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

Resolution authorizing the Mayor's Office of Housing and Community Development to accept and expend an award of \$14,000,000 from the California Department of Housing and Community Development Affordable Housing and Sustainable Communities

Program, including a loan of \$9,300,000 and a grant of \$4,700,000 for a project at 2060 Folsom Street.

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

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

WHEREAS, The AHSC Program provides grants and loans to applicants identified through a competitive process for the development of projects that, per 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; and

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

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

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

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

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

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

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

2060 Folsom Project (the "DPW Work"); and

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

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

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

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

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

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

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

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

Recommended:

Kate Hartley, Director

Approved:

ondon N. Breed, Mayor

Ben Rosenfield, Controller



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

180943

Date Passed: October 30, 2018

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

October 18, 2018 Budget and Finance Committee - RECOMMENDED

October 30, 2018 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

File No. 180943

I hereby certify that the foregoing Resolution was ADOPTED on 10/30/2018 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed Mayor

Date Approved