AMENDED IN COMMITTEE 5/25/17 RESOLUTION NO. 230-17

FILE NO. 170557

[Grant Agreement - Alabama Street Housing Associates, L.P. - Local Operating Subsidy Program Contract - Mosaica Senior Apartments, 655 Alabama Street - Not to Exceed \$1,258,693]

Resolution authorizing the Director of the Mayor's Office of Housing and Community Development to execute a Local Operating Subsidy Program Grant Agreement with Alabama Street Housing Associates, L.P., a California limited partnership, to provide operating subsidies for formerly homeless adults at Mosaica Senior Apartments, 655 Alabama Street, for total a term of 15 years, starting January 1, 2018, and ending December 31, 2032, in an amount not to exceed \$1,258,693.

WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD") administers a variety of housing programs that provide financing for the development of new housing and the rehabilitation of single- and multi-family housing for low- and moderate-income households in San Francisco; and

WHEREAS, In 2016, the City and County of San Francisco ("City") founded the Department of Homelessness and Supportive Housing ("HSH"), with one of its goals to reduce the number of chronically homeless households that numbered 1,700 per the 2015 Point in Time Homeless Count; and

WHEREAS, MOHCD developed the Local Operating Subsidy Program ("LOSP") in order to establish long-term financial support to operate and maintain permanent affordable housing for homeless households; and

WHEREAS, Through the LOSP, the City subsidizes the difference between the cost of operating housing for homeless persons and all other sources of operating revenue for a given project, such as tenant rental payments, commercial space lease payments, Continuum

of Care ("CoC") Shelter Plus Care Program subsidies, project-based Section 8 rent subsidies and California Mental Health Services Act operating subsidies; and

WHEREAS, All supportive housing projects selected for capital funding by the Citywide Affordable Housing Loan Committee ("Loan Committee") are eligible to receive LOSP funds; and

WHEREAS, The Board of Supervisors authorizes City funding for LOSP projects as part of the Annual Appropriation Ordinance; and

WHEREAS, MOHCD enters into grant agreements with supportive housing owners and operators for LOSP projects in consultation with HSH, administers LOSP contracts, reviews annual audits and prepares recommendations for annual adjustments to project funding, monitors compliance with LOSP requirements in accordance with capital funding regulatory agreements, and if necessary, takes appropriate action to enforce compliance; and

WHEREAS, Alabama Street Housing Associates, L.P., a California limited partnership (the "Owner"), is the owner of Mosaica Senior Apartments, located at 655 Alabama Street, which provides 24 units serving seniors, 11 of which serve extremely low-income, chronically homeless seniors ("Project"); and

WHEREAS, On March 3, 2017, the Loan Committee recommended approval to the Mayor of a LOSP grant award for the Project in an amount not to exceed \$1,258,693; and

WHEREAS, MOHCD proposes to provide a LOSP grant in the amount not to exceed \$1,258,693 to the Owner pursuant to a LOSP Grant Agreement (the "Agreement") in substantially the form on file with the Clerk of the Board of Supervisors in File No. 170557 and in such final form as approved by the Director of MOHCD and the City Attorney; and

WHEREAS, The Agreement is for a 15-year term, starting January 1, 2018, and ending December 31, 2032, and therefore requires Board of Supervisors authorization; now, therefore, be it

RESOLVED, That this Board of Supervisors hereby authorizes the Director of MOHCD or his designee to execute the Agreement for an amount not to exceed \$1,258,693; and, be it

FURTHER RESOLVED, That this Board of Supervisors authorizes MOHCD to proceed with actions necessary to implement the Agreement following execution, and ratifies, approves and authorizes all actions heretofore taken by any City official in connection with such Agreement; and, be it

FURTHER RESOLVED, That this Board of Supervisors hereby authorizes the Director of MOHCD or his designee to enter into any amendments or modifications to the Agreement, including without limitation, the exhibits that the Director determines, in consultation with the City Attorney, are in the best interest of the City, do not materially increase the obligations or liabilities for the City or materially diminish the benefits to be received by the City, are necessary or advisable to effectuate the purposes and intent of this Resolution and are in compliance with all applicable laws, including the City Charter; and, be it

FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed by all parties, the MOHCD shall provide the final contract to the Clerk of the Board for inclusion into the official file.

RECOMMENDED:

Olson Lee, Director

Mayor's Office of Housing and Community Development



City and County of San Francisco **Tails**

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

Resolution

File Number:

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Date Passed: June 06, 2017

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May 25, 2017 Budget and Finance Sub-Committee - AMENDED

May 25, 2017 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

June 06, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy. Tang and Yee

File No. 170557

I hereby certify that the foregoing Resolution was ADOPTED on 6/6/2017 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Date Approved