

RESOLUTION NO. 113-2010

Adopted September 7, 2010

**AUTHORIZING THE EXECUTIVE DIRECTOR TO ACCEPT AND EXPEND
AN ECONOMIC DEVELOPMENT INITIATIVE-SPECIAL PROJECTS
GRANTS AWARD IN AN AMOUNT NOT TO EXCEED \$950,000,
FOR DOWN-PAYMENT ASSISTANCE FOR QUALIFYING BUYERS
AT ARMSTRONG TOWNHOMES AT 5600 THIRD STREET;
BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA**

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (“Agency”) is authorized under California Community Redevelopment Law (Health and Safety Code, Section 33000 et. seq.) to provide assistance and advance funds from its tax increment monies for the purpose of producing and making available housing affordable to persons of low- and moderate-income.
2. On December 10, 2009, Agency staff submitted a project narrative requesting \$950,000 for 106 units of new, affordable, multi-family rental housing at the Hunters Point Shipyard to the U.S. Department of Housing and Urban Development’s (“HUD’s”) FY 2009 Economic Development Initiative-Special Projects Congressional Grants (“EDI-SP”)-Community Planning Development.
3. In March 2010, Agency staff requested and HUD approved a modification to the EDI-SP grant, which allows the funds to be used for down payment assistance loans for low- and moderate-income, first-time homebuyers at Armstrong Townhomes at 5600 Third Street (“5600 Third Street”).
4. On April 20, 2010, the Commission authorized a Down Payment Assistance Program (“Down Payment Assistance Program” or “Program”) to address the special needs of potential homebuyers, and to increase the number of eligible homebuyers at Armstrong Townhomes and Bay Oaks in Bayview Hunters Point, because sales of these units is taking longer than expected and has required a more extensive marketing effort than originally anticipated.
5. The sum of the EDI-SP funding, \$950,000, will be used for down-payment assistance at 5600 Third Street; none will be used for program operations or planning and management development administration.
6. The EDI-SP funding will be used for the Program to expand the number of families eligible to purchase the homes at 5600 Third Street, especially families who are at the lower income levels. Households between 60% and 120% Area Median Income may qualify for the Program. The Program is available to qualified purchasers on a first-come, first served basis, subject to funding availability.

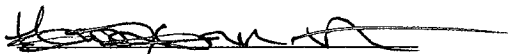
7. The Agency has not taken any action nor committed any HUD or non-HUD funds that would limit choices related to this grant request or that would produce an adverse environmental impact.
8. Authorizing the Executive Director to accept and expend the EDI-SP funds for the Down Payment Assistance Program would not have a significant effect on the environment. The provision of additional down payment assistance in conjunction with the development of low- and moderate-income ownership units is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3).

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that:

1. The Executive Director is authorized to accept and enter into a grant agreement with the U.S. Department of Housing and Urban Development for Economic Development Initiative – Special Projects funding in an amount not to exceed \$950,000; and
2. The Economic Development Initiative – Special Projects Grant funding is authorized to be used for the Down Payment Assistance Program for the purpose of providing additional down payment assistance to eligible households in conjunction with the sale of 124 low- and moderate-income ownership units at Armstrong Townhomes at 5600 Third Street.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel