

1 [Apply for Grant - 4th and Folsom Associates, L.P. - Assumption of Liability - Department of
2 Housing and Community Development Affordable Housing and Sustainable Communities
Program - 266-4th Street]

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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 4th and Folsom Associates, L.P., a California limited partnership, for the**
9 **100% affordable housing project at 266-4th Street; authorizing the City to assume any**
10 **joint and several liability for completion of the projects required by the terms of any**
11 **grant awarded under the AHSC Program; and adopting findings under the California**
12 **Environmental Quality Act ("CEQA"), the CEQA Guidelines, and Administrative Code,**
13 **Chapter 31.**

14

15 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the
16 Department of Housing and Community Development (“Department” has issued a Notice of
17 Funding Availability (“NOFA”) dated November 1, 2019, under the Affordable Housing and
18 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the
19 Public Resources Code commencing with Section 75200; and

20 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
21 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines
22 adopted by SGC on October 31, 2019 (“Program Guidelines”), an application package
23 released by the Department for the AHSC Program (“Application Package”), and an AHSC
24 standard agreement with the State of California (“Standard Agreement”), the Department is
25 authorized to administer the approved funding allocations of the AHSC Program; and

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 create new affordable housing and achieve greenhouse gas reductions and
4 benefit disadvantaged communities through increased accessibility to affordable housing,
5 employment centers and key 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, 4th and Folsom Associates, L.P., a California limited partnership
9 (“Developer”), has requested the City and County of San Francisco (the “City”), acting by and
10 through the Mayor’s Office of Housing and Community Development (“MOHCD”), to be a joint
11 applicant for its project located at 266-4th Street (the “266-4th Street”); and

12 WHEREAS, On December 5, 2019, by Notice of Final Approval of an SB 35 Project,
13 the Planning Department by case No.2019-014414PRJ , determined that the development of
14 the mixed-use, 100% affordable housing project consisting of a 70-unit residential rental
15 building at 266-4th Street (Assessor’s Parcel Block No. 3733 / Lot No. 093) (the “Project”),
16 met all the standards of the Planning Code and would be eligible for ministerial approval
17 under California Government Code, Section 65913.4 (Senate Bills 35 and 765), California
18 Public Resources Code, Section 21080, and the CEQA Guidelines, Sections 15002(i)(1),
19 15268 and 15369, and would therefore not be subject to the California Environmental Quality
20 Act (CEQA); and

21 WHEREAS, The Department of Public Works(“DPW”) plans to perform bicycle, and
22 pedestrian improvements in the vicinity of the Project (the “DPW Work”); and

23 WHEREAS, In order to be highly competitive for the AHSC funds, the Developer and
24 MOHCD will also apply for AHSC grant funds to purchase a BART car in order to further
25 reduce greenhouse gas emissions; and

1 WHEREAS, The City, acting by and through 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, DPW, MOHCD and Developer will enter into a Memorandum of
5 Understanding to make commitments related to completion of the work on the 266-4th Street
6 project as included in the Application Package; and

7 WHEREAS, BART and the Developer will enter into a Memorandum of Understanding
8 regarding the purchase of the BART car, and the City, as joint applicant for the Balboa Park
9 Upper Yard AHSC application, will execute the Memorandum of Understanding for
10 acknowledgement and consent purposes; now, therefore, be it

11 RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the
12 City, the authority to execute an application to the AHSC Program as detailed in the NOFA
13 dated November 1, 2019, for Round 5, in a total amount not to exceed \$20,113,667 of which
14 \$13,579,567 will be provided as a loan for an Affordable Housing Development (“AHD”)
15 (“AHSC Loan”) and \$6,534,100 will be provided as a grant for Housing-Related Infrastructure
16 (“HRI”), Sustainable Transportation Infrastructure (“STI”), Transit-Related Amenities (“TRA”)
17 or Program (“PGM”) activities (“AHSC Grant”) as defined the AHSC Program Guidelines and
18 sign AHSC Program documents; and, be it

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

22 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
23 Application is successful, the City, through MOHCD, shall seek Board of Supervisors approval
24 of the Standard Agreement, with terms and conditions that AHSC Program funds are to be
25 used for allowable capital asset project expenditures to be identified in Exhibit A of the

1 Standard Agreement, that the Application Package in full is incorporated as part of the
2 Standard Agreement, and that any and all activities funded, information provided, and
3 timelines represented in the application are enforceable through the Standard Agreement;
4 and, be it

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

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

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RECOMMENDED:

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