

FILE NO.

RESOLUTION NO.

1 [Authorizing Not-to-Exceed \$7,250,000 Certificates of Participation and Commercial Paper
2 Notes relating to the Construction of a Homeless Services Center at 1064-1068 Mission]

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

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

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

21 WHEREAS, On August 7, 2017, the Department of Health and Human Services (HHS)
22 awarded the City the right to enter into a three-year lease (site acquisition) with subsequent
23 renewal options, and the property will be transferred to the City once the City and
24 development partners demonstrate project financing approvals and associated legal
25 documents to ensure a feasible project, currently estimated for December 2019; and

1 WHEREAS, In February 2018, the Real Estate Division (RED), Department of Public
2 Health (DPH) and Mayor’s Office of Housing and Community Development (MOHCD) agreed
3 to pursue co-locating the Tom Waddell Urgent Care Clinic (the “Clinic”), which must vacate its
4 current site at 101 Grove Street due to seismic safety conditions, and had been unsuccessful
5 at finding a suitable new location; and

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

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

15 WHEREAS, The Center was included as part of the 1064-1068 Mission Street Project
16 in the FY2020-2029 Ten-Year Capital Plan this Board of Supervisors adopted on April 30,
17 2019; and

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

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

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

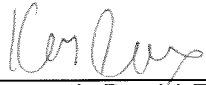
10 RESOLVED, That the Board hereby approves the execution and delivery of Certificates
11 of Participation evidencing an aggregate principal amount not to exceed \$7,250,000 to pay
12 the construction costs of the Center and other costs of issuance thereto; provided however
13 the Controller and/or the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

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

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

1 this Resolution.

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3 APPROVED AS TO FORM:

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6 By: 
7 Kenneth David Roux
8 Deputy City Attorney
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