

RESOLUTION NO. 57-2007

Adopted June 5, 2007

AUTHORIZING A PREDEVELOPMENT LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$2,753,291 WITH COMMUNITY HOUSING PARTNERSHIP CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DEVELOPMENT OF UP TO 120 UNITS OF VERY LOW-INCOME SUPPORTIVE HOUSING ON CENTRAL FREEWAY PARCEL G, SOUTHEAST CORNER OF FULTON AND GOUGH STREETS; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2; CITYWIDE TAX INCREMENT HOUSING PROGRAM

BASIS FOR RESOLUTION

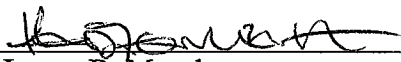
1. On March 19, 2002, the Redevelopment Agency of the City and County of San Francisco (the "Agency") and the City and County of San Francisco (the "City") executed a Transfer of Real Estate Agreement, to transfer seven Central Freeway parcels to the Agency for the express purpose of developing affordable housing. This transfer included certain real property consisting of parcels known as Parcels A, C, G, K, O, Q and U.
2. On August 31, 2006, the Agency issued a Request for Proposals ("RFP") for the construction, ownership, and operation of supportive housing for extremely low-income and formerly homeless individuals on the parcel known as Parcel G. The RFP sought high-quality proposals from experienced developers capable of building approximately 115-120 units of supportive housing on Parcel G (the "Project").
3. On October 16, 2006, one complete and responsive proposal was received and reviewed by an interdisciplinary evaluation panel to determine the degree to which the proposal met the criteria set forth in the RFP.
4. On January 16, 2007, the Agency Commission approved the selection of Community Housing Partnership Corporation and Mercy Housing California in a joint venture partnership (the "Development Team") and authorized the execution of an Exclusive Negotiations Agreement for the purpose of establishing certain milestones, roles and responsibilities in developing the Project.
5. On May 4, 2007, the Citywide Affordable Housing Loan Committee approved a proposed predevelopment loan agreement (the "Predevelopment Loan Agreement") to be provided by the Agency through its affordable housing tax increment loan program, with certain modifications and conditions of disbursement.

6. The Agency now wishes to enter into a Predevelopment Loan Agreement with the Development Team for an amount not to exceed \$2,753,291.
7. Funding from the Predevelopment Loan Agreement for design development work and to pay for developer costs to obtain entitlements for the Project is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 15262 of the State CEQA Guidelines, because the funded activities involve feasibility and planning studies and subsequent actions by the Agency are required for the development to proceed. Use of funding from the Predevelopment Loan Agreement to apply for Project financing is not a CEQA project pursuant to Section 15378(b)(4) of the State CEQA Guidelines, because funding mechanisms will not independently result in a physical change in the 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 execute a Predevelopment Loan Agreement with Community Housing Partnership Corporation, a California nonprofit public benefit corporation, and Mercy Housing California, a California nonprofit public benefit corporation, for the development of up to 120 units of very low-income supportive housing on Central Freeway Parcel G, southeast corner of Fulton and Gough Streets; Western Addition Redevelopment Project Area A-2; Citywide Tax Increment Housing Program, substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel