Resolution authorizing the Treasure Island Development Authority ("Authority"), on behalf of the City and County of San Francisco, to execute a grant application, under the Department of Housing and Community Development Affordable Housing and Sustainable Communities ("AHSC") Program, as a joint applicant with Mercy Housing California, a California non-profit public benefit corporation, AC Transit, and/or the San Francisco County Transportation Authority for the affordable housing project at Treasure Island Parcel C3.1; if successful, authorizing the Authority to assume any joint and several liability for completion of the project required under the terms of any grant awarded under the AHSC program; and adopting findings under the California Environmental Quality Act ("CEQA"), CEQA Guidelines, and Administrative Code, Chapter 31.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor’s Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of
the inhabitants of the City and County of San Francisco, which is on file with the Clerk of the
Board of Supervisors and is incorporated herein by reference; and,

WHEREAS, The Authority, acting by and through its Board of Directors (the "Authority
Board"), has the power, subject to applicable laws, to sell, lease, exchange, transfer, convey
or otherwise grant interests in or rights to use or occupy all or any portion of the Base; and

WHEREAS, In 2003, Treasure Island Community Development, LLC (the "Master
Developer") was selected as master developer for the Base following a competitive process; and

WHEREAS, The Authority, the Authority Board, the Treasure Island Citizens Advisory
Board, the City, and the Master Developer worked for more than a decade to plan for the
reuse and development of Treasure Island, and as a result of this community-based planning
process, the Authority and Developer negotiated the Disposition and Development Agreement
("DDA") to govern the disposition and subsequent development of the proposed development
project (the "Project"); and

WHEREAS, The Financing Plan, an exhibit to the DDA, calls for the Authority and
Master Developer to work together to seek appropriate grants for the Project; and

WHEREAS, On April 21, 2011, in a joint session with the Planning Commission, the
Authority Board unanimously approved a series of entitlement and transaction documents
relating to the Project, including certain environmental findings under the California
Environmental Quality Act ("CEQA"), Mitigation Monitoring and Reporting Program, and DDA
and other transaction documents; and

WHEREAS, On June 7, 2011, the Board of Supervisors unanimously confirmed
certification of the final environmental impact report and made certain environmental findings
under CEQA (collectively, the "FEIR") by Resolution No. 246-11, which is on file with the Clerk
of the Board of Supervisors and is incorporated herein by reference, and approved the DDA and other transaction documents; and

WHEREAS, The Authority Board of Directors has reviewed and considered the FEIR and confirms that the proposed Treasure Island Parcel C3.1 project resulting in the construction of low income housing is consistent with the planned Project, FEIR, and environmental findings it made under the California Environmental Quality Act when it approved the Project, on April 21, 2011; and

WHEREAS, Further, the Authority Board of Directors finds that none of the circumstances that would require preparation of a supplemental or subsequent environmental study under Public Resources Code, Section 21166, or CEQA Guidelines Section 15162, are present, in the sense that no changes to the Project or the Project circumstances have occurred that would result in additional environmental impacts, or in substantially increased severity of already identified environmental impacts, and there are no mitigation measures or alternatives that were previously identified to be infeasible but would in fact be feasible; and no new mitigation measures or alternatives that would substantially reduce the identified environmental impacts; and

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 November 1, 2018, 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 October 29, 2018, 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, Mercy Housing California, a nonprofit public benefit corporation ("Affordable Housing Developer"), requested that the City and County of San Francisco, acting by and through the Authority (the "City"), be a joint applicant for its project located at Treasure Island Parcel C3.1; and

WHEREAS, The Affordable Housing Developer and the Authority have consulted with the Treasure Island Mobility Management Agency ("TIMMA") in developing the scope of a proposed application to include the upgrade of Macalla Road to accommodate one-way vehicular traffic, a Class 2 bike lane traveling towards Treasure Island, a separated seven foot wide pedestrian path, and a Class 1 bike lane that will benefit residents, workers, and visitors to Treasure Island; and

WHEREAS, The Affordable Housing Developer and the Authority have consulted with TIMMA in developing additional scope to include funding for bus service related costs, including the purchase of up to five buses that will be operated by AC Transit from Oakland to Treasure Island for the benefit of Treasure Island residents; and

WHEREAS, AC Transit is seeking approval from the AC Transit Board of Directors to be a joint applicant for this application; and
WHEREAS, The Authority desires to apply for AHSC Program funds and submit an Application Package as a joint applicant with the Affordable Housing Developer and AC Transit; and

WHEREAS, If it is determined necessary in order to secure the grant, The Authority desires to include the San Francisco County Transportation Authority (SFCTA) as another joint applicant; and

WHEREAS, The Authority passed Resolution No. 18-39-1114 on November 14, 2018, authorizing the Authority to proceed as a joint applicant on the grant application and the Board of Supervisors must approve resolutions delegating authority, on behalf of the City; now therefore be it

RESOLVED, That the Board of Supervisors delegates to the Authority and the Treasure Island Director, on behalf of the City and County of San Francisco, the authority to execute an application to the AHSC Program as detailed in the NOFA dated November 1, 2018, for Round 4, in a total amount not to exceed $20,000,000; of which up to $15,000,000 is requested as a loan for an Affordable Housing Development (AHD) ("AHSC Loan") and up to $6,250,000 is requested for a grant for Housing-Related Infrastructure (HRI), Sustainable Transportation Infrastructure (STI), Transit-Related Amenities (TRA) or Program (PGM) activities ("AHSC Grant") as defined the AHSC Program Guidelines and sign AHSC Program documents; and if the Application is approved, to enter into, execute, and deliver AHSC Program documents, including a Standard Agreement in a total amount not to exceed $15,000,000 for the AHSC Loan and $6,250,000 for the AHSC Grant), and any and all other documents required or deemed necessary or appropriate to secure the AHSC Program funds from the Department, and all amendments thereto (collectively, the "AHSC Documents") as a co-applicant for the Project at Treasure Island Parcel C3.1, San Francisco; and, be it
FURTHER RESOLVED, If the Application is successful, the Board of Supervisors agrees that the City and County of San Francisco, through Authority, will assume any joint and several liability for completion of the Project required by the terms of any grant awarded to the Authority, the Affordable Housing Developer, AC Transit, and/or SFCTA under the AHSC Program, subject to approval by the Board of Supervisors; and be it

FURTHER RESOLVED, If the Application is successful, the Board of Supervisors acknowledges that the City and County of San Francisco, through the Authority, shall seek Board of Supervisors approval of the Standard Agreement with terms and conditions that the AHSC Program funds to be used for allowable capital asset project expenditures to be identified in Exhibit A of the Standard Agreement, that the Application Package in full is incorporated as part of the Standard Agreement, and that any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Treasure Island Director (or his designee) to execute and deliver any documents in the name of the Authority, on behalf of the City, that are necessary, appropriate or advisable to secure 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.

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:

Robert Beck, Director, Treasure Island Development Authority
Resolution authorizing the Treasure Island Development Authority ("Authority"), on behalf of the City and County of San Francisco, to execute a grant application, under the Department of Housing and Community Development Affordable Housing and Sustainable Communities ("AHSC") Program, as a joint applicant with Mercy Housing California, a California non-profit public benefit corporation, AC Transit, and/or the San Francisco County Transportation Authority for the affordable housing project at Treasure Island Parcel C3.1; if successful, authorizing the Authority to assume any joint and several liability for completion of the project required under the terms of any grant awarded under the AHSC program; and adopting findings under the California Environmental Quality Act ("CEQA"), CEQA Guidelines, and Administrative Code, Chapter 31.

January 10, 2019 Budget and Finance Committee - RECOMMENDED

January 29, 2019 Board of Supervisors - ADOPTED

   Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No, 181223

I hereby certify that the foregoing Resolution was ADOPTED on 1/29/2019 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 2/6/19