

File No. 131034

Committee Item No. 3
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: 10/30/2013

Board of Supervisors Meeting

Date: _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date October 25, 2013

Completed by: Victor Young Date _____

1 [Forgivable Loan Agreement - California Department of Housing and Community
2 Development - 2115 Jennings Street - \$978,000]

3 **Resolution authorizing the Human Services Agency to enter into a \$978,000 forgivable**
4 **loan agreement from the California Department of Housing and Community**
5 **Development to renovate the leased premises at 2115 Jennings Street for use as a 100**
6 **bed homeless shelter.**

7
8 WHEREAS, There is a need for additional shelter beds to serve the homeless in the
9 Bayview District; and

10 WHEREAS, The Homeless Resource Center known as "Mother Brown's Kitchen" is
11 located at 2111 Jennings Street and currently accommodates 80 homeless clients in chairs
12 overnight; and

13 WHEREAS, The Human Services Agency seeks to create a 100-bed homeless shelter
14 in the adjacent building at 2115 Jennings Street to replace the overnight chair
15 accommodations with shelter beds; and

16 WHEREAS, The combined 2111-2115 Jennings Street facilities will provide both
17 resource center services and 100 shelter beds at the two adjoining buildings in the Bayview
18 District; and

19 WHEREAS, The Human Services Agency, under the authority and with the approval of
20 the Human Services Commission, has applied for and been granted an Emergency Housing
21 and Assistance Program Capital Development forgivable loan (11-EHAPCD-7974) from the
22 State Department of Housing and Community Development in the amount of \$978,000 for the
23 rehabilitation and conversion of 2115 Jennings Street into a 100-bed homeless shelter; and

24 WHEREAS, The State Department of Housing and Community Development requires
25 a resolution from this Board authorizing the Human Services Agency to enter into the

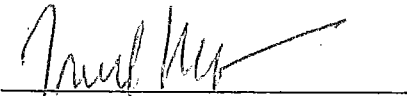
1 forgivable loan agreement and execute the loan documents in order to release the forgivable
2 loan; and

3 WHEREAS, The terms of the forgivable loan prohibit including indirect costs in the
4 project budget; now, therefore, be it

5 RESOLVED, That the Board of Supervisors hereby waives inclusion of indirect costs in
6 the project budget; and be it

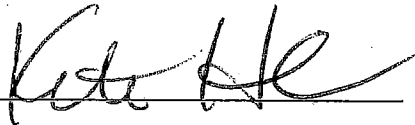
7 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the
8 Executive Director of the Human Services Agency to execute any and all agreements or other
9 documents necessary to secure the forgivable loan for the purpose of renovating 2115
10 Jennings Street into a 100-bed homeless shelter in compliance with the conditions required to
11 secure forgiveness of the loan.

12
13
14 Recommended:

15 
16 _____

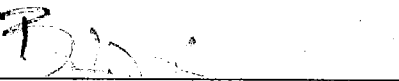
17 Department Head

14 Approved:



Mayor

17 Approved:



18 Controller

STATE OF CALIFORNIA - BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

EDMUND G. BROWN JR., Governor

1800 Third Street, Suite 390
P.O. Box 952054
Sacramento, CA 94252-2054
(916) 322-1580
Fax (916) 327-6660



January 9, 2012

Mr. Trent Rhorer
Executive Director
San Francisco Human Services Agency
170 Otis
San Francisco, CA 94103

RECEIVED
JAN 11 2012
TRENT RHORER

Re: Award Announcement Letter - Contract #11-EHAPCD-7974
Bayview Shelter
2115 Jennings Street, San Francisco, CA 94124

Dear Mr. Rhorer:

I am pleased to inform you the Department of Housing and Community Development (Department) has awarded San Francisco Human Services Agency a \$978,000 loan from the Emergency Housing Assistance Program Capital Development (EHAPCD) deferred loan program. This award letter is for the project located at 2115 Jennings Street.

This commitment is conditioned on compliance with the requirements of all applicable statutes and guidelines of the EHAPCD Program, as well as any conditions stipulated in the contract documents, which will be forwarded to you. See Attachment A for Special Conditions. Please note that the Department does not have authority to disburse any funds until all required agreements are fully executed.

The mission of the Department is to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians. The EHAPCD Program provides loans for acquisition, construction, rehabilitation and/or ADA accessibility improvements of sites providing emergency shelters, transitional housing, and safe havens for homeless persons.

We look forward to working with you on this project. If you have any questions, please contact Rebecca Matt, EHAPCD Program Manager, at (916) 324-6754.

Sincerely,

A handwritten signature in black ink, appearing to read "Guerdon H. Stuckey".

Guerdon H. Stuckey
Acting Deputy Director

Attachment

State of California
 Department of Housing and Community Development

Business, Transportation, and Housing Agency
 Committee Meeting Date: 01/05/12
 Action Item: VI.S

Emergency Housing and Assistance Program - Capital Development (EHAPCD) - 2011/2012 Project Report

Project Name: Bayview Shelter **Application No:** 14018
Project Address: 2115 Jennings Street, San Francisco, CA 94124 Applicant is Previous EHAPCD Awardee
Project County: San Francisco Applicant is Previous EHAP Awardee
Applicant Name: City and County of San Francisco **Type of Applicant:** City and County
Mailing Address: 170 Otis Street, San Francisco, CA 94103
Authorized Representative: Trent Rhorer
Applicant Contact: David Curto
Program Representative: TBD

Project Summary:

The City & County of San Francisco, through its Human Services Agency (SF-HSA), proposes to create a 100 bed emergency shelter at 2115 Jennings Street, an open industrial building built in 1916. The proposed site is currently unoccupied and located next door to an existing homeless resource center at 2113 Jennings Street known as Mother Brown's Kitchen (MBK). Both buildings are owned by the same owner. EHAPCD funds will be used to add a 2,900 square foot second floor to the existing 3,900 square foot building and connect it to MBK. To serve as a portal and entrance to the new shelter, MBK will require modifications including a door, walkway, four showers, and six toilets. Both new shelter and MBK will require an electrical upgrade. The new shelter will require epoxy coating to both floors, sheetrock, insulation, heating and a sprinkler system with fire alarm and plumbing modifications. An existing mezzanine and storefront area of the new shelter will be used as staff offices & bathrooms. MBK has two floors with a total 7,100 square feet that includes a kitchen, community spaces and wheelchair accessible elevator available to both buildings. The new center will draw on the nucleus of services at MBK. SF-HSA now funds the United Council of Human Services through its fiduciary agent, the Bayview YMCA, \$798,000 per year to operate MBK. SF-HSA anticipates contracting with a community based organization, possibly the one that operates MBK, for an additional 7 full time positions and two 7.5 shift supervisors/administrators, who will oversee and help design, monitor, coordinate and report on the shelter's operations for an additional estimated cost of \$500,000 per year.

Acquisition	Rehabilitation	\$978,000	Total	\$978,000
New Construction	Non-recurring Cost			

Project Description:

Loan Request: \$978,000 **EHAPCD Funding:** \$978,000
Total Project Cost: \$978,000 **EHAPCD Cost/Bed:** \$9,780
Urban: **Non-Urban:** **Total Cost/Bed:** \$9,780
New Beds: 100 **Preserved Beds:** **Total Beds:** 100 **Site Control:** Fee Contract Leasehold
Project Type: Emergency Transitional Safe Haven **Land Area:** 0.89 acres
Leverage=\$1 EHAPCD dollar: \$0.00 Other Dollars

Construction Period Funding: (list in order of position). Include any loans listed on prelim.

Source	Lien Position	Status	Amount	Terms
EHAPCD Loan	1st	Not Committed	\$978,000	10 Year - 3% Forgivable Loan
Total			\$978,000	

Permanent Funding: (list in order of position) Include all financing that will remain on title

Source	Lien Position	Status	Amount	Terms
EHAPCD Loan	1st	Not Committed	\$978,000	10 Year - 3% Forgivable Loan
Total			\$978,000	

Applicant Experience:

San Francisco through its Human Services Agency has been providing services to homeless persons since 1932 and has committed over \$80 million for homeless services in its 2010/11 budget.

Developer: TBD Project Specific Hire In-House

Experience:

Project Owner: City and County of San Francisco

Architect: TBD

Property Manager: Human Services Agency of the City and County of San Francisco

Summary Description of Services:

The proposed emergency homeless shelter will connect with an existing drop-in homeless resource center and provide: 1. Two meals per day; 2. Showers; 3. Case management; 4. Life skills; 5. Referral and connection to Housing; 6. Referral and connection to medical services; 7. Referral and connection to employment services; 8. Referral and connection to behavioral health services; 9. Computer Training; 10. Clothing bank; 11. Benefit Assistance

Population Group(s) Served: General Homeless

EHAPCD + Sr. Liens CLTV: #DIV/0!

Market Information:

Market Value of Project Site "As-Is": Special Conditions #1

Market Value of Project Site "As-Completed":

Acceptable Lease? N/A Yes No If leasehold, Annual Lease Payment \$54,000

Rent Comparables: N/A Not on File Comment:

Environmental Risks:

TBD

Relocation Costs/Issues:

None

Off-Site Costs:

Threshold Score:

I. Applicant Capability	1000 Maximum Points	Points Awarded
Applicant Capability	430	275
Impact and Effectiveness	200	195
Cost Efficiency	220	150
DLB/Statewide Priorities	150	150
TOTAL		770

Special Conditions:

1. Must provide an "As-Is" and "As-Completed" appraisal before closing.

This project report is subject to the general conditions attached hereto and incorporated herein by this reference

Homeless Capital Development Sources and Uses Statement

Development Budget	Total Project Cost	EHAPCD				
LAND COST/ACQUISITION						
Land Cost or Value						
Site Improvement Costs						
Subtotal Acquisition Costs	\$0	\$0	\$0	\$0	\$0	\$0
CONSTRUCTION/REHABILITATION						
General Requirements						
General Requirements	\$92,000	\$92,000				
Site Work	\$16,000	\$16,000				
Structures	\$178,000	\$178,000				
Thermal & Moisture control	\$186,000	\$186,000				
Plumbing	\$192,000	\$192,000				
Finishes	\$28,000	\$28,000				
Mechanical	\$140,000	\$140,000				
Electrical	\$146,000	\$146,000				
Subtotal Rehabilitation Cost	\$978,000	\$978,000	\$0	\$0	\$0	\$0
OTHER COSTS						
Environmental Reports/Surveys						
Permit Processing Fees						
Subtotal Other Costs	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPER COSTS/ADMIN.						
Non-recurring Cost						
Const. Mngmt. Oversight						
Subtotal Developer Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Project Cost	\$978,000	\$978,000	\$0	\$0	\$0	\$0

Permanent Financing Sources and Uses

Development Budget	Total Project Cost	EHAPCD				
LAND COST/ACQUISITION						
Land Cost or Value						
Site Improvement Costs						
Subtotal Acquisition Costs	\$0	\$0	\$0	\$0	\$0	\$0
CONSTRUCTION/REHABILITATION						
General Requirements	\$92,000	\$92,000				
Site Work	\$16,000	\$16,000				
Structures	\$178,000	\$178,000				
Thermal & Moisture control	\$186,000	\$186,000				
Plumbing	\$192,000	\$192,000				
Finishes	\$28,000	\$28,000				
Mechanical	\$140,000	\$140,000				

Electrical	\$146,000	\$146,000				
Subtotal Rehabilitation Cost	\$978,000	\$978,000	\$0	\$0	\$0	\$0
OTHER COSTS						
Environmental Reports/Surveys						
Permit Processing Fees						
Subtotal Other Costs	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPER COSTS/ADMIN.						
Project Administration						
Const. Mngmt. Oversight						
Subtotal Developer Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Project Cost	\$978,000	\$978,000	\$0	\$0	\$0	\$0

Annual Statement of Operations - Organization

	3 FYs Prior (7/08 -6/09)	2 FYs Prior (7/09-6/10)	1 FY Prior (7/10-6/11)	Current FY (7/11-9/11)	Projected FY	Percent of Projected FY
REVENUES:						
Fines, Forfeitures & Penalties						0%
Interest & Investment Income						0%
Rents & Concessions						0%
Intergovernmental Revenues-Fed						0%
Intergovernmental Revenues-State						0%
Charges for Services						0%
Other Revenues						0%
Operating Transfers In						0%
Intrafund Transfers In						0%
Unappropriated Fund Balance						0%
City General Fund						0%
						0%
TOTAL REVENUE					\$0	0%
EXPENSES:						
Salaries						0%
Mandatory Fringe Benefits						0%
Overhead						0%
Non Personnel Services						0%
Aid Assistance						0%
Aid Payments						0%
City Grant Programs						0%
Other Support & Care of Persons						0%
Materials & Supplies						0%
Capital Outlay						0%
Services of Other Depts.						0%
Operating Transfers Out						0%
Intrafund Transfers Out						0%
						0%
TOTAL EXPENSES					\$0	0%
NET INCOME					\$0	
Net Income % (Net Income/Total Revenue)					#DIV/0!	

Guideline: Net Income should be positive for all 3 audited fiscal years. Negative Net Income must be adequately explained.

NET INCOME	\$0	\$0	\$0	\$0	\$0
Net Assets Beginning of Year					
Net Assets End of Year	\$0	\$0	\$0	\$0	\$0

ORGANIZATION'S HISTORICAL FINANCIAL SUMMARY

	<u>3 FYs Prior</u>	<u>2 FYs Prior</u>	<u>1 FY Prior</u>
Unrestricted Net Assets/ Total Assets			
= Unrestricted Net Assets Percentage	#DIV/0!	#DIV/0!	#DIV/0!
Guideline: Percent of Unrestricted net assets should be greater than 25%.			

	<u>3 FYs Prior</u>	<u>2 FYs Prior</u>	<u>1 FY Prior</u>
Current Assets/ [(Total Organization Expenses - Depreciation and Amortization)/12]			
= Expense Coverage	#DIV/0! months	#DIV/0! months	#DIV/0! months
Guideline: Expense coverage should be greater than 3 months.			

	<u>3 FYs Prior</u>	<u>2 FYs Prior</u>	<u>1 FY Prior</u>
Current Assets/ Current Liabilities			
= Current Ratio	#DIV/0!	#DIV/0!	#DIV/0!
Guideline: Current ratio should be greater than 1.0.			

Notes:

Government agencies do not need financial statements

Cash Flow Statement of Operations - Project Services only

	3 FYs Prior	2 FYs Prior	1 FY Prior	Current FY	Projected FY	Percent of Projected FY
REVENUES:						
Private Donations						0%
Local Government:					\$555,250	100%
State - EHAP						0%
State (define)						0%
FEMA						0%
Federal (define)						0%
Rental Income						0%
Fees						0%
Fundraising						0%
Miscellaneous (define)						0%
						0%
						0%
TOTAL REVENUE	\$0	\$0	\$0	\$0	\$555,250	100%
EXPENSES:						
Rent/Lease					\$54,000	10%
Case Managers					\$175,000	32%
Client Assistance					\$50,000	9%
Staff (for direct client services)					\$175,000	32%
Administration (incl. Admin. Staff)					\$101,250	18%
Maintenance						0%
Utilities						0%
						0%
Accounting & Legal						0%
						0%
						0%
TOTAL EXPENSES	\$0	\$0	\$0	\$0	\$555,250	100%
NET OPERATING INCOME	\$0	\$0	\$0	\$0	\$0	0%
Debt Service (Principal & Interest)						0%
CASH FLOW	\$0	\$0	\$0	\$0	\$0	

Guideline: Cash Flow should be positive or break even.

Debt Service Coverage Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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Guideline: Debt Coverage Ratios should be greater than 1.10.

1. No revenue or expenses for Services

Cash Flow Statement of Operations Facility - Physical Plant Only

	3 FYs Prior	2 FYs Prior	1 FYs Prior	Current FY	Projected FY	Percent of Projected FY
REVENUES:						
Private Donations						0%
Local Government					\$54,000	100%
State - EHAP						0%
State (define)						0%
FEMA						0%
Federal (define)						0%
Rental Income						0%
Fees						0%
Fundraising						0%
Miscellaneous (define)						0%
TOTAL REVENUE	\$0	\$0	\$0	\$0	\$54,000	100%
EXPENSES:						
Rent/Lease					\$54,000	100%
Taxes						0%
Insurance						0%
Staff (for direct client)						0%
Administration						0%
Maintenance						0%
Utilities						0%
Accounting & Legal						0%
						0%
	\$0	\$0	\$0	\$0	\$0	0%
TOTAL EXPENSES	\$0	\$0	\$0	\$0	\$54,000	100%
NET OPERATING INCOME	\$0	\$0	\$0	\$0	\$0	
Debt Service (Principal & Interest)						
CASH FLOW	\$0	\$0	\$0	\$0	\$0	

Guideline: Cash Flow should be positive or break even.

Debt Service Coverage Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
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Guideline: Debt Coverage Ratios should be greater than 1.10.

¹Not Applicable if new project

San Francisco Human Services Agency
Bayview Shelter
11-EHAPCD-7974

Attachment A
Special Condition(s)

1. This Special Condition only impacts and is applicable to projects with Redevelopment Agency (RDA) involvement. The Supreme Court recently rendered its decision on the validity of ABX1 26 Dissolution & ABX1 27 Voluntary Continuation Program RDA bills. As a result, prior to the Department issuing an Estoppel Letter or Standard Agreement, a Project Sponsor or Applicant must submit acceptable project modifications related to RDA involvement to the Department for approval. RDA involvement includes but is not limited to: site control; subsidies; land donations; capital contributions; organizational structure/partnership; construction financing; and, permanent financing. Such project modifications must be addressed with documentation from the project Sponsor/Applicant prior to an Estoppel Letter or Standard Agreement, but in no case later than 60 days from the day of a Department Award Letter. Prior to the expiration of 60 days from date of the Award Letter, Sponsor or Applicant may request an extension from the Acting Deputy Director of the Division of Financial Assistance.
2. Applicant must provide an "as is" and "as completed" appraisal before closing.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee *JE*
RE: Authorization to enter into a forgivable loan agreement with the California Department of Housing and Community Development – \$978,000 Forgivable Loan To Convert 2115 Jennings Street Into A 100-Bed Homeless Shelter
DATE: October 22, 2013

Attached for introduction to the Board of Supervisors is the resolution authorizing the Human Services Agency to enter into a \$978,000 forgivable loan agreement from the California Department Of Housing And Community Development to renovate the leased premises at 2115 Jennings Street for use as a 100-bed homeless shelter.

I request that this item be calendared in Budget and Finance Committee on October 30, 2013.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

OCT 22 PM 2:49

JE