1 [Standard Agreement - California Department of Housing and Community Development -
   California Housing Accelerator Program - The Kelsey Civic Center - $37,334,401]

2

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 Standard Agreement and**

5 **other related documents with the State of California Department of Housing and**

6 **Community Development ("HCD") under the California Housing Accelerator Program**

7 **which Standard Agreement includes an award of $37,334,401 as a loan to The Kelsey**

8 **Civic Center, L.P. ("Developer"), as sole borrower, for construction of a development**

9 **affordable to low- and moderate-income households at The Kelsey Civic Center,**

10 **located at 240 Van Ness Avenue, for a term of five years to commence upon execution**

11 **of the Standard Agreement by HCD.**

12

13   WHEREAS, The Kelsey Civic Center, L.P., a California limited partnership

14 ("Developer"), requested the City and County of San Francisco (the "City"), acting by and

15 through the Mayor's Office of Housing and Community Development ("MOHCD"), to be a joint

16 applicant for State of California Department of Housing and Community Development's (HCD)

17 California Housing Accelerator Program funding for its 112-unit, 100% affordable housing

18 project, ground floor Disability Community Cultural Center (the "Project") identified as The

19 Kelsey Civic Center (the "Kelsey Civic Center"); in the Agreement for the Exchange and

20 Conveyance of Real Estate (File No. 210118); and

21   WHEREAS, The Project consists of a 112-unit new construction development, which

22 includes 2 units for onsite managers, 28 units reserved for people with disabilities who use

23 home and community-based services restricted at or below 50% City Median Income, and 82

24 units set aside for households with incomes at 50% and 80% City Median Income; and

25

1   WHEREAS, On June 3, 2021, by Notice of Final Approval of an SB 35 Project, the

2 Planning Department by Case No. 2020-010648PRJ determined that the development of the

3 Project met all the standards of the Planning Code and would be eligible for ministerial

4 approval under the California Government Code, Section 65913.4 (Senate Bills 35 and 765),

5 California Public Resources Code, Section 21080, and the CEQA Guidelines, Sections

6 15002(i)(1), 15268 and 15369, and would therefore not be subject to the California

7 Environmental Quality Act ("CEQA"); a copy of the Notice of Final Approval of an SB 35

8 Project is on file with the Clerk of the Board of Supervisors in File No. 220060, and is

9 incorporated herein by reference; and

10   WHEREAS, HCD issued the Tier II Project Solicitation and Guidelines ("NOFA") dated

11 February 28, 2022, amended May 5, 2022, and amended August 31, 2022, establishing the

12 California Housing Accelerator Program (the "Program"); and

13   WHEREAS, The Developer is an Eligible Applicant/Sponsor under the Program; and

14   WHEREAS, The Developer's and the City's application was successful and the parties

15 were notified on September 6, 2022 (the "HCD Award"); and

16   WHEREAS, The HCD Award requires the Developer and the City, acting by and

17 through MOHCD, to enter into a Standard Agreement and for the Developer, as the sole

18 borrower (with no funds going to the City and all funds going to the Developer as the sole

19 borrower), to enter into a loan in the amount of $37,334,401 for the development and

20 construction of the Kelsey Civic Center; now, therefore, be it

21   RESOLVED, That the Board of Supervisors approves and authorizes the MOHCD on

22 behalf of the City, in consultation with the City Attorney, to enter into, execute, and deliver a

23 Standard Agreement in an amount of $37,334,401 which amount is in the form of a loan to the

24 Developer, and any and all other documents required or deemed necessary or appropriate to

25 participate in the Program, and all amendments thereto, under terms and conditions approved

1   by the City Attorney providing that Program funds are to be used for allowable expenditures in

2   accordance with the NOFA and Program Guidelines and Application Package; and, be it

3   FURTHER RESOLVED, That all actions authorized and directed by this Resolution and

4   heretofore taken are ratified, approved and confirmed by this Board of Supervisors; and, be it

5   FURTHER RESOLVED, That within thirty (30) days of the Standard Agreement being

6   fully executed by all parties, MOHCD (or its designee) shall provide the final Standard

7   Agreement to the Clerk of the Board for inclusion into the official file; and, be it

8   FURTHER RESOLVED, That the Board of Supervisors acknowledges and agrees that

9   the City, acting by and through MOHCD, shall be subject to the terms and conditions specified

10   in the Standard Agreement, and that the Solicitation and the Standard Agreement will be

11   incorporated in the Standard Agreement by reference and made a part thereof; any and all

12   activities, expenditures, information, and timelines represented in the Application are

13   enforceable through the Standard Agreement; funds are to be used for the allowable

14   expenditures, uses, and activities identified in the Standard Agreement; and, be it

15   FURTHER RESOLVED, That the Director of MOHCD, or his designee, is hereby

16   authorized to execute the Standard Agreement on behalf of the Public Entity.

17

18   Recommended:

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21   _____/s/_____

22   Eric D. Shaw. Director,

23   Mayor's Office of Housing and Community Development

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