Resolution authorizing the Mayor's Office of Housing and Community Development on behalf of the City and County of San Francisco to execute a grant application, as defined herein, under the Department of Housing and Community Development Affordable Housing and Sustainable Communities ("AHSC") Program as a joint applicant with Mercy Housing California, for the 100% affordable housing project identified as Transbay 2 East Family; authorizing the City to assume any joint and several liability for completion of the projects required by the terms of any grant awarded under the AHSC Program; and adopting findings under the California Environmental Quality Act ("CEQA"), the CEQA Guidelines, and Administrative Code, Chapter 31.

WHEREAS, The State of California, the Strategic Growth Council ("SGC") and the Department of Housing and Community Development ("Department") has issued a Notice of Funding Availability ("NOFA") dated January 30, 2023, 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 December 15, 2022 ("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 create new affordable housing and 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 ("Developer"), has requested the City and County of San Francisco (the "City"), acting by and through the Mayor's Office of Housing and Community Development ("MOHCD"), to be a joint applicant for AHSC Program funding that would be used, in a part, for a seventeen story, 184 unit, 100% affordable housing project, including 40 units reserved for homeless or formally homeless families (the "Project") identified as Transbay 2 East Family ("Transbay 2 East Family"); and

WHEREAS, The Project is located on Block 2 of Zone One of the Transbay Redevelopment Project Area and subject to the land use controls set forth in the Redevelopment Plan for the Transbay Redevelopment Project Area (approved by Ordinance No. 124-05 (June 21, 2005) and by Ordinance No. 99-06 (May 9, 2006), and amended by Ordinance No. 84-15 (June 18, 2015), Ordinance No. 62-16 (April 28, 2016), and Ordinance No. 009-23 (January 24, 2023) ("Redevelopment Plan") and Development Controls and Design Guidelines for the Transbay Redevelopment Project Area, as administered and enforced by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco ("Successor Agency"); and

WHEREAS, On June 15, 2004, the Board of Supervisors affirmed, by Motion No. 04-67, the certification under the California Environmental Quality Act (California Public
Resources Code Sections 21000 et seq., and the CEQA Guidelines (14 California Code of
Regulations Sections 15000 et. Seq. ("CEQA Guidelines", and collectively "CEQA") of the
Final Environmental Impact Statement/Environmental Impact Report ("Final Environmental
Document") for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project
("EIS/EIR Project"), which included the Redevelopment Plan. Subsequently, the Board of
Supervisors adopted, by Resolution No. 612-04 (October 7, 2004), findings that various
actions related to the EIS/EIR Project complied with CEQA and the Redevelopment Agency of
the City and County of San Francisco Commission adopted, by Resolution No. 11-2005
(January 25, 2005), findings and a statement of overriding considerations and a mitigation
monitoring and reporting program, adopted in accordance with CEQA. Subsequent to the
adoption of the Final Environmental Document and the findings, the former Redevelopment
Agency of the City and County of San Francisco or the Successor Agency have approved and
incorporated ten addenda into the analysis of the Final Environmental Document (as
incorporated, the "FEIS/EIR") and made requisite findings under CEQA; and

WHEREAS, The Department of Public Works ("DPW") plans to perform bicycle and
pedestrian improvements in the vicinity of the Project (the "DPW Work"); and

WHEREAS, The Municipal Transportation Authority ("MTA") plans to perform
improvements to improve bus transit service in the vicinity of the Project ("MTA Work"); and

WHEREAS, In order to be highly competitive for the AHSC funds, the Developer and
MOHCD will also apply for AHSC program grant funds to purchase two Bay Area Rapid
Transit ("BART") cars and fund improvements to the Embarcadero BART station ("the BART
Work") to further reduce greenhouse gas emissions; and

WHEREAS, BART and the Developer will enter into a memorandum of understanding
regarding the purchase of the BART cars and BART Work; and

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

WHEREAS, MOHCD will enter into Memorandums of Understanding with DPW and MTA to make commitments related to completion of the DPW Work and MTA Work as included in the Application Package; and

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

RESOLVED, That the Board of Supervisors delegates to MOHCD, on behalf of the City, the authority to execute an application to the AHSC Program as detailed in the NOFA dated January 30, 2023, for Round 7, in a total amount not to exceed $50,000,000 of which up to $35,000,000 will be provided as a loan to the Developer for the Project as an Affordable Housing Development ("AHD") ("AHSC Loan"), and up to $15,000,000 will be provided as a grant to the City, BART, and the Developer for 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, be it

FURTHER RESOLVED, The Board of Supervisors specifically authorizes the City to assume any joint and several liability for completion of the Project required by the terms of any grant awarded to the City and any loan awarded to the Developer under the AHSC Program; and, be it

FURTHER RESOLVED, That the Board of Supervisors acknowledges that if the Application is successful, the City, acting through MOHCD, shall seek Board of Supervisors approval of the Standard Agreement, with terms and conditions that AHSC Program funds are 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 Director of
MOHCD (or his designee) to execute and deliver any documents in the name 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; 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:

Eric D. Shaw, Director,
Mayor’s Office of Housing and Community Development
Resolution

File Number: 230261  Date Passed: April 04, 2023

Resolution authorizing the Mayor's Office of Housing and Community Development on behalf of the City and County of San Francisco to execute a grant application, as defined herein, under the Department of Housing and Community Development Affordable Housing and Sustainable Communities ("AHSC") Program as a joint applicant with Mercy Housing California, for the 100% affordable housing project identified as Transbay 2 East Family; authorizing the City to assume any joint and several liability for completion of the projects required by the terms of any grant awarded under the AHSC Program; and adopting findings under the California Environmental Quality Act ("CEQA"), the CEQA Guidelines, and Administrative Code, Chapter 31.

March 22, 2023 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

March 22, 2023 Budget and Finance Committee - RECOMMENDED AS AMENDED

April 04, 2023 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 230261

I hereby certify that the foregoing Resolution was ADOPTED on 4/4/2023 by the Board of Supervisors of the City and County of San Francisco.

London N. Breed
Mayor

Angela Calvillo
Clerk of the Board

Date Approved: 4/14/23