

1 [Residential Mortgage Revenue Bonds or Notes - 1601 Mariposa Apartments - Not to  
2 Exceed \$240,000,000]

3 **Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended,**  
4 **the issuance and sale of residential mortgage revenue bonds or notes by the City in an**  
5 **aggregate principal amount not to exceed \$240,000,000 for the purpose of providing**  
6 **financing for the acquisition, construction and development of an approximately 299-**  
7 **unit multifamily rental housing project, in part for low or very low income persons or**  
8 **households, located in the City at 1601 and 1677 Mariposa Street, 485-497 Carolina**  
9 **Street, 395 and 420 Wisconsin Street and 210 Arkansas Street; authorizing and**  
10 **directing the execution of any documents necessary to implement this Resolution; and**  
11 **ratifying and approving any action heretofore taken in connection with the Project, as**  
12 **defined herein, and the Application, as defined herein.**

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

20 WHEREAS, Acting under and pursuant to the powers reserved to the City under  
21 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections  
22 1.101 and 9.107 of the Charter, the City has enacted the City and County of San Francisco  
23 Residential Mortgage Revenue Bond Law (City Law), constituting Article I of Chapter 43 of the  
24 San Francisco Administrative Code, in order to establish a procedure for the authorization,  
25 issuance and sale of residential mortgage revenue bonds by the City for the purpose of

1 providing funds to encourage the availability of adequate housing and home finance for  
2 persons and families of low or moderate income, and to develop viable communities by  
3 providing decent housing, enhanced living environments, and increased economic  
4 opportunities for persons and families of low or moderate income; and

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

10 WHEREAS, Related/Mariposa Development Co., LLC, a California limited liability  
11 company, or an entity formed thereby or by an affiliate thereof (or any successor thereto  
12 including any successor owner of the Project, the Developer), desires to construct an  
13 approximately 299-unit residential rental housing development, in part for low or very low  
14 income persons or households, located at 1601 and 1677 Mariposa Street, 485-497 Carolina  
15 Street, 395 and 420 Wisconsin Street and 210 Arkansas Street, San Francisco, California  
16 94107 (Project); and

17 WHEREAS, the Developer has requested that the City assist in the financing of the  
18 Project through the issuance of one or more series of tax-exempt residential mortgage  
19 revenue bonds or notes (Bonds); and

20 WHEREAS, The City intends to issue the Bonds in an amount not to exceed  
21 \$240,000,000 and to loan the proceeds of the Bonds to the Developer (Loan) to finance costs  
22 of the Project; and

23 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section  
24 103 of the Internal Revenue Code of 1986, as amended (Code), only if the Bonds are  
25 approved in accordance with Section 147(f) of the Code; and

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

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

4           WHEREAS, On June 16, 2016, the City caused a notice, stating that a public hearing  
5 with respect to the issuance of the Bonds would be held by the Mayor’s Office of Housing and  
6 Community Development on July 1, 2016, to appear in *The San Francisco Chronicle*, which is  
7 a newspaper of general circulation in the City; and

8           WHEREAS, The Mayor’s Office of Housing and Community Development held the  
9 public hearing described above on July 1, 2016, and an opportunity was provided for persons  
10 to comment on the issuance of the Bonds and the Project; and the minutes of such hearing  
11 were provided to this Board of Supervisors prior to this meeting; and

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

15           RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as  
16 follows:

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

19           Section 2. The Board of Supervisors adopts this Resolution for purposes of  
20 establishing compliance with the requirements of Section 147(f) of the Code. This Resolution  
21 does not bind the Board of Supervisors to issue the Bonds or to make any expenditure, incur  
22 any indebtedness or proceed with the Project.

23           Section 3. For purposes of Section 147(f) of the Code, this Board of Supervisors, as  
24 the applicable elected representative of the governmental unit having jurisdiction over the  
25

1 area in which the Project is located, hereby approves the issuance of the Bonds in the  
2 maximum principal amount of \$240,000,000, for the purposes described herein.

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

6 Section 5. The officers and employees of the City and the Director are hereby  
7 authorized and directed, jointly and severally, to do any and all things consistent with this  
8 Resolution necessary or advisable to effectuate the purposes of this Resolution, and all  
9 actions previously taken by such officers and employees with respect to the Project consistent  
10 with Resolution, are hereby ratified and approved.

11 Section 6. This Resolution shall take effect from and after its adoption by the Board and  
12 approval by the Mayor.

13  
14 APPROVED AS TO FORM:  
15 DENNIS J. HERRERA  
16 City Attorney

17 By: \_\_\_\_\_  
18 KENNETH D. ROUX  
19 Deputy City Attorney  
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