

1 [Apply for Grant - Balboa Park Housing Partners, L.P. - Assumption of Liability - Department
2 of Housing and Community Development Affordable Housing and Sustainable Communities
3 Program - 2340 San Jose Avenue]

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 Balboa Park Housing Partners, L.P., a California limited partnership, for**
9 **the project at 2340 San Jose Avenue; authorizing the City to assume any joint and**
10 **several liability for completion of the projects required by the terms of any grant**
11 **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, 2018, 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 29, 2018 (“Program Guidelines”), an application package
23 released by the Department for the AHSC Program (“Application Package”), and an AHSC
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1 standard agreement with the State of California (“Standard Agreement”), the Department is
2 authorized to administer the approved funding allocations of the AHSC Program; and

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

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

10 WHEREAS, Balboa Park Housing Partners, L.P., a California limited partnership
11 (“Developer”), has requested the City and County of San Francisco (the “City”), acting by and
12 through the Mayor’s Office of Housing and Community Development (“MOHCD”), to be a joint
13 applicant for its project located at 2340 San Jose Avenue (the “Balboa Park Upper Yard”); and

14 WHEREAS, On October 11, 2018, by Notice of Final Approval of an SB 35 Project, the
15 Planning Department, by case No. 2017-012151PRJ, determined that the development of the
16 mixed-use, 130-unit affordable residential building project (with proposed ground floor retail,
17 community facility, and child care facility with outdoor activity area, and lot line adjustment) at
18 2340 San Jose Avenue (Block 6973 / Lot 039), met all the standards of the Planning Code
19 and would be eligible for ministerial approval under California Government Code, Section
20 65913.4 (Senate Bills 35 and 765), California Public Resources Code, Section 21080, and the
21 CEQA Guidelines, Sections 15002(i)(1), 15268, and 15369, and would therefore not be
22 subject to the California Environmental Quality Act (CEQA); and

23 WHEREAS, The Municipal Transportation Agency (“SFMTA”) plans to perform bicycle
24 and pedestrian improvements in the vicinity of the Project (the “SFMTA Work”); and

1 WHEREAS, Along with the construction of the housing component, the Developer and
2 Bay Area Rapid Transit (“BART”) have agreed to revitalize the Balboa Park BART Station
3 (“BART Work”) adjacent to the Project and Balboa Park Upper Yard L.P. will receive a portion
4 of any grant funds awarded for the BART Work; and

5 WHEREAS, The City, acting by and through MOHCD, desires to apply for AHSC
6 Program funds and submit an Application Package as a joint applicant with the Developer;
7 and

8 WHEREAS, SFMTA, MOHCD, and Developer will enter into a Memorandum of
9 Understanding to make commitments related to completion of the work on the Balboa Park
10 Upper Yard project as included in the Application Package; and

11 WHEREAS, BART and the Developer will enter into a Memorandum of Understanding
12 regarding the completion of the BART Work and the City, as joint applicant for the Balboa
13 Park Upper Yard AHSC application, will execute the Memorandum of Understanding for
14 acknowledgement and consent purposes; now, therefore, be it

15 RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the
16 City, the authority to execute an application to the AHSC Program as detailed in the NOFA
17 dated November 1, 2018, for Round 4, in a total amount not to exceed \$20,000,000 of a
18 portion will be provided as a loan for an Affordable Housing Development (AHD) (“AHSC
19 Loan”) and a portion will be provided as a grant for Housing-Related Infrastructure (HRI),
20 Sustainable Transportation Infrastructure (STI), Transit-Related Amenities (TRA) or Program
21 (PGM) activities (“AHSC Grant”) as defined the AHSC Program Guidelines and sign AHSC
22 Program documents; and, be it

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

1 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
2 Application is successful, the City, through MOHCD, shall seek Board of Supervisors approval
3 of the Standard Agreement, with terms and conditions that AHSC Program funds are to be
4 used for allowable capital asset project expenditures to be identified in Exhibit A of the
5 Standard Agreement, that the Application Package in full is incorporated as part of the
6 Standard Agreement, and that any and all activities funded, information provided, and
7 timelines represented in the application are enforceable through the Standard Agreement;
8 and, be it

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

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

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RECOMMENDED:

Kate Hartley, Director, Mayor's Office of Housing and Community Development