

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (**MOU**), dated as of March 31, 2023 (Effective Date), is by and between the San Francisco Public Works (SFPW) and the Mayor's Office of Housing and Community Development (MOHCD).

RECITALS

A. The City and County of San Francisco (City), through the Office of Community Investment and Infrastructure (OCII), owns the real property located at 200 Folsom Street, as more particularly described in the attached Exhibit A (200 Folsom Street) and has made a loan for predevelopment costs and construction of a 184-unit affordable housing development (Transbay Block 2A Family Housing Project), to a subsidiary of Mercy Housing California.

B. On January 30, 2023, the State of California's Strategic Growth Council and the Department of Housing and Community Development issued a Notice of Funding Availability, under the Affordable Housing and Sustainable Communities (AHSC) Program established under Public Resources Code Sections 75200, et seq. The AHSC Program provides grants and loans to applicants identified through a competitive process for the development of projects that, under the Program Guidelines, will achieve greenhouse gas reductions and benefit disadvantaged communities through increased accessibility to affordable housing, employment centers, and key destinations via low-carbon transportation.

C. MOHCD identified the Transbay Block 2A Family Housing as a strong candidate for AHSC Program funding.

D. SFPW has identified qualified sustainable bicycle and pedestrian improvements, which include Transbay Howard Streetscape from 4th Street to Embarcadero for Transbay Block 2A Family Project (Transbay Block 2A Family Bike/Ped Improvements).

E. Transbay Block 2A Family Project with a subsidiary of Mercy Housing California, which includes the Transbay Block 2A Family Project and the Transbay Block 2A Family Bike/Ped Improvements. MOHCD will request up to \$35,000,000 for the Transbay Block 2A Family Project and up to \$3,500,000 for the Transbay Block 2A Family Bike/Ped Improvements in the AHSC application for SFPW's work.

F. Should the State approve the respective applications and award all grants, including the funds for the Transbay Block 2A Family Bike/Ped Improvements, such grant funds will be delivered to SFPW, on a reimbursement basis, for SFPW's work on the Bike/Ped Improvements.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

1. Award Amounts. For the Transbay Block 2A Family, OCII will receive up to \$35,000,000 of the award for the Transbay Block 2A Family Housing Project, and SFPW will receive up to \$3,500,000 for the Transbay Block 2A Family Bike/Ped Improvements. Each of the respective City agencies must comply with State regulations and guidance governing the disbursement of the AHSC funds.

2. Project Collaboration. In order for the Housing Projects to successfully utilize Bike/Ped Improvements, MOHCD and SFPW must collaborate effectively, and both agencies must have authority to review applications for funding related to the GHG reduction goals of the AHSC program. In furtherance of such goals, MOHCD and SFPW will each designate a single Project Manager for the Bike/Ped Improvement Projects, who will serve as the points of contact for communications relating to all of the Bike/Ped Improvement Projects and will be primarily responsible for coordinating the review, comments and approvals of their respective agencies relating to the matters described in this MOU. While MOHCD will have overall responsibility for all aspects of the development of the Housing Projects, SFPW will retain control of the Bike/Ped Improvement Projects.

a. Community Engagement. MOHCD will be solely responsible for community engagement and building community support related to the Housing Projects. MOHCD will notify SFPW in advance of any public meeting regarding the Housing Projects, and MOHCD and SFPW will collaborate to provide timely information to the public. SFPW will be solely responsible for community engagement and building community support related to the Bike/Ped Improvements. SFPW will notify MOHCD in advance of any public meeting regarding the Bike/Ped Improvements, and MOHCD and SFPW will collaborate to provide timely information to the public.

b. Affordable Housing Development Plan. MOHCD will be primarily responsible for coordinating the development plans with Mercy Housing California (Transbay Block 2A Family Housing Project).

c. Bike/Ped Improvements. Subject to completion of environmental review of the Bike/Ped Improvements and selection of any or all Bike/Ped Improvements for implementation, SFPW will be responsible for implementing the projects and coordinating any such implementation with the developers of the respective development projects.

d. Project Costs. MOHCD will assume all development costs associated with the Housing Projects. SFPW will not be responsible for any development costs of the Housing Projects other than its own staff time, and will be responsible for all costs directly associated with the consultation, advice, review, and possible implementation of the Bike/Ped Improvements (Bike/Ped Improvement Costs or Costs).

e. Joint and Several Liability. The City, acting through MOHCD, shall

assume any joint and several liability (with the respective developers) for completion of the Bike/Ped Improvements required by the terms of any grant awarded under the AHSC Program. MOHCD shall assume any joint and several liability for completion of Housing Projects required by the terms of the grants awarded under the AHSC Program.

f. Costs Reimbursement for Bike/Ped Improvements. MOHCD will submit work authorization(s) or work order(s), as required by the Controller, to SFPW for all incurred Bike/Ped Improvement Costs. SFPW will charge MOHCD and provide appropriate backup documentation (e.g., invoices from contractors). SFPW will be responsible for any costs that may be disallowed by the AHSC Program.

3. Term. The term of this MOU shall commence on the Effective Date and terminate upon completion of the AHSC requirements for the Bike/Ped Improvements, should they be implemented. In addition, MOHCD and SFPW agree that if the Bike/Ped Improvements are infeasible for any reason at any time prior to execution of the commitment from AHSC (the Standard Agreement), then either party may terminate this MOU upon written notice to the other.

4. Notices. All notices, demands, consents or approvals that are or may be required to be given by either party to the other under this MOU shall be in writing and shall be deemed to have been fully given when delivered in person, and addressed as follows:

If to the SFDPW:	San Francisco Public Works 49 South Van Ness Avenue, 17th Floor San Francisco, CA 94103 Attn: Carla Short, Interim Director Carla.Short@SFDPW.org
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If to MOHCD:	Mayor's Office of Housing and Community Development 1 South Van Ness Avenue, 5 th Floor San Francisco, California 94103 Attn: Eric D. Shaw, Director Eric.Shaw@sfgov.org
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or such other address that a party may from time to time designate by notice to the other parties given pursuant to the provisions of this Section.

5. Authority. All matters requiring MOHCD's approval shall be approved by the Director of MOHCD or his or her designee. All matters requiring SFPW's approval shall be approved by SFPW's Director or his or her designee.

6. Cooperation. SFPW and MOHCD acknowledge and agree that the Housing Projects and the Bike/Ped Improvements are in the predevelopment phase, and that some of the Bike/Ped Improvements have not undergone environmental review. Should the Bike/Ped Improvements be selected for implementation, SFPW and MOHCD shall use reasonable efforts

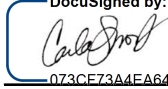
to do, or cause to be done, all things reasonably necessary or advisable to complete the Bike/Ped Improvements according to the terms of the State's Standard Agreement. Notwithstanding anything to the contrary in this MOU, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the actions described in this MOU, including, without limitation, the discretion to eliminate or substitute all or any portion of the Bike/Ped Improvements.

7. Miscellaneous. (a) This MOU may be amended or modified only by a document signed by SFPW's Director, or his or her designee, and the Director of MOHCD, or his or her designee. (b) No waiver by any party of any of the provisions of this MOU shall be effective unless in writing and signed by the party's authorized representative, and only to the extent expressly provided in such written waiver. (c) This MOU (including all exhibits) contains the entire understanding between the parties as of the date of this MOU, and all prior written or oral negotiations, discussions, understandings and agreements are merged herein.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the date first written above.

SFPW:

SAN FRANCISCO PUBLIC WORKS

By: 
073CE73A4FA6486
Carla Short
Interim Director
Date: 3/31/2023 | 10:43 AM PDT

MOHCD:

MAYOR'S OFFICE OF HOUSING AND
COMMUNITY DEVELOPMENT

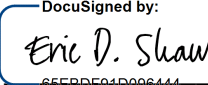
By: 
66E8DF04D006444...
Eric D. Shaw,
Director
Date: 3/31/2023 | 10:45 AM PDT

Exhibit A

200 Folsom Street, Transbay Block 2A Family Property