

1 [Apply for, Accept, and Expend Grant - 2060 Folsom Housing, L.P. - Assumption of Liability -
2 Affordable Housing and Sustainable Communities Program - 2060 Folsom Street Project]

3 **Resolution authorizing the Mayor’s Office of Housing and Community Development on**
4 **behalf of the City and County of San Francisco to execute a grant application, grant**
5 **agreement, and related documents, as defined herein, under the Department of**
6 **Housing and Community Development Affordable Housing and Sustainable**
7 **Communities (AHSC) Program as a joint applicant with 2060 Folsom Housing, L.P., a**
8 **California limited partnership for the project at 2060 Folsom Street; authorizing the City**
9 **to assume any joint and several liability for completion of the projects required by the**
10 **terms of any grant awarded under the AHSC Program; and adopting findings under the**
11 **California Environmental Quality Act (CEQA), the CEQA Guidelines and Chapter 31 of**
12 **the San Francisco Administrative Code.**

13
14 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the
15 Department of Housing and Community Development (“Department”) has issued a Notice of
16 Funding Availability (“NOFA”) dated October 2, 2017, under the Affordable Housing and
17 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the
18 Public Resources Code commencing with Section 75200; and

19 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
20 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines
21 adopted by SGC on July 17, 2017, errata August 14, 2017 (“Program Guidelines”), an
22 application package released by the Department for the AHSC Program (“Application
23 Package”), and an AHSC standard agreement with the State of California (“Standard
24 Agreement”), the Department is authorized to administer the approved funding allocations of
25 the AHSC Program; and

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

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

8 WHEREAS, 2060 Folsom Housing, L.P., a California limited partnership (“Developer”),
9 has requested the City and County of San Francisco, acting by and through MOHCD (the
10 “City”), to be a joint applicant for its project located at 2060 Folsom Street (the “2060 Folsom
11 Project”); and

12 WHEREAS, On June 10, 2016, by Certificate of Determination, the Planning
13 Department, by case No. 2015-014715ENV, determined that the development of the 127 unit
14 affordable housing project at 2060 Folsom Street is eligible for streamlined environmental
15 review per Section 15183.3 of the California Environmental Quality Act (“CEQA”) Guidelines
16 and California Public Resources Code, Section 21094.5; and

17 WHEREAS, The Planning Department found that any environmental impacts of 2060
18 Folsom Project were fully reviewed under the Eastern Neighborhoods Area Plan
19 Environmental Impact Report (“EIR”); and

20 WHEREAS, The EIR was prepared, circulated for public review and comment, and, at
21 a public hearing on August 7, 2008, by Motion No. 17659, certified by the Planning
22 Commission as complying with CEQA; and

23 WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to
24 perform upgrades to its 13th Street protected bike lanes and install Folsom Street pedestrian
25 countdown signals and related improvements in the vicinity of the Project (the “SFMTA

1 Work”); and

2 WHEREAS, The City and County of San Francisco acting by and through the Mayor’s
3 Office of Housing and Community Development (the “City”) desires to apply for AHSC
4 Program funds and submit an Application Package as a joint applicant with the Developer;
5 and

6 WHEREAS, In order for the City to make certain commitments in the Application
7 Package, SFMTA and MOHCD will enter into a Memorandum of Understanding to make such
8 commitments on behalf of the City; now, therefore, be it

9 RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the City
10 and County of San Francisco, the authority to execute an application to the AHSC Program as
11 detailed in the NOFA dated October 2, 2017, for Round 3, in a total amount not to exceed
12 \$15,000,000 of which \$10,000,000 is requested as a loan for an Affordable Housing
13 Development (AHD) (“AHSC Loan”) and \$5,000,000 is requested for a grant for Housing-
14 Related Infrastructure (HRI), Sustainable Transportation Infrastructure (STI), Transit-Related
15 Amenities (TRA) or Program (PGM) activities (“AHSC Grant”) as defined the AHSC Program
16 Guidelines and sign AHSC Program documents; and if the Application is approved, to enter
17 into, execute, and deliver AHSC Program documents, including a Standard Agreement in a
18 total amount not to exceed \$10,000,000 for the AHSC Loan and \$5,000,000 for the AHSC
19 Grant), and any and all other documents required or deemed necessary or appropriate to
20 secure the AHSC Program funds from the Department, and all amendments thereto
21 (collectively, the “AHSC Documents”) as a co-applicant for the Project at 2060 Folsom Street,
22 San Francisco; 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 be subject to the terms and
3 conditions as specified in the Standard Agreement, that AHSC Program funds are to be used
4 for allowable capital asset project expenditures to be identified in Exhibit A of the Standard
5 Agreement, that the Application Package in full is incorporated as part of the Standard
6 Agreement, and that any and all activities funded, information provided, and timelines
7 represented in the application are enforceable through the Standard Agreement; and, be it

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

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

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

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22 RECOMMENDED:

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