

[Loan Agreement - BHC Balboa Builders, LLC - Balboa Reservoir - Infrastructure Improvements - Not to Exceed \$56,425,904]

**Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute an Amended and Restated Loan Agreement with BHC Balboa Builders, LLC, a California limited liability company, for a total loan amount not to exceed \$56,425,904 to finance the first phase of infrastructure improvements related to the revitalization and master development of an approximately 17.6-acre site with various public benefits including affordable housing, commonly known as the Balboa Reservoir Project; adopting findings that the loan agreement is consistent with the adopted Mitigation Monitoring and Reporting Program under the California Environmental Quality Act, the General Plan, and the priority policies of Planning Code, Section 101.1; and to authorize the Director of MOHCD or his designee to enter into amendments or modifications to the Agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Agreement or this Resolution.**

WHEREAS, The Balboa Reservoir Project (a 17.6-acre site located generally north of the Ocean Avenue commercial district, west of the City College of San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of Archbishop Riordan High School) (Property) includes four 100% affordable housing projects, as part of the Balboa Reservoir Development Agreement (File No. 200423); and

WHEREAS, In 2017, the City issued a Request for Proposals (RFP) for the disposition and development of the Project Site in accordance with the selection criteria described in the RFP; in response to the RFP, the City evaluated proposals from nine development teams, and

1 selected a joint venture of BRIDGE Housing Corporation and AvalonBay Communities, Inc. as  
2 the highest scoring proposer; the selected joint venture formed Reservoir Community Partners,  
3 LLC, a Delaware limited liability company to plan, develop and execute the Project; and

4 WHEREAS, By Ordinance No. 142-20, the Board of Supervisors approved a  
5 Development Agreement with Reservoir Community Partners, LLC, relating to the Project Site  
6 (the "Development Agreement") under Administrative Code, Chapter 56; and

7 WHEREAS, BHC Balboa Builders, LLC (Developer), an affiliate of BRIDGE Housing  
8 Corporation, purchased the Property pursuant to a Purchase and Sale Agreement approved by  
9 this Board of Supervisors in Resolution No. 373-20; and

10 WHEREAS, The Balboa Reservoir Project is a mixed-use, mixed-income development  
11 with several different components: (i) construction of the public infrastructure; (ii) development  
12 of private affordable housing on affordable parcels in accordance with an affordable housing  
13 plan; (iii) development of private residential projects on market rate parcels; and (iv)  
14 development of community improvements (e.g., open space areas, community facilities)  
15 throughout the Property; and

16 WHEREAS, By Ordinance No. 142-20, the Board of Supervisors made findings under  
17 the California Environmental Quality Act (Public Resources Code, Sections 21000 et seq.) and  
18 findings of consistency with the General Plan, and the eight priority policies of Planning Code,  
19 Section 101.1, which Ordinance is on file with the Clerk of the Board of Supervisors in File No.  
20 200423 and is incorporated herein by reference; and

21 WHEREAS, The City, acting through the Mayor's Office of Housing and Community  
22 Development ("MOHCD"), administers a variety of housing programs that provide financing for  
23 the development of new affordable housing and the rehabilitation of single- and multi-family  
24 housing for low- and moderate-income households and resources for homeowners in San  
25 Francisco; and

1 WHEREAS, MOHCD enters into loan agreements with affordable housing developers  
2 and operators; administers loan agreements; reviews annual audits and monitoring reports;  
3 monitors compliance with affordable housing requirements in accordance with capital funding  
4 regulatory agreements; and if necessary, takes appropriate action to enforce compliance; and

5 WHEREAS, MOHCD provided Developer with a loan to commence predevelopment  
6 activities for the Project; and

7 WHEREAS, The Developer desires to commence the first phase of the Project, which  
8 will include infrastructure improvements to facilitate the construction of approximately 287 new  
9 affordable rental units, new street segments, pedestrian and bicycle connections, and  
10 underground utilities to serve the Project ("Phase 1 Project"); and

11 WHEREAS, On June 27, 2025, the Citywide Affordable Housing Loan Committee,  
12 consisting of MOHCD, Department of Homelessness and Supportive Housing, the Office of  
13 Community Investment and Infrastructure, Office of the Controller, recommended approval to  
14 the Mayor of a loan to the Developer for the Phase 1 Project in a total amount not to exceed  
15 \$56,425,904; and

16 WHEREAS, In order for the Developer to construct the Phase 1 Project, MOHCD  
17 provided an initial predevelopment loan in the amount of \$5,000,000 on June 20, 2025, and  
18 MOHCD desires to provide an additional loan for a total amount not to exceed \$56,425,904, to  
19 the Developer pursuant to an Amended and Restated Loan Agreement ("Infrastructure  
20 Agreement") in substantially the form on file with the Clerk of the Board in File No. 250829, and  
21 in such final form as approved by the Director of MOHCD and the City Attorney; and

22 WHEREAS, The material terms of the Infrastructure Agreement also include: (i) a  
23 minimum term of 10 years with two 5-year extensions; and (ii) will bear simple interest at a rate  
24 of 5%; and  
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1 WHEREAS, MOHCD has agreed to provide the following written reports to the Board of  
2 Supervisors for inclusion in File No. 250829: (1) within 90 days of the completion of Building E,  
3 MOHCD will transmit a report concerning the status of the Balboa Reservoir Project including  
4 the project timeline, the City funding for the horizontal and vertical development of the  
5 remaining parcels, and the total disbursement of the proposed infrastructure loan, and (2) a  
6 report on any action to forgive all or part of the proposed infrastructure loan, if applicable; now,  
7 therefore, be it

8 RESOLVED, That the Board of Supervisors hereby adopts the findings contained in  
9 Ordinance No. 142-20 regarding the California Environmental Quality Act for the Project, and  
10 hereby incorporates such findings by reference as though fully set forth in this Resolution; and,  
11 be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the Project is  
13 consistent with the General Plan, and with the eight priority policies of Planning Code, Section  
14 101.1 for the same reasons as set forth in Ordinance No. 142-20, and hereby incorporates  
15 such findings by reference as though fully set forth in this Resolution; and, be it

16 FURTHER RESOLVED, That the Board of Supervisors hereby approves the  
17 Infrastructure Agreement and authorizes the Director of MOHCD or his designee to enter into  
18 any amendments or modifications to the Agreement (including, without limitation, preparation  
19 and attachment or, or changes to, any of all of the exhibits and ancillary agreements) and any  
20 other documents or instruments necessary in connection therewith that the Director  
21 determines, in consultation with the City Attorney, are in the best interest of the City, do not  
22 materially increase the obligations or liabilities for the City or materially diminish the benefits of  
23 the City, are necessary or advisable to effectuate the purposes and intent of this Resolution  
24 and are in compliance with all applicable laws, including the City Charter; and, be it  
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1 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and  
2 delegates to the Director of MOHCD and/or the Director of Property, and their designees, the  
3 authority to undertake any actions necessary to protect the City's financial security in the  
4 Property and enforce the affordable housing restrictions, which may include, without limitation,  
5 acquisition of the Property upon foreclosure and sale at a trustee sale, acceptance of a deed in  
6 lieu of foreclosure, or curing the default under a senior loan; and, be it

7 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
8 heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors;  
9 and, be it

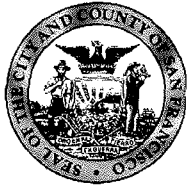
10 FURTHER RESOLVED, That within thirty (30) days of the Infrastructure Agreement  
11 being fully executed by all parties, MOHCD shall provide the final Infrastructure Agreement to  
12 the Clerk of the Board for inclusion into the official file.  
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1 Recommended

2  
3 /s/

4 Daniel Adams, Director

5 Mayor's Office of Housing and Community Development



**City and County of San Francisco**  
**Tails**  
**Resolution**

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

**File Number:** 250829

**Date Passed:** September 09, 2025

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute an Amended and Restated Loan Agreement with BHC Balboa Builders, LLC, a California limited liability company, for a total loan amount not to exceed \$56,425,904 to finance the first phase of infrastructure improvements related to the revitalization and master development of an approximately 17.6-acre site with various public benefits including affordable housing, commonly known as the Balboa Reservoir Project; adopting findings that the loan agreement is consistent with the adopted Mitigation Monitoring and Reporting Program under the California Environmental Quality Act, the General Plan, and the priority policies of Planning Code, Section 101.1; and to authorize the Director of MOHCD or his designee to enter into amendments or modifications to the Agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Agreement or this Resolution.

September 03, 2025 Budget and Finance Committee - RECOMMENDED

September 09, 2025 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE


Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton


September 09, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250829

I hereby certify that the foregoing  
Resolution was ADOPTED on 9/9/2025 by  
the Board of Supervisors of the City and  
County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
Daniel Lurie  
Mayor

9.12.2025  
Date Approved