

1 [Apply for Grant - 2060 Folsom Housing, L.P. - Assumption of Liability - Affordable Housing  
and Sustainable Communities Program - 2060 Folsom Street Project]

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3 **Resolution authorizing the Mayor’s Office of Housing and Community Development on**  
4 **behalf of the City and County of San Francisco to execute a grant application, as**  
5 **defined herein, under the Department of Housing and Community Development**  
6 **Affordable Housing and Sustainable Communities (AHSC) Program as a joint applicant**  
7 **with 2060 Folsom Housing, L.P., a California limited partnership for the project at 2060**  
8 **Folsom Street; authorizing the City to assume any joint and several liability for**  
9 **completion of the projects required by the terms of any grant awarded under the AHSC**  
10 **Program; and adopting findings under the California Environmental Quality Act**  
11 **(CEQA), the CEQA Guidelines and Chapter 31 of the San Francisco Administrative**  
12 **Code.**

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14 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the  
15 Department of Housing and Community Development (“Department”) has issued a Notice of  
16 Funding Availability (“NOFA”) dated October 2, 2017, under the Affordable Housing and  
17 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the  
18 Public Resources Code commencing with Section 75200; and

19 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC  
20 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines  
21 adopted by SGC on July 17, 2017, errata August 14, 2017 (“Program Guidelines”), an  
22 application package released by the Department for the AHSC Program (“Application  
23 Package”), and an AHSC standard agreement with the State of California (“Standard  
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25

1 Agreement”), the Department is authorized to administer the approved funding allocations of  
2 the AHSC Program; and

3 WHEREAS, The AHSC Program provides grants and loans to applicants identified  
4 through a competitive process for the development of projects that, per the Program  
5 Guidelines, will achieve greenhouse gas reductions and benefit disadvantaged communities  
6 through increased accessibility to affordable housing, employment centers and key  
7 destinations via low-carbon transportation; and

8 WHEREAS, The AHSC Program requires that joint applicants for a project will be held  
9 jointly and severally liable for completion of such project; and

10 WHEREAS, 2060 Folsom Housing, L.P., a California limited partnership (“Developer”),  
11 has requested the City and County of San Francisco, acting by and through MOHCD (the  
12 “City”), to be a joint applicant for its project located at 2060 Folsom Street (the “2060 Folsom  
13 Project”); and

14 WHEREAS, On June 10, 2016, by Certificate of Determination, the Planning  
15 Department, by case No. 2015-014715ENV, determined that the development of the 127 unit  
16 affordable housing project at 2060 Folsom Street is eligible for streamlined environmental  
17 review per Section 15183.3 of the California Environmental Quality Act (“CEQA”) Guidelines  
18 and California Public Resources Code, Section 21094.5; and

19 WHEREAS, The Planning Department found that any environmental impacts of 2060  
20 Folsom Project were fully reviewed under the Eastern Neighborhoods Area Plan  
21 Environmental Impact Report (“EIR”); and

22 WHEREAS, The EIR was prepared, circulated for public review and comment, and, at  
23 a public hearing on August 7, 2008, by Motion No. 17659, certified by the Planning  
24 Commission as complying with CEQA; and

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1           WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to  
2 perform upgrades to its 13<sup>th</sup> Street protected bike lanes and install Folsom Street pedestrian  
3 countdown signals and related improvements in the vicinity of the Project (the “SFMTA  
4 Work”); and

5           WHEREAS, The City and County of San Francisco acting by and through the Mayor’s  
6 Office of Housing and Community Development (the “City”) desires to apply for AHSC  
7 Program funds and submit an Application Package as a joint applicant with the Developer;  
8 and

9           WHEREAS, In order for the City to make certain commitments in the Application  
10 Package, SFMTA and MOHCD will enter into a Memorandum of Understanding to make such  
11 commitments on behalf of the City; now, therefore, be it

12           RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the City  
13 and County of San Francisco, the authority to execute an application to the AHSC Program as  
14 detailed in the NOFA dated October 2, 2017, for Round 3, in a total amount not to exceed  
15 \$15,000,000 of which \$10,000,000 is requested as a loan for an Affordable Housing  
16 Development (AHD) (“AHSC Loan”) and \$5,000,000 is requested for a grant for Housing-  
17 Related Infrastructure (HRI), Sustainable Transportation Infrastructure (STI), Transit-Related  
18 Amenities (TRA) or Program (PGM) activities (“AHSC Grant”) as defined the AHSC Program  
19 Guidelines and sign AHSC Program documents;; and, be it

20           FURTHER RESOLVED, The Board of Supervisors specifically agrees that the City  
21 shall assume any joint and several liability for completion of the Project required by the terms  
22 of any grant awarded to the City and the Developer under the AHSC Program; and, be it

23           FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the  
24 Application is successful, the City, through MOHCD, shall seek Board of Supervisors approval  
25 of the Standard Agreement, with terms and conditions that AHSC Program funds are to be

1 used for allowable capital asset project expenditures to be identified in Exhibit A of the  
2 Standard Agreement, that the Application Package in full is incorporated as part of the  
3 Standard Agreement, and that any and all activities funded, information provided, and  
4 timelines represented in the application are enforceable through the Standard Agreement;  
5 and, be it

6 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
7 MOHCD (or her designee) to execute and deliver any documents in the name of the City that  
8 are necessary, appropriate or advisable to secure the AHSC Program funds from the  
9 Department, and all amendments thereto, and complete the transactions contemplated herein  
10 and to use the funds for eligible capital asset(s) in the manner presented in the application as  
11 approved by the Department and in accordance with the NOFA and Program Guidelines and  
12 Application Package; and, be it

13 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
14 heretofore taken are ratified, approved and confirmed by this Board of Supervisors.

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RECOMMENDED:

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Kate Hartley, Director, Mayor's Office of Housing and Community Development