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[Execute Standard Agreement - Not to Exceed \$17,291,506 - Retroactive - Accept and Expend Homekey+ Grant - California Department of Housing and Community Development - Permanent Supportive Housing - 835 Turk Street - Not to Exceed \$13,729,907]

Resolution authorizing the City and County of San Francisco ("City"), through the Department of Homelessness and Supportive Housing ("HSH"), to 1) execute a Standard Agreement with the California Department of Housing and Community Development ("HCD") and co-applicants 835 Turk LLC and Five Keys Schools and Programs for a total award not to exceed \$17,291,506 under the Homekey+ Program, including up to \$3,561,599 disbursed by HCD as a grant to 835 Turk LLC for support of operating costs and up to \$13,729,907 disbursed by HCD as a grant to the City for the rehabilitation and associated relocation costs for the real property located at 835 Turk Street for permanent supportive housing (the "Property"); 2) retroactively accept and expend anticipated revenue from the City's portion of Homekey+ grant funds in an amount up to \$13,729,907 to support the rehabilitation and associated relocation costs for the Property for costs incurred from March 5, 2024, through HCD's capital grant expenditure deadline; 3) approving and authorizing the City to commit approximately \$16,270,093 in required matching funds for rehabilitation of the Property and a minimum of five years of operating subsidies, additionally the City has committed up to 15 years of operating subsidies through the City's Local Operating Subsidy Program subject to budget appropriations; 4) authorizing the City to assume any joint and several liability for expenditure of the Homekey+ grant under the Standard Agreement; 5) adopting the Planning Department's findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and 6) authorizing HSH to enter into any additions, amendments, or other modifications to the Standard

Agreement and the Homekey+ Documents that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City.

WHEREAS, The Department of Homelessness and Supportive Housing's ("HSH") mission is to prevent homelessness when possible and to make homelessness a rare, brief, and one-time experience in San Francisco through the provision of coordinated, compassionate, and high-quality services; and

WHEREAS, With the enactment of Resolution No. 319-18 in October 2018, the Board of Supervisors declared a shelter crisis and affirmed San Francisco's commitment to combatting homelessness and creating or augmenting a continuum of shelter and service options for those experiencing homelessness; and

WHEREAS, Proposition C 2018 Gross Receipts Tax for Homelessness Services ("Prop C"), passed by San Francisco voters in November 2018, created the Homelessness Gross Receipts Tax to fund the Our City, Our Home ("OCOH") Fund, in order to expand and be complementary to existing funding and strategic efforts to prevent and end homelessness for San Franciso residents; and

WHEREAS, On February 11, 2022, the Board of Supervisors adopted Resolution No. 036-22, approving the City to acquire the real property located at 835 Turk Street, Assessor Parcel Block No. 0761, Lot No. 016A (the "Property") to provide permanent supportive housing for formerly homeless households or households at risk of homelessness ("PSH"); and

WHEREAS, The Property includes the real property and after rehabilitation, will include 106 single occupancy units, consisting of a central lobby, and a dining room, as well as certain improvements, appurtenances, personal property, and intangible property described in

the Agreement of Purchase and Sale For Real Estate, a copy of which is on file with the Clerk of the Board of Supervisors ("Clerk") in File No. 220015; and

WHEREAS, On January 10, 2023, the Board of Supervisors adopted Ordinance No. 003-23, approving the Director of Property and HSH to enter into a Lease and Property Management Agreement with Five Keys Schools and Programs, a California nonprofit public benefit corporation ("Five Keys"), to lease, operate and maintain the real property and residential improvements at the Property as PSH; and

WHEREAS, Five Keys has extensive experience operating homeless services in San Francisco, and has been operating the Property as PSH since March 2023, and Five Keys has formed 835 Turk LLC, a California limited liability company ("835 Turk LLC"); and

WHEREAS, The California Department of Housing and Community Development ("HCD") issued a Notice of Funding Availability, dated November 26, 2024 ("NOFA"), for the Homekey+ Program ("Homekey+" or "Program"), a copy of which is on file with the Clerk of the Board of Supervisors ("Clerk") in File No. 251109; and

WHEREAS, HCD issued the NOFA for Homekey+ grant funds pursuant to Health and Safety Code, Section 50675.1.3 (Assembly Bill No. 140 (2021-2022 Reg. Sess.), § 20.), Health and Safety Code, Section 50675.1.5 (Assembly Bill No. 531 (2023-2024 Reg. Sess.), Section 14184.402 of the Welfare and Institutions Code, Section 5891.5 of the Welfare and Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance and Prevention (HHAP) grant program (Assembly Bill No. 129 (Chapter 40, Statutes 2023) and Assembly Bill No. 166 (Chapter 48, Statutes 2024), respectively; and

WHEREAS, HCD is authorized to administer Homekey+ pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code); and

WHEREAS, Such Homekey+ grants are comprised of Proposition 1 bond funds established by the BHIBA (Assembly Bill No. 531, Chapter 789, Statutes of 2023) and the Homeless Housing Assistance, and Prevention ("HHAP") Homekey+ Supplemental funding, made available in the 2023-24 and 2024-25 state budgets; and

WHEREAS, On May 9, 2025, the Board of Supervisors adopted Resolution

No. 220-25, authorizing HSH on behalf of the City to jointly apply with 835 Turk LLC and Five

Keys as co-applicants for Homekey+ grant funds for the Property to be used as PSH; and

WHEREAS, On May 23, 2025, HSH, 835 Turk LLC and Five Keys submitted to HCD an application for Homekey+ grant funding for the Property ("Application"), a copy of the Application is on file with the Clerk in File No. 251109; and

WHEREAS, In a conditional award letter dated October 13, 2025, HCD approved the Application in an amount not to exceed \$17,291,506 ("Award Letter"), which includes up to \$3,561,599 to be disbursed by HCD as a grant to 835 Turk LLC to support the operating costs of the Project, \$12,729,907 to be disbursed by HCD as a grant to the City for the rehabilitation of the Property, and \$1,000,000 to be disbursed by HCD as a grant to the City to support the relocation of existing tenants during rehabilitation of the Property for costs incurred from March 5, 2024, through HCD's capital grant expenditure deadline, subject to the terms and conditions of the Application, the NOFA, Project Report and the form of HCD-approved STD213, Standard Agreement ("Standard Agreement"), and the Grant Budget; copies of the Award Letter, Project Report, Grant Budget, and Standard Agreement are on file with the Clerk in File No. 251109; and

WHEREAS, Receipt of these Homekey+ funds for the Property requires a City commitment of approximately \$16,270,093 in matching funds for rehabilitation of the Property and a minimum of five years of operating costs as reflected in the Project Report, a copy of which is on file with the Clerk in File No. 251109; and, be it

WHEREAS, The Property will be restricted as PSH for formerly homeless households or households at risk of homelessness; and

WHEREAS, The Planning Department, by letter dated April 22, 2025, and reissued June 12, 2025 ("Planning Letter"), has determined that the rehabilitation of the Project is eligible for ministerial project approval, and is consistent, on balance, with the General Plan, and the eight priority policies of Planning Code, Section 101.1 ("General Plan Findings"), a copy of which is on file with the Clerk in File No. 251109; and

WHEREAS, The Homekey+ grant does not include any provision for indirect costs; and WHEREAS, The Homekey+ grant does not create any new positions, and does not require an amendment to the Annual Salary Ordinance; and

WHEREAS, The San Francisco Charter, Section 9.118 requires contracts entered into by a Department having anticipated revenue to the City of \$1,000,000 or more to be approved by the Board of Supervisors; now, therefore, be it

RESOLVED, The Executive Director of HSH or their designee is hereby authorized, in consultation with the City Attorney, to enter into, execute, and deliver, on behalf of the City and County of San Francisco, a Standard Agreement for a total amount not to exceed \$17,291,506 and any and all other documents required or deemed necessary or appropriate to secure the Homekey+ grant funds from HCD and to participate in Homekey+, and any and all amendments thereto (collectively, the "Homekey+ Documents"); and, be it

FURTHER RESOLVED, HSH is hereby authorized, on behalf of the City, to accept and expend up to \$12,729,907 of Homekey+ grant funds to fund a portion of the rehabilitation of the Property and up to \$1,000,000 of Homekey+ grant funds to support the relocation of existing tenants during rehabilitation of the Property; and, be it

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

FURTHER RESOLVED, HSH will ensure that all such funds are used in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding Homekey+, as well as any and all contracts HSH may have with HCD; and, be it

FURTHER RESOLVED, HSH is hereby authorized and directed to ensure that the City's portion of grant funds awarded for capital expenditures and relocation expenditures for the Property are expended pursuant to the terms of the Standard Agreement and Homekey+ program; and, be it

FURTHER RESOLVED, The City acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, which includes a City commitment of approximately \$16,270,093 in required matching funds for rehabilitation of the Property and a minimum of five years of operating costs, and that the NOFA and the Application will be incorporated in the Standard Agreement by reference and made a part thereof; any and all activities, expenditures, information and timelines represented in the Application are enforceable through the Standard Agreement; funds are to be used for the allowable expenditures and activities identified in the Standard Agreement; and, be it

FURTHER RESOLVED, The Board of Supervisors specifically authorizes the City to assume any joint and several liability for expenditure of the Homekey+ grant required by the terms of the Standard Agreement under the Homekey+ Program; and, be it

FURTHER RESOLVED, The Executive Director of HSH or their designee is authorized to enter into any additions, amendments, or other modifications to the Standard Agreement and the Homekey+ Documents that they determine, following consultation with the City Attorney, are in the best interests of the City and that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City; and, be it

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

FURTHER RESOLVED, This Board affirms the Planning Department's General Plan Findings, for the same reasons as set forth in the Planning Letter, and hereby incorporates such findings by reference as though fully set forth in this Resolution; and, be it

FURTHER RESOLVED, That within thirty days of the execution of the Standard Agreement by all parties, HSH shall provide a copy of the fully executed Standard Agreement to the Clerk of the Board for inclusion into the official file.

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2	RECOMMENDED:
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4	<u>/s/</u>
5	Gigi Whitley
6	Homelessness and Supportive Housing
7	Chief of Finance and Administration
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10	Approved: /s/
11	Controller's Office
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15	Approved: /s/
16	Mayor's Office
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City and County of San Francisco Tails Resolution

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

File Number: 251109 Date Passed: December 09, 2025

Resolution authorizing the City and County of San Francisco ("City"), through the Department of Homelessness and Supportive Housing ("HSH"), to 1) execute a Standard Agreement with the California Department of Housing and Community Development ("HCD") and co-applicants 835 Turk LLC and Five Keys Schools and Programs for a total award not to exceed \$17,291,506 under the Homekey+ Program, including up to \$3,561,599 disbursed by HCD as a grant to 835 Turk LLC for support of operating costs and up to \$13,729,907 disbursed by HCD as a grant to the City for the rehabilitation and associated relocation costs for the real property located at 835 Turk Street for permanent supportive housing (the "Property"); 2) retroactively accept and expend anticipated revenue from the City's portion of Homekey+ grant funds in an amount up to \$13.729.907 to support the rehabilitation and associated relocation costs for the Property for costs incurred from March 5, 2024, through HCD's capital grant expenditure deadline; 3) approving and authorizing the City to commit approximately \$16,270,093 in required matching funds for rehabilitation of the Property and a minimum of five years of operating subsidies, additionally the City has committed up to 15 years of operating subsidies through the City's Local Operating Subsidy Program subject to budget appropriations; 4) authorizing the City to assume any joint and several liability for expenditure of the Homekey+ grant under the Standard Agreement; 5) adopting the Planning Department's findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and 6) authorizing HSH to enter into any additions, amendments, or other modifications to the Standard Agreement and the Homekey+ Documents that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City.

December 03, 2025 Budget and Finance Committee - RECOMMENDED

December 09, 2025 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Chen, Dorsey, Fielder, Mahmood, Mandelman, Melgar, Sauter,

Sherrill and Walton Excused: 1 - Wong

I hereby certify that the foregoing Resolution was ADOPTED on 12/9/2025 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Daniel Lurie Mayor 101 101 00

Date Approved