

1 [Execute Standard Agreement and Accept and Expend Grant - California Department of
2 Housing and Community Development - Infill Infrastructure Grant Program - Sunnydale Block
3B - \$6,500,000]

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4 **Resolution authorizing the Mayor’s Office of Housing and Community Development**
5 **(“MOHCD”) to execute a Standard Agreement with California Department of Housing**
6 **and Community Development (“HCD” or “Department”) under the Infill Infrastructure**
7 **Grant Program for a total award of \$6,500,000 disbursed by HCD as a grant to the City**
8 **for the second phase of infrastructure improvements for housing development related**
9 **to the revitalization and master development of up to 1,770 units of replacement public**
10 **housing, affordable housing, and market rate housing, commonly known as the**
11 **Sunnydale HOPE SF Development (“Sunnydale Project”), for the period starting on the**
12 **execution date of the Standard Agreement to June 30, 2029, and as amended; and**
13 **authorizing MOHCD to accept and expend the grant of \$6,500,000 for infrastructure**
14 **improvements for Sunnydale Block 3B as approved by HCD.**

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16 WHEREAS, The State of California Department of Housing and Community
17 Development (“Department”) issued a Notice of Funding Availability (“NOFA”) dated
18 October 30, 2019, under the Infill Infrastructure Program (“IIG Program”) established under
19 Division 31, Part 12.5 of the Public Resources Code commencing with Section 53559; and

20 WHEREAS, The Department is authorized to approve funding allocations for the IIG
21 Program, subject to the terms and conditions of the NOFA IIG Program Guidelines adopted by
22 the Department on October 30, 2019 (“Program Guidelines”), an application package released
23 by the Department for the IIG Program (“Application Package”), and an IIG standard
24 agreement with the State of California (“Standard Agreement”), the Department is authorized
25 to administer the approved funding allocations of the IIG Program; and

1 WHEREAS, The IIG Program provides infrastructure for Capital Improvements Projects
2 in support of Qualifying Infill Projects or Qualifying Infill Areas to applicants identified through
3 a competitive process for the development of projects that, per the Program Guidelines,
4 support higher-density affordable and mixed-income housing and mixed-use infill
5 developments; and

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

8 WHEREAS, Sunnydale Block 3B Housing Partners, L.P., a California limited
9 partnership (“Developer”), has requested the City and County of San Francisco (the “City”),
10 acting by and through the Mayor’s Office of Housing and Community Development
11 (“MOHCD”), to be a joint applicant for its application for a grant to provide funding for the
12 second phase of infrastructure improvements for housing development, including a 90 unit,
13 100% affordable housing project, and 3,700 square feet of community serving commercial
14 space (the “Project”), identified as Sunnydale Block 3B (“Sunnydale Block 3B”); in the
15 Sunnydale HOPE SF Development Agreement (File Number 161164); and

16 WHEREAS, The Project is a Qualifying Infill Project under the IIG Program; and

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

22 WHEREAS, On January 14, 2020, the Board of Supervisors authorized MOHCD to
23 apply for IIG Program funds and submit an Application Package as a joint applicant with the
24 Developer through Resolution No. 20-20; and

25 WHEREAS, The grant terms prohibit including indirect costs in the grant budget; and

1 WHEREAS, Through an award letter dated June 23, 2020, the Department made an
2 award in the total amount of \$6,500,000 to be disbursed by HCD as a grant to the City for
3 infrastructure work as approved by HCD, subject to the terms and conditions of the STD 213,
4 Standard Agreement (“Standard Agreement”), a copy of which is on file with the Clerk of the
5 Board of Supervisors in File No. 191290; now, therefore, be it

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

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

12 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
13 indirect costs in the grant budget; and, be it

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

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

1 Recommended:

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/s/

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Eric D. Shaw, Director
4 Mayor's Office of Housing and Community Development

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6 Approved:

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/s/

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London N. Breed, Mayor

/s/

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Ben Rosenfield, Controller

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