

1 [Accept and Expend Grant - California Department of Housing and Community Development
2 Affordable Housing and Sustainable Communities Program - Sunnydale Block 7 -
3 \$29,745,053]

4 **Resolution authorizing the Mayor’s Office of Housing and Community Development**
5 **(“MOHCD”) to execute the Standard Agreements with the California Department of**
6 **Housing and Community Development (“HCD” or “Department”) under the Affordable**
7 **Housing and Sustainable Communities Program for a total award of \$29,745,053**
8 **including \$18,500,000 disbursed by HCD as a loan to the Sunnydale Block 7 Housing**
9 **Partners, L.P. (“Developer”) for a 100% affordable housing project at 65 Santos Street**
10 **and \$11,245,053 to be disbursed as a grant to the City for public transportation**
11 **improvements near 65 Santos Street, for the period starting on the execution date of**
12 **the Standard Agreements to November 30, 2044; and authorizing MOHCD to accept and**
13 **expend the grant of up to \$11,245,053 for transportation, streetscape and pedestrian**
14 **improvements and other transit oriented programming and improvement as approved**
15 **by HCD.**

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17 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the
18 Department of Housing and Community Development (“Department”) issued a Notice of
19 Funding Availability (“NOFA”) dated January 19, 2024, under the Affordable Housing and
20 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the
21 Public Resources Code commencing with Section 75200; and

22 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
23 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines
24 adopted by SGC on December 14, 2023 (“Program Guidelines”), an application package
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1 released by the Department for the AHSC Program (“Application Package”), and an AHSC
2 standard agreement with the State of California (“Standard Agreement”), the Department is
3 authorized to administer the approved funding allocations of the AHSC Program; and

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

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

11 WHEREAS, Sunnydale Block 7 Housing Partners, L.P., a California limited partnership
12 (“Developer”), requested that the City and County of San Francisco (the “City”), acting by and
13 through Mayor’s Office of Housing and Community Development (“MOHCD”), be a joint
14 applicant for AHSC Program funds for its project located at 65 Santos Street consisting of new
15 construction of a 89-unit 100% affordable multifamily rental housing development affordable to
16 low-income households, with 67 units set aside for HOPE SF resident replacement units (the
17 “Project”) identified as Sunnydale Block 7 (the “Sunnydale Block 7”); and

18 WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to
19 install transit signal priority upgrades along six bus routes and five bus boarding bulbs to
20 reduce transit travel times (“SFMTA Work”); and

21 WHEREAS, SFMTA and MOHCD will enter into a Memorandum of Understanding to
22 make commitments related to the SFMTA Work as included in the Application package; and

23 WHEREAS, The Recreation and Parks Department (“SFRPD”) plans to perform bicycle
24 and pedestrian improvements in the vicinity of the Project (the “SFRPD Work”); and

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1 WHEREAS, SFRPD and MOHCD will enter into a Memorandum of Understanding to
2 make commitments related to the SFRPD Work as included in the Application package; and

3 WHEREAS, On January 31, 2017, by Ordinance No. 20-17, the Board of Supervisors
4 made findings under the California Environmental Quality Act (Public Resources Code
5 Sections 21000 et seq.) and findings of consistency with the General Plan, and the eight
6 priority policies of Planning Code, Section 101.1, which Ordinance is on file with the Clerk of
7 the Board of Supervisors in File No. 161309 and is incorporated herein by reference; and

8 WHEREAS, The grant budget includes a provision for indirect costs of up to
9 \$1,686,757; and

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

11 WHEREAS, Through an award letter dated August 23, 2024, the Department made an
12 award in the total amount of \$29,745,053, which includes \$18,500,000 to be disbursed by
13 HCD as a loan to the Developer for the Project, and up to \$11,245,053 to be disbursed as a
14 grant to the City for the SFMTA Work, SFRPD Work and other transit-oriented programming
15 and improvements approved by HCD, subject to the terms and conditions of the STD 213,
16 Standard Agreement (“Standard Agreement”), for the period starting on the execution date of
17 the Standard Agreements to November 30, 2044; a copy of which is on file with the Clerk of
18 the Board of Supervisors in File No. 240989; now, therefore, be it

19 RESOLVED, That the Board of Supervisors approves and authorizes the MOHCD to
20 enter into the Standard Agreements with the Department, with terms and conditions that
21 AHSC Program funds are to be used for allowable capital asset project expenditures identified
22 in Exhibit A; and, be it

23 FURTHER RESOLVED, That the Board Supervisors authorizes the City to accept and
24 expend the grant funds disbursed under the Standard Agreement; and, be it

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

10 FURTHER RESOLVED, That within thirty (30) days of the Standard Agreement being
11 fully executed by all parties, MOHCD shall provide the final agreement to the Clerk of the
12 Board for inclusion into the official file.

1 Recommended:

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/s/

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

5 Approved:
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7 /s/

8 London N. Breed, Mayor

/s/

9 Greg Wagner, Controller

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