

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 8-2016

Adopted February 16, 2016

AUTHORIZING THE EXECUTIVE DIRECTOR TO ACCEPT FUNDS IN THE AMOUNT OF \$4,501,564 FROM, AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE CITY AND COUNTY OF SAN FRANCISCO MAYOR'S OFFICE OF HOUSING OPPORTUNITY, PARTNERSHIPS & ENGAGEMENT FOR THE DEVELOPMENT OF 101 AFFORDABLE RENTAL UNITS (INCLUDING ONE MANAGER'S UNIT) FOR FORMERLY HOMELESS VETERANS AND LOW-INCOME FAMILIES AT MISSION BAY SOUTH BLOCK 3 EAST (1150 3RD STREET) AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA

WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 *et seq.* the "CRL"), the former San Francisco Redevelopment Agency (the "Agency") undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco ("City"); and,

WHEREAS, In accordance with the CRL, the City, acting through its Board of Supervisors, approved, by Ordinance No. 335-98 (Nov. 2, 1998), a Redevelopment Plan for the Mission Bay South Redevelopment Project Area (the "Redevelopment Plan"); and,

WHEREAS, The Redevelopment Plan provides for the redevelopment, construction and revitalization of the area generally bounded by the China Basin Channel, Seventh and Mariposa Streets, and the San Francisco Bay and containing approximately 238 acres of land (the "Project Area"). The Redevelopment Plan anticipates and describes a mixed-use development comprised of public open space, retail, commercial, residential, entertainment uses, and parking and loading uses; and,

WHEREAS, To implement the Redevelopment Plan, the Agency approved, by Resolution No. 193-98 (Sep. 17, 1998), the Mission Bay South Owner Participation Agreement between the Agency and Catellus Development Corporation, a Delaware corporation (the "Master Developer" or "Owner") and subsequently has amended it five times. (The Mission Bay South Owner Participation Agreement, as amended, shall be referred to as "OPA.") The OPA established, among other things, contractual rights authorizing the Owner to build a certain amount of development, requiring the Owner to construct public infrastructure and contribute land for a campus of the University of California at San Francisco and for Agency affordable housing, and obligating the Agency to reimburse certain infrastructure costs and to develop affordable housing on the contributed land; and,

- WHEREAS, Under the OPA, the Owner must transfer, at no cost, approximately 12.3 acres of "building-ready" land that has been remediated, graded, and served by infrastructure, for development of affordable housing, and the Agency is required to build approximately 1,108 Agency affordable housing units on these sites; and,
- WHEREAS, The Agency and Owner selected, throughout the Project Area, affordable housing lots that were to be contributed to the Agency and that are identified in Exhibit F (Approved Sites) to the Mission Bay South Housing Program (Attachment C to the South OPA, as amended by the First Amendment to the South OPA, Feb. 17, 2004). One of these sites is an approximately 1.08 acre lot identified as Block 8711, Lot 26, Former Block 3 Parcel E ("Block 3 East") in a Memorandum of Option (recorded in 2007), which grants the Agency the option to acquire the site for purposes of fulfilling the South OPA affordable housing obligations; and,
- WHEREAS, On November 1, 2005, the Agency approved, by Resolution No.178-2005, the Major Phase Application for Blocks 2-7 and 13 (the "Major Phase"), which included Block 3 East in the Project Area. Since its initial approval, the Major Phase has been amended four times: Redevelopment Agency Resolution Nos. 101-2007 (Sep. 18, 2007) and 77-2011 (June 7, 2011); Oversight Board Resolution No. 7-2012 (June 11, 2012); and Commission on Community Investment and Infrastructure Resolution No. 6-2014 (Jan. 1, 2014); and,
- WHEREAS, On February 1, 2012, state law dissolved redevelopment agencies and authorized the creation of successor agencies to undertake, among other things, the enforceable obligations of the former redevelopment agencies. California Health and Safety Code Sections 34170 et seq. (the "Redevelopment Dissolution Law"); and,
- WHEREAS, The Board of Supervisors of the City and County of San Francisco, acting as the legislative body of the Successor Agency, delegated the rights and responsibilities under the Redevelopment Dissolution Law to the Successor Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or "OCII"). San Francisco Ordinance No. 215-12 (Oct. 4, 2012). These responsibilities include, but are not limited to, the retained existing enforceable obligations for the development of affordable housing required for the Project Area. This delegation also includes the obligation under Redevelopment Dissolution Law to wind down expeditiously the Agency's projects; and,
- WHEREAS, On January 24, 2014, the California Department of Finance ("DOF") finally and conclusively determined that the OPA, the Mission Bay South Tax Increment Allocation Pledge Agreement, and the Mission Bay South Allocation Pledge Agreement Housing are enforceable obligations that survived the dissolution of the Redevelopment Agency and that require OCII to complete the development authorized under the Plan, OPA, and related Plan Documents. Letter, J. Howard, DOF Assistant Program Budget Manager, to T. Bohee, Executive Director (Jan. 24, 2014); and,

WHEREAS, On April 24, 2015, OCII issued a Housing Development Request for Proposals (the “RFP”) for the development and management of up to 101 units of low - income rental housing located at Block 3 East (the “Site”), with half of the units to be set aside for formerly homeless veteran households (the “Block 3 East Affordable Housing Project”); and,

WHEREAS, The Hamilton Family Center, a non-profit organization whose mission is to end family homelessness in the San Francisco Bay Area, secured \$4,501,564 in private contributions from members of the San Francisco Citizen’s Initiative for Technology and Innovation (sf.citi) to reduce homelessness for veterans and low-income families; and,

WHEREAS, On May 14, 2015, the Hamilton Family Center provided a grant to the Mayor’s Fund for the Homeless (the “Fund”) in the amount of \$4,501,564 to support the development of Block 3 East to serve veterans and low-income families; and,

WHEREAS, The Mayor’s Office of Housing Opportunity, Partnerships & Engagement (HOPE) administers the Fund and has accepted and deposited the \$4,501,564 into the Fund. HOPE wishes to enter into an agreement with OCII to transfer the grant of \$4,501,564 to OCII to support OCII’s Block 3 East Affordable Housing Project (the “HOPE MOU”), which is consistent with the purpose of the grant; and,

WHEREAS OCII’s remaining discretionary approvals for the Block 3 East Affordable Housing Project consist of review for consistency under the Design Review and Document Approval Procedure (“DRDAP) for Mission Bay South and subsequent commitment of permanent financing.; and,

WHEREAS, On September 17, 1998, the Agency certified, by Resolution No. 182-98, the Final Subsequent Environmental Impact Report (“FSEIR”) for Mission Bay North and South pursuant to the California Environmental Quality Act (“CEQA”) and State CEQA Guidelines Sections 15168 (Program EIR) and 15180 (Redevelopment Plan EIR). On the same date, the Agency Commission adopted, by Resolution No. 183-98, environmental findings (and a statement of overriding considerations), in connection with the approval of the Plan, the OPA, and other Mission Bay project approvals (the “Mission Bay Project”). The San Francisco Planning Commission (“Planning Commission”) certified, by Resolution No. 14696, the FSEIR on the same date. On October 19, 1998, the Board of Supervisors adopted Motion No. 98-132 affirming the FSEIR certification and Resolution No. 854-98 adopting environmental findings and a statement of overriding considerations for the Mission Bay Project; and,

WHEREAS Subsequent to certification of the FSEIR, the Agency issued several addenda to the FSEIR (the “Addenda”). The Addenda do not identify any substantial new information or new significant impacts or a substantial increase in the severity of previously identified significant effects that alter the conclusions reached in the FSEIR; and,

WHEREAS, The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. Accepting funds and entering into the HOPE MOU for the purpose of developing the Block 3 East Affordable Housing Project is an undertaking pursuant to and in furtherance of the Plan in conformance with CEQA Section 15180 (“Implementing Action”); and,

RESOLVED, The Commission has reviewed and considered the FSEIR and Addenda, and hereby adopts the CEQA findings set forth in Resolutions No. 182-98 and No. 183-98 and hereby incorporates such findings by reference as though fully set forth in this Resolution; and be it further

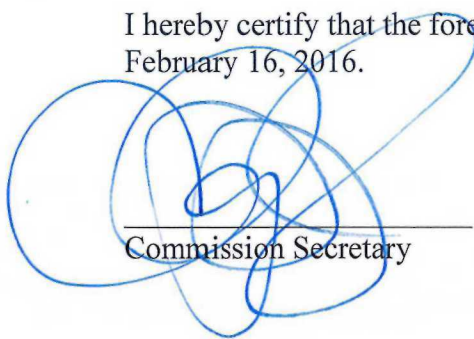
RESOLVED, The Commission finds and determines that the HOPE MOU and acceptance of funds facilitate the development of the Block 3 East Affordable Housing Project, which is an Implementing Action within the scope of the Mission Bay Project analyzed in the FSEIR and requires no further environmental review beyond the FSEIR pursuant to the State CEQA Guidelines Section 15180, 15162 and 15163 for the following reasons:

- (1) implementation of the Block 3 East Affordable Housing Project does not require major revisions to the FSEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts; and,
- (2) no substantial changes have occurred with respect to the circumstances under which the development of affordable housing on Block 3 East will be undertaken that would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR; and,
- (3) no new information of substantial importance relating to the development of affordable housing on Block 3 East has become available, which would indicate that (i) the Block 3 East Affordable Housing Project will have significant effects not discussed in the FSEIR; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible, which would reduce one or more significant effects, have become feasible; or (iv) mitigation measures or alternatives, which are considerably different from those in the FSEIR, will substantially reduce one or more significant effects on the environment that would change the conclusions set forth in the FSEIR; and, be it further

RESOLVED, That the Executive Director is hereby authorized to accept \$4,501,564 from, and enter into a Memorandum of Understanding with, the City and County of San Francisco, acting through the Mayor’s Office of Housing Opportunity, Partnerships & Engagement, for use in the development of veterans and low income family housing at 1150 3rd Street and to enter into any and all ancillary documents or to take any additional actions necessary to consummate the transaction contemplated by this Resolution.

Attachment 1: Memorandum of Understanding

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of February 16, 2016.

A large, complex, and somewhat illegible handwritten signature in blue ink, consisting of multiple overlapping loops and curves.

Commission Secretary

MEMORANDUM OF UNDERSTANDING

by and between

the Successor Agency to the Redevelopment Agency, also known as
the Office of Community Investment and Infrastructure

and

The City and County of San Francisco
Mayor's Office of Housing Opportunity, Partnerships & Engagement

Approved by the OCII Commission through Resolution ____-2016 on February 16, 2016

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is between the Successor Agency to the San Francisco Redevelopment Agency, also known as the Office of Community Investment and Infrastructure, ("Successor Agency") and the City and County of San Francisco Mayor's Office of Housing Opportunity, Partnerships & Engagement ("HOPE") for the use of \$4,501,564 in funds donated by the San Francisco Citizen's Initiative of Technology and Innovation through the Hamilton Center to fund a predevelopment loan and other development expenses related to a veterans and very low-income family affordable housing project located at 1150 3rd Street in San Francisco. The Successor Agency and HOPE are the parties to this MOU (collectively, the "Parties").

RECITALS

A. In April 2015, OCII issued a Request for Proposals for development teams to build a 101-unit housing facility containing one, two, and three bedroom apartments for 50 veterans, 50 low-income families, and one manager's unit on an approximately one acre parcel at 1150 3rd Street in San Francisco.

B. The Hamilton Family Center, a non-profit organization whose mission is to end family homelessness in the San Francisco Bay Area, secured \$4,501,564 in private contributions from members of the San Francisco Citizen's Initiative for Technology and Innovation (sf.citi) to reduce homelessness veterans and families.

C. In May 2015, the Hamilton Family Center provided a grant of \$4,501,564 to the Mayor's Fund for the Homeless, which is administered by HOPE for the purpose of accelerating predevelopment of a housing facility for veterans and very low-income families at 1150 3rd Street in San Francisco.

D. HOPE and Hamilton entered into a letter agreement dated May 14, 2015, and further clarified in a subsequent letter dated February 4, 2016, establishing certain term and conditions for the use of the \$4,501,564.

NOW, THEREFORE, in consideration of the above recitals, the Parties agree as follows:

- 1. Scope of Work.** HOPE, as administrator of the Mayor's Fund for the Homeless, will transfer \$4,501,564 to OCII. OCII will utilize the funds to support predevelopment of a 101-unit housing facility at 1150 3rd Street, San Francisco as described in the budget (Exhibit 1). HOPE will review project expenditures and confirm that expenditures were made in accordance Hamilton Family Center grant agreement (Exhibit 2).

2. **Budget.** Subject to the Commission on Community Investment and Infrastructure (“CCII”) approval of an exclusive negotiations agreement, predevelopment loan, and permanent loan, OCII will expend \$2,500,000 in predevelopment costs, \$200,000 in unit furnishings, and \$1,801,564 in non-tax credit eligible costs for the 101-unit housing facility for veterans and low-income families at 1150 3rd Street, San Francisco as described in the 1150 3rd Street budget (Exhibit 1).
3. **Disbursement.** HOPE will transfer the funds within 14 days of the effective date of this MOU.
4. **Letter Agreement.** OCII will comply with the terms of the letter agreement dated May 14, 2015, and further clarified in a subsequent letter dated February 4, 2016, between Hamilton and HOPE.
5. **Effective Date and Term.** This MOU shall become effective on the date that the MOU is approved (“Effective Date”) by CCII. This MOU shall expire on the date the Scope of Work has all been completed.
6. **Report of Expenditures.** OCII shall provide to HOPE records demonstrating the expenditure of donated funds within 90 days of the project completion. Project completion is defined as conversion of 1150 3rd Street to permanent financing.
7. **Amendments.** OCII and HOPE reserve the right to amend this MOU by mutual consent. It is mutually understood and agreed that no amendment, modification, alteration or variation of the terms of this MOU shall be valid unless in writing and signed and acknowledged and approved by both parties.

- Exhibits:
1. Grant Budget
 2. Hamilton Family Center Grant Agreement

This MOU is agreed to subject to CCII approval and commences on the Effective Date:

I. Mayor's Office of Housing Opportunity, Partnerships & Engagement

**Sam Dodge, Director of Housing
Opportunity, Partnerships & Engagement**

Date: _____

II. OCII/Successor Agency to the San Francisco Redevelopment Agency

Tiffany Bohee, Executive Director

Date: _____

| | | | |
|--------------------------|--|--------------------|-----|
| Application Date: | 12/18/2015 | Unit Count: | 101 |
| Project Name: | | | |
| Project Address: | 1150 Third Street | | n/a |
| Project Sponsor: | Chinatown CDC and Swords to Plowshares | | |

| SOURCES | Total Sources | | | Comments |
|---------------------|--|--|-------------------------|----------|
| | OCH Predevelopment Loan/sf.citi Donation Grant | OCH Predevelopment Loan/sf.citi Donation Grant Balance to Construction | Balance to Construction | |
| Name Other Sources: | | | - | |

USES

ACQUISITION

| | | | | | |
|---------------------------|--|---------------|----------|---------------|---------------------------------|
| Acquisition cost or value | | | | 0 | |
| Transfer tax | | 50,000 | | 50,000 | based on recent CCDC experience |
| Legal Closing costs | | | | 0 | |
| Broker's fee | | | | 0 | |
| TOTAL ACQUISITION | | 50,000 | 0 | 50,000 | |

CONSTRUCTION (HARD COSTS)

| | | | | | |
|-------------------------------------|--|----------------|-------------------|-------------------|--|
| Environmental Remediation | | 255,121 | | 255,121 | per Nibbi estimate/plans & outline spec |
| Grading/Earthwork | | 524,211 | 34,339 | 558,550 | per Nibbi estimate/plans & outline spec |
| Underpinning/shoring | | | | 0 | per Nibbi estimate/plans & outline spec |
| Unit Construction | | | 42,284,655 | 42,284,655 | per Nibbi estimate/plans & outline spec |
| Commercial Shell Construction | | | | | |
| Landscaping | | | 472,948 | 472,948 | planting and irrigation - Nibbi estimate |
| Overhead/Profit/Gen'l Conditions | | | 3,451,269 | 3,451,269 | per Nibbi estimate/plans & outline spec |
| TOTAL CONSTRUCTION COSTS | | 779,332 | 46,243,211 | 47,022,543 | 567,995 |
| Construction/Bid Contingency | | | 10,344,959 | 10,344,959 | 5% design/5% bid/5% hard cost/3.5%per yr escalation |

SOFT COSTS

| | | | | | |
|---|-----------|---------|-----------|-----------|--|
| Architecture/Engineering | | | | | |
| Total Arch./Engineer. Fees | 1,302,692 | | 558,296 | 1,860,988 | per LMS proposal |
| Survey & Engineering Studies | | | | | |
| Survey/Geotechnical | 65,000 | | 73,000 | 138,000 | based on similar projects |
| Construction Testing & Inspections | | | 160,000 | 160,000 | based on similar projects |
| Phase I & II Reports | 25,000 | | | 25,000 | based on similar projects |
| Financing Costs | | | | | |
| Predev. Loan Application Fee | | | | | |
| Predev. Loan Interest | | | | | |
| Title & Recording | | | | | |
| Construction Loan Origination Fee | | | 289,702 | 289,702 | per CCDC/CHPC experience on similar projects |
| Construction Loan Interest | | | 2,703,885 | 2,703,885 | 4%, 24 mos plus lease-up and conversion |
| Title & Recording | | | 50,000 | 50,000 | per CCDC/CHPC experience on similar projects |
| OCH accrued Interest | | | 1,141,111 | 1,141,111 | 3% |
| Other Costs of Issuance | | 323,744 | | 323,744 | per CCDC/CHPC experience on similar projects |
| Permanent Loan Origination Fee | | | | | Included above |
| Credit Enhance. & Appl. Fee | | | | | N/A |
| Title & Recording | | | | | Included above |
| Syndication Costs | 35,500 | 53,500 | | 89,000 | CHPC + audit/cost cert |

Legal Costs

| | | | | | |
|-------------------------------------|----------------|---------|----------------|----------------|---|
| Lender Legal Pd. By Applicant | | 15,000 | 120,000 | 135,000 | |
| Developer Legal incl LIHTC | | 25,000 | 40,000 | 65,000 | per CCDC recent project experience |
| Other Soft Costs | | | | | |
| Appraisal | 25,000 | | | 25,000 | based on similar projects |
| Property Taxes | | | 80,000 | 80,000 | estimate based on similar projects |
| Insurance | | | 200,000 | 200,000 | per CCDC insurance quote |
| Relocation | | | | | |
| TCAC App/Alloc/Monitor Fees | | | 64,720 | 64,720 | |
| Environmental Review and Monitoring | | | 100,000 | 100,000 | Per similar projects - soil mitigation |
| Local Permits Fees | | | | 0 | Site is fully entitled |
| DBI Plan Review & Permit Fees | 287,421 | | 224,771 | 512,192 | per construction cost + recent projects |
| Water & Wastewater Capacity | | | | | included above in DBI fees |
| SFUSD Developer Fee | | | | | included above in DBI fees |
| Marketing/Rent-up | | 125,000 | | 125,000 | based on similar projects |
| Furnishings | | 200,000 | | 200,000 | per MOHCD guidelines |
| Market Study | 15,000 | | | 15,000 | per recent projects |
| Utility Hookup Fees | 20,000 | | 80,000 | 100,000 | Per similar projects |
| Lease Up Reserve | | 100,000 | | 100,000 | per CCDC experience/recent projects |
| Services Start-up | | | 20,000 | 20,000 | per recent projects |
| Commercial TI allowance | | | | 0 | |
| Other Consultants | 75,000 | | 45,000 | 120,000 | per recent projects - greenpoint, waterproofing |
| Owner's Representative | 20,000 | | 84,000 | 104,000 | \$20K + \$3.5K/mo cxn |
| Soft Cost Contingency | 279,387 | | 112,997 | 392,384 | 10% |

RESERVES

| | | | | | |
|-------------------------|--|---------|--|---------|--------------------------------------|
| Operating Reserves | | 329,988 | | 329,988 | 3 months |
| Replacement Reserves | | | | | |
| LOSP Transition Reserve | | | | | HCD recognizes Citywide LOSP reserve |
| Commercial Repl Reserve | | | | | |

DEVELOPER COSTS

| | | | | | |
|-----------------------------|---------|--|-----------|-----------|---------------------------------|
| Project Management Dev. Fee | 350,000 | | 650,000 | 1,000,000 | |
| At Risk Developer Fee | | | 1,500,000 | 1,500,000 | GP \$1.1MM Capital Contribution |
| Development Consultant Fees | | | | | |
| Financial Consultant Fees | | | | | |
| Construction Management Fee | | | | | |
| Project Administration | | | | | |
| Other (specify) | | | | | |
| Syndication Costs | | | | | |

| | | | | | |
|-------------------------------|------------------|------------------|-------------------|-------------------|--|
| TOTAL DEVELOPMENT COST | 2,500,000 | 2,001,564 | 64,885,653 | 69,387,216 | |
|-------------------------------|------------------|------------------|-------------------|-------------------|--|



May 14, 2015

Mr. Bevan Dufty, Director
Mayor's Office of Housing, Opportunity, Partnerships & Engagement
City Hall
1 Dr. Carlton B. Goodlett Place, Room 18
San Francisco, California 94102-4689

RE: Mission Bay Veterans' Housing Project Grant

Dear Mr. Dufty:

Hamilton Family Center ("Hamilton") is pleased to serve as the fiscal agent for private donations made for the benefit of the Mission Bay Veterans' Housing Project (the "Project"); Hamilton will provide an initial grant in the amount of \$ \$4,476,564 (the "Grant") for the Project from the donations received to date.

Hamilton agrees to provide the Grant, on the terms set forth below, to the Mayor's Fund for the Homeless of the City and County of San Francisco (the "City") to help fund the Project. Specifically, the purpose of the Grant is to support the development of the Project to serve formerly homeless veterans and their families. The Grant will support the planning and proposed development of approximately 100 units of affordable housing in Mission Bay South for formerly homeless veterans (including both male and female veterans) and low-income veteran families.

The Grant is consistent with the charitable purpose of Hamilton, which is to end homelessness for families and individuals by providing a safe, stable environment that promotes the dignity of each person ("Hamilton's Exempt Purpose").

Hamilton will transfer the Grant funds to the City upon complete execution of this letter agreement. Until it is transferred to the City, the Grant shall be held in a separate account administered by Hamilton. Hamilton shall have no obligation to pay any funds to the City other than the Grant. Interest earned on the funds constituting the Grant shall be retained by Hamilton and not distributed to the City. In addition, Hamilton will take a fee of \$25,000 for fiscal management services, to be deducted from the total donations received for the Project.

By signing below and accepting the Grant funds, the City agrees to do all of the following:

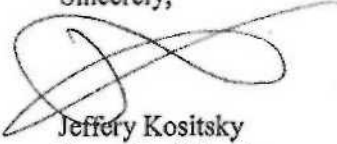
1. Use the Grant strictly in a manner consistent with Hamilton's Exempt Purpose and in support of the Project.
2. Obtain Hamilton's advance written approval to modify the Project.
3. Keep adequate records to substantiate its expenditures of Grant funds at Hamilton's request.
4. Provide Hamilton with a full and complete report as of the end of any calendar year within which any portion of the Grant is received or spent. The City shall submit this report no later than 30 days following the end of each such year. The report shall describe the charitable programs conducted by the City with the proceeds of the Grant and all expenditures made from Grant funds, and shall report on the City's compliance with the terms of the Grant as described in this letter.
5. Refrain from using any portion of Grant funds for:
 - a. any attempt to influence legislation, within the meaning of Section 501(c)(3) of the Internal Revenue Code (the "IRC");
 - b. participating or intervening in any political campaign on behalf of or in opposition to any candidate for public office; inducing or encouraging violations of law or public policy; causing any private inurement or improper private benefit to occur; or taking any other action inconsistent with Hamilton's status as an IRC Section 501(c)(3) organization or as a California nonprofit public benefit corporation; or
 - c. commercial purposes.
6. Return to Hamilton immediately upon demand any amount of Grant funds not spent on the Project or any other approved use consistent with Hamilton's Exempt Purpose.
7. Hold Hamilton harmless from any liability arising from or related to Hamilton's services under this letter agreement.

This letter agreement constitutes a legally binding agreement between Hamilton and the City and will be governed by the laws of the State of California. Hamilton will transfer the above amount promptly upon receipt of a fully executed copy of this signed agreement. This agreement supersedes any prior or contemporaneous oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to its subject matter. This agreement may be assigned by either party with the prior written consent of the other party.

The terms of this agreement were approved by the Hamilton Board of Directors on March 10, 2015. Please sign below and return a signed copy of this letter to my attention.

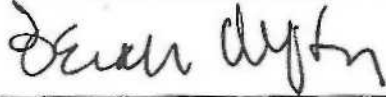
Hamilton's board is delighted to support the City's efforts to develop housing for homeless veterans.

Sincerely,



Jeffery Kositsky
Executive Director

Accepted on behalf of the
CITY AND COUNTY OF SAN FRANCISCO by:



Bevan Dufty, Director
Mayor's Office of Housing Opportunity, Partnerships & Engagement

5-14-15

Date



February 4, 2016

Mr. Sam Dodge, Director
Mayor's Office of Housing, Opportunity, Partnerships & Engagement
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 18
San Francisco, California 94102-4689

RE: Mission Bay Veterans' Housing Project Grant


Dear Mr. Dodge

Hamilton Family Center ("Hamilton") served as the fiscal agent for private donations made for the benefit of the Mission Bay Veterans' Housing Project (the "Project"). The terms of this arrangement were outlined in a grant agreement dated May 14, 2015 and signed by Bevan Dufty, former Director of the Mayor's Office of Housing, Opportunity, Partnerships & Engagement. This letter serves as an amendment to the aforementioned grant agreement. There are two items amended by this letter.

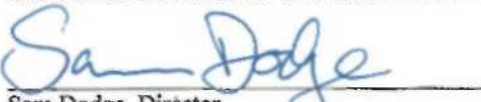
1. Hamilton provide a grant in the amount of \$4,476,564 (the "Grant") for the Project from the donations received as of May 13, 2015. Hamilton has since received an additional \$25,000 donation for the Project and will transmit these funds to the Mayor's Fund for the Homeless of the City and County of San Francisco. Hamilton will transfer the \$25,000 in additional Grant funds to the City upon complete execution of this letter agreement. The total amount of the Grant will be amended to \$4,501,564.
2. The purpose of the Grant as outlined in the agreement dated May 14, 2015 will be modified to read: The Grant will support the planning and proposed development of approximately 100 units of affordable housing in Mission Bay South. 50% of the affordable units will be for formerly homeless veterans, and 50% of the affordable units for low-income families.

This letter constitutes an amendment to the legally binding agreement between Hamilton and the City dated May 14, 2015. This amendment supersedes any prior or contemporaneous oral or written understandings between the parties.

Sincerely,


Jeffrey Kositsky
Executive Director

Accepted on behalf of the
CITY AND COUNTY OF SAN FRANCISCO by:


Sam Dodge, Director
Mayor's Office of Housing Opportunity, Partnerships & Engagement


Date