

RESOLUTION NO. 156-99
(Adopted October 26, 1999)

AUTHORIZING AN EXTENSION OF EXCLUSIVE
NEGOTIATIONS FOR THE LEASE AND
DEVELOPMENT OF THE AGENCY AFFORDABLE
HOUSING PARCEL KNOWN AS PARCEL 2 OF
BLOCK N2; MISSION BAY NORTH
REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Agency issued a Request for Qualifications ("RFQ") on March 19, 1999 to seek a developer/operator of its first Mission Bay Affordable Housing Parcel in the Mission Bay North Redevelopment Project Area, Parcel 2 of Block N2. Parcel 2 of Block N2 is a 1.1 acre site fronting on Berry and King between 3rd and 4th Streets (the "Site").
2. On June 29, 1999, the Commission authorized the Agency to enter into Exclusive Negotiations with Mission Housing Development Corporation (MHDC) leading to the lease and development of the Site as 100 units of affordable family rental housing with a child care center.
3. On August 31, 1999, the Commission authorized a Predevelopment Loan Agreement in an amount not to exceed \$998,886 with MHDC for this purpose (the "Loan Agreement").
4. The Loan Agreement established a Schedule of Performance to insure that MHDC makes adequate progress in developing the Site.
5. The Exclusive Negotiation Period initially authorized by the Commission expires on November 1, 1999.
6. The Agency wishes to extend Exclusive Negotiations with MHDC until such time as the Agency is able to enter into a development ground lease agreement with MHDC.

RESOLUTION

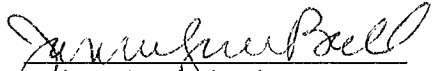
ACCORDINGLY, IT IS RESOLVED, THAT:

1. The Agency authorizes the Extension of Exclusive Negotiations (the "Extension") with Mission Housing Development Corporation, a California nonprofit public benefit corporation, ("Developer") for the purpose of negotiating and entering into a development ground lease agreement for Parcel 2 of Block N2 in the Mission Bay North Project Area ("Site").
2. Exclusive Negotiations shall expire upon the earlier of (1) 60 days after the transfer of the Site to the Agency from Catellus Development Corporation, or (2) twelve (12) months from the date this Extension is approved by the Agency Commission, unless extended by the Executive Director, pursuant to paragraph 3 below, or by action of the Agency Commission.

3. The Executive Director is further authorized to grant two sixty-day extensions in his discretion to permit the completion of the transfer of the Site to the Agency and/or the negotiations with MHDC or to comply with statutory public notice requirements.

4. As a condition to the effectiveness of said Exclusive Negotiations, the Developer shall execute a written acceptance thereof on a copy of this Resolution and file it with the Agency within five (5) days of the adoption of this Resolution.

APPROVED AS TO FORM:


Robert A. Firehock
Acting Agency General Counsel