

1 [Apply for and Accept and Expend - Delegation of San Francisco Municipal Transportation
2 Agency as Co-Applicant for Grant - Assumption of Liability - Affordable Housing and
Sustainable Communities Program - 455 Fell Street Project]

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4 **Resolution authorizing the San Francisco Municipal Transportation Agency (SFMTA),**
5 **on behalf of the City and County of San Francisco, to execute a grant application, grant**
6 **agreement, and related documents under the State of California’s Affordable Housing**
7 **and Sustainable Communities Program (AHSC Program) as a joint applicant with Mercy**
8 **Housing, Inc., for the project at 455 Fell Street; authorizing the City to assume any joint**
9 **and several liability for completion of the project required by the terms of any grant**
10 **awarded under the AHSC Program; and adopting findings under the California**
11 **Environmental Quality Act (CEQA), the CEQA Guidelines, and Administrative Code,**
12 **Chapter 31.**

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14 WHEREAS, The AHSC Program was established by Division 44, Part 1 of the Public
15 Resources Code of the State of California (Section 75200 et seq.); and

16 WHEREAS, The AHSC Program was developed and is administered by the State of
17 California’s Strategic Growth Council (SGC), which adopted the 2015-2016 AH Guidelines,
18 dated December 17, 2015 (the Guidelines); and

19 WHEREAS, The Guidelines state that the State of California’s Department of Housing
20 and Community Development shall implement the transportation, housing and infrastructure
21 component of the AHSC Program; and

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

3 WHEREAS, The application selection and scoring criteria in the Guidelines state that
4 additional points will be awarded to joint applications from a housing developer and a public
5 agency that has authority over public transit or transportation infrastructure, such as the
6 SFMTA; and

7 WHEREAS, The AHSC Program requires that joint applicants for a project will be held
8 jointly and severally liable for completion of such project pursuant to the Standard Agreement
9 (as defined below); and

10 WHEREAS, The State of California, the SGC and HCD have issued a Notice of
11 Funding Availability dated January 29, 2016 (NOFA) under the AHSC Program; and

12 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
13 Program, subject to the terms and conditions of the NOFA, Guidelines, Application Package,
14 and Standard Agreement and HCD is authorized to administer the approved funding
15 allocations of the AHSC Program; and

16 WHEREAS, Mercy Housing, Inc., desires to apply for AHSC Program funds and submit
17 the Application Package released by HCD for the AHSC Program; and

18 WHEREAS, Mercy Housing, Inc., has asked SFMTA to be a joint applicant for its
19 project located at 455 Fell Street, San Francisco (the Project); and

20 WHEREAS, The SFMTA plans to perform pedestrian improvements in the vicinity of
21 the Project (the SFMTA work), and will receive a portion of any grant funds awarded for the
22 SFMTA work; and

23 WHEREAS, The SFMTA does not have the authority under the Charter to assume
24 liability for completing affordable housing projects; therefore, in order for the City to make
25 such a commitment, the Board of Supervisors must agree to assume such liability for the City

1 and may delegate the authority to SFMTA to make such a commitment on behalf of the City;
2 and

3 WHEREAS, On January 7, 2016, the Planning Commission, by Motion No. 19544,
4 determined that the actions contemplated in this Resolution in connection with the Project
5 comply with the California Environmental Quality Act (California Public Resources Code
6 Sections 21000 et seq., or “CEQA”); and

7 WHEREAS, Specifically, the Planning Commission found that any environmental
8 impacts of the Parcel O Project were fully reviewed under the Market and Octavia Area Plan
9 Environmental Impact Report (EIR); and

10 WHEREAS, The EIR was prepared, circulated for public review and comment, and, at
11 a public hearing on April 5, 2007, by Motion No. 17406, certified by the Planning Commission
12 as complying with CEQA; and

13 WHEREAS, The certification of the EIR was upheld on appeal to the Board of
14 Supervisors at a public hearing on June 19, 2007; and

15 WHEREAS, In approving the Market and Octavia Area Plan, the Planning Commission
16 adopted CEQA Findings in its Motion No. 17406; and

17 WHEREAS, The Planning Commission, in Motion No. 19544, incorporated by
18 reference those Findings; and

19 WHEREAS, The Board of Supervisors has reviewed the Planning Commission’s
20 Motion No. 19544, as well as the “Note to File” issued by the Planning Department on
21 December 16, 2015, finding that no further environmental review was necessary for the
22 Project; and

23 WHEREAS, Those documents are on file with the Clerk of the Board of Supervisors in
24 File No. 160672 and are incorporated herein by reference; and

25 WHEREAS, The Board of Supervisors herein affirms this determination; and

1 WHEREAS, On April 1, 2014, the SFMTA Board adopted Resolution No. 14-044, which
2 approved the establishment of no parking zones on Oak Street for the construction of
3 sidewalk bulbs in the vicinity of the Project, and found that the construction of the sidewalk
4 bulbs was categorically exempt from environmental review under CEQA (Class 1(c)(9) -
5 changes in traffic and parking regulations where such changes do not establish a higher
6 speed limit and/or result in more than a negligible increase in the use of the street); and

7 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in
8 File No. 160672 and is incorporated herein by reference; and

9 WHEREAS, The Board of Supervisors herein affirms this determination; and

10 WHEREAS, On June 16, 2015, the SFMTA Board adopted Resolution No. 15-085,
11 which approved the establishment of no stopping zones for sidewalk widening and a
12 pedestrian refuge island, both in the vicinity of the Project, and found that these projects were
13 categorically exempt from environmental review under CEQA (Class 1(c)(9) - changes in
14 traffic and parking regulations where such changes do not establish a higher speed limit
15 and/or result in more than a negligible increase in the use of the street); and

16 WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in
17 File No. 160672 and is incorporated herein by reference; and

18 WHEREAS, The Board of Supervisors herein affirms this determination; and

19 WHEREAS, On June 7, 2016, the SFMTA Board of Directors adopted Resolution No.
20 16-069, recommending that the Board of Supervisors delegate to the SFMTA the authority to
21 apply for and sign AHSC Program documents as a co-applicant for the Project, provided that
22 the City accept liability for completion of the Project if required under the terms of any grant
23 awarded under the AHSC Program; authorizing the SFMTA to accept and expend the grant
24 funds for the SFMTA work should the City be awarded the grant; and

1 WHEREAS, The CEQA-related documents are on file with the Clerk of the Board of
2 Supervisors in File No. 160672; now, therefore, be it

3 RESOLVED, That the Board of Supervisors delegates to the SFMTA, on behalf of the
4 City and County of San Francisco, the authority to execute the application package released
5 by HCD for the AHSC Program as detailed in the NOFA (Application) in a total amount not to
6 exceed \$16,056,563 of which \$15,037,563 is requested as a loan for an Affordable Housing
7 Development (AHD) (AHSC Loan) and \$1,019,000 is requested for a grant for Housing-
8 Related Infrastructure (HRI), Sustainable Transportation Infrastructure (STI), Transit-Related
9 Amenities(TRA) or Program (PGM) activities (AHSC Grant) as defined in the Guidelines; and
10 if the Application is approved, to enter into, execute and deliver AHSC Program documents,
11 including a State of California Standard Agreement (Standard Agreement) in a total amount
12 not to exceed \$16,056,563 (\$15,037,563 for the AHSC Loan and \$1,019,000 for the AHSC
13 Grant), and any and all other documents required or deemed necessary or appropriate to
14 secure the AHSC Program funds from HCD, and all amendments thereto (AHSC Documents)
15 as a co-applicant for the Project at 455 Fell Street, San Francisco; and, be it

16 FURTHER RESOLVED, That the Board of Supervisors agrees that the City shall
17 assume any joint and several liability for completion of the Project required by the terms of
18 any grant awarded to the City and the private developer under the AHSC Program; and, be it

19 FURTHER RESOLVED, That in accordance with the recommendation of the
20 SFMTA Board of Directors, the Board of Supervisors authorizes the SFMTA Director of
21 Transportation (or his designee) to execute and deliver the AHSC Documents and any
22 documents that are necessary or advisable to complete the transactions contemplated
23 herein and to use any AHSC Program funds for eligible capital asset(s) in the manner
24 presented in the Application as approved by HCD and in accordance with the NOFA
25 and Program Guidelines and Application Package; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
2 Application is successful, the City, through the SFMTA, shall be subject to the terms
3 and conditions as specified in the Standard Agreement, that AHSC Program funds are
4 to be used for allowable capital asset project expenditures to be identified in Exhibit A
5 of the Standard Agreement, that the Application 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
8 Agreement; and, be it

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

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

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Approved: _____

Mayor

Approved: _____

Controller