[Authorizing Expenditures - SoMa Community Stabilization Fund - $10,000,000]

Resolution authorizing the Mayor's Office of Housing and Community Development to expend SoMa Community Stabilization Fund dollars in the amount of $10,000,000 to provide acquisition and rehabilitation loans for projects that are eligible under the Mayor's Office of Housing and Community Development's Small Sites Program and are located within the boundaries of SoMa.

WHEREAS, On August 19, 2005, the Board of Supervisors approved Ordinance No. 217-05 (the "Ordinance"), which, among other things, established a new Rincon Hill Downtown Residential Mixed Use District; and

WHEREAS, The Ordinance added Section 418 to the San Francisco Planning Code, which identifies a need to mitigate the impacts of new development in the Rincon Hill area and establishes two new fees: (1) the Rincon Hill Community Infrastructure Impact Fee, which provides specific improvements, including community open spaces, pedestrian and streetscape improvements and other facilities and services; and (2) a SoMa Community Stabilization Fee, which mitigates impacts on affordable housing, economic and community development and community cohesion in SoMa, as defined in San Francisco Planning Code, Section 401 (the area bounded by Market Street to the north, Embarcadero to the east, King Street to the south, and South Van Ness and Division to the west); and

WHEREAS, Both the Rincon Hill Community Infrastructure Impact Fee and the SoMa Community Stabilization Fee are imposed on new residential development within the Rincon Hill Downtown Residential Mixed Use District, as defined in San Francisco Planning Code, Section 827 (the area generally bounded by Folsom Street, the Bay Bridge, the Embarcadero, and Essex Street); and

Supervisor Kim
BOARD OF SUPERVISORS
WHEREAS, The Ordinance established two separate funds: (1) a Rincon Hill Community Improvements Fund for the deposit of the Rincon Hill Community Infrastructure Impact Fees collected; and (2) a SoMa Community Stabilization Fund for the deposit of SOMA Community Stabilization Fees collected; and

WHEREAS, The money collected from the SoMa Community Stabilization Fee, along with up to $6,000,000 transferred from the Rincon Hill Community Improvements Impact Fund, is to be deposited in the SoMa Community Stabilization Fund maintained by the Controller, which will be used to address various impacts of destabilization on residents and businesses in SOMA; and

WHEREAS, Under the Ordinance, the Board of Supervisors established the SoMa Community Stabilization Fund Community Advisory Committee (SoMa CAC) to advise the Mayor’s Office of Community Development (MOCD), now the Mayor’s Office of Housing and Community Development (MOHCD), and the Board of Supervisors on the uses of the Fund; and

WHEREAS, On May 6, 2008, the Board of Supervisors approved Resolution No. 216-08, creating the SoMa Community Stabilization Fund Strategic Plan and authorized MOHCD to administer the Fund in accordance with the Strategic Plan; and

WHEREAS, the Strategic Plan states that an investment objective of the SoMa Community Stabilization Fund is to increase access to perpetually affordable housing opportunities for existing residents of SoMa; and

WHEREAS, MOHCD administers an acquisition and rehabilitation loan program, the Small Sites Program, to protect and establish long-term affordable housing in smaller properties throughout San Francisco that are particularly vulnerable to market pressure resulting in property sales, increased evictions and rising tenant rents; and
WHEREAS, The SoMa CAC and MOHCD staff worked collaboratively to identify the need for additional loan funding for projects that are within the boundaries of SOMA and are eligible under the MOHCD's Small Sites Program; and

WHEREAS, A copy of the Small Sites Notice of Funding Availability and the Small Sites Program Underwriting Guidelines has been filed with the Clerk of the Board under File No. 170489; now, therefore, be it

RESOLVED, That the Mayor's Office of Housing and Community Development is hereby authorized to expend $10,000,000 from the SoMa Community Stabilization Fund to provide acquisition and rehabilitation loans, and placing these funds on Budget and Finance Committee Reserve pending identification of the nonprofit awarded the funds, the site to be purchased, and a description of the project, all in accordance with the purposes and goals for the funding as generally set forth in the Strategic Plan and the Small Sites Program Guidelines and filed with the Clerk of the Board; and, be it

FURTHER RESOLVED, That all projects funded by loans made by MOHCD under this authorization shall meet the requirements of the Small Sites Program Underwriting Guidelines; and

FURTHER RESOLVED, The Mayor's Office of Housing and Community Development shall provide an annual report to the Board of Supervisors stating for each loan: the amount, the receiving entity, and certification that the loan meets the Small Sites Underwriting Guidelines.
Recommended:

Olson Lee, Director, MOHCD

Approved:

Edwin M. Lee, Mayor

Ben Rosenfield, Controller
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May 11, 2017 Budget and Finance Sub-Committee - AMENDED

May 11, 2017 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

May 23, 2017 Board of Supervisors - ADOPTED
Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 5/23/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved