

1 [Apply for Grant - Mercy Housing California - Assumption of Liability - Department of Housing
2 and Community Development Affordable Housing and Sustainable Communities Program -
3 Treasure Island Parcel C3.1]

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

15
16 WHEREAS, Former Naval Station Treasure Island is a military base located on
17 Treasure Island and Yerba Buena Island (together, the “Base”); and,

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

21 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
22 authorizing the Mayor’s Treasure Island Project Office to establish a nonprofit public benefit
23 corporation known as the Treasure Island Development Authority (the “Authority”) to act as a
24 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
25 conversion of the Base for the public interest, convenience, welfare and common benefit of

1 the inhabitants of the City and County of San Francisco, which is on file with the Clerk of the
2 Board of Supervisors and is incorporated herein by reference; and,

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

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

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

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

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

22 WHEREAS, On June 7, 2011, the Board of Supervisors unanimously confirmed
23 certification of the final environmental impact report and made certain environmental findings
24 under CEQA (collectively, the "FEIR") by Resolution No. 246-11, which is on file with the Clerk
25

1 of the Board of Supervisors and is incorporated herein by reference, and approved the DDA
2 and other transaction documents; and

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

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

17 WHEREAS, The State of California, the Strategic Growth Council ("SGC") and the
18 Department of Housing and Community Development ("Department") issued a Notice of
19 Funding Availability ("NOFA") dated November 1, 2018, under the Affordable Housing and
20 Sustainable Communities ("AHSC") Program established under Division 44, Part 1 of the
21 Public Resources Code commencing with Section 75200; and

22 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC
23 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines
24 adopted by SGC on October 29, 2018, an application package released by the Department for
25 the AHSC Program ("Application Package"), and an AHSC standard agreement with the State

1 of California ("Standard Agreement"), the Department is authorized to administer the
2 approved funding allocations of the AHSC Program; and

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

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

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

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

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

24 WHEREAS, AC Transit is seeking approval from the AC Transit Board of Directors to
25 be a joint applicant for this application; and

1 WHEREAS, The Authority desires to apply for AHSC Program funds and submit an
2 Application Package as a joint applicant with the Affordable Housing Developer and AC
3 Transit; and

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

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

11 RESOLVED, That the Board of Supervisors delegates to the Authority and the
12 Treasure Island Director, on behalf of the City and County of San Francisco, the authority to
13 execute an application to the AHSC Program as detailed in the NOFA dated November 1,
14 2018, for Round 4, in a total amount not to exceed \$20,000,000; of which up to \$15,000,000 is
15 requested as a loan for an Affordable Housing Development (AHD) ("AHSC Loan") and up to
16 \$6,250,000 is requested for a grant for Housing-Related Infrastructure (HRI), Sustainable
17 Transportation Infrastructure (STI), Transit-Related Amenities (TRA) or Program (PGM)
18 activities ("AHSC Grant") as defined the AHSC Program Guidelines and sign AHSC Program
19 documents; and if the Application is approved, to enter into, execute, and deliver AHSC
20 Program documents, including a Standard Agreement in a total amount not to exceed
21 \$15,000,000 for the AHSC Loan and \$6,250,000 for the AHSC Grant), and any and all other
22 documents required or deemed necessary or appropriate to secure the AHSC Program funds
23 from the Department, and all amendments thereto (collectively, the "AHSC Documents") as a
24 co-applicant for the Project at Treasure Island Parcel C3.1, San Francisco; and, be it

1 FURTHER RESOLVED, If the Application is successful, the Board of Supervisors
2 agrees that the City and County of San Francisco, through Authority, will assume any joint
3 and several liability for completion of the Project required by the terms of any grant awarded
4 to the Authority, the Affordable Housing Developer, AC Transit, and/or SFCTA under the
5 AHSC Program, subject to approval by the Board of Supervisors; and be it

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

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

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

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RECOMMENDED:



Robert Beck, Director, Treasure Island Development Authority



City and County of San Francisco

Tails Resolution

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

File Number: 181223

Date Passed: January 29, 2019

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.

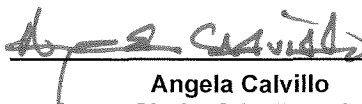
January 10, 2019 Budget and Finance Committee - RECOMMENDED

January 29, 2019 Board of Supervisors - ADOPTED

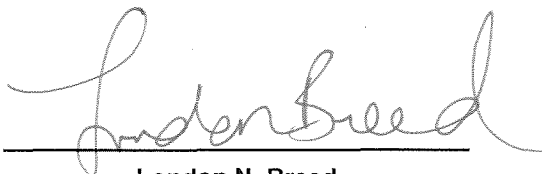
Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

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

2/6/19

Date Approved