

1 [Apply for Grant - Balboa Park Housing Partners, L.P. - Assumption of Liability -
2 Department of Housing and Community Development Affordable Housing and
Sustainable Communities Program - 2340 San Jose Avenue]

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4 **Resolution authorizing the Mayor’s Office of Housing and Community**
5 **Development, on behalf of the City and County of San Francisco, to execute a grant**
6 **application, as defined herein, under the Department of Housing and Community**
7 **Development Affordable Housing and Sustainable Communities (“AHSC”) Program**
8 **as a joint applicant with Balboa Park Housing Partners, L.P., a California limited**
9 **partnership, for the 100% affordable housing project at 2340 San Jose Avenue;**
10 **authorizing the City to assume any joint and several liability for completion of the**
11 **projects required by the terms of any grant awarded under the AHSC Program; and**
12 **adopting findings under the California Environmental Quality Act (“CEQA”), the**
13 **CEQA Guidelines, and Administrative Code, Chapter 31.**

14

15 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the
16 Department of Housing and Community Development (“Department” has issued a Notice
17 of Funding Availability (“NOFA”) dated November 1, 2019, under the Affordable Housing
18 and Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of
19 the Public Resources Code commencing with Section 75200; and

20 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
21 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines
22 adopted by SGC on October 31, 2019 (“Program Guidelines”), an application package
23 released by the Department for the AHSC Program (“Application Package”), and an
24 AHSC standard agreement with the State of California (“Standard Agreement”), the
25 Department is authorized to administer the approved funding allocations of the AHSC

1 Program; and

2 WHEREAS, The AHSC Program provides grants and loans to applicants identified
3 through a competitive process for the development of projects that, per the Program
4 Guidelines, will create new affordable housing and achieve greenhouse gas reductions
5 and benefit disadvantaged communities through increased accessibility to affordable
6 housing, employment centers and key destinations via low-carbon transportation; and

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

9 WHEREAS, Balboa Park Housing Partners, L.P., a California limited partnership
10 (“Developer”), has requested the City and County of San Francisco (the “City”), acting by
11 and through the Mayor’s Office of Housing and Community Development (“MOHCD”), to
12 be a joint applicant for its project located at 2340 San Jose Avenue (the “Balboa Park
13 Upper Yard”); and

14 WHEREAS, On October 11, 2018, by Notice of Final Approval of an SB 35 Project,
15 the Planning Department by case No. 2017-012151PRJ, determined that the
16 development of the mixed-use, 100% affordable housing project consisting of a 130-unit
17 residential rental building (with proposed ground floor retail, community facility, and child
18 care facility with outdoor activity area and lot line adjustment) at 2340 San Jose Avenue
19 (Assessor’s Parcel Block No. 6973 / Lot No. 039) (the “Project”), met all the standards of
20 the Planning Code and would be eligible for ministerial approval under California
21 Government Code, Section 65913.4 (Senate Bills 35 and 765), California Public
22 Resources Code, Section 21080, and the CEQA Guidelines, Sections 15002(i)(1), 15268
23 and 15369, and would therefore not be subject to the California Environmental Quality Act
24 (CEQA); and

25 WHEREAS, The Municipal Transportation Agency (“SFMTA”) plans to perform

1 transit, bicycle, and pedestrian improvements in the vicinity of the Project (the “SFMTA
2 Work”); and

3 WHEREAS, Along with the construction of the Project, Developer and Bay Area
4 Rapid Transit (“BART”) have agreed to revitalize the Balboa Park BART Station (“BART
5 Work”) adjacent to the Project, and Developer will receive a portion of any AHSC grant
6 funds awarded for the BART Work; and

7 WHEREAS, In order to be highly competitive for the AHSC funds, the Developer
8 and MOHCD will also apply for AHSC grant funds to purchase a BART car in order to
9 further reduce greenhouse gas emissions; and

10 WHEREAS, SFMTA, MOHCD and Developer will enter into a Memorandum of
11 Understanding to make commitments related to completion of the SFMTA work on the
12 Balboa Park Upper Yard project as included in the Application Package; and

13 WHEREAS, BART and the Developer will enter into a Memorandum of
14 Understanding regarding the completion of the BART WORK, purchase of the BART car,
15 and the City, as joint applicant for the Balboa Park Upper Yard AHSC application, will
16 execute the Memorandum of Understanding for acknowledgement and consent purposes;
17 and

18 WHEREAS, The City, acting by and through MOHCD, desires to apply for AHSC
19 Program funds and submit an Application Package as a joint applicant with the
20 Developer; now, therefore, be it

21 RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the
22 City, the authority to execute an application to the AHSC Program as detailed in the
23 NOFA dated November 1, 2019, for Round 5, in a total amount not to exceed
24 \$30,000,000 of which \$20,000,000 will be provided as a loan for an Affordable Housing
25 Development (“AHD”) (“AHSC Loan”) and \$10,000,000 will be provided as a grant for

1 Housing-Related Infrastructure (“HRI”), Sustainable Transportation Infrastructure (“STI”),
2 Transit-Related Amenities (“TRA”) or Program (“PGM”) activities (“AHSC Grant”) as
3 defined the AHSC Program Guidelines and sign AHSC Program documents; and, be it

4 FURTHER RESOLVED, The Board of Supervisors specifically agrees that the City
5 shall assume any joint and several liability for completion of the Project required by the
6 terms of any grant awarded to the City and the Developer under the AHSC Program; and,
7 be it

8 FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the
9 Application is successful, the City, through MOHCD, shall seek Board of Supervisors
10 approval of the Standard Agreement, with terms and conditions that AHSC Program
11 funds are to be used for allowable capital asset project expenditures to be identified in
12 Exhibit A of the Standard Agreement, that the Application Package in full is incorporated
13 as part of the Standard Agreement, and that any and all activities funded, information
14 provided, and timelines represented in the application are enforceable through the
15 Standard Agreement; and, be it

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

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

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RECOMMENDED:

Daniel Adams, Acting Director,
Mayor’s Office of Housing and Community Development