

1 [Multifamily Housing Revenue Note - 750 Golden Gate Avenue - Not to Exceed \$32,132,689]

2
3 **Resolution authorizing the execution and delivery of a multifamily housing revenue**
4 **note in one or more series in an aggregate principal amount not to exceed \$32,132,689**
5 **for the purpose of providing financing for the construction of a 55-unit multifamily**
6 **rental housing project known as "Golden Gate Avenue Phase 1 LIHTC"; approving the**
7 **form of and authorizing the execution of a funding loan agreement providing the terms**
8 **and conditions of the loan from the funding lender identified therein to the City and for**
9 **the execution and delivery of the note; approving the form of and authorizing the**
10 **execution of a borrower loan agreement providing the terms and conditions of the loan**
11 **from the City to the borrower; approving the form of and authorizing the execution of a**
12 **regulatory agreement and declaration of restrictive covenants; approving the form of**
13 **and authorizing the execution of an assignment of deed of trust and related**
14 **documents; authorizing the collection of certain fees; approving modifications,**
15 **changes and additions to the documents; ratifying and approving any action heretofore**
16 **taken in connection with the back-to-back loans, the note and the project; granting**
17 **general authority to City officials to take actions necessary to implement this**
18 **Resolution, as defined herein; and related matters, as defined herein.**
19

20 WHEREAS, The Board of Supervisors of the City and County of San Francisco (the
21 "Board") desires to provide for the financing of a portion of the costs of the construction by MP
22 Golden Gate Avenue Associates, L.P., a California limited partnership (the "Borrower"), of a
23 55-unit residential rental housing development located at 750 Golden Gate Avenue in San
24 Francisco, California, known as "Golden Gate Avenue Phase 1 LIHTC" (the "Project"), to
25 provide housing for persons and families of low income and very low income through the

1 issuance of multifamily housing revenue notes in one or more series which may be taxable or
2 tax-exempt (collectively, the "Note"); and

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

9 WHEREAS, The Mayor of the City (the "Mayor") on April 22, 2024, executed a
10 Declaration of Official Intent declaring the intent of the City to reimburse certain Project
11 expenditures from proceeds of future tax-exempt multifamily housing revenue bonds, for
12 purposes of Section 1.150-2 of the U.S. Treasury Regulations and authorizing the Director
13 (the "Director") of Mayor's Office of Housing and Community Development ("MOHCD") to
14 submit an application to the California Debt Limit Allocation Committee ("CDLAC") to permit
15 the issuance of tax-exempt bonded indebtedness in an amount not to exceed \$32,000,000;
16 and

17 WHEREAS, On August 6, 2024, CDLAC in its Resolution Number 24-161 allocated an
18 amount not to exceed \$31,132,689 (the "Allocation Amount") in qualified private activity tax-
19 exempt bond allocation cap to the Project; and

20 WHEREAS, On August 16, 2024, the City caused a notice to be published in the
21 Notices section of the Mayor's Office of Housing and Community Development website (at
22 <https://sfmohcd.org/notices-0>) stating that a public hearing with respect to the issuance of the
23 tax-exempt multifamily housing revenue bonds for the Project, pursuant to Section 147(f) of
24 the Code, would be held by MOHCD on August 28, 2024; and
25

1 WHEREAS, MOHCD held the duly noticed public hearing described above on
2 August 28, 2024, at which hearing an opportunity was provided for persons to comment on
3 the execution and delivery of the Note and the Project; and

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

6 WHEREAS, There has been prepared and presented to this Board for consideration at
7 this meeting the documentation required for the execution and delivery of the Note, and such
8 documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board");
9 and

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

13 WHEREAS, This Board finds that public interest and necessity require that the City at
14 this time make arrangements for the funding loan, the borrower loan, and the execution and
15 delivery of the Note and related documents; and

16 WHEREAS, The Note will be a limited obligation of the City, the sole source of
17 repayment of which shall be payments made by the Borrower under the Borrower Loan
18 Agreement (hereinafter defined) together with investment income on monies in certain funds
19 and accounts held under the Funding Loan Agreement (hereinafter defined); and

20 WHEREAS, The City has engaged Stradling Yocca Carlson & Rauth LLP and Husch
21 Blackwell LLP, as co-special counsel with respect to the Note ("Co-Special Counsel"); and

22 WHEREAS, Silicon Valley Bank, a division of First-Citizens Bank & Trust Company
23 (the "Funding Lender") has expressed its intention to lend to the City the loan contemplated by
24 the Funding Loan Agreement in exchange for the Note authorized hereby; and
25

1 WHEREAS, The interest on the Note may qualify for tax exemption under Section 103
2 of the Internal Revenue Code of 1986, as amended ("Code"), only if the Note is approved by
3 an applicable elected representative of a governmental unit having jurisdiction over the area in
4 which the Project is located in accordance with Section 147(f) of the Code; and

5 WHEREAS, The Project is located wholly within the City; 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 Note within
8 the meaning of Section 147(f) of the Code and this approval is also intended to constitute the
9 approval of the applicable elected representative of the governmental unit having jurisdiction
10 over the area in which the Project is located, pursuant Section 147(f) of the Code; now,
11 therefore, be it

12 RESOLVED, by this Board of Supervisors of the City and County of San Francisco as
13 follows:

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

16 Section 2. Approval of Execution and Delivery of Note. In accordance with the Act, the
17 Funding Loan Agreement and the Borrower Loan Agreement, the City is hereby authorized to
18 execute and deliver the Note in one or more series designated as "City and County of San
19 Francisco Multifamily Housing Revenue Note (Golden Gate Avenue Phase 1 LIHTC) Series
20 2024D" and such other additional designations as may be necessary or appropriate to
21 distinguish such series from every other series of bonds or notes, in an aggregate principal
22 amount not to exceed \$32,132,689 provided that any tax-exempt portion of the Note shall not
23 exceed the Allocation Amount, with an interest rate not to exceed 12% per annum for the
24 Note, and which shall have a final maturity date not later than 40 years from the date of
25 execution and delivery of the Note. The Note shall be in the form set forth in and otherwise in

1 accordance with the Funding Loan Agreement and shall be executed by the manual signature
2 of the Mayor.

3 Section 3. Approval of Funding Loan Agreement. The Funding Loan Agreement (the
4 “Funding Loan Agreement”) in the form presented to the Board, a copy of which is on file with
5 the Clerk of the Board, is hereby approved. The Funding Loan Agreement shall be entered
6 into by and among the City, the Funding Lender and U.S. Bank Trust Company, National
7 Association, a national banking association (the “Fiscal Agent”). Each of the Mayor, the
8 Director, the Housing Development Director of MOHCD or any other Authorized
9 Representative (as such term is defined in the Funding Loan Agreement) of the City, or a
10 designee thereof, is hereby authorized to execute the Funding Loan Agreement, approved as
11 to form by the City Attorney of the City (the “City Attorney”), in said form, together with such
12 additions thereto and changes therein as the City Attorney and Co-Special Counsel may
13 approve or recommend in accordance with Section 8 hereof.

14 Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement (the
15 “Borrower Loan Agreement”) by and among the City, the Fiscal Agent and the Borrower, in
16 the form presented to the Board, a copy of which is on file with the Clerk of the Board, is
17 hereby approved. Each Authorized Representative of the City, or a designee thereof, is
18 hereby authorized to execute the Borrower Loan Agreement, approved as to form by the City
19 Attorney, in said form, together with such additions thereto and changes therein as the City
20 Attorney and Co-Special Counsel may approve or recommend in accordance with Section 8
21 hereof.

22 Section 5. Approval of Regulatory Agreement and Declaration of Restrictive
23 Covenants. The Regulatory Agreement and Declaration of Restrictive Covenants (the
24 “Regulatory Agreement” and together with the Funding Loan Agreement, the Assignment,
25 (defined below) and the Borrower Loan Agreement, the “City Documents”), between the City

1 and the Borrower, in the form presented to the Board, a copy of which is on file with the Clerk
2 of the Board, is hereby approved. Each Authorized Representative of the City, or a designee
3 thereof, is hereby authorized to execute the Regulatory Agreement, approved as to form by
4 the City Attorney, in said form, together with such additions thereto and changes therein as
5 the City Attorney and Co-Special Counsel may approve or recommend in accordance with
6 Section 8 hereof.

7 Section 6. Approval of Assignment of Deed of Trust and Related Documents. The
8 Assignment of Deed of Trust and Related Documents, from the City to the Funding Lender
9 (the "Assignment"), in the form presented to this Board, a copy of which is on file with the
10 Clerk of the Board, is hereby approved. Each Authorized Representative of the City, or a
11 designee thereof, is hereby authorized to execute the Assignment, in said form, together with
12 such additions thereto and changes therein as the City Attorney and Co-Special Counsel may
13 approve or recommend in accordance with Section 8 hereof.

14 Section 7. Issuer Fees. The City, acting through MOHCD, shall charge an annual fee
15 for monitoring the compliance by the Borrower with certain provisions of the Regulatory
16 Agreement in an amount not to exceed 0.125% of the average outstanding aggregate
17 principal amount of the Note (which after repayment of the Note shall be no less than \$2,500
18 annually) for the term of the Regulatory Agreement. The initial monitoring fee shall be
19 payable at the time of, and contingent upon, the closing for the Note. The Board hereby
20 authorizes MOHCD to charge and collect the fees described in this section.

21 Section 8. Modifications, Changes, Additions. Any Authorized Representative of the
22 City executing the City Documents, in consultation with the City Attorney and Co-Special
23 Counsel, is hereby authorized to approve and make such modifications, changes or additions
24 to the City Documents as may be necessary or advisable, provided that such modification
25 does not authorize an aggregate principal amount of the Note in excess of \$32,132,689 or an

1 aggregate principal amount of the tax-exempt portion of the Note in excess of the Allocation
2 Amount, provide for a final maturity of the Note more than 40 years from the date of execution
3 and delivery of the Note, or provide for the Note to bear interest at a rate in excess of 12% per
4 annum. The approval of any modification, addition or change to any of the aforementioned
5 documents shall be evidenced conclusively by the execution and delivery of the document in
6 question by an Authorized Representative of the City or a designee thereof.

7 Section 9. Public Approval. The Board, as the applicable elected representative of the
8 governmental unit having jurisdiction over the area in which the Project is located, hereby
9 approves the issuance of the Note in the aggregate principal amount not to exceed the
10 Allocation Amount for purposes of Section 147(f) of the Code.

11 Section 10. Ratification. All actions heretofore taken by the officers and agents of the
12 City with respect to the funding loan and the execution and delivery of the Note as consistent
13 with the City Documents and this Resolution, are hereby approved, confirmed and ratified.

14 Section 11. General Authority. The proper officers of the City (including the Authorized
15 Representatives of the City or designee thereof) are hereby authorized and directed, for and
16 in the name and on behalf of the City, to do any and all things and take any and all actions
17 and execute and deliver any and all certificates, assignments, agreements (including such
18 agreements to provide adequate or additional security or indemnities as required by lenders to
19 consummate the financing) and other documents and amendments, including but not limited
20 to those documents described in the City Documents, which they, or any of them, in
21 consultation with the City Attorney, may deem necessary or advisable in order to consummate
22 the lawful execution and delivery of the Note and to effectuate the purposes thereof and of the
23 City Documents. Any such actions are solely intended to further the purposes of this
24 Resolution, and are subject in all respects to the terms of the Resolution. No such actions
25 shall increase the risk to the City or require the City to spend any resources not otherwise

1 granted herein. Final versions of any such documents shall be provided to the Clerk of the
2 Board for inclusion in the official 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 the
4 Board are located in File No. 240992, which is hereby declared to be a part of this Resolution
5 as if set forth fully herein.

6 Section 13. Effectiveness. This Resolution shall take effect from and after its 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/ HEIDI J. GEWERTZ
13 HEIDI J. GEWERTZ
14 Deputy City Attorney

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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240992

Date Passed: November 05, 2024

Resolution authorizing the execution and delivery of a multifamily housing revenue note in one or more series in an aggregate principal amount not to exceed \$32,132,689 for the purpose of providing financing for the construction of a 55-unit multifamily rental housing project known as "Golden Gate Avenue Phase 1 LIHTC"; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the loan from the funding lender identified therein to the City and for the execution and delivery of the note; approving the form of and authorizing the execution of a borrower loan agreement providing the terms and conditions of the loan from the City to the borrower; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of an assignment of deed of trust and related documents; authorizing the collection of certain fees; approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the back-to-back loans, the note and the project; granting general authority to City officials to take actions necessary to implement this Resolution, as defined herein; and related matters, as defined herein.

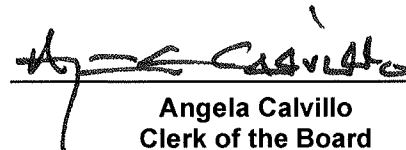
October 30, 2024 Budget and Finance Committee - RECOMMENDED

November 05, 2024 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240992

**I hereby certify that the foregoing
Resolution was ADOPTED on 11/5/2024 by
the Board of Supervisors of the City and
County of San Francisco.**


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor

11/7/24
Date Approved