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

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

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

WHEREAS, The SGC is authorized to approve funding allocations for the AHSC Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines adopted by SGC on December 14, 2023 ("Program Guidelines"), an application package

released by the Department for the AHSC Program ("Application Package"), and an AHSC standard agreement with the State of California ("Standard Agreement"), the Department is authorized to administer the approved funding allocations of the AHSC Program; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1	Recommended:
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3	/s/ Daniel Adams, Director
4	Mayor's Office of Housing and Community Development
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6	Approved:
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8	London N. Breed, Mayor Greg Wagner, Controller
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City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number: 240989

Date Passed: November 05, 2024

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

October 30, 2024 Budget and Finance Committee - RECOMMENDED

November 05, 2024 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240989

I hereby certify that the foregoing Resolution was ADOPTED on 11/5/2024 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed Mayor Date Approved