Resolution authorizing the issuance and delivery of multifamily housing revenue bonds (tax-exempt) in an aggregate principal amount not to exceed $40,776,000 and multifamily housing revenue bonds (taxable) in an aggregate principal amount not to exceed $10,000,000, for a total aggregate principle amount not to exceed $50,776,000, for the purpose of providing financing for the acquisition and rehabilitation of a 69-unit, affordable multifamily rental housing project located at 4101 Noriega Street, 363 Noe Street, 200 Randolph/409 Head Street, 2206-2268 Great Highway and 1357-1371 Eddy Street (also known as 1353-1367 Eddy Street) known as “SFHA Scattered Sites” within the City; approving the form of and authorizing the execution of an indenture of trust providing the terms and conditions of the bonds; approving the form of and authorizing the execution of one or more regulatory agreements and declarations of restrictive covenants; approving the form of and authorizing the execution of one or more loan agreements providing the terms and conditions of the loan from the City to the borrower; approving the form of and authorizing the execution of an assignment of deed of trust documents; authorizing the collection of certain fees; approving modifications, changes and additions to the documents, as defined herein; ratifying and approving any action heretofore taken in connection with the bonds and the project, as defined herein; and granting general authority to City officials to take actions necessary to implement this Resolution, as defined herein; and related matters, as defined herein.
WHEREAS, The Board of Supervisors of the City and County of San Francisco (the "Board") desires to provide for the financing of a portion of the costs of the acquisition and rehabilitation by MHDC New Map, L.P., a California limited partnership (the "Borrower"), of a 69-unit residential rental housing development, consisting of five sites located at 4101 Noriega Street, 363 Noe Street, 200 Randolph Street/409 Head Street, 2206-2268 Great Highway and 2215-2263 48th Avenue, and 1357-1371 Eddy Street (also known as 1353-1367 Eddy Street), San Francisco, California, known as "SFHA Scattered Sites," (the "Project"), to provide housing for persons and families of low and very low income through the issuance of multifamily housing revenue bonds as described herein; and

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

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

WHEREAS, This Board on April 27, 2021, adopted Resolution No. 171-21 declaring the intent of the City to reimburse certain Project expenditures from proceeds of future tax-exempt multifamily housing revenue bonds, for the purposes of 1.150-2 of the U.S. Treasury Regulations, in an amount not to exceed $60,000,000; and

WHEREAS, On July 16, 2021, the City caused a notice stating that a public hearing with respect to the issuance of tax-exempt multifamily housing revenue bonds for the Project would be held by the Mayor's Office of Housing and Community Development on July 29, 2021, published in the Notices section of the Mayor's Office of Housing and Community Development website (at https://sfmohcd.org/notices-0); and
WHEREAS, The Mayor's Office of Housing and Community Development held the public hearing described above on July 29, 2021, and an opportunity was provided for persons to comment on the issuance of the tax-exempt bonds and the Project; and

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

WHEREAS, On August 11, 2021, the California Debt Limit Allocation Committee ("CDLAC"), in its Resolution No. 21-178, allocated an amount not to exceed $40,776,000 in qualified private activity bond volume cap to the Project; and

WHEREAS, There has been prepared and presented to this Board for consideration at this meeting the documentation required for the issuance of Tax-Exempt Bonds (hereinafter defined) and Taxable Bonds (hereinafter defined, and together with the Tax-Exempt Bonds, the "Bonds") in connection with the Project, and such documentation is on file with the Clerk of the Board of Supervisors (the "Clerk of the Board"); and

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

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

WHEREAS, The City has engaged Jones Hall, A Professional Law Corporation, and Curls Bartling P.C. as co-bond counsel with respect to the Bonds ("Co-Bond Counsel"); and

WHEREAS, Any Bonds to be issued to finance the Project will be limited obligations of the City, the sole source of repayment for which shall be payments made by the Borrower under the Loan Agreement (hereinafter defined) and collateral pledged by the Borrower for the repayment of the Bonds, together with investment income on certain funds and accounts held under the Indenture (hereinafter defined); and
WHEREAS, Western Alliance Bank has expressed its intention to purchase, or cause
an affiliate to purchase, the Bonds authorized hereby; now, therefore, be it
RESOLVED, by this Board of Supervisors of the City and County of San Francisco as
follows:

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

Section 2. Approval of Issuance of Bonds. In accordance with the Act and the
Indenture (hereinafter defined), the City is hereby authorized to issue and deliver (a) tax-
exempt multifamily housing revenue bonds designated as “City and County of San Francisco
Multifamily Housing Revenue Bonds (SFHA Scattered Sites), Series 2022A-1 (Tax-Exempt)”
in an aggregate principal amount not to exceed $40,776,000 (the “Tax-Exempt Bonds”) and
(b) taxable multifamily housing revenue bonds designated as “City and County of San
Francisco Multifamily Housing Revenue Bonds (SFHA Scattered Sites), Series 2022A-2
(Taxable)” in an aggregate principal amount not to exceed $10,000,000 (the “Taxable Bonds”
and together with the Tax-Exempt Bonds, the “Bonds”) or such other designation as may be
necessary or appropriate to distinguish each such series from every other series of bonds of
the City, with an interest rate not to exceed twelve percent (12%) per annum for the Bonds,
and with a final maturity date not later than forty (40) years from the date of issuance of the
Bonds. The Bonds shall be in substantially the form set forth in, and otherwise in accordance
with, the Indenture, and shall be executed by the manual signature of the Mayor of the City
(the “Mayor”) and as further provided in the Indenture. This approval is also intended to
constitute the approval of the applicable elected representative of the governmental unit
having jurisdiction over the area in which the Project is located, pursuant Section 147(f) of the
Internal Revenue Code of 1986, as amended (the “Code”).
Section 3. **Indenture.** The Indenture of Trust (the "Indenture"), by and between the City and U.S. Bank National Association (the "Trustee") in substantially the form presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each of the Mayor, the Director of the Mayor's Office of Housing and Community Development (the "Director"), the Deputy Director of Housing of the Mayor's Office of Housing and Community Development or any other Authorized City Representative (as such term is defined in the Indenture) of the City (collectively, the "Authorized Officers") is hereby authorized to execute the Indenture in 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. **Regulatory Agreement and Declaration of Restrictive Covenants.** The Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"), by and between the City and the Borrower, in substantially the form presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each Authorized Officer is hereby authorized to execute one or more Regulatory Agreements, in 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 Loan Agreement.** The Loan Agreement (the "Loan Agreement"), by and between the City and the Borrower, in substantially the form presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby approved. Each Authorized Officer is hereby authorized to execute one or more Loan Agreements in 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"), in substantially the
form presented to this Board, a copy of which is on file with the Clerk of the Board, is hereby
approved. Each Authorized Officer is hereby authorized to execute the Assignment, in 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 7. **Issuer Fees.** The City, acting through the Mayor's Office of Housing and
Community Development, may charge a fee for the administrative costs associated with
issuing the Bonds (the "Issuance Fee") in an amount not to exceed one-quarter of one percent
(0.25%) of the maximum aggregate principal amount of the Bonds. Such Issuance Fee shall
be payable at closing and shall be contingent on the issuance of the Bonds. The City may
also charge an annual administrative fee (the "Annual Fees") for monitoring compliance with
the provisions of the Regulatory Agreement(s) in an amount not to exceed one-eighth of one
percent (0.125%) of the outstanding aggregate principal amount of the Bonds, but no less
than $2,500 annually. The Board hereby authorizes the Mayor's Office of Housing and
Community Development to charge and collect, or appoint an agent, which may be the
Trustee, to collect on behalf of the City, the fees described in this section. Notwithstanding
the foregoing provisions of this Section, the City, acting through the Mayor's Office of Housing
and Community Development, is authorized to charge an Issuance Fee or Annual Fees, or
both, that is, or are, lower than the fees prescribed in this Section if, upon the advice of Co-
Bond Counsel, lower fees are necessary or advisable to ensure that the Bonds do not
become "arbitrage bonds" within the meaning of Section 148 of the Code, or to ensure that
interest on the Bonds does not become includable in gross income for federal income tax
purposes under Section 103 of the Code.

Section 8. **Modifications, Changes, Additions.** Any Authorized Officer executing the
Indenture, any Loan Agreement, the Assignment or any Regulatory Agreement (collectively,
the "City Agreements"), in consultation with the City Attorney and Co-Bond Counsel, is hereby
authorized to approve and make such modifications, changes or additions to the City
Agreements as may be necessary or advisable, provided that such modification does not
authorize an aggregate principal amount of the Tax-Exempt Bonds in excess of $40,776,000
or the Taxable Bonds in excess of $10,000,000, provide for a final maturity on the Bonds later
than forty (40) years from the date of issuance of the Bonds, or provide for the Bonds to bear
interest at a rate in excess of twelve percent (12%) per annum. The approval of any
modification, addition or change to any of the City Agreements shall be evidenced
conclusively by the execution and delivery of the document in question by an Authorized
Officer.

Section 9. Ratification. All actions heretofore taken by the officers and agents of the
City with respect to the sale, issuance and delivery of the Bonds, as consistent with the City
Agreements and this Resolution, are hereby approved, confirmed and ratified.

Section 10. General Authority. The proper officers of the City, including, but not
limited to, the Authorized Officers, are hereby authorized and directed, for and in the name
and on behalf of the City, to do any and all things and take any and all actions and approve,
execute, acknowledge and/or deliver any and all certificates, agreements and other
documents including, but not limited to, subordinations, assignments, tax documents and
those documents described or referenced in the City Agreements, which they, or any of them,
may deem necessary or advisable in order to consummate the lawful issuance and delivery of
the Bonds and to effectuate the purposes thereof and of the City Agreements in consultation
with the City Attorney. Any such actions are solely intended to further the purposes of this
Resolution and the Project and are subject in all respects to the terms of this Resolution. No
such actions shall increase the risk to the City or require the City to spend any resources not
otherwise granted herein. Final versions of any such documents shall be provided to the
Clerk of the Board for inclusion in the official file within thirty (30) days of execution by all parties.

Section 11. **File.** All documents referenced herein as being on file with the Clerk of the Board are located in File No. **220017**, which is hereby declared to be a part of this Resolution as if set forth fully herein.

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

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ KENNETH D. ROUX
KENNETH D. ROUX
Deputy City Attorney

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January 26, 2022 Budget and Finance Committee - RECOMMENDED

February 01, 2022 Board of Supervisors - ADOPTED
Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton
File No. 220017

I hereby certify that the foregoing Resolution was ADOPTED on 2/1/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

2/1/22
Date Approved

London N. Breed
Mayor