

1 [Grant Agreement - Kelly Cullen Community - 220 Golden Gate Avenue - Not to Exceed
2 \$18,475,118]

3 **Resolution authorizing the Director of the Mayor’s Office of Housing to execute a**
4 **Local Operating Subsidy Program Grant Agreement with 220 Golden Gate Master**
5 **Tenant, LP, to provide operating subsidies for formerly homeless single adults at**
6 **Kelly Cullen Community, 220 Golden Gate Avenue, for the period of December 1,**
7 **2012, to November 30, 2027, in an amount not to exceed \$18,475,118.**

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9 WHEREAS, The Mayor’s Office of Housing (MOH) administers a variety of
10 housing programs that provide financing for the development of new housing and the
11 rehabilitation of single-and multi-family housing for low-and moderate-income
12 households in San Francisco; and

13 WHEREAS, In June 2006, the City and County of San Francisco published its
14 “Ten Year Plan to End Chronic Homelessness,” and established a goal of creating
15 3,000 permanent affordable housing units for homeless households by 2016; and

16 WHEREAS, MOH developed the Local Operating Subsidy Program (LOSP) in
17 order to establish long-term financial support to operate and maintain permanent
18 affordable housing for homeless households. Through the LOSP, the City subsidizes
19 the difference between the cost of operating housing for homeless persons and all other
20 sources of operating revenue for a given project, such as tenant rental payments,
21 commercial space lease payments, Stewart B. McKinney Homeless Assistance Act
22 subsidies, project-based Section 8 rent subsidies and California Mental Health Services
23 Act operating subsidies; and

24 WHEREAS, All supportive housing projects selected for capital funding by the
25 Citywide Affordable Housing Loan Committee (Loan Committee) pursuant to a

1 competitive Notice of Funding Availability (NOFA) or Request for Proposals (RFP)
2 process and intended to serve homeless individuals or families are eligible to receive
3 LOSP funds; and

4 WHEREAS, the Board of Supervisors authorizes City funding for LOSP projects
5 as part of the Annual Appropriation Ordinance; and

6 WHEREAS, MOH enters into grant agreements with supportive housing owners
7 and operators for LOSP projects in consultation with the Department of Public Health
8 (DPH) and Human Services Agency (HSA), fiscally administers LOSP contracts,
9 reviews annual audits and prepares recommendations for annual adjustments to project
10 funding, monitors compliance with LOSP requirements as part of monitoring compliance
11 with capital funding regulatory agreements, and if necessary, takes appropriate action to
12 enforce compliance; and

13 WHEREAS, 220 Golden Gate Associates, LP, is the owner and developer of the
14 Kelly Cullen Community (the "Project"), which will provide 174 affordable efficiency
15 studio units at 220 Golden Gate Avenue; and

16 WHEREAS, 220 Golden Gate Associates, LP, has leased the Project to 220
17 Golden Gate Master Tenant, LP, a California limited partnership for which 220 Golden
18 Gate Historic Corporation, a Corporation affiliated with Tenderloin Neighborhood
19 Development Center, a California nonprofit public benefit corporation, is its managing
20 general partner; and

21 WHEREAS, On December 16, 2011, the Loan Committee recommended
22 approval to the Mayor of a 15-year LOSP contract not to exceed \$18,475,118 with 220
23 Golden Gate Master Tenant, LP for Kelly Cullen Community; now, therefore, be it

24 RESOLVED, That the Board of Supervisors hereby authorizes the Director of
25 MOH or his designee to execute the LOSP Grant Agreement (Agreement) for an

1 amount not to exceed \$18,475,118, in substantially the form on file with the Clerk of the
2 Board, and in such final form as approved by the Director of MOH and the City Attorney;
3 and, be it

4 FURTHER RESOLVED, That this Board of Supervisors authorizes MOH to
5 proceed with actions necessary to implement the Agreement following execution, and
6 ratifies, approves and authorizes all actions heretofore taken by any City official in
7 connection with such Agreement; and, be it

8 FURTHER RESOLVED, That this Board of Supervisors hereby authorizes the
9 Director of MOH or his designee to enter into any amendments or modifications to the
10 Agreement, including without limitation, the exhibits, that the Director determines, in
11 consultation with the City Attorney, are in the best interest of the City, do not materially
12 increase the obligations or liabilities for the City or materially diminish the benefits of the
13 City, are necessary or advisable to effectuate the purposes and intent of this Resolution
14 and are in compliance with all applicable laws, including the City Charter.

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16 RECOMMENDED:

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18 _____
Olson Lee
19 Director
Mayor's Office of Housing

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