

BOARD of SUPERVISORS



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December 15, 2016

File No. 161317

Lisa Gibson
Acting Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On December 6, 2016, Mayor Lee introduced the following proposed legislation:

File No. 161317

Resolution authorizing and approving the acceptance of certain real property assets from the Office of Community Investment and Infrastructure to the Mayor's Office of Housing and Community Development (as housing successor to the San Francisco Redevelopment Agency); and making findings that such acceptance is in accordance with the California Environmental Quality Act, the General Plan, and the eight priority policies of Planning Code, Section 101.1.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

for By:  Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Jeanie Poling, Environmental Planning

1 [Transfer of Affordable Housing Property Assets - Office of Community Investment and
2 Infrastructure - Mayor's Office of Housing and Community Development]

3 **Resolution authorizing and approving the acceptance of certain real property assets**
4 **from the Office of Community Investment and Infrastructure to the Mayor's Office of**
5 **Housing and Community Development (as housing successor to the San Francisco**
6 **Redevelopment Agency); and making findings that such acceptance is in accordance**
7 **with the California Environmental Quality Act, the General Plan, and the eight priority**
8 **policies of Planning Code, Section 101.1.**

9
10 WHEREAS, The Successor Agency to the Redevelopment Agency of the City and
11 County of San Francisco (commonly known as the Office of Community Investment and
12 Infrastructure or "OCII") is completing the enforceable obligations of the Redevelopment
13 Agency of the City and County of San Francisco (the "Former Agency") in the Mission Bay
14 North and Mission Bay South Projects, the Hunters Point Shipyard/Candlestick Point Project
15 and the Transbay Project (collectively, the "Major Approved Development Projects") under the
16 authority of the California Community Redevelopment Law, Cal. Health & Safety Code,
17 Section 33000 et seq., as amended by the Redevelopment Dissolution Law, Cal. Health &
18 Safety Code, Section 34170 et seq.; and

19 WHEREAS, Upon dissolution of the Former Agency, the City and County of San
20 Francisco (the "City") elected, pursuant to Section 34176 (a) (1) of the Health and Safety
21 Code and Resolution No. 11-12 adopted by the Board of Supervisors of the City (the "Board")
22 on January 24, 2012, and approved by the Mayor of the City on January 26, 2012, to retain
23 the Former Agency's affordable housing assets, as defined in Section 34176 (e) of the Health
24 and Safety Code (including real property, ground and air rights leases, loans and intangible
25 assets, such as deed restrictions on below market rate units) (collectively "Housing Assets")

1 and authorized the Mayor's Office of Housing and Community Development ("MOHCD") to
2 manage those Housing Assets as the housing successor under Redevelopment Dissolution
3 Law; and

4 WHEREAS, On August 1, 2012, MOHCD submitted to the California Department of
5 Finance ("DOF"), as required under Section 34176 (a) (2) of the Health and Safety Code, a
6 Housing Asset Transfer Form ("2012 HAT") containing a list of all transferred housing assets
7 of the Former Agency and, on September 7, 2012, DOF approved the 2012 HAT; and

8 WHEREAS, Subsequent to approval of the 2012 HAT, the City, under Ordinance
9 No. 215-12 (Oct. 4, 2012), OCII, and DOF determined that OCII, as a separate legal entity
10 from the City, had retained certain Housing Assets that OCII was required to fund and develop
11 as part of its enforceable obligations for the Major Approved Development Projects that had
12 survived the Former Agency's dissolution ("Retained Housing Obligations"); and

13 WHEREAS, OCII and its Oversight Board approved, by Oversight Board Resolution
14 No. 12-2013 (Nov. 25, 2013), a revised list of Housing Asset Transfers that did not include the
15 Retained Housing Obligations ("2013 HAT") and, on March 6, 2014, the DOF approved the
16 2013 HAT; and

17 WHEREAS, OCII also prepared a Long Range Property Management Plan ("PMP"), as
18 required under Section 34191.5 (b) of the Health and Safety Code, which is on file with the
19 Clerk of the Board of Supervisors in File No. 161317, that identified, among other things, the
20 Retained Housing Obligations that it would fund and complete and then transfer to the City
21 and, on December 7, 2015, DOF approved the PMP; and

22 WHEREAS, As OCII completes the specific affordable housing projects that are part of
23 the Retained Housing Obligations, the Redevelopment Dissolution Law requires that OCII
24 transfer the Completed Housing Assets to the housing successor and this Board desires to
25 approve and authorize the acceptance of conveyance of such assets from OCII to MOHCD,

1 as referenced in the “Existing Known Universe of OCII Housing Assets to Transfer to
2 MOHCD,” which is on file with the Clerk of the Board of Supervisors in File No. 161317, and
3 any additional future assets not listed will be brought back to the Board for consideration and
4 approval; and

5 WHEREAS, OCII and MOHCD have entered into a Memorandum of Understanding
6 (June 11, 2014) that defines OCII’s completion of affordable housing projects to mean the
7 completion of construction, full lease-up of affordable units, and resolution of all necessary
8 financial close-out procedures to determine if any unused loan or grant proceeds are due to
9 be returned to OCII (“Completed Housing Asset”) and, upon completion, OCII will issue a
10 Certificate of Completion and transfer the Completed Housing Asset, including any fee
11 interest in land, ground lease, loans or grants, or other affordability restrictions to MOHCD;
12 and

13 WHEREAS, This Board desires to accept the conveyance of the Completed Housing
14 Assets (the “Conveyance”) pursuant to a quitclaim deed (the “Deed”) and an assignment of
15 the Leases and the Assets, if necessary (the “Assignment”), each in substantially the forms
16 filed with the Clerk of the Board of Supervisors in File No. _____; and

17 WHEREAS, The Planning Department of the City (the “Planning Department”) found
18 that the Conveyance is consistent with California Environmental Quality Act (“CEQA”) and
19 Categorically Exempt from Environmental Review as a Categorical Exemption Class 1 as
20 defined by CEQA for the reasons set forth in the _____, 2016 letter from the Planning
21 Department, which is on file with the Clerk of the Board of Supervisors in File No. _____;
22 and

23 WHEREAS, The Planning Department found that the Conveyance is consistent with
24 the City’s General Plan and with the eight priority policies of Planning Code, Section 101.1 for
25 the reason for the reasons set forth in the _____, 2016 letter from the Planning

1 Department, which is on file with the Clerk of the Board of Supervisors in File No. _____;
2 now, therefore, be it

3 RESOLVED, That the Board hereby finds that the Conveyance is consistent with the
4 General Plan, and with the eight priority policies of Planning Code, Section 101.1 for the same
5 reasons set forth in the letter of the Planning Department, dated _____, 2016, and hereby
6 incorporates such finding by reference as though fully set forth in this Resolution; and, be it

7 FURTHER RESOLVED, That the Board hereby finds that the Conveyance is consistent
8 with CEQA and Categorically Exempt from Environmental Review as a Categorical Exemption
9 Class 1 as defined by CEQA for the reasons set forth in the _____, 2016 letter from the
10 Planning Department, which is on file with the Clerk of the Board of Supervisors in File No.
11 _____; and, be it

12 FURTHER RESOLVED, That in accordance with the recommendations of the City's
13 Director of Property and the Director of MOHCD, the Board hereby approves and authorizes
14 the Director of Property (or his or her designee), along with the Director of MOHCD to accept
15 said Deed(s) and Assignment(s) of Completed Housing Assets on behalf of the City, and to
16 execute any such other documents that are necessary or advisable to complete the
17 transaction contemplated by the such Deed(s) and/or Assignment(s) and to effectuate the
18 purpose and intent of this Resolution; and, be it

19 FURTHER RESOLVED, That the Board authorizes the Director of Property (or his or
20 her designee) and the Director of MOHCD, in consultation with the City Attorney, to enter into
21 any additions, amendments or other modifications to the Deed(s) and Assignment(s)
22 (including in each instance, without limitation, the attachment of exhibits) that the Director of
23 Property and Director of MOHCD determine are in the best interests of the City, do not
24 decrease the revenues of the City in connection with the Completed Housing Assets, or
25 otherwise materially increase the obligations or liabilities of the City, and are in compliance

1 with all applicable laws, including the Redevelopment Dissolution Law and the City's Charter;
2 and, be it

3 FURTHER RESOLVED, Any such actions are solely intended to further the purposes
4 of this Resolution, and are subject in all respects to the terms of this Resolution, and such
5 official shall consult with the City Attorney before execution of documents that include
6 amendments from what was previously submitted to the Board, and thereafter provide to the
7 Clerk of the Board the final document, as signed by all parties, together with a marked copy to
8 show any changes, within 30 days of execution, for inclusion in the official file; and, be it

9 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
10 heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors.