

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

4 **Resolution authorizing the City and County of San Francisco (“City”), through the**
5 **Department of Homelessness and Supportive Housing (“HSH”), to 1) execute a**
6 **Standard Agreement with the California Department of Housing and Community**
7 **Development (“HCD”) and co-applicants 835 Turk LLC and Five Keys Schools and**
8 **Programs for a total award not to exceed \$17,291,506 under the Homekey+ Program,**
9 **including up to \$3,561,599 disbursed by HCD as a grant to 835 Turk LLC for support of**
10 **operating costs and up to \$13,729,907 disbursed by HCD as a grant to the City for the**
11 **rehabilitation and associated relocation costs for the real property located at 835 Turk**
12 **Street for permanent supportive housing (the “Property”); 2) retroactively accept and**
13 **expend anticipated revenue from the City’s portion of Homekey+ grant funds in an**
14 **amount up to \$13,729,907 to support the rehabilitation and associated relocation costs**
15 **for the Property for costs incurred from March 5, 2024, through HCD’s capital grant**
16 **expenditure deadline; 3) approving and authorizing the City to commit approximately**
17 **\$16,270,093 in required matching funds for rehabilitation of the Property and a**
18 **minimum of five years of operating subsidies, additionally the City has committed up to**
19 **15 years of operating subsidies through the City’s Local Operating Subsidy Program**
20 **subject to budget appropriations; 4) authorizing the City to assume any joint and**
21 **several liability for expenditure of the Homekey+ grant under the Standard Agreement;**
22 **5) adopting the Planning Department’s findings of consistency with the General Plan,**
23 **and the eight priority policies of Planning Code, Section 101.1; and 6) authorizing HSH**
24 **to enter into any additions, amendments, or other modifications to the Standard**

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

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4 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, 5
6 compassionate, and high-quality services; and

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8 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 9
10 combatting homelessness and creating or augmenting a continuum of shelter and service options for those experiencing homelessness; and

11
12 WHEREAS, Proposition C 2018 Gross Receipts Tax for Homelessness Services (“Prop C”), passed by San Francisco voters in November 2018, created the Homelessness 13
14 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 15
16 for San Francisco residents; and

17
18 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, 19
20 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 21
22 (“PSH”); and

23
24 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 25
26 certain improvements, appurtenances, personal property, and intangible property described in

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

3 WHEREAS, On January 10, 2023, the Board of Supervisors adopted Ordinance No.
4 003-23, approving the Director of Property and HSH to enter into a Lease and Property
5 Management Agreement with Five Keys Schools and Programs, a California nonprofit public
6 benefit corporation (“Five Keys”), to lease, operate and maintain the real property and
7 residential improvements at the Property as PSH; and

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

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

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

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

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

5 WHEREAS, On May 9, 2025, the Board of Supervisors adopted Resolution
6 No. 220-25, authorizing HSH on behalf of the City to jointly apply with 835 Turk LLC and Five
7 Keys as co-applicants for Homekey+ grant funds for the Property to be used as PSH; and

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

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

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

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

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

8 WHEREAS, The Homekey+ grant does not include any provision for indirect costs; and

9 WHEREAS, The Homekey+ grant does not create any new positions, and does not
10 require an amendment to the Annual Salary Ordinance; and

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

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

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

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

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

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

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

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

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

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

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

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RECOMMENDED:

/s/_____

Gigi Whitley
Homelessness and Supportive Housing
Chief of Finance and Administration

Approved: /s/_____

Controller's Office

Approved: /s/_____

Mayor's Office