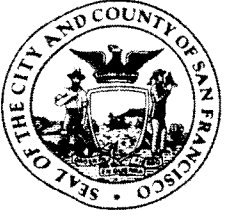


**MAYOR'S OFFICE OF HOUSING
AND COMMUNITY DEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO**



EDWIN M. LEE
MAYOR

OLSON LEE
DIRECTOR

October 30, 2015

Honorable Jane Kim
City and County of San Francisco
Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RE: Resolution Authorizing Application to California Debt Limit Allocation Committee for Tax Exempt Residential Rental Housing Bonds for 1300 4th Street (also known as Mission Bay South Block 6 East)

With this memo, I am submitting to you for introduction at the Board of Supervisors meeting on Tuesday, November 3, 2015, a resolution regarding qualified mortgage revenue bonds for 1300 4th Street (also known as 1300 Fourth Street), San Francisco, a family housing development sponsored by 1300 Fourth Street Associates, L.P. (the "Project"). Funds generated from the execution and delivery of the Bonds would be used to pay certain costs incurred in connection with the Project.

The Project will consist of 53 one bedroom, 47 two bedroom, and 43 three bedroom units (which includes one manager's unit), 41 parking spaces 136 bicycle parking spaces, approximately 9,730 square feet of ground floor retail, and open space. These units will be affordable to households earning between 20-50% of the Area Median Income ("AMI"), with 29 units set aside for formerly homeless households.

The resolution would authorize Olson Lee, as Director of this office to submit an application to the California Debt Limit Allocation Committee for permission to issue such bonds in an amount not to exceed \$75,000,000. This resolution would only authorize the Mayor's Office of Housing and Community Development ("MOHCD") to apply for the allocation of bond issuing authority. Should we receive authority, we will need to return to the Board for permission to actually issue the bonds. Funds generated from the issuance and sale of the bonds would be used to finance construction of the Project.

MOHCD has previously issued bonds for both rental housing and for first time homeownership. These financings are conduit financings, which do not require the City to pledge repayment of the bonds. Rather, the bondholders' only recourse for payment is the project revenues themselves and the credit enhancement provided by lenders.

Introduction on November 3, 2015 ensures that we have enough time to continue gathering information for the application which is due on December 18, 2015.

The attached resolution has been approved as-to-form by Deputy City Attorney Heidi Gewertz. I am enclosing a brief description of the Project for your review.

If you have any questions about the resolution or the project, please contact Pamela Sims at the Office of Community Investment and Infrastructure at 701-5564.

Thank you,

A handwritten signature in black ink, appearing to read "Teresa Yanga", written in a cursive style.

Teresa Yanga
Director of Housing Development