

1 [Multifamily Housing Revenue Bonds - 1979 Mission Street PSH Associates, L.P. - 2970-16th
2 Street - Not to Exceed \$60,000,000]

3 **Resolution authorizing the issuance and delivery of multifamily housing revenue bonds**
4 **in one or more series in an aggregate principal amount not to exceed \$60,000,000 for**
5 **the purpose of providing financing for the construction of a 136-unit multifamily rental**
6 **housing project located at 2970-16th Street, known as “2970 16th Street”; approving the**
7 **form of and authorizing the execution of an indenture of trust providing the terms and**
8 **conditions of the bonds; approving the form of and authorizing the execution of a loan**
9 **agreement providing the terms and conditions of the construction loan from the City to**
10 **the borrower; approving the form of and authorizing the execution of a regulatory**
11 **agreement and declaration of restrictive covenants for the project; approving the form**
12 **of and authorizing the execution of an assignment of deed of trust documents;**
13 **authorizing the collection of certain fees; approving, for purposes of the Internal**
14 **Revenue Code of 1986, as amended, the issuance and sale of residential mortgage**
15 **revenue bonds by the City in an aggregate principal amount not to exceed \$60,000,000;**
16 **approving modifications, changes, and additions to the documents; ratifying and**
17 **approving any action heretofore taken in connection with the indenture of trust, the**
18 **loan, the bonds, and the project; granting general authority to City officials to take**
19 **actions necessary to implement this Resolution; and related 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 acquisition and
23 new construction by 1979 Mission Street PSH Associates, L.P., a California limited
24 partnership (the “Borrower”), of a 136-unit residential rental development project known as
25 “2970 16th Street” (the “Project”) located at 2970-16th Street, in San Francisco, California, to

1 provide housing for low-income persons and families through the issuance of multifamily
2 housing revenue bonds, in one or more series which may be taxable or tax-exempt
3 (collectively, the “Bonds”); and

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

10 WHEREAS, On January 24, 2023, the Board adopted its Resolution No. 009-23,
11 authorizing the Mayor of the City (the “Mayor”) to execute and deliver a certificate or other
12 written instrument in the name of and on behalf of the City (an “Inducement Certificate”),
13 without further action of the Board, for the purposes of (i) declaring the intent of the City to
14 reimburse certain expenditures of a multifamily rental housing project from proceeds of future
15 bonded indebtedness, and (ii) authorizing the Director (the “Director”) of the Mayor’s Office of
16 Housing and Community Development (“MOHCD”) to submit an application to the California
17 Debt Limit Allocation Committee (“CDLAC”) to permit the issuance of bonded indebtedness
18 for a multifamily rental housing project, and the Mayor approved such Resolution on February
19 3, 2023; and

20 WHEREAS, On April 14, 2025, the Mayor executed and delivered an Inducement
21 Certificate declaring the intent of the City to reimburse certain Project expenditures from
22 proceeds of future tax-exempt multifamily housing revenue bonds for purposes of Section
23 1.150-2 of the United States (U.S.) Treasury Regulations, and authorizing the Director to
24 submit an application to the CDLAC to permit the issuance of tax-exempt bonded
25 indebtedness; and

1 WHEREAS, On August 5, 2025, CDLAC adopted its Resolution No. 25-232, allocating
2 an amount not to exceed \$54,544,222 (together with any future supplemental CDLAC
3 allocation for the Project, the "Allocation Amount") in qualified private activity bond volume cap
4 to the Project; and

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

8 WHEREAS, The Board is the elected legislative body of the City and is the applicable
9 elected representative authorized to approve the issuance and delivery of the Bonds within
10 the meaning of Section 147(f) of the Code; and

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

12 WHEREAS, On August 25, 2025, the City caused a notice stating that a public hearing
13 with respect to the issuance of multifamily affordable housing mortgage revenue bonds and
14 their respective projects, pursuant to plans of financing, would be held by the MOHCD on
15 September 3, 2025, to be published and appear in the Notices section of the MOHCD's
16 website (at <https://sf.gov/information/mohcd-department-notices>), which is on file with the
17 Clerk of the Board and incorporated herein by reference; and

18 WHEREAS, At the date and time and the location specified in such notice the MOHCD
19 held such public hearing at which an opportunity was provided for persons to comment on the
20 plan of financing; and

21 WHEREAS, The minutes of such public hearing were provided to this Board prior to
22 this meeting; and

23 WHEREAS, The documentation required for the issuance and delivery of the Bonds is
24 on file with the Clerk of the Board; and

1 WHEREAS, Each of the documents now before the Board in File No. _____ is
2 substantially in final form and is an appropriate instrument to be executed and delivered for
3 the purposes intended; and

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

6 WHEREAS, The Bonds will be limited obligations of the City, the sole source of
7 repayment of which shall be payments made by the Borrower under the Loan Agreement (as
8 hereinafter defined), together with investment income, if any, of certain funds and accounts
9 held under the Indenture (as hereinafter defined); and

10 WHEREAS, The City has engaged Jones Hall LLP and Amira Jackmon, Attorney at
11 Law, as co-bond counsel with respect to the Bonds ("Co-Bond Counsel"); and

12 WHEREAS, Western Alliance Business Trust, a Delaware statutory trust (or an affiliate
13 thereof) has expressed its intention to purchase, or cause an affiliate to purchase, the Bonds
14 authorized hereby; and

15 WHEREAS, The Borrower provided to the City the following information as a good faith
16 estimate of the cost of the Bonds financing and the City disclosed such information in
17 accordance with Section 5852.1 of the California Government Code: (i) the true interest cost
18 of the Bonds, (ii) the finance charge of the Bonds, including all third party expenses, (iii) the
19 amount of proceeds received by the City for the issuance and delivery of the Bonds less the
20 finance charge of the Bonds and any reserves or capitalized interest paid or funded with the
21 proceeds of the Bonds and (iv) the total payment amount (the "Financing Information"); and

22 WHEREAS, Such Financing Information has been disclosed in connection with the
23 Board meeting in which this Resolution is approved; now, therefore, be it

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

1
2 Section 1. Approval of Recitals. The Board hereby finds and declares that the
3 above recitals are true and correct.

4 Section 2. Approval of Issuance and Delivery of Bonds. The Board, as the
5 applicable elected representative of the governmental unit having jurisdiction over the area in
6 which the Project is located, hereby approves the plan of financing and the issuance and
7 delivery of its multifamily housing revenue Bonds in one or more series, pursuant to and for
8 purposes of Section 147(f) of the Code. It is intended that this Resolution constitute approval
9 of the Bonds by the applicable elected representative of the issuer of the Bonds and the
10 applicable elected representative of the governmental unit having jurisdiction over the area in
11 which the Project is located, in accordance with said Section 147(f). Additionally, in
12 accordance with the Act and the Indenture, as defined below, the City is hereby authorized to
13 execute and deliver the Bonds in one or more series designated as “City and County of San
14 Francisco Multifamily Housing Revenue Bonds (2970 16th Street), Series 2025F” or such
15 other or such additional designations as may be necessary or appropriate to distinguish such
16 series from every other series of bonds or notes, in an aggregate principal amount not to
17 exceed \$60,000,000, provided that any tax-exempt portion of the Bonds shall not exceed the
18 Allocation Amount. The Bonds shall bear interest at a rate not to exceed twelve percent (12%)
19 per annum, and shall have a final maturity date not later than forty (40) years from their date
20 of issuance and delivery. The Bonds shall be in the forms set forth in and otherwise in
21 accordance with the Indenture, and shall be executed by the manual or facsimile signature of
22 the Mayor.

23 Section 3. Approval of Indenture. The Indenture of Trust (the “Indenture”), by and
24 between the City and a bond trustee to be selected by the City (the “Trustee”), in the form
25 presented to the Board, a copy of which is on file with the Clerk of the Board in File No.

_____, is hereby approved. Each of the Mayor, the Director, the Deputy Director of Housing of MOHCD, and any other Authorized City Representative (as such term is defined in the Indenture), acting individually or collectively (each, an “Authorized City Representative”), is hereby authorized to execute the Indenture, approved as to form by the City Attorney of the City (the “City Attorney”), in substantially said form, together with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 8 hereof.

Section 4. Approval of Loan Agreement. The Loan Agreement (the “Loan Agreement”) by and between the City and the Borrower, in the form presented to the Board, a copy of which is on file with the Clerk of the Board in File No. _____, is hereby approved. Each Authorized City Representative is hereby authorized to execute the Loan Agreement in substantially said form, together with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 8 hereof.

Section 5. Approval of Regulatory Agreement and Declaration of Restrictive Covenants. The Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), between the City and the Borrower, in the form presented to the Board, a copy of which is on file with the Clerk of the Board in File No. _____, is hereby approved. Each Authorized City Representative is hereby authorized to execute the Regulatory Agreement, approved as to form by the City Attorney, in substantially said form, together with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 8 hereof.

Section 6. Approval of Assignment of Deed of Trust Documents. The Assignment of Deed of Trust Documents, from the City to the Trustee (the “Assignment” and, together with the Indenture, the Loan Agreement, and the Regulatory Agreement, the “City Documents”), in

1 the form presented to the Board, a copy of which is on file with the Clerk of the Board in File
2 No. _____, is hereby approved. Each Authorized City Representative is hereby
3 authorized to execute the Assignment, approved as to form by the City Attorney, in
4 substantially said form, together with such additions thereto and changes therein as the City
5 Attorney and Co-Bond Counsel may approve or recommend in accordance with Section 8
6 hereof.

7 Section 7. Issuer Fees. The City, acting through MOHCD, shall charge an annual
8 issuer fee for monitoring compliance by the Borrower with certain provisions of the Regulatory
9 Agreement up to an amount provided for under its standard issuer fee policies, or at some
10 lesser amount if required upon the advice of Co-Bond Counsel that such lesser amount is
11 necessary or advisable under the Code. The annual monitoring fee due during the
12 construction period may be payable at bond closing. The Board hereby authorizes MOHCD
13 to charge and collect the fees described in this section.

14 Section 8. Modifications, Changes, Additions. Any Authorized City Representative
15 executing the City Documents, in consultation with the City Attorney and Co-Bond Counsel, is
16 hereby authorized to approve and make such modifications, amendments, changes, or
17 additions to the City Documents as may be necessary or advisable, including, without implied
18 limitation, changes to the titles of any City Documents, provided that such modification does
19 not authorize an aggregate principal amount of the Bonds in excess of \$60,000,000 or an
20 aggregate principal amount of the tax-exempt portion of the Bonds in excess of the Allocation
21 Amount, provide for a final maturity of the Bonds later than forty (40) years from the date of
22 issuance and delivery thereof, or provide for the Bonds to bear interest at a rate in excess of
23 twelve percent (12%) per annum. The approval of any modification, addition, or change to
24 any of the aforementioned documents shall be evidenced conclusively by the execution and
25 delivery of the document in question.

1 Section 9. Execution of Documents. Any document authorized herein may be
2 executed in multiple counterparts, and any document authorized herein may be executed
3 using electronic means, to the extent permitted by applicable law and in consultation with the
4 City Attorney and Co-Bond Counsel.

5 Section 10. Ratification. All actions heretofore taken by the officers and agents of the
6 City with respect to the Project, the Indenture, the loan, and the issuance and delivery of the
7 Bonds consistent with the purposes of this Resolution and the City Documents are hereby
8 approved, confirmed, and ratified.

9 Section 11. General Authority. The proper officers of the City are hereby authorized
10 and directed, for and in the name and on behalf of the City, to do any and all things and take
11 any and all actions and execute and deliver any and all certificates, agreements (including,
12 without implied limitation, any tax-exemption documents, assignments, allonges,
13 endorsements, subordinations, and such other agreements to provide adequate or additional
14 security or indemnities as required by lenders to consummate the financing), and other
15 documents and amendments, including but not limited to those documents described in the
16 City Documents, which they, or any of them, in consultation with the City Attorney, may deem
17 necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds
18 and to effectuate the purposes thereof and of the City Documents. Any such actions are
19 solely intended to further the purposes of this Resolution, and are subject in all respects to the
20 terms of the Resolution. No such actions shall increase the risk to the City or require the City
21 to spend any resources not otherwise contemplated herein. Final versions of such documents
22 shall be provided to the Clerk of the Board for inclusion in the official file within 30 days of
23 execution by all parties.

24 Section 12. File. All documents referenced herein as being on file with the Clerk of
25 the Board are located in File No. _____, which is hereby declared to be a part of this

1 Resolution as if set forth fully herein.

2 Section 13. Effective Date. This Resolution shall take effect upon its enactment.
3 Enactment occurs when the Mayor signs the Resolution, the Mayor returns the Resolution
4 unsigned or does not sign the Resolution within ten days of receiving it, or the Board of
5 Supervisors overrides the Mayor's veto of the Resolution.

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7 APPROVED AS TO FORM:

8 DAVID CHIU
9 City Attorney

10 By: /s/
11 KENNETH DAVID ROUX
12 Deputy City Attorney

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