

1 [Accept and Expend Grant - California Department of Housing and Community Development -
2 Infill Infrastructure Grant Program - Catalytic Qualifying Infill Area - \$45,000,000]

3 **Resolution authorizing the Mayor’s Office of Housing and Community Development**
4 **(“MOHCD”) to execute a Standard Agreement with California Department of Housing**
5 **and Community Development (“HCD” or “Department”) under the Infill Infrastructure**
6 **Grant Program – Catalytic Qualifying Infill Area for a total award of \$45,000,000**
7 **disbursed by HCD as a grant to the City for infrastructure improvements for 1) housing**
8 **development related to the revitalization and master development of up to 1770 units of**
9 **replacement public housing, affordable housing and market rate housing, commonly**
10 **known as the Sunnydale HOPE SF Development (“Sunnydale Project”), 2) housing**
11 **development related to the revitalization and master development of up to 1700 units of**
12 **replacement public housing, affordable housing and market rate housing, commonly**
13 **known as the Potrero HOPE SF Development (“Potrero Project”), and 3) housing**
14 **development related to the mixed-use urban village including up to 1575 units of**
15 **affordable and market rate housing commonly known as the India Basin Development**
16 **(“India Basin Project”) for the period starting on the execution date of the Standard**
17 **Agreement through June 30, 2031, and as amended.**

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19 WHEREAS, The State of California Department of Housing and Community
20 Development (“Department”) issued a Request for Concept Proposals for the Infill
21 Infrastructure Grant – Catalytic Qualifying Infill Area Program (“IIGC Program”) dated
22 November 30, 2022, and issued Infill Infrastructure Grant – Catalytic Qualifying Infill Area
23 Program Guidelines and Notice of Funding Availability (collectively, the “NOFA”) dated March
24 15, 2023, as amended March 22, 2023, and as further amended on August 3, 2023, under the
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1 IIGC Program established under Part 12.5 of Division 31 of the Health and Safety Code
2 commencing with Section 53559; and

3 WHEREAS, The Department is authorized to approve funding allocations for the IIGC
4 Program, subject to the terms and conditions of the NOFA IIGC Program Guidelines adopted
5 by the Department on March 15, 2023, as amended March 22, 2023, and as further amended
6 on August 3, 2023 (“Program Guidelines”), an application package released by the
7 Department for the IIGC Program (“Application Package”), and an IIGC Program standard
8 agreement with the State of California (“Standard Agreement”), the Department is authorized
9 to administer the approved funding allocations of the IIGC Program; and

10 WHEREAS, The IIGC Program provides infrastructure for Capital Improvements
11 Projects in support of Qualifying Infill Projects or Qualifying Infill Areas to applicants identified
12 through a competitive process for the development of projects that, per the Program
13 Guidelines, support higher-density affordable and mixed-income housing and mixed-use infill
14 developments; and

15 WHEREAS, The City and County of San Francisco, through the Mayor’s Office of
16 Housing and Community Development (MOHCD), submitted an application to the Department
17 in response to the NOFA (the “Application”) and based on the Application the Department
18 made an award of Program funds (the “Program Award”); and

19 WHEREAS, On January 31, 2017, by Ordinance No. 18-17, the Board of Supervisors
20 approved the Development Agreement between the City and County of San Francisco, the
21 Housing Authority of the City and County of San Francisco, and Sunnydale Development Co.,
22 LLC, for the Sunnydale Project, which Ordinance is on file with the Clerk of the Board of
23 Supervisors in File No. 161164 and incorporated herein by reference; and

24 WHEREAS, On January 31, 2017, by Ordinance No. 20-17, the Board of Supervisors
25 made findings for the Sunnydale Project under the California Environmental Quality Act

1 (Public Resources Code, Sections 21000 et seq.) and findings of consistency with the
2 General Plan, and the eight priority policies of Planning Code, Section 101.1, which
3 Ordinance is on file with the Clerk of the Board of Supervisors in File No. 161309 and is
4 incorporated herein by reference; and

5 WHEREAS, On January 31, 2017, by Ordinance No. 15-17, the Board of Supervisors
6 approved the Development Agreement between the City and County of San Francisco, the
7 Housing Authority of the City and County of San Francisco, and BRIDGE Potrero Community
8 Associates, LLC, for the Potrero Project, which Ordinance is on file with the Clerk of the Board
9 of Supervisors in File No. 161161 and incorporated herein by reference; and

10 WHEREAS, On January 31, 2017, by Ordinance No. 19-17, the Board of Supervisors
11 made findings for the Potrero Project under the California Environmental Quality Act (Public
12 Resources Code, Sections 21000 et seq.) and findings of consistency with the General Plan,
13 and the eight priority policies of Planning Code, Section 101.1, which Ordinance is on file with
14 the Clerk of the Board of Supervisors in File No. 161308 and is incorporated herein by
15 reference; and

16 WHEREAS, On October 23, 2018, by Ordinance No. 252-18, the Board of Supervisors
17 approved the Development Agreement between the City and County of San Francisco and
18 India Basin Investment LLC, for the India Basin Project, which Ordinance is on file with the
19 Clerk of the Board of Supervisors in File No. 180681 and incorporated herein by reference;
20 and

21 WHEREAS, On January 31, 2017, by Ordinance No. 261-18, the Board of Supervisors
22 made findings for the India Basin Project under the California Environmental Quality Act
23 (Public Resources Code, Sections 21000 et seq.) and findings of consistency with the
24 General Plan, and the eight priority policies of Planning Code, Section 101.1, which
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1 Ordinance is on file with the Clerk of the Board of Supervisors in File No. 180816 and is
2 incorporated herein by reference; and

3 WHEREAS, MOHCD desires to award funds from the Program Award to these three
4 development agreement projects across San Francisco known as the Sunnydale Project, the
5 Potrero Project and the India Basin Project (the “IIGC Projects”); and

6 WHEREAS, The grant terms prohibit including indirect costs in the grant budget; and

7 WHEREAS, The grant does not require an ASO amendment; and

8 WHEREAS, Through a conditional award letter dated August 22, 2023, the Department
9 made an award in the total amount of \$45,000,000 to be disbursed by HCD as a grant to the
10 City for infrastructure work as approved by HCD, subject to the terms and conditions of the
11 STD 213, Standard Agreement (“Standard Agreement”), a copy of which is on file with the
12 Clerk of the Board of Supervisors in File No. _____; now, therefore, be it

13 RESOLVED, That the Board of Supervisors approves and authorizes the MOHCD to
14 enter into the Standard Agreement with the Department, with terms and conditions that IIGC
15 Program funds are to be used for allowable capital asset project expenditures identified in
16 Exhibit A of the Standard Agreement; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
18 indirect costs in the grant budget; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
20 MOHCD (or his designee) to execute and deliver any documents in the name of MOHCD that
21 are necessary, appropriate or advisable to execute the Standard Agreement and to accept
22 and expend the IIGC Program funds from the Department, and all amendment thereto, and
23 complete the transactions contemplated herein and to use the funds for eligible capital
24 asset(s) in the manner presented in the application as approved by the Department and in
25 accordance with the NOFA and Program Guidelines and Application Package; and, be it

1 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
2 heretofore taken are ratified, approved and confirmed by this Board of Supervisors; and, be it

3 FURTHER RESOLVED, That within thirty (30) days of the agreement being fully
4 executed by all parties, the Mayor’s Office of Housing and Community Development shall
5 provide the final agreement to the Clerk of the Board for inclusion into the official file.

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1 Recommended:

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/s/

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

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6 Approved:

7 /s/

8 London N. Breed, Mayor

/s/

9 Greg Wagner, Controller

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