

1 [Local Operating Subsidy Program Contract - Plaza Apartments Associates, L.P. - 988  
2 Howard Street - Not to Exceed \$19,119,769]

3 **Resolution authorizing the Director of the Mayor's Office of Housing and Community**  
4 **Development to execute a Local Operating Subsidy Program Grant Agreement with**  
5 **Plaza Apartments Associates, LP, a California limited partnership, to provide**  
6 **operating subsidies for formerly homeless households at Plaza Apartments, 988**  
7 **Howard Street, for a 15-year period, in an amount not to exceed \$19,119,769.**

8  
9 WHEREAS, The Mayor's Office of Housing and Community Development (MOHCD)  
10 administers a variety of housing programs that provide financing for the development of  
11 new housing and the rehabilitation of single-and multi-family housing for low- and  
12 moderate-income households in San Francisco; and

13 WHEREAS, In 2004, the City and County of San Francisco (City) published its "Ten  
14 Year Plan to End Chronic Homelessness," and established a goal of creating 3,000  
15 permanent affordable housing units for homeless households by 2016; and

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

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

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

3 WHEREAS, The Board of Supervisors of the City and County of San Francisco  
4 (Board of Supervisors) authorizes City funding for LOSP projects as part of the Annual  
5 Appropriation Ordinance; and

6 WHEREAS, MOHCD 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), administers LOSP contracts, reviews annual  
9 audits and prepares recommendations for annual adjustments to project funding, monitors  
10 compliance with LOSP requirements as part of monitoring compliance with capital funding  
11 regulatory agreements, and if necessary, takes appropriate action to enforce compliance;  
12 and

13 WHEREAS, Plaza Apartments Associates L.P., a California limited partnership  
14 (Developer), is the owner and developer of the Plaza Apartments (Project), which will  
15 provide 106 studios and one-bedroom units for formerly homeless households at 988  
16 Howard Street; and

17 WHEREAS, On February 21, 2014, the Loan Committee recommended approval to  
18 the Mayor of a LOSP grant award for the Project not to exceed \$19,119,769; and

19 WHEREAS, MOHCD proposes to provide a LOSP grant in the amount not to exceed  
20 \$19,119,769 to the Developer pursuant to a LOSP Grant Agreement (the Agreement) in  
21 substantially the form on file with the Clerk of the Board in File No. 140646 and in such final  
22 form as approved by the Director of MOHCD and the City Attorney; and

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24 //

25 //

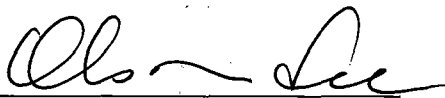
1           WHEREAS, the Agreement is for a 15 year term, and therefore requires Board of  
2 Supervisors authorization; now, therefore, be it

3           RESOLVED, That the Board of Supervisors hereby authorizes the Director of  
4 MOHCD or his designee to execute the Agreement for an amount not to exceed  
5 \$19,119,769,; and be it

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

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

17  
18 RECOMMENDED:

19 

20 Olson Lee, Director  
21 Mayor's Office of Housing and Community Development



**City and County of San Francisco**  
**Tails**  
**Resolution**

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

**File Number:** 140646

**Date Passed:** July 08, 2014

Resolution authorizing the Director of the Mayor's Office of Housing and Community Development to execute a Local Operating Subsidy Program Grant Agreement with Plaza Apartments Associates, LP, a California limited partnership, to provide operating subsidies for formerly homeless households at Plaza Apartments, 988 Howard Street, for a 15-year period, in an amount not to exceed \$19,119,769.

June 26, 2014 Government Audit and Oversight Committee - RECOMMENDED

July 08, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 140646

I hereby certify that the foregoing  
Resolution was ADOPTED on 7/8/2014 by  
the Board of Supervisors of the City and  
County of San Francisco.

Angela Calvillo  
Clerk of the Board

  
\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date Approved