

1 [Grant Agreement - BTW Housing Partners, L.P. - Local Operating Subsidy Program Contract
2 - John Burton Advocates for Youth Housing Complex, 800 Presidio Avenue - Not to Exceed
3 \$7,780,147]

4 **Resolution authorizing the Director of the Mayor’s Office of Housing and Community**
5 **Development to execute a Local Operating Subsidy Program Grant Agreement with**
6 **BTW Housing Partners, L.P., a California limited partnership, to provide operating**
7 **subsidies for formerly homeless Transition Age Youth households at John Burton**
8 **Advocates for Youth Housing Complex, 800 Presidio Avenue, for a term of 15 years and**
9 **six months to commence following Board approval, in an amount not to exceed**
10 **\$7,780,147.**

11
12 WHEREAS, The Mayor’s Office of Housing and Community Development (“MOHCD”)
13 administers a variety of housing programs that provide financing for the development of new
14 housing and the rehabilitation of single- and multi-family housing for low- and moderate-
15 income households in San Francisco; and

16 WHEREAS, In 2016, the City and County of San Francisco (“City”) founded the
17 Department of Homelessness and Supportive Housing (“HSH”), with one of its goals to reduce
18 the number of chronically homeless households that numbered 1,700 per the 2015 Point in
19 Time Homeless Count; and

20 WHEREAS, MOHCD developed the Local Operating Subsidy Program (“LOSP”) in
21 order to establish long-term financial support to operate and maintain permanent affordable
22 housing for homeless households; and

23 WHEREAS, Through the LOSP, the City subsidizes the difference between the cost of
24 operating housing for homeless persons and all other sources of operating revenue for a
25 given project, such as tenant rental payments, commercial space lease payments, Continuum

1 of Care (“CoC”) Shelter Plus Care Program subsidies, project-based Section 8 rent subsidies
2 and California Mental Health Services Act operating subsidies; and

3 WHEREAS, All supportive housing projects selected for capital funding by the
4 Citywide Affordable Housing Loan Committee (“Loan Committee”) are eligible to receive
5 LOSP funds; and

6 WHEREAS, the Board of Supervisors authorizes City funding for LOSP projects as part
7 of the Annual Appropriation Ordinance; and

8 WHEREAS, MOHCD enters into grant agreements with supportive housing owners and
9 operators for LOSP projects in consultation with HSH, administers LOSP contracts, reviews
10 annual audits and prepares recommendations for annual adjustments to project funding,
11 monitors compliance with LOSP requirements in accordance with capital funding regulatory
12 agreements, and if necessary, takes appropriate action to enforce compliance; and

13 WHEREAS, BTW Housing Partners, L.P., a California limited partnership
14 (“Developer”), is the owner and developer of John Burton Advocates for Youth Housing
15 Complex, located at 800 Presidio Avenue (“Project”), which will provide 48 studios and 2 two-
16 bedroom units (one of which is a resident manager unit), including 24 studios and 1 two-
17 bedroom units for formerly homeless transition age youth ages 18 – 24 at 800 Presidio
18 Avenue; and

19 WHEREAS, On March 3, 2017, the Loan Committee recommended approval to the
20 Mayor of a LOSP grant award for the Project in an amount not to exceed \$7,780,147; and

21 WHEREAS, MOHCD proposes to provide a LOSP grant in the amount not to
22 exceed \$7,780,147 to the Developer pursuant to a LOSP Grant Agreement (“Agreement”) in
23 substantially the form on file with the Clerk of the Board in File No. _____ and in
24 such final form as approved by the Director of MOHCD and the City Attorney; and

25

1 WHEREAS, the Agreement is for a 15.5 year term, and therefore requires Board of
2 Supervisors authorization; now, therefore, be it

3 RESOLVED, That the Board of Supervisors hereby authorizes the Director of MOHCD
4 or his designee to execute the Agreement for an amount not to exceed \$7,780,147; and, be it

5 FURTHER RESOLVED, That this Board of Supervisors authorizes MOHCD to proceed
6 with actions necessary to implement the Agreement following execution, and ratifies,
7 approves and authorizes all actions heretofore taken by any City official in connection with
8 such Agreement; and, be it

9 FURTHER RESOLVED, That this Board of Supervisors hereby authorizes the Director
10 of MOHCD or his designee to enter into any amendments or modifications to the Agreement,
11 including without limitation, the exhibits that the Director determines, in consultation with the
12 City Attorney, are in the best interest of the City, do not materially increase the obligations or
13 liabilities for the City or materially diminish the benefits of the City, are necessary or advisable
14 to effectuate the purposes and intent of this Resolution and are in compliance with all
15 applicable laws, including the City Charter; and, be it

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

19
20 RECOMMENDED:

21
22 _____
23 Olson Lee, Director
24 Mayor's Office of Housing and Community Development
25