The scope of work for the rehabilitation of 1760 Bush Street will include:

- creation of a vestibule entry for security;
- remodeling an existing community room and library;
- repairs to the elevator system;
- fire system and life safety upgrades, including adding sprinklers;
- accessibility upgrades;
- roofing system replacement;
- necessary upgrades to the plumbing, HVAC, and electrical systems;
- interior unit upgrades to the kitchens, bathrooms, and flooring;

- asbestos removal; and
- limited external site work.

Fourteen months are allocated to rehabilitation of the project. Existing residents will be relocated on-site through a MOHCD- and SFHA-coordinated relocation effort.

Development Team

- 1760 Bush LP is the project's sponsor.
- Japanese American Religious Federation Housing Inc. will be the non-profit partner in the development and operation of the project.
- Nibbi Brothers Construction will be the general contractor for the project.
- The John Stewart Company will be property manager for the project.
- Gelfand Partners Architects is the architect for the project.

Project Ownership Structure

- The existing owner of the project is the San Francisco Housing Authority, which will retain ownership of the land and convey the improvements to 1760 Bush LP, of which Japanese American Religious Federation Housing Inc. will be the managing general partner.
- An investor member will own a 99.99% member interest in the new owner.
- Any required guaranties will be provided by The John Stewart Company and Japanese American Religious Federation Housing Inc.

Financing Structure

The RAD phase II projects will utilize the following sources of capital financing:

- tax-exempt bonds issued by the City of San Francisco;
- 4% Low Income Housing Tax Credits (LIHTC);
- seller carryback financing from the San Francisco Housing Authority;
- a conventional first mortgage; and
- soft debt from the City and County of San Francisco.

The amount of private activity tax-exempt bonds used during construction will be sized specifically to meet the 50% of aggregate basis test required for the 4% tax credits.

The sale of 4% LIHTC will generate equity financing for the project. The calculation of tax credits utilizes a 30% basis boost as San Francisco County is a "difficult-to-develop" area.

Schedule

Financing is anticipated to close between August 15, 2015 and September 15, 2015, with construction commencing within 30 days of closing.

The site rehabilitation work will be completed over a 14-month period with households temporarily relocated for approximately 4 weeks during each phase of the work. All construction is expected to be completed by December 2017.

SAN FRANCISCO EXAMINER

This space for filing stamp only

835 MARKET ST, SAN FRANCISCO, CA 94103
Telephone (415) 314-1835 / Fax (510) 743-4178

Faith Kirkpatrick
CCSF MAYOR'S OFFICE OF HOUSING
ONE SOUTH VAN NESS AVE 5TH FLR
SAN FRANCISCO, CA - 94103-5416

EXM#: 2805999

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of SAN FRANCISCO) ss

Notice Type: GPN - GOVT PUBLIC NOTICE

Ad Description:
TEFRA AD - 1760 Bush

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SAN FRANCISCO EXAMINER, a newspaper published in the English language in the city of SAN FRANCISCO, county of SAN FRANCISCO, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SAN FRANCISCO, State of California, under date 10/18/1951, Case No. 410667. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

10/16/2015

Executed on: 10/16/2015
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.



Signature

NOTICE OF PUBLIC HEARING

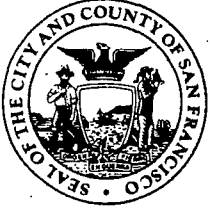
NOTICE IS HEREBY GIVEN that on October 30, 2015, at 1:00 p.m., in the Mayor's Office of Housing and Community Development, 5th Floor, San Francisco, CA 94103, the City and County of San Francisco (the "City") will conduct a public hearing (the "Public Hearing") at which time the City will hear and consider information concerning the proposed sale and issuance by the City of multifamily affordable housing mortgage revenue bonds (the "Bonds") in an aggregate principal amount not to exceed Forty Four Million and Five Thousand dollars (\$44,005,000). A portion of the proceeds of the Bonds will be loaned to 1760 Bush, L.P. (or any successor thereto) (the "Borrower"), pursuant to a loan agreement (the "Loan Agreement"). The proceeds of the Bonds loaned to the Borrower will be used to finance the acquisition and rehabilitation of 108-unit residential rental housing development located at 1760 Bush St., San Francisco, California 94109 (the "Project"). The Project will be owned and operated by the Borrower. The Bonds will be paid entirely by the Borrower from the revenues of the Project, in accordance with the Loan Agreement. Neither the full faith and credit nor the taxing power of the City, the State of California (the "State") or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal, premium, if any, or interest on the Bonds, nor shall the City, the State or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal, premium, if any, or interest on the Bonds.

City, c/o Faith Kirkpatrick, Mayor's Office of Housing and Community Development, at the address indicated above.
Date: October 16, 2015
CITY AND COUNTY OF SAN FRANCISCO
Olson Lee
Director, Mayor's Office of Housing and Community Development

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended. All those interested in matters related to the issuance of the Bonds and to the financing of the Project are invited to attend and be heard at this hearing. Interested parties may appear in person at the time and place indicated above or submit written comments, which must be received prior to the Public Hearing, to the



Mayor's Office of Housing and Community Development
City and County of San Francisco



Edwin M. Lee
Mayor

Olson Lee
Director

TEFRA Hearing Minutes: Phase II Rental Assistance Demonstration Projects

320-330 Clementina Street
350 Ellis Street
1750 McAllister Street
1760 Bush Street
2698 California Street
3850 18th Street
Alemany (938 Ellsworth Street)
John F. Kennedy Towers (2451 Sacramento Street)
Mission Dolores (1855 15th Street)
Ping Yuen North (838 Pacific Avenue)
Ping Yuen (655, 711-795 and 895 Pacific Avenue)
Rosa Parks (1251 Turk Street)
Westbrook (40 Harbor Road)
Westside Courts (2545 Sutter Street)

San Francisco Mayor's Office of Housing and Community Development
1 South Van Ness Avenue
San Francisco, CA 94103

October 30, 2015
1:00 p.m. - 2:30 p.m.

The hearing was called to order by Adam Cray, Senior Project Manager, San Francisco Mayor's Office of Housing and Community Development ("MOHCD"), at 1:00 p.m. Those in attendance included: representatives from MOHCD's developer partners, several MOHCD staff members, and twelve public housing residents from six of the phase II Rental Assistance Demonstration ("RAD") projects.

1. Explanation of the Purpose of the Hearing

Mr. Cray explained that the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) is a federal law requiring any issuer of tax-exempt bonds to provide a reasonable opportunity for interested individuals to express their views, either orally or in writing, on the issuance of the bonds and the nature of the improvements and projects for which the

bond funds will be allocated. Thus, as the issuer of the tax-exempt bonds financing the fourteen phase II RAD projects, the City and County of San Francisco held the TEFRA hearing to provide those interested in discussing the projects the opportunity to comment and ask question.

2. Comments and Questions from Interested Parties

Following the explanation of the hearing's purpose, Mr. Cray solicited comments and questions from those assembled regarding each of the phase II RAD projects. The comments and questions, which related to six of the fourteen projects, were as follows:

a. Ping Yuen (655, 711-795 and 895 Pacific Avenue)

Mr. Wong and Mr. Vuong, both Ping Yuen residents, asked questions and commented about (1) the historical status of the Ping Yuen project, (2) the fact that many residents are elderly and do not want to be relocated during renovations or due to over-housing, (3) general relocation logistics, and (4) a lack of trust for RAD developers. Regarding the project's historical status, Mr. Wong requested that the RAD developers "sign off" on Ping Yuen becoming a "historical asset" due to the outcome of a civil rights law suit involving the project and asserted that, due to the project's historical status, a transfer of its ownership may not be legal. Ms. Dodge of Chinatown Community Development Center ("CCDC") acknowledged that, while not officially designated a landmark, the project is historically significant and explained CCDC will respect that significance. Ms. Ely from MOHCD then summarized the historic review process.

Regarding relocation, Ms. Dodge noted that relocating residents during construction would be necessary but that CCDC would cover all moving costs and would work diligently to minimize stress on residents. In reference to a follow-up question regarding relocation logistics, Ms. Dodge then described the relocation plan and budget and explained that a significant amount of funds have been set aside to assist with construction-related relocation. She also stated that permanent relocation due to over-housing would be discussed on a case-by-case basis and that CCDC would seek volunteers willing to downsize their units.

Following Ms. Dodge's comments, Ms. Ely identified the documents describing tenant rights under the RAD program and underscored several portfolio-wide rules regarding relocation and displacement, including the requirement that all residents be allowed to return to their project (though not necessarily their unit) following construction-related relocation.

b. 350 Ellis Street

Mr. Shkolnik, a resident of 350 Ellis Street, questioned the scope and proposed footprint of the project's rehabilitation plan, particularly building additions that would lead to a loss of parking. He asserted that so much money should not be spent to renovate the building since the building had been extensively repaired in recent years following a fire.

Mr. Shkolnik also mentioned that he had tried several times to contact the project's developer, Tenderloin Neighborhood Development Center ("TNDC"), to discuss his concerns but that he had not been able to connect with representatives from TNDC who were able to address his concerns.

Mr. Cray explained the type of project costs that were reflected in the TEFRA hearing notice and referred Mr. Shkolnik's design-related questions to Mr. Lauderbach, a representative of TNDC present at the hearing. Mr. Lauderbach agreed to discuss Mr. Shkolnik's concerns immediately following the hearing.

Denise, a resident of 350 Ellis Street, expressed concerns about leaks at the project and indicated that she fully supports the rehabilitation efforts the RAD program will help facilitate. She stated that the project is "really in need of help."

c. John F. Kennedy Towers (2451 Sacramento Street)

Mr. Richardson, a resident of John F. Kennedy Towers, commented that the RAD program is "critically important" because it gives residents an opportunity to organize for the betterment of their homes.

d. 320-330 Clementina Street

Mr. Durham, a resident of Clementina Towers, and his sister Ms. Durham-Young inquired about (1) Mr. Durham's right to return to his unit following renovations, (2) whether or not Mr. Durham's rent would be increased as a result of the RAD program, (3) availability of housing vouchers for temporary relocation, (4) and bedbug abatement.

Ms. Ely of MOHCD explained that the only reasons a resident might not be able to move back into his or her unit following renovations were related to right-sizing and accessibility. That is, households that are over-housed might be asked to move to a smaller unit so that their unit can be assigned to a household that is under-housed, and households in units renovated to be accessible to disabled residents might be asked to move to make those units available to disabled residents. However, Ms. Ely underscored that, while residents might be asked to permanently leave their units for these reasons, no residents will be required to permanently leave their projects. Also, Mr. Potluri, a representative of TNDC, explained that permanent relocations within projects due to right-sizing and accessibility will be determined on a case-by-case basis and offered to speak with Mr. Durham following the meeting regarding his own situation.

Regarding rent increases, Ms. Ely noted that, for the vast majority of tenants, the formula for determining rent under the RAD program will be the same as the formula to which residents are currently subject. Thus, she explained, any rent increases residents experience are unlikely to have been a direct result of the RAD program. Ms. Ely also noted that housing vouchers will not be available for temporary relocation.

Finally, Mr. Cray and Ms. Ely explained the bedbug abatement process employed in phase I of RAD and noted that a similar process will likely be employed for phase II.

e. Mission Dolores (1855 15th Street)

Mr. Fong, a resident of Mission Dolores, expressed concern that the renovation budget for his building might not be sufficient to remedy all of the building's problems. He noted specific problems with the building's elevators and air handling system and stated that he was unsatisfied with recently completed renovations. Mr. Fong also expressed his concerns regarding relocation and his desire to see planters installed in the project's backyard and to be kept informed of the progress of renovations.

Ms. Ely explained the top rehabilitation priorities for all RAD projects: life safety, building envelope, and accessibility. Mr. Parillon of BRIDGE Housing Corporation further explained that the renovation of Mission Dolores would be extensive and that the minor renovations completed thus far have been to prepare some units for temporary occupancy during renovation. He also mentioned that, because there are several vacant units at the project, many residents will be relocated to units on-site during rehabilitation, rather than relocated off site. Finally, Mr. Parillon stated that residents will be informed of renovation via frequent on-site meetings.

f. 1760 Bush Street

Ms. McNulty, a resident of 1760 Bush Street, explained that she "supports RAD 100 percent." She also requested that building construction begin no earlier than 10:00 a.m.

The hearing was adjourned at 2:30 p.m.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *EW* Mayor Edwin M. Lee *NE*
RE: Multifamily Housing Revenue Bonds - 1760 Bush Street, San Francisco,
California 94109 - Not to Exceed \$44,005,000
DATE: November 3, 2015

Attached for introduction to the Board of Supervisors is a resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$44,005,000 for 1760 Bush Street, (San Francisco, California 94109); authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$44,005,000; authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

Please note that this item is co-sponsored by Supervisor Breed.

I respectfully request that this item be calendared in Budget & Finance Committee on November 18, 2015.

Should you have any questions, please contact Nicole Elliott (415) 554-7940.

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SUE BRIDGES
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