Resolution authorizing the Controller to cause the execution and delivery of taxable or tax-exempt Certificates of Participation evidencing and representing an aggregate principal amount not to exceed $7,250,000 to finance the costs of the construction of a Homeless Services Center at 1064-1068 Mission Street; authorizing the Controller to cause the issuance from time to time of the City's commercial paper notes in anticipation of the execution and delivery of said Certificates of Participation; and authorizing the Director of Public Finance to execute such documents and take necessary actions in furtherance of this Resolution, as defined herein.

WHEREAS, On January 27, 2017, the U.S. General Services Agency (GSA) posted a notice under the Federal Property Assistance Program (FPAP) that the subject property had been identified as surplus property and that applications would be accepted for development; title V of the 1987 federal McKinney-Vento Homeless Assistance Act calls for underutilized federal properties to be prioritized to assist people experiencing homelessness; and

WHEREAS, The City applied to acquire the parcel to build approximately 250 units of permanent supportive housing on the site that was valued at approximately $36 million for $1; and

WHEREAS, On August 7, 2017, the Department of Health and Human Services (HHS) awarded the City the right to enter into a three-year lease (site acquisition) with subsequent renewal options, and the property will be transferred to the City once the City and development partners demonstrate project financing approvals and associated legal documents to ensure a feasible project, currently estimated for December 2019; and
WHEREAS, In February 2018, the Real Estate Division (RED), Department of Public Health (DPH) and Mayor’s Office of Housing and Community Development (MOHCD) agreed to pursue co-locating the Tom Waddell Urgent Care Clinic (the “Clinic”), which must vacate its current site at 101 Grove Street due to seismic safety conditions, and had been unsuccessful at finding a suitable new location; and

WHEREAS, The selected developer team embraced this new housing plus health center concept as an integrated property serving people who are experiencing homelessness; the Clinic and associated City homeless services that include Street Medicine services, dental services, and the HSH-operated Homeless Outreach Team (SFHOT), all together called the “Homeless Service Center” (the “Center”) were integrated into the health component; and

WHEREAS, A portion of the Center will be financed with Public Health and Safety General Obligation bonds as well as Department of Public Health Certificates of Participation; and

WHEREAS, The Center was included as part of the 1064-1068 Mission Street Project in the FY2020-2029 Ten-Year Capital Plan this Board of Supervisors adopted on April 30, 2019; and

WHEREAS, In order to provide a portion of funds for the construction of the Center and other authorized expenses, this Board of Supervisors authorizes and directs the Controller to cause the execution and delivery of Department of Public Health Certificates of Participation on a tax-exempt or taxable basis evidencing and representing an aggregate principal amount of not to exceed $7,250,000 and also authorizes the issuance of commercial paper notes in advance of the delivery of the Certificates of Participation; and

///

///

///
WHEREAS, Pursuant to Charter, Section 9.113(e), the Board of Supervisors has the authority to borrow money on an interim basis through the issuance from time to time of its commercial paper notes ("CP Notes"); and

WHEREAS, In order to finance the costs related to the Center, this Board of Supervisors also authorizes the Controller to authorize the use of the City's commercial paper program, together with other available funds, to finance the construction of the Center, in an aggregate amount not to exceed $7,250,000; and, consistent with applicable law, anticipates repayment of such CP Notes from subsequent delivery of the Certificates of Participation or any other form of legally available debt instrument; now, therefore, be it

RESOLVED, That the Board hereby approves the execution and delivery of Certificates of Participation evidencing an aggregate principal amount not to exceed $7,250,000 to pay the construction costs of the Center and other costs of issuance thereto; provided however the Controller and/or the Director of the Controller's Office of Public Finance shall return to this Board prior to the execution and delivery of said Certificates of Participation to seek the approval of the terms of the Certificates of Participation, the sale and security documents, including the Preliminary Official Statement prepared in connection with the Certificates of Participation and such other information as required by law; and, be it

FURTHER RESOLVED, That this Board hereby authorizes the Controller and the Director of the Controller's Office of Public Finance to cause the execution and delivery of CP Notes to finance on an interim basis the Project in anticipation of the execution and delivery of the Certificates of Participation, such CP Notes to be repaid with proceeds of the Certificates of Participation; and, be it

FURTHER RESOLVED, That this Board of Supervisors authorizes and directs the Clerk of the Board of Supervisors, the Director of Public Finance, and any other officer of the City to take all action and modification necessary or appropriate to effectuate the purpose of
this Resolution.

APPROVED AS TO FORM:

By:  

Kenneth David Roux  
Deputy City Attorney
Resolution authorizing the Controller to cause the execution and delivery of taxable or tax-exempt Certificates of Participation evidencing and representing an aggregate principal amount not to exceed $7,250,000 to finance the costs of the construction of a Homeless Services Center at 1064-1068 Mission Street; authorizing the Controller to cause the issuance from time to time of the City's commercial paper notes in anticipation of the execution and delivery of said Certificates of Participation; and authorizing the Director of Public Finance to execute such documents and take necessary actions in furtherance of this Resolution, as defined herein.

November 13, 2019 Budget and Finance Committee - RECOMMENDED

November 19, 2019 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 191019

I hereby certify that the foregoing Resolution was ADOPTED on 11/19/2019 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

11/27/19

Date Approved