

1 [Apply for Grant - Potrero Housing Associates II, L.P. - Assumption of Liability -
2 Department of Housing and Community Development Infill Infrastructure Program -
3 Potrero Block B]

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4 **Resolution authorizing the Mayor’s Office of Housing and Community**
5 **Development, on behalf of the City and County of San Francisco, to execute a grant**
6 **application, as defined herein, under the Department of Housing and Community**
7 **Development Infill Infrastructure (“IIG”) Program as a joint applicant with Potrero**
8 **Housing Associates II, L.P., a California limited partnership, for the 100% affordable**
9 **housing project identified as Potrero Block B in the Potrero HOPE SF Development**
10 **Agreement; authorizing the City to assume any joint and several liability for**
11 **completion of the projects required by the terms of any grant awarded under the IIG**
12 **Program; and adopting findings under the California Environmental Quality Act**
13 **(“CEQA”), the CEQA Guidelines, and Administrative Code, Chapter 31.**

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15 WHEREAS, The State of California Department of Housing and Community
16 Development (“Department”) has issued a Notice of Funding Availability (“NOFA”) dated
17 October 30, 2019, under the Infill Infrastructure (“IIG”) Program established under Division
18 31, Part 12.5 of the Health and Safety Code commencing with Section 53559; and

19 WHEREAS, The Department is authorized to approve funding allocations for the
20 IIG Program, subject to the terms and conditions of the NOFA IIG Program Grant
21 Guidelines adopted by the Department on October 30, 2019 (“Program Guidelines”), an
22 application package released by the Department for the IIG Program (“Application
23 Package”), and an IIG standard agreement with the State of California (“Standard
24 Agreement”), the Department is authorized to administer the approved funding allocations
25 of the IIG Program; and

1 WHEREAS, The IIG Program provides infrastructure grants for Capital
2 Improvement Projects in support of Qualifying Infill Projects or Qualifying Infill Areas to
3 applicants identified through a competitive process for the development of projects that,
4 per the Program Guidelines, support higher-density affordable and mixed-income housing
5 and mixed-use infill developments; and

6 WHEREAS, The IIG Program requires that joint applicants for a project will be held
7 jointly and severally liable for completion of such project; and

8 WHEREAS, Potrero Housing Associates II, L.P., a California limited partnership
9 (“Developer”), has requested the City and County of San Francisco (the “City”), acting by
10 and through the Mayor’s Office of Housing and Community Development (“MOHCD”), to
11 be a joint applicant for its a 157 unit, 100% affordable housing project, ground floor early
12 childhood education center and adjacent public mini park (the “Project”), identified as
13 Potrero Block B (“Potrero Block B”); in the Potrero HOPE SF Development Agreement
14 (File Number 161161); and

15 WHEREAS, By Ordinance No. 19-17, the Board of Supervisors made findings
16 under the California Environmental Quality Act (Public Resources Code, Sections 21000
17 et seq.) and findings of consistency with the General Plan, and the eight priority policies
18 of Planning Code, Section 101.1, which Ordinance is on file with the Clerk of the Board of
19 Supervisors in File No. 161308 and is incorporated herein by reference; and

20 WHEREAS, The City, acting by and through MOHCD, desires to apply for IIG
21 Program funds and submit an Application Package as a joint applicant with the
22 Developer; now, therefore, be it

23 RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the
24 City, the authority to execute an application to the IIG Program as detailed in the NOFA
25 dated October 30, 2019, in a total amount not to exceed \$15,579,687 of which the entire

1 amount will be provided as a as a grant for Capital Infrastructure Improvements as
2 defined the IIG Program Guidelines and sign the IIG Program documents; and, be it

3 FURTHER RESOLVED, The Board of Supervisors specifically agrees that the City
4 shall assume any joint and several liability for completion of the Project required by the
5 terms of any grant awarded to the City and the Developer under the IIG Program; and, be
6 it

7 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
8 Application is successful, the City, through MOHCD, shall seek Board of Supervisors
9 approval of the IIG Standard Agreement, with terms and conditions that IIG Program
10 funds are to be used for allowable capital asset project expenditures to be identified in the
11 Standard Agreement, that the Application Package in full is incorporated as part of the
12 Standard Agreement, and that any and all activities funded, information provided, and
13 timelines represented in the application are enforceable through the Standard Agreement;
14 and, be it

15 FURTHER RESOLVED, That the Board of Supervisors authorizes the Acting
16 Director of MOHCD (or his designee) to execute and deliver any documents in the name
17 of the City that are necessary, appropriate or advisable to secure the IIG Program funds
18 from the Department, and all amendments thereto, and complete the transactions
19 contemplated herein and to use the funds for eligible capital asset(s) in the manner
20 presented in the application as approved by the Department and in accordance with the
21 NOFA and Program Guidelines and Application Package; and, be it

22 FURTHER RESOLVED, That all actions authorized and directed by this Resolution
23 and heretofore taken are ratified, approved and confirmed by this Board of Supervisors.
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RECOMMENDED:

Daniel Adams, Acting Director,
Mayor's Office of Housing and Community Development