

1 [Accept and Expend Grant - California Department of Housing and Community Development
2 Affordable Housing and Sustainable Communities Program - 2060 Folsom Street Project -
\$14,000,000]

3 **Resolution authorizing the Mayor’s Office of Housing and Community Development to**
4 **accept and expend an award of \$14,000,000 from the California Department of Housing**
5 **and Community Development Affordable Housing and Sustainable Communities**
6 **Program, including a loan of \$9,300,000 and a grant of \$4,700,000 for a project at 2060**
7 **Folsom Street.**

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9 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the
10 Department of Housing and Community Development (“Department”) issued a Notice of
11 Funding Availability (“NOFA”) dated October 2, 2017, under the Affordable Housing and
12 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the
13 Public Resources Code commencing with Section 75200; and

14 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
15 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines
16 adopted by SGC on July 17, 2017, errata August 14, 2017 (“Program Guidelines”), an
17 application package released by the Department for the AHSC Program (“Application
18 Package”), and an AHSC standard agreement with the State of California (“Standard
19 Agreement”), the Department is authorized to administer the approved funding allocations of
20 the AHSC Program; and

21 WHEREAS, The AHSC Program provides grants and loans to applicants identified
22 through a competitive process for the development of projects that, per the Program
23 Guidelines, will achieve greenhouse gas reductions and benefit disadvantaged communities
24 through increased accessibility to affordable housing, employment centers and key
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1 destinations via low-carbon transportation; and

2 WHEREAS, The AHSC Program requires that joint applicants for a project will be held
3 jointly and severally liable for completion of such project; and

4 WHEREAS, 2060 Folsom Housing, L.P., a California limited partnership (“Developer”),
5 requested that the City and County of San Francisco, acting by and through Mayor’s Office of
6 Housing and Community Development (the “City”), be a joint applicant for its project located at
7 2060 Folsom Street (the “2060 Folsom Project”); and

8 WHEREAS, On June 10, 2016, by Certificate of Determination, the Planning
9 Department, by case No. 2015-014715ENV, determined that the development of the 127 unit
10 affordable housing project at 2060 Folsom Street is eligible for streamlined environmental
11 review per Section 15183.3 of the California Environmental Quality Act (“CEQA”) Guidelines
12 and California Public Resources Code, Section 21094.5; and

13 WHEREAS, The Planning Department found that any environmental impacts of 2060
14 Folsom Project were fully reviewed under the Eastern Neighborhoods Area Plan
15 Environmental Impact Report (“EIR”); and

16 WHEREAS, The EIR was prepared, circulated for public review and comment, and, at
17 a public hearing on August 7, 2008, by Motion No. 17659, certified by the Planning
18 Commission as complying with CEQA; and

19 WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to
20 perform upgrades to its 13th Street protected bike lanes and install Folsom Street pedestrian
21 countdown signals and related improvements in the vicinity of the 2060 Folsom Project (the
22 “SFMTA Work”); and

23 WHEREAS, In collaboration with SFMTA, the Department of Public Works (“DPW”)
24 plans to create Treat Plaza, a new public space in the former rail right-of-way that will benefit
25 residents, workers and visitors, in keeping with the Mission Area Plan in the vicinity of the

1 2060 Folsom Project (the “DPW Work”); and

2 WHEREAS, The Board of Supervisors authorized the City and County of San
3 Francisco acting by and through the Mayor’s Office of Housing and Community Development
4 (the “City”) to apply for AHSC Program funds and submit an Application Package as a joint
5 applicant with the Developer through Resolution No. 472-17; and

6 WHEREAS, SFMTA and MOHCD entered into a Memorandum of Understanding to
7 make commitments on behalf of the City for the Application Package; and

8 WHEREAS, The Department awarded \$14,000,000 to the 2060 Folsom Project
9 through an award letter dated July 20, 2018; and

10 WHEREAS, The grant terms prohibit including indirect costs in the grant budget; now,
11 therefore, be it

12 RESOLVED, That the Board of Supervisors authorizes the City to enter into the
13 Standard Agreement with the Department, with terms and conditions that AHSC Program
14 funds are to be used for allowable capital asset project expenditures identified in Exhibit A;
15 and, be it

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

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
19 MOHCD (or her designee) to execute and deliver any documents in the name of the City that
20 are necessary, appropriate or advisable to accept and expend the AHSC Program funds from
21 the Department, and all amendments thereto, and complete the transactions contemplated
22 herein and to use the funds for eligible capital asset(s) in the manner presented in the
23 application as approved by the Department and in accordance with the NOFA and Program
24 Guidelines and Application Package; and, be it

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

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1 Recommended:

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3 Kate Hartley, Director

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5 Approved:

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7 London N. Breed, Mayor

Ben Rosenfield, Controller

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