

1 [Multifamily Housing Revenue Bonds - 410 China Basin Street (Mission Bay South Block 9) -
2 Not to Exceed \$56,700,000]

3 **Resolution declaring the intent of the City and County of San Francisco ("City") to**
4 **reimburse certain expenditures from proceeds of future bonded indebtedness;**
5 **authorizing the Director of the Mayor's Office of Housing and Community Development**
6 **("Director") to submit an application and related documents to the California Debt Limit**
7 **Allocation Committee ("CDLAC") to permit the issuance of residential mortgage**
8 **revenue bonds in an aggregate principal amount not to exceed \$56,700,000 for 410**
9 **China Basin Street (Mission Bay South Block 9); authorizing and directing the Director**
10 **to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in**
11 **accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that**
12 **the City has on deposit the required amount; authorizing the Director to pay an amount**
13 **equal to such deposit to the State of California if the City fails to issue the residential**
14 **mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of**
15 **1986, as amended, the issuance and sale of residential mortgage revenue bonds by the**
16 **City in an aggregate principal amount not to exceed \$56,700,000; authorizing and**
17 **directing the execution of any documents necessary to implement this Resolution; and**
18 **ratifying and approving any action heretofore taken in connection with the Project, as**
19 **defined herein, and the Application, as defined herein.**

20
21 WHEREAS, The Board of Supervisors of the City and County of San Francisco ("Board
22 of Supervisors"), after careful study and consideration, has determined that there is a
23 shortage of safe and sanitary housing within the City and County of San Francisco ("City"),
24 particularly for low and moderate income persons, and that it is in the best interest of the
25 residents of the City and in furtherance of the health, safety, and welfare of the public for the

1 City to assist in the financing of multi-family rental housing units; and

2 WHEREAS, Acting under and pursuant to the powers reserved to the City under
3 Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections
4 1.101 and 9.107 of the Charter of the City and County of San Francisco, the City has enacted
5 the City and County of San Francisco Residential Mortgage Revenue Bond Law ("City Law"),
6 constituting Article I of Chapter 43 of the San Francisco Administrative Code, in order to
7 establish a procedure for the authorization, issuance and sale of residential mortgage revenue
8 bonds by the City for the purpose of providing funds to encourage the availability of adequate
9 housing and home finance for persons and families of low or moderate income, and to
10 develop viable communities by providing decent housing, enhanced living environments, and
11 increased economic opportunities for persons and families of low or moderate income; and

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

17 WHEREAS, Mission Bay 9 LP, a California limited partnership (or an affiliate thereof or
18 successor thereto) (the "Borrower") desires to construct an 141-unit affordable residential
19 rental housing development located at 410 China Basin Street, San Francisco, California
20 94158 ("Project"); and

21 WHEREAS, The Developer has requested that the City assist in the financing of the
22 Project through the issuance of one or more series of tax-exempt mortgage revenue bonds
23 ("Bonds"); and

24 WHEREAS, The City expects that proceeds of the Bonds will be used to pay certain
25 costs incurred in connection with the Project prior to the date of issuance of the Bonds; and

1 WHEREAS, The City intends to issue the Bonds in an amount not to exceed
2 \$56,700,000 and to loan the proceeds of the Bonds to the Developer ("Loan") to finance the
3 costs of the Project; and

4 WHEREAS, The Bonds will be limited obligations, payable solely from pledged
5 security, including Project revenues, and will not constitute a debt of the City; and

6 WHEREAS, The Board of Supervisors has determined that the moneys advanced and
7 to be advanced to pay certain expenditures of the Project are or will be available only for a
8 temporary period and it is necessary to reimburse such expenditures with respect to the
9 Project from the proceeds of the Bonds; and

10 WHEREAS, Section 1.150-2 of the United States Treasury Regulations requires that
11 the Board of Supervisors declare its reasonable official intent to reimburse prior expenditures
12 for the Project with proceeds of the Bonds; and

13 WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
14 103 of the Internal Revenue Code of 1986, as amended ("Code"), only if the Bonds are
15 approved in accordance with Section 147(f) of the Code; and

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

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

19 WHEREAS, On September 3, 2019, the City caused a notice stating that a public
20 hearing with respect to the issuance of the Bonds would be held by the Mayor's Office of
21 Housing and Community Development on September 17, 2019, published in the Notices
22 section of the Mayor's Office of Housing and Community Development website (at
23 <https://sfmohcd.org/notices-0>); and

24 WHEREAS, The Mayor's Office of Housing and Community Development held the
25 public hearing described above on September 17, 2019, and an opportunity was provided for

1 persons to comment on the issuance of the Bonds and the Project; and

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

5 WHEREAS, Section 146 of the Code limits the amount of tax-exempt private activity
6 bonds, which include qualified mortgage bonds, that may be issued in any calendar year by
7 entities within a state and authorizes the legislature of each state to provide the method of
8 allocating authority to issue tax-exempt private activity bonds within the respective state; and

9 WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State
10 of California governs the allocation in the State of California of the state ceiling established by
11 Section 146 of the Code among governmental units in the State having the authority to issue
12 tax-exempt private activity bonds; and

13 WHEREAS, Section 8869.85(b) of the Government Code requires that a local agency
14 file an application for a portion of the state ceiling with or upon the direction of the California
15 Debt Allocation Committee ("CDLAC") prior to the issuance of tax-exempt private activity
16 bonds, including qualified mortgage bonds; and

17 WHEREAS, CDLAC procedures require an applicant for a portion of the state ceiling to
18 certify to CDLAC that applicant has on deposit an amount equal to one-half of one percent
19 (0.5%) of the amount of allocation requested not to exceed \$100,000; now, therefore, be it

20 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
21 follows:

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

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1 Section 2. The Board of Supervisors adopts this Resolution for purposes of
2 establishing compliance with the requirements of Section 1.150-2 of the United States
3 Treasury Regulations. This Resolution does not bind the Board of Supervisors to issue the
4 Bonds, approve the Loan or to make any expenditure, incur any indebtedness or proceed with
5 the Project.

6 Section 3. The Board of Supervisors hereby declares its official intent under United
7 States Treasury Regulations Section 1.150-2 to use proceeds of the Bonds to reimburse
8 expenditures incurred in connection with the Project. The Board of Supervisors hereby further
9 declares its intent to use such proceeds to reimburse the Developer for actual expenditures
10 made by the Developer on the Project.

11 Section 4. On the date of the expenditure to be reimbursed, all reimbursable costs of
12 the Project will be of a type properly chargeable to a capital account under general federal
13 income tax principles.

14 Section 5. The maximum principal amount of debt expected to be issued for the Project
15 is \$56,700,000.

16 Section 6. This Board of Supervisors, as the applicable elected representative of the
17 governmental unit having jurisdiction over the area in which the Project is located, hereby
18 approves the issuance of the Bonds for purposes of Section 147(f) of the Code.

19 Section 7. This approval of the issuance of the Bonds by the City is neither an
20 approval of the underlying credit issues of the proposed Project nor an approval of the
21 financial structure of the Bonds.

22 Section 8. The Board of Supervisors hereby authorizes the Director of the Mayor's
23 Office of Housing and Community Development, including any acting or interim director, or
24 such person's designee ("Director"), on behalf of the City, to submit an application
25 ("Application"), and such other documents as may be required, to CDLAC pursuant to

1 Government Code Section 8869.85 for an allocation for the Project of a portion of the state
2 ceiling for private activity bonds in a principal amount not to exceed \$56,700,000.

3 Section 9. An amount equal to one-half of one percent (0.5%) of the amount of the
4 CDLAC allocation requested for the Project, not to exceed \$100,000 ("Deposit"), is hereby
5 authorized to be held on deposit in connection with the Application and the applicable CDLAC
6 procedures, and the Director is authorized to certify to CDLAC that such funds are available.

7 Section 10. If the City receives a CDLAC allocation for the Project and the Bonds are
8 not issued, the Mayor's Office of Housing and Community Development is hereby authorized
9 to cause an amount equal to the Deposit to be paid to the State of California, if and to the
10 extent required by CDLAC.

11 Section 11. The officers and employees of the City, including the Director, are hereby
12 authorized and directed, jointly and severally, to do any and all things necessary or advisable
13 to consummate the receipt of an allocation from CDLAC and otherwise effectuate the
14 purposes of this Resolution, consistent with the documents cited herein and this Resolution,
15 and all actions previously taken by such officers and employees with respect to the Project,
16 consistent with the documents cited herein and this Resolution, including but not limited to the
17 submission of the application to CDLAC, are hereby ratified and approved.

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Section 12. 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: 
KENNETH DAVID ROUX
Deputy City Attorney
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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 190977

Date Passed: October 22, 2019

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$56,700,000 for 410 China Basin Street (Mission Bay South Block 9); authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$56,700,000; authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

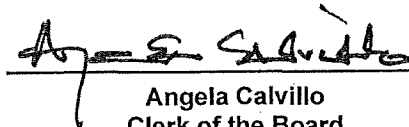
October 09, 2019 Budget and Finance Committee - RECOMMENDED

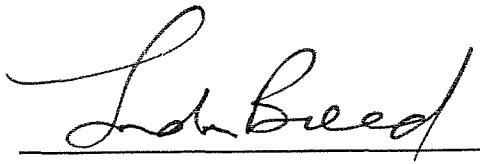
October 22, 2019 Board of Supervisors - ADOPTED

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

File No. 190977

I hereby certify that the foregoing
Resolution was ADOPTED on 10/22/2019
by the Board of Supervisors of the City and
County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor

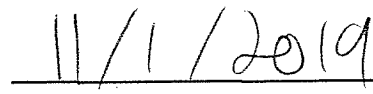

Date Approved

Exhibit Q

Certificate of Tenant TEFRA Notice

Project Name: Mission Bay South Block 9

Project Address: 410 China Basin St, San Francisco, CA 94158

Project Block/Lot: 8719/003

This Certificate of Tenant TEFRA Notice (the "Certificate") is submitted pursuant to §3.2.4.A.3 of the Multifamily Securities Program Manual (the "Manual") for the City and County of San Francisco (the "City") and the Housing Bond Approval Policy, Section 43.9 of Article IX of the San Francisco Municipal Code. Any capitalized terms not defined herein have the meanings given in the Manual.

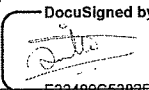
The undersigned hereby certifies as follows:

1. The undersigned is authorized to execute this Certificate on behalf of the Borrower for the Project referenced hereinabove (the "Project").
2. A written notice regarding the application for Program financing and TEFRA Hearing concerning the Project (a "Tenant TEFRA Notice") was delivered via mail to all current tenants on September 4, 2019 and posted at the Project location on September 4, 2019.
3. Both dates referenced above are at least 10 days prior to the TEFRA Hearing referenced in the Tenant TEFRA Notice.
4. A true and correct copy of the Tenant TEFRA Notice delivered and posted as described above is attached to this Certificate.

Mission Bay 9 LP,
a California limited partnership

By: Mission Bay 9 LLC, a California limited liability company,
its administrative general partner

By: BRIDGE Housing Corporation,
a California nonprofit public benefit corporation,
its sole and managing member

By:  _____
Smitha Seshadri, Vice President

DATE: 9/4/2019 _____

CITY AND COUNTY OF SAN FRANCISCO

Public Hearing as required by Section 147(f) of the Internal Revenue Code of 1986

410 China Basin Street (Mission Bay South Block 9)

Date: September 17, 2019

Time: 2:00 PM

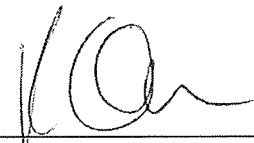
Location: Mayor's Office of Housing and Community Development (MOHCD)
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor, Room 5081
San Francisco, CA 94103

Present: Kim Obstfeld, OCII
Christina Mun, MOHCD
Serena Callaway, CHP

The hearing was held to obtain public comment on the proposed issuance by the City and County of San Francisco of multifamily housing revenue bonds in an amount not to exceed \$56.7 million for the purpose of financing the construction of a 141-unit residential rental housing development located at 410 China Basin Street in San Francisco. The development will be owned by Mission Bay 9 LP, a California limited partnership formed by BRIDGE Housing and Community Housing Partnership ("CHP"), or any successors thereto.

The public hearing was convened at 2:00 PM. There were no written comments received on the proposed issuance. Except for representatives from the Office of Community Investment and Infrastructure (Kim Obstfeld, Development Specialist), Mayor's Office of Housing and Community Development (Christina Mun, Senior Project Manager) and the project sponsor (Serena Callaway, CHP), there were no persons present wishing to comment on the proposed issuance or on the project. The hearing was adjourned at 2:30 PM.

Minutes prepared by:



Kim Obstfeld

Date: September 17, 2019

CERTIFICATE OF TEFRA PUBLICATION
Mission Bay South Block 9

This Certificate of Publication is executed this day for the purposes of demonstrating compliance with Section 147(f) of the Internal Revenue Code of 1986, as Amended (the "Code") and applicable Treasury Regulations (the "Regulations"). The undersigned, as a duly qualified and appointed representative of the **CITY AND COUNTY OF SAN FRANCISCO** (the "Issuer"), hereby certifies as follows:

1. A Notice of Public Hearing, attached as Exhibit A, with respect to the issuance of tax-exempt bonds/obligations (the "Bonds") of the Issuer for the benefit of the project described therein (the "Project") was published on the Issuer's primary website address of <https://sfmohcd.org/notices-0> on **September 3, 2019**.

2. The Notice of Public Hearing was posted in an area of the Issuer's website that is used to inform its residents about events affecting the residents and which is clearly identified and accessible to members of the general public seeking information concerning the issuance of the Bonds and the Project.

3. Evidence of the website publication of the Notice of Public Hearing is attached hereto as Exhibit B. This Issuer will maintain records showing that the Notice of Public Hearing containing the requisite information was timely posted on the Issuer's website.

4. The Notice of Hearing remained published on the Issuer's website for a period of **fourteen (14)** consecutive days and the Issuer held the hearing as described in the Notice of Public Hearing on **September 17, 2019**.

5. Following the hearing, the Issuer submitted the request for approval of the Issuance of the Bonds and Project to the applicable elected representative of the Issuer as required by Section 147(f) of the Code and the Regulations.

Dated: September 18, 2019

City and County of San Francisco

By: 

Name: Kim Obstfeld

Title: Development Specialist

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Tuesday, September 17, 2019, 2:00 PM, in the Mayor's Office of Housing and Community Development, 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, the City and County of San Francisco (the "City") will conduct a public hearing (the "Public Hearing") at which time the City will hear and consider information concerning the proposed sale and issuance by the City of multifamily affordable housing mortgage revenue bonds (the "Bonds") in an aggregate principal amount not to exceed FIFTY-SIX MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$56,700,000.00). The proceeds of the Bonds will be loaned to Mission Bay 9 LP (or an affiliate thereof or successor thereto) (the "Borrower"), pursuant to a loan agreement (the "Loan Agreement"). The proceeds of the Bonds loaned to the Borrower will be used to finance the development of approximately 141 units of residential rental housing with supportive services, to be occupied by formerly homeless households, located at 410 China Basin Street, San Francisco, California 94158 (the "Project"). The Project site is bounded by Mission Rock Street to the north, China Basin Street to the south, the Public Safety Building to the west, and the future extension of Bridgeview Way to the west (assessor's parcel number 8719003). The Project will be owned and operated by the Borrower.

The Bonds will be paid entirely by the Borrower from the revenues of the Project, in accordance with the Loan Agreement. Neither the full faith and credit nor the taxing power of the City, the State of California (the "State") or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal, premium, if any, or interest on the Bonds, nor shall the City, the State or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal, premium, if any, or interest on the Bonds.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

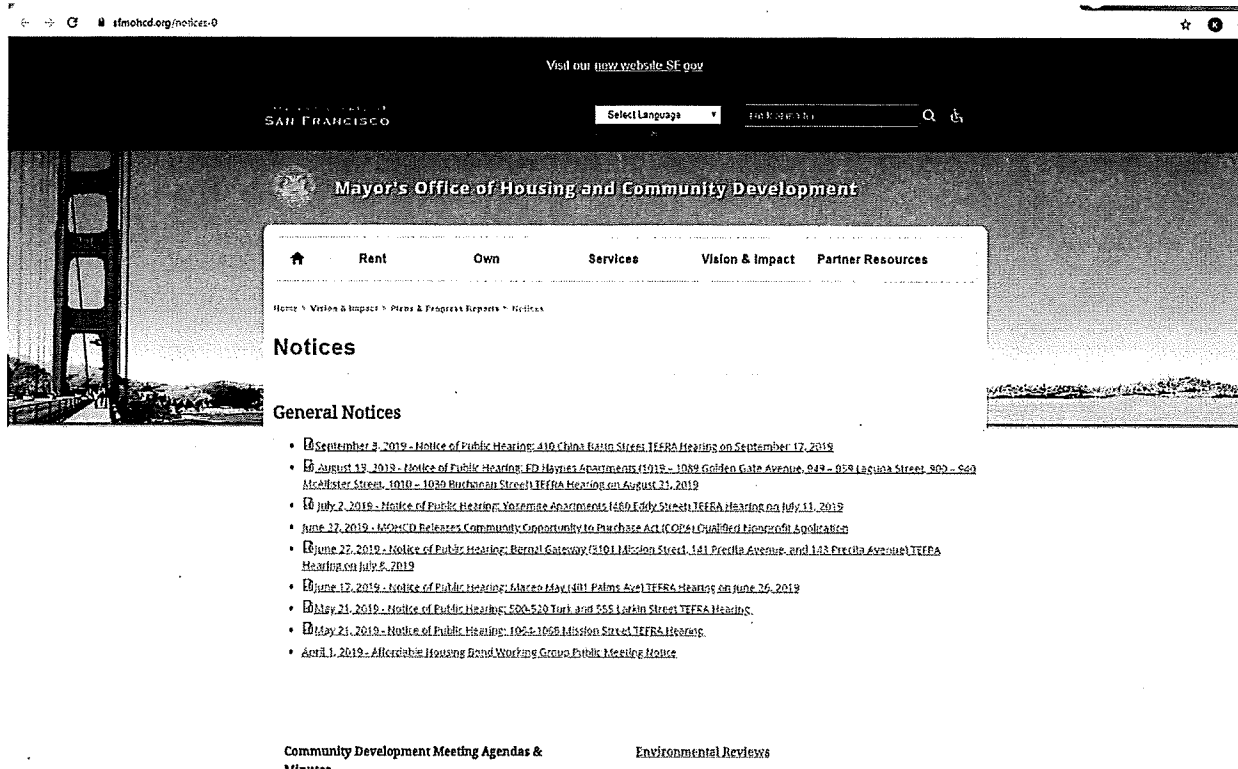
All those interested in matters related to the issuance of the Bonds and to the financing of the Project are invited to attend and be heard at this hearing. Interested parties may appear in person at the time and place indicated above or submit written comments, which must be received prior to the Public Hearing, to the City, c/o Christina Mun, Mayor's Office of Housing and Community Development, at the address indicated above.

Date: September 3, 2019

CITY AND COUNTY OF SAN FRANCISCO
Daniel Adams, Acting Director
Mayor's Office of Housing and Community
Development

EXHIBIT B

EVIDENCE OF PUBLICATION



Visit our www.se.gov

SAN FRANCISCO

Select Language

Mayor's Office of Housing and Community Development

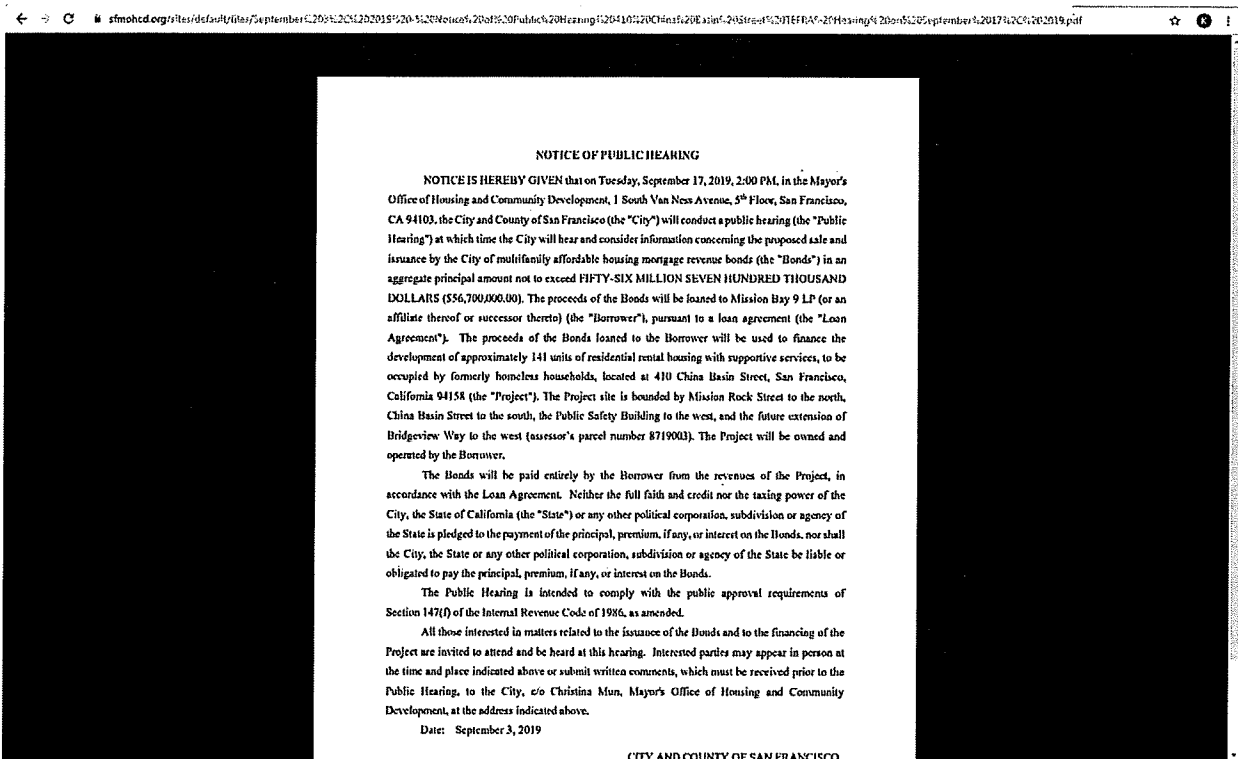
Home > Vision & Impact > Plans & Progress Reports > Notices

Notices

General Notices

- September 3, 2019 - Notice of Public Hearing: 410 China Basin Street TEPA Hearing on September 17, 2019
- August 13, 2019 - Notice of Public Hearing: ED Hayes Apartments (1018 - 1089 Golden Gate Avenue, 848 - 958 Laguna Street, 800 - 860 McAllister Street, 1010 - 1020 Buchanan Street) TEPA Hearing on August 23, 2019
- July 2, 2019 - Notice of Public Hearing: Yotemme Apartments 1480 Eddy Street TEPA Hearing on July 11, 2019
- June 27, 2019 - MCHCD Releases Community Opportunity to Purchase Act (COPA) Qualified Homeowner Applications
- June 27, 2019 - Notice of Public Hearing: Bernal Gateway (1101 Mission Street, 141 Preella Avenue, and 143 Preella Avenue) TEPA Hearing on July 8, 2019
- June 17, 2019 - Notice of Public Hearing: Marco May (401 Palmes Ave) TEPA Hearing on June 26, 2019
- May 21, 2019 - Notice of Public Hearing: 500-520 Turk and 555 Larkin Street TEPA Hearing
- May 21, 2019 - Notice of Public Hearing: 1024-1058 Mission Street TEPA Hearing
- April 1, 2019 - Affordable Housing Bond Working Group Public Meeting Notice

Community Development Meeting Agendas & Environmental Reviews



sfmohcd.org/ites/default/files/September%20%20%202019%20%20Notices%20of%20Public%20Hearing%20410%20China%20Basin%20Street%20TEPA%20Hearing%20on%20September%2017%202019.pdf

NOTICE OF PUBLIC HEARING

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The Bonds will be paid entirely by the Borrower from the revenues of the Project, in accordance with the Loan Agreement. Neither the full faith and credit nor the taxing power of the City, the State of California (the "State") or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal, premium, if any, or interest on the Bonds, nor shall the City, the State or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal, premium, if any, or interest on the Bonds.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.

All those interested in matters related to the issuance of the Bonds and to the financing of the Project are invited to attend and be heard at this hearing. Interested parties may appear in person at the time and place indicated above or submit written comments, which must be received prior to the Public Hearing, to the City, c/o Christina Mun, Mayor's Office of Housing and Community Development, at the address indicated above.

Date: September 3, 2019

CITY AND COUNTY OF SAN FRANCISCO