

RESOLUTION NO. 63-2009

Adopted June 16, 2009

AUTHORIZING THE EXECUTIVE DIRECTOR TO APPLY FOR AND, IF AWARDED, TO ACCEPT APPROXIMATELY \$25 MILLION IN NEIGHBORHOOD STABILIZATION PROGRAM-2 FUNDS FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”) FOR USE IN THE DEVELOPMENT OF APPROXIMATELY 100 UNITS OF AFFORDABLE RENTAL HOUSING; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

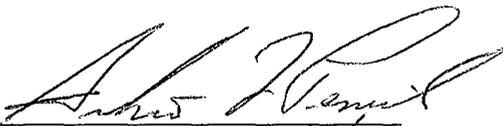
1. The Redevelopment Agency of the City and County of San Francisco (“Agency”) has certain responsibilities under the California Community Redevelopment Law (Health and Safety Code, Section 33334.2) to maintain its Low and Moderate Income Housing Fund (“LMIHF”) for the purpose of increasing, improving and preserving San Francisco’s supply of housing available at affordable housing cost affordable to extremely low-, very low-, low-, and moderate-income households.
2. The Agency uses the LMIHF to fund, among other things, affordable rental housing that creates permanently affordable units for low- and moderate-income households.
3. To the greatest extent possible, the Agency attempts to leverage its LMIHF resources with other forms of state- and federally-sponsored assistance and private investment.
4. HUD’s Neighborhood Stabilization Program-2 (“NSP2”) Notice of Funding Available (“NOFA”) seeks applicants with minimum requests of \$5 million for use in neighborhoods whose viability has been and continues to be damaged by the economic effects of foreclosed and abandoned properties.
5. The new construction of approximately 100 units of affordable housing on vacant properties in Hunters Point Shipyard known as Parcels 52 and 54 qualifies as an eligible use of funds under the NOFA. The NSP2 funds would be used for reconstruction and construction financing by a development team selected by the Agency through its typical Request for Proposals process after community outreach.
6. Upon an award from HUD of NSP2 funds commencement of environmental review activities required under state and federal law will begin immediately, including specifically, as required in the NOFA, compliance with National Environmental Policy Act of 1969 (“NEPA”) and related federal environmental authorities and regulations at 24 CFR part 58 and, as applicable, part 50.

7. The application deadline is July 17, 2009. HUD shall make awards by December 1, 2009.
8. The initiation of the funding application is not a project as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4). The application for funding is an Agency fiscal activity that will not cause any change in the physical environment. Use of the NSP2 funds for predevelopment activities are exempt from CEQA pursuant to CEQA Guidelines Sections 15262 and 15061(b)(3). The predevelopment activities would not directly result in a significant effect on the physical environment.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to apply to the United States Department of Housing and Urban Development for approximately \$25 million dollars in Neighborhood Stabilization Program-2 funds and to incur indebtedness and execute loan agreements and take any other actions necessary to use these funds in connection with the development of affordable rental housing.

APPROVED AS TO FORM:


James B. Morales 6/11/09
Agency General Counsel