

1 [Accept and Expend Grant - Local Housing Trust Fund Program - \$2,000,000]

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3 **Resolution authorizing the Mayor’s Office of Housing and Community Development to**
4 **accept and expend a grant in the amount of \$2,000,000 from the California Department**
5 **of Housing and Community Development Local Housing Trust Fund Program.**

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7 WHEREAS, The California Department of Housing and Community
8 Development (HCD) issued a Notice of Funding Availability (NOFA) for the Local
9 Housing Trust Fund Program (LHTFP), as authorized under Chapter 892, Statutes of
10 2006 (AB 2638; Health and Safety Code, Section 50843.5) and amended by Chapter
11 769, Statutes of 2013 (AB 532); and

12 WHEREAS, Pursuant to the authorizing statutes, HCD is empowered to provide
13 grant funds to eligible city, county, and nonprofit applicants for the purpose of
14 supporting new and repurposed Local Housing Trust Funds dedicated to the creation
15 or preservation of affordable housing; and

16 WHEREAS, On November 6, 2012, the voters of the City and County of San
17 Francisco approved by ballot an amendment to the San Francisco Charter by adding
18 Section 16.110 in order to create the San Francisco Housing Trust Fund for the
19 purpose of: creating, acquiring and rehabilitating housing that is affordable for
20 households earning up to 120% of Area Median Income; and promoting affordable
21 home ownership programs; and

22 WHEREAS, HCD’s LHTFP provides matching grant funds in an amount up to
23 \$2,000,000 to eligible applicants that created a new, local housing trust fund on or after
24 September 30, 2006, which would include the City and County of San Francisco; and

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1 WHEREAS, The terms of HCD’s LHTFP require the following conditions, among
2 others: 1) that the “Governing Board” of the applicant provide a resolution approving
3 the application for funding; 2) that at least 30% of LHTFP be used to assist extremely
4 low-income households; 3) that the applicant match the total value of the LHTFP grant;
5 4) that the local housing trust fund continue operating for at least five years after HCD
6 awards LHTFP funds; and 5) that so long as LHTFP funds are properly expended in
7 accordance with HCD’s regulations, the applicant may re-use any LHTFP funds which
8 its awardees repay; and

9 WHEREAS, On April 15, 2014, the Board of Supervisors adopted Resolution
10 No. 119-14 authorizing the Mayor’s Office of Housing and Community Development
11 (MOHCD) to apply for the LHTFP funds, and the City and County of San Francisco
12 applied for the funds on May 20, 2014; and

13 WHEREAS, On HCD issued an award letter dated October 28, 2014, granting
14 LHTFP matching funds in the amount of \$2,000,000 (“Award”) to the City and County
15 of San Francisco in order to enhance and further the goals and purpose of the San
16 Francisco Housing Trust Fund for the purpose of creating, acquiring, and/or
17 rehabilitating affordable housing in San Francisco and promoting affordable
18 homeownership programs; and

19 WHEREAS, The proposed grant does not require an Annual Salary Ordinance
20 amendment; and

21 WHEREAS, MOHCD proposes to maximize use of available grant funds on
22 project expenditures by not including indirect costs in the grant budget, now, therefore,
23 be it

24 RESOLVED, That the Board of Supervisors hereby authorizes Olson Lee, the Director
25 of MOHCD, or his designee, on behalf of the City and County of San Francisco, to accept and

1 expend the Award for matching funds of \$2,000,000 for the purpose of the creation,
2 acquisition, and/or rehabilitation of affordable housing in San Francisco and/or the promotion
3 of homeownership programs, and is authorized and directed to execute HCD Local Housing
4 Trust Fund Program documents and any amendments, thereto; and, be it

5 FURTHER RESOLVED, That the City hereby agrees to use the LHFTP funds for
6 eligible activities in the manner presented in the application as approved by HCD and in
7 accordance with program guidelines; it also may execute any and all other instruments
8 necessary or required by HCD for participation in the LHFTP.

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Recommended:

Olson Lee, Director, Mayor’s Office of
Housing and Community Development

Approved:

Edwin M. Lee, Mayor

Ben Rosenfield, Controller