Resolution authorizing the issuance, sale and delivery of multifamily housing revenue bonds in an aggregate principal amount not to exceed $60,488,962 for the purpose of providing financing for the construction of a 157-unit multifamily rental housing project known as 1950 Mission Street Apartments; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of tax exempt residential rental housing bonds by the City in an aggregate principal amount not to exceed $60,488,962; 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 a regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of a loan agreement; 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 bonds and the project; granting general authority to City officials to take actions necessary to implement this Resolution; 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 construction by 1950 Mission Housing Associates LP, a California limited partnership (the “Borrower”), of a 157-unit (including two managers’ units) residential rental housing development located at 1950 Mission Street, San Francisco, California 94103, known as “1950 Mission Street Apartments” (the “Project”), to provide housing for persons and families of low income through the issuance of multifamily housing revenue bonds; 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, as now in effect and as it may from time to time hereafter be amended or supplemented (collectively, the "Act"); and

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

WHEREAS, This Board of Supervisors is the elected legislative body of the City and is the applicable elected representative authorized to approve the issuance of the Bonds (hereinafter defined) within the meaning of Section 147(f) of the Code; and

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

WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD") held a duly noticed public hearing on July 27, 2017, at which hearing an opportunity was provided for persons to comment on the issuance of the Bonds; and

WHEREAS, This Board, on September 19, 2017, adopted Resolution No. 352-17, approving the issuance and sale of the Bonds for the purposes of Section 147(f) of the Code in an amount not to exceed $95,000,000; and

WHEREAS, On July 18, 2018, the California Debt Limit Allocation Committee in its Resolution Number 18-078 allocated $60,488,962 in qualified tax-exempt private activity bonds to the Project (the "CDLAC Resolution"); and

WHEREAS, Due to the lapse of time since the public hearing held on July 27, 2017, the City is required to hold another public hearing regarding the issuance of the Bonds pursuant to Section 147(f) of the Code; and
WHEREAS, On September 23, 2018, the City caused a notice stating that a public hearing with respect to the issuance of the Bonds would be held by the MOHCD on October 10, 2018, to appear in the San Francisco Examiner, which is a newspaper of general circulation in the City; and

WHEREAS, The MOHCD held the public hearing described above on October 10, 2018, at which hearing an opportunity was provided for persons to comment on the issuance of the Bonds; and

WHEREAS, There has been prepared and presented to the Board for consideration at this meeting the documentation required for the issuance of the Bonds, 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 appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended; and

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

WHEREAS, The Bonds will be a limited obligation of the City, the sole source of repayment of which shall be payments made by the Borrower under the Loan Agreement (hereinafter defined), together with investment income of certain funds and accounts held under the Indenture (hereinafter defined); and

WHEREAS, The City has engaged Quint & Thimmig LLP and Curls Bartling, P.C., as co-bond counsel with respect to the Bonds (“Co-Bond Counsel”); and

WHEREAS, Wells Fargo Bank, National Association, has expressed its intention to purchase, or cause an affiliate to purchase, the Bonds authorized hereby; now, therefore, be it

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

Section 1. Approval of Recitals. The 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, the City is hereby authorized to issue and deliver revenue bonds of the City, such bonds to be issued in one or more series and subseries, and designated as “City and County of San Francisco, California Multifamily Housing Revenue Bonds (1950 Mission Street Apartments), Series 2018 C,” or such other designation as may be necessary or appropriate to distinguish such series from every other series of bonds, in an aggregate principal amount not to exceed $60,488,962 (the “Bonds”), with a fixed and/or variable interest rate not to exceed twelve percent (12%) per annum for the Bonds, and which shall have a final maturity date not later than forty (40) years from the date of issuance of the Bonds. The Bonds shall be in the form set forth in and otherwise in accordance with the Indenture and shall be executed by the manual or facsimile signature of the Mayor of the City (the “Mayor”).

Section 3. Indenture. The Indenture of Trust (the “Indenture”) in the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Indenture shall be entered into by and between the City and The Bank of New York Mellon Trust Company, N.A., a national banking association (the “Trustee”). Each of the Mayor, the Director of the Mayor’s Office of Housing and Community Development and the Housing Development Director of the Mayor’s Office of Housing and Community Development (collectively, the “Authorized Representatives” and each, an “Authorized Representative”), or a designee thereof, 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
Section 4. 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, is hereby approved. Each Authorized Representative, or a designee thereof, 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 7 hereof.

Section 5. 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, is hereby approved. Each Authorized Representative, or a designee thereof, 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 7 hereof.

Section 6. Issuer Fees. The City, acting through the Mayor's Office of Housing and Community Development, shall charge a fee for the administrative costs associated with issuing the Bonds in an amount not to exceed 0.250% of the maximum aggregate principal amount of the Bonds. Such fee shall be payable at the Bond closing and may be contingent on the issuance and sale of the Bonds. The City shall also charge an annual fee for monitoring the compliance by the Borrower with certain provisions of the Regulatory Agreement in an amount not to exceed 0.125% of the outstanding aggregate principal amount of the Bonds, but no less than $2,500 annually, for the term of the Regulatory Agreement. The initial monitoring fee shall be payable at and contingent upon the Bond closing. The Board hereby authorizes the MOHCD to charge and collect the fees described in this section.
Section 7. Modifications, Changes, Additions. Any Authorized Representative, or
designee thereof, executing the Indenture, the Regulatory Agreement or the Loan 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 Bonds in excess of $60,488,962, provide
for a final maturity on the Bonds later than forty (40) years, 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 aforementioned documents shall be evidenced
conclusively by the execution and delivery of the document in question by an Authorized
Representative or designee.

Section 8. Ratification. All actions heretofore taken by the officers and agents of the
City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and
ratified.

Section 9. General Authority. The proper officers of the City (including the Authorized
Representatives) 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 execute and deliver any and all
certificates, agreements and other documents, including but not limited to those documents
described in the Indenture, the Loan Agreement, and the Regulatory Agreement, 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 documents herein
approved in accordance with this Resolution. Any such actions are solely intended to further
the purposes of this Resolution and are subject in all respects to the terms of the 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 such documents shall be provided to the Clerk
of the Board for inclusion in the official file within 30 days of execution by all parties.

Section 10. **File.** All documents referenced herein as being on file with the Clerk of the Board are located in File No. _181006_, which is hereby declared to be a part of this Resolution as if set forth fully herein.

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

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By: ____________________________
HEIDI J. GEWERTZ
Deputy City Attorney

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Mayor Breed; Supervisor Ronen
BOARD OF SUPERVISORS
Resolution authorizing the issuance, sale and delivery of multifamily housing revenue bonds in an aggregate principal amount not to exceed $60,488,962 for the purpose of providing financing for the construction of a 157-unit multifamily rental housing project known as 1950 Mission Street Apartments; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of tax exempt residential rental housing bonds by the City in an aggregate principal amount not to exceed $60,488,962; 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 a regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of a loan agreement; 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 bonds and the project; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters, as defined herein.

November 01, 2018 Budget and Finance Committee - RECOMMENDED

November 13, 2018 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

File No. 181006

I hereby certify that the foregoing Resolution was ADOPTED on 11/13/2018 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved

11/20/18