

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU"), dated as of January 11th, 2018 (the "Effective Date"), is by and between the San Francisco Municipal Transportation Agency (SFMTA) and the Mayor's Office of Housing and Community Development (MOHCD).

RECITALS

A. The City and County of San Francisco (the City), through MOHCD, owns real property located at 1950 Mission Street, Assessor's block and lot number 3554/005 (the 1950 Mission Property). The City also owns real property located at 2060 Folsom Street, Assessor's block and lot number 3571/031 (the 2060 Folsom Property).

B. The 1950 Mission Property and the 2060 Folsom Property are located in the Eastern Neighborhoods Planning Area. On August 7, 2008, by Motion No. 17659, the Planning Commission certified the Environmental Impact Report (EIR) for the Eastern Neighborhoods Planning Area as complying with the California Environmental Quality Act (CEQA). On June 10, 2016, and July 6, 2017, respectively, the Planning Department issued Certificates of Determination for the 2060 Folsom Property and the 1950 Mission Property, that the developments were eligible for expedited environmental review under Section 15183.3 of CEQA.

C. MOHCD issued a Request for Proposal (RFP) on March 13, 2015, for the development of affordable housing on the 1950 Mission Property. MOHCD selected a joint venture comprised of BRIDGE Housing and Mission Housing Development Corporation (BRIDGE/MHDC) as the developer for the 157-unit, 100% affordable family housing project with ground floor commercial space (the 1950 Mission Project).

D. MOHCD issued an RFP on May 1, 2015, for the development of affordable housing on the 2060 Folsom Property. MOHCD selected a joint venture comprised of 2060 Folsom, L.P. and Chinatown Community Development Center (2060 Folsom LP/CCDC) as the developer for the 129-unit, 100% affordable family housing project with 29 units for homeless or at-risk transitional age youth with ground floor community-serving uses (the 2060 Folsom Project). Bridge/MHDC and 2060 Folsom LP/CCDC will be referred to, collectively, as "the Developers."

E. On October 2, 2017, the State of California's Strategic Growth Council and Department of Housing and Community Development (CalHCD) issued a Notice of Funding Availability, under the Affordable Housing and Sustainable Communities (AHSC) Program established under Public Resources Code Sections 75200, et seq. A principal focus of the AHSC Program is the reduction of Green House Gases (GHG) through coupling affordable housing for low- and moderate-income individuals and families at sites close to public transit—with transit, bicycle, and pedestrian improvements.

F. MOHCD has identified both the 1950 Mission Project and the 2060 Folsom Project as strong candidates for AHSC Program funding.

G. The SFMTA has identified several qualifying transit, bicycle and pedestrian improvements to complement the 1950 Mission Project and the 2060 Folsom Project. These include improvements to the 22 Fillmore bus line, upgrades to the bicycle lanes on Upper Market Street and Valencia Street, and pedestrian upgrades to South Van Ness Avenue (together the 1950 Mission Transportation Improvements). Similarly, protected bicycle lanes on 13th Street

and pedestrian countdown signals on Folsom Street (together, the 2060 Folsom Transportation Improvements) will complement the 2060 Folsom Street Project. These are collectively referred to throughout this document as the “Transportation Improvements.”

H. The City, through MOHCD, plans to jointly submit an AHSC application for the 1950 Mission Project with BRIDGE/MHDC, to include the 1950 Mission Project and the 1950 Mission Transportation Improvements. MOHCD will be requesting up to \$10,500,000 for the 1950 Mission Project and up to \$4,500,000 for the 1950 Mission Transportation Improvements in the AHSC application.

I. The City, through MOHCD, plans to jointly submit an AHSC application for the 2060 Folsom Project with 2060 Folsom LP/CCDC, to include the 2060 Folsom Project and the 2060 Folsom Transportation Improvements. MOHCD will be requesting up to \$10,000,000 for the 2060 Folsom Project and up to \$5,000,000 for the 2060 Folsom Transportation Improvements in the AHSC application.

J. Should the State approve the respective applications and award the grants, the funds for the 1950 Mission Transportation Improvements and the 2060 Folsom Transportation Improvements (together, the Transportation Improvements) will be delivered to the SFMTA, on a reimbursement basis, after award of the grants.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

1. Award Amounts. If awarded AHSC funding for the 1950 Mission Project, MOHCD or the BRIDGE/MHDC (or its affiliate) will receive up to \$10,500,000 of the award for the 1950 Mission Project and the SFMTA will receive up to \$4,500,000 for the 1950 Mission Transportation Improvements. If awarded AHSC funding for the 2060 Folsom Project, MOHCD will receive up to \$10,000,000 of the award for the 2060 Folsom Project and the SFMTA will receive up to \$5,000,000 for the 2060 Folsom Transportation Improvements. Each of the respective City agencies will be required to comply with State regulations and guidance governing the disbursement of the AHSC funds.

2. Project Collaboration. In order for the 1950 Mission Project to successfully utilize the 1950 Mission Transportation Improvements and for the 2060 Folsom Project to successfully utilize the 2060 Folsom Transportation Improvements, it is vitally important that MOHCD and the SFMTA collaborate effectively, and that both agencies have authority to review applications for funding related to the GHG reduction goals of the AHSC program. In furtherance of such goals, MOHCD and the SFMTA will each designate a single Project Manager for both the 1950 Mission Project and the 2060 Folsom Project, who will serve as the points of contact for communications relating to each Projects and will be primarily responsible for coordinating the review, comments and approvals processes 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 1950 Mission Project and 2060 Folsom Project, the SFMTA will be responsible for causing the completion of the 1950 Mission Transportation Improvements and the 2060 Folsom Transportation Improvements within the timelines and in accordance with the requirements of the AHSC program, and by CalHCD.

a. Community Engagement. MOHCD, with assistance from the Developers, will be solely responsible for community engagement and building community support related to the 1950 Mission Project and the 2060 Folsom Project. MOHCD will notify the SFMTA in advance of any public meeting regarding the 1950 Mission Project and the 2060 Folsom Project,

and MOHCD and the SFMTA will collaborate to provide timely information to the public. The SFMTA will be solely responsible for community engagement and building community support related to the 1950 Mission Transportation Improvements and 2060 Folsom Transportation Improvements. The SFMTA will notify MOHCD and the Developers in advance of any public meeting regarding the Transportation Improvements, and MOHCD and the SFMTA 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 BRIDGE/MHDC and 2060 Folsom LP/CCDC.

c. Transportation Improvements. Subject to completion of environmental review of the Transportation Improvements and selection of any or all of such 1950 Mission Transportation Improvements and/or 2060 Folsom Transportation Improvements for implementation, the SFMTA will be responsible for implementing the projects, and coordinating any such implementation with the Developers.

d. Project Costs. MOHCD will assume all development costs associated with the 1950 Mission Project and 2060 Folsom Project. The SFMTA will not be responsible for any development costs of the 1950 Mission Project and 2060 Folsom Project 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 Transportation Improvements.

e. Joint and Several Liability. The City, acting through MOHCD, shall assume any joint and several liability obligation for completion of the Transportation Improvements required by the terms of any grant awarded under the AHSC Program. The City, acting through MOHCD, shall assume any joint and several liability for completion of the 1950 Mission Project and 2060 Folsom Project required by the terms of any grant or loan awarded under the AHSC Program.

3. Term. The term of this MOU shall commence on the Effective Date and terminate upon completion of the AHSC requirements relating to the Transportation Improvements, should they all be implemented. In addition, MOHCD and the SFMTA agree that if either the 1950 Mission Project and 2060 Folsom Projects are infeasible for any reason at any time prior to execution of the commitment from CalHCD (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 SFMTA: San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 3rd Floor
San Francisco, CA 94103
Attn: Edward D. Reiskin, Director of Transportation

If to MOHCD: Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Kate Hartley, Director

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 SFMTA's approval shall be approved by the SFMTA's Director of Transportation or his or her designee.

6. Cooperation. The SFMTA and MOHCD acknowledge and agree that the 1950 Mission Project, the 2060 Folsom Project, and the Transportation Improvements are in the predevelopment phase, and that most of the Transportation Improvements have not undergone environmental review.¹


Should the Transportation Improvements be selected for implementation, the SFMTA and MOHCD shall use reasonable efforts to do, or cause to be done, all things reasonably necessary or advisable to complete the Transportation 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 Transportation Improvements.

7. Miscellaneous. (a) This MOU may be amended or modified only by a document signed by the SFMTA's Director of Transportation, 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 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.

SFMTA:


SAN FRANCISCO MUNICIPAL
TRANSPORTATION AGENCY

By: 
Edward D. Reiskin
Director of Transportation

Date: 1/10/2018

MOHCD:

MAYOR'S OFFICE OF HOUSING AND
COMMUNITY DEVELOPMENT

By: 
Kate Hartley, Director

Date: 1/11/2018

¹ However, environmental clearance for improvements to the 22-Fillmore bus line was granted in an Environmental Impact Report for the Transportation Effectiveness Project, issued March 27, 2014. Environmental clearance for the upgrades to the bicycle lanes on Upper Market Street and Valencia Street is expected by February 2019. Environmental clearance for the pedestrian upgrades to South Van Ness Avenue is expected by June 2019.