

1 [Apply for Grant - Strada CHP, LLC. - Assumption of Liability - Department of Housing and
2 Community Development Affordable Housing and Sustainable Communities Program - 53
3 Colton Street Project]

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4 **Resolution authorizing the Mayor’s Office of Housing and Community Development, on**
5 **behalf of the City and County of San Francisco, to execute a grant application, as**
6 **defined herein, under the Department of Housing and Community Development**
7 **Affordable Housing and Sustainable Communities (“AHSC”) Program as a joint**
8 **applicant with Strada CHP, LLC., a California limited liability company, for the project at**
9 **53 Colton Street; authorizing the City to assume any joint and several liability for**
10 **completion of the projects required by the terms of any grant awarded under the AHSC**
11 **Program; and adopting findings under the California Environmental Quality Act**
12 **(“CEQA”), CEQA Guidelines, and Administrative Code, Chapter 31.**

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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 November 1, 2018, 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 October 29, 2018 (“Program Guidelines”), an application package
22 released by the Department for the AHSC Program (“Application Package”), and an AHSC
23 standard agreement with the State of California (“Standard Agreement”), the Department is
24 authorized to administer the approved funding allocations of the AHSC Program; and

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

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

8 WHEREAS, Strada CHP, LLC , a California limited liability company (“Developer”), has
9 requested the City and County of San Francisco (“City”), acting by and through Mayor’s Office
10 of Housing and Community Development (“MOHCD”), to be a joint applicant for its project
11 located at 53 Colton Street (the “Project”); and

12 WHEREAS, The Planning Department found that any environmental impacts of the 53
13 Colton Project were fully reviewed under the 1629 Market Street Mixed-Use Project
14 Environmental Impact Report (“EIR”) as case No. 2015-005848ENV; and

15 WHEREAS, The EIR was prepared, circulated for public review and comment, and, at
16 a public hearing on October 19, 2017 by Motion No. 20038, certified by the Planning
17 Commission as complying with CEQA; and

18 WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to
19 perform bicycle and pedestrian improvements in the vicinity of the Project (the “SFMTA
20 Work”); and

21 WHEREAS, Along with the construction of the housing component, the Developer and
22 Bay Area Rapid Transit (“BART”) have agreed to add canopies to BART entries (“BART
23 work”) in the vicinity of the Project and Strada CHP, LLC will receive a portion of any grant
24 funds awarded for the BART work; and
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1 WHEREAS, The City, acting by and through the MOHCD, desires to apply for AHSC
2 Program funds and submit an Application Package as a joint applicant with the Developer;
3 and

4 WHEREAS, SFMTA, MOHCD, and Developer will enter into a Memorandum of
5 Understanding to make such commitments on behalf of the City for the Application Package;
6 now, therefore, be it

7 RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the
8 City, the authority to execute an application to the AHSC Program as detailed in the NOFA
9 dated November 1, 2018, for Round 4, in a total amount not to exceed \$20,000,000 of which
10 up to \$14,000,000 is requested as a loan for an Affordable Housing Development (AHD)
11 (“AHSC Loan”) and up to \$6,000,000 is requested for a grant for Housing-Related
12 Infrastructure (HRI), Sustainable Transportation Infrastructure (STI), Transit-Related
13 Amenities (TRA) or Program (PGM) activities (“AHSC Grant”) as defined the AHSC Program
14 Guidelines and sign AHSC Program documents; and, be it

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

18 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
19 Application is successful, the City, through MOHCD, shall seek Board of Supervisors approval
20 of the Standard Agreement, with terms and conditions that AHSC Program funds are to be
21 used for allowable capital asset project expenditures to be identified in Exhibit A of the
22 Standard Agreement, that the Application Package in full is incorporated as part of the
23 Standard Agreement, and that any and all activities funded, information provided, and
24 timelines represented in the application are enforceable through the Standard Agreement;
25 and, be it

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

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

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RECOMMENDED:

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