

RESOLUTION NO. 68-99

(Adopted June 1, 1999)

**AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT WITH
LENNAR/BVHP, LLC,
A CALIFORNIA LIMITED LIABILITY COMPANY,
FOR THE HUNTERS POINT SHIPYARD;
HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA**

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco ("Agency") issued a Request for Qualifications ("RFQ") for a Master Developer of the Hunters Point Shipyard ("Shipyard") on April 22, 1998, pursuant to Agency Resolution 70-98.
2. On March 30, 1999, the Agency determined that Lennar/BVHP, LLC ("Developer") had the best qualifications, capacity and financial resources necessary to be the Master Developer of the Shipyard. The Agency Commission authorized exclusive negotiations ("Exclusive Negotiations") with Developer pursuant to Agency Resolution Number 43-99.
3. The Exclusive Negotiations were divided into two main phases. During the first phase of the Exclusive Negotiations, the Executive Director and the Developer were to negotiate an Exclusive Negotiations Agreement ("ENA") which addresses the goals, objectives and process for concluding negotiations of a Disposition and Development Agreement and other transaction documents (together, "DDA") for the redevelopment of the Shipyard.
4. The Executive Director and the Developer have completed negotiations of the ENA. The ENA includes a Schedule of Performance, request for a development proposal, budget for funding City costs and a \$5 million guaranty of the Developer's obligations.
5. The Schedule of Performance indicates the milestones for completion of the DDA negotiations. The initial term of the ENA is 12 months. The first major milestone is the submission of a Development Proposal based on the following City and Bayview Hunters Point community goals:
 - Goal 1 – create sustainable economic benefits and jobs for the Bayview Hunters Point community.
 - Goal 2 – achieve environmental remediation, restoration and protection.
 - Goal 3 – provide a range of housing opportunities.
 - Goal 4 – promote educational opportunities, provide and maintain cultural amenities, and sustain and advance artistic endeavors.
 - Goal 5 – construct and maintain recreation areas and open space.

The Development Proposal will lead to a term sheet endorsed by the Bayview Hunters Point community for Commission consideration at a public meeting.

RESOLUTION

ACCORDINGLY IT IS RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Agency authorizes the Executive Director to enter into an Exclusive Negotiations Agreement with Lennar/BVHP, LLC (“Developer”) for the purpose of negotiating a Disposition and Development Agreement and other transaction documents (together, “DDA”) for the development of the Hunters Point Shipyard (“Shipyard”) substantially in the form lodged with the Agency General Counsel.
2. The Executive Director is authorized to grant one one-hundred-and-eighty (180) day extension to the initial 12-month negotiation period if necessary to conclude the DDA negotiations, subject to payment by Developer of an additional deposit of \$75,000 and satisfaction of other applicable conditions in the ENA.

APPROVED AS TO FORM:



ROBERT A. FIREHOCK
Acting Agency General Counsel