

1 [Standard Agreement - California Department of Housing and Community Development -
2 California Housing Accelerator Program - Potrero Block B - \$94,836,486]

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 Standard Agreement and**
5 **other related documents, as defined herein, with the State of California Department of**
6 **Housing and Community Development (“HCD”) under the California Housing**
7 **Accelerator Program which Standard Agreement includes an award of \$94,836,486 as a**
8 **loan to Potrero Housing Associates II, L.P. (“Developer”), as sole borrower, for**
9 **construction of a development affordable to low- and moderate-income families at**
10 **Potrero Block B, located at 1801-25th Street for a term of five years to commence upon**
11 **execution of the Standard Agreement by HCD.**

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

20 WHEREAS, The Project consists of a 157-unit new construction development, which
21 includes 2 units for onsite managers, 117 units as replacement units for public housing
22 residents restricted at 30% and 50% City Median Income, and 38 units set aside for
23 households with incomes at 30% and 50% City Median Income; and

24 WHEREAS, By Ordinance No. 19-17, approved on January 31, 2017, the Board of
25 Supervisors made findings under the California Environmental Quality Act (Public Resources

1 Code, Sections 21000 et seq.) and findings of consistency with the General Plan, and the
2 eight priority policies of Planning Code, Section 101.1, which Ordinance is on file with the
3 Clerk of the Board of Supervisors in File No. 161308 and is incorporated herein by reference;
4 and

5 WHEREAS, HCD issued the Tier I Project Solicitation and Guidelines (“NOFA”) dated
6 October 5, 2021, establishing the California Housing Accelerator Program (the “Program”);
7 and

8 WHEREAS, The Developer is an Eligible Applicant/Sponsor under the Program; and

9 WHEREAS, The Developer’s and the City’s application was successful and the parties
10 were notified on February 16, 2022 (the “HCD Award”); and

11 WHEREAS, The HCD Award requires the Developer and the City, acting by and
12 through MOHCD, to enter into a Standard Agreement and for the Developer, as the sole
13 borrower (with no funds going to the City and all funds going to the Developer as the sole
14 borrower), to enter into a loan in the amount of \$94,836,486 for the development and
15 construction of the Potrero Block B Project; now, therefore, be it,

16 RESOLVED, That the Board of Supervisors approves and authorizes the MOHCD on
17 behalf of the City, in consultation with the City Attorney, to enter into, execute, and deliver a
18 Standard Agreement in an amount of \$94,836,486 which amount is in the form of a loan to the
19 Developer, and any and all other documents required or deemed necessary or appropriate to
20 participate in the Program, and all amendments thereto, under terms and conditions approved
21 by the City Attorney providing that Program funds are to be used for allowable expenditures in
22 accordance with the NOFA and Program Guidelines and Application Package; and, be it

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

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1 FURTHER RESOLVED, That within thirty (30) days of the Standard Agreement being
2 fully executed by all parties, MOHCD (or its designee) shall provide the final Standard
3 Agreement to the Clerk of the Board for inclusion into the official file; and, be it

4 FURTHER RESOLVED, That the Board of Supervisors acknowledges and agrees that
5 the City, acting by and through MOHCD, shall be subject to the terms and conditions specified
6 in the Standard Agreement, and that the Solicitation and the Standard Agreement will be
7 incorporated in the Standard Agreement by reference and made a part thereof; any and all
8 activities, expenditures, information, and timelines represented in the Application are
9 enforceable through the Standard Agreement; funds are to be used for the allowable
10 expenditures, uses, and activities identified in the Standard Agreement; and, be it

11 FURTHER RESOLVED, That the Director of MOHCD, or his designee, is hereby
12 authorized to execute the Standard Agreement on behalf of the Public Entity.

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14
15 Recommended:

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18 _____ /s/

19 Eric D. Shaw. Director,
20 Mayor's Office of Housing and Community Development

21
22 _____ /s/

23 London N. Breed, Mayor
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