

RESOLUTION NO. 105-2007

Adopted September 18, 2007

**AUTHORIZING A THIRD AMENDMENT TO A PREDEVELOPMENT
LOAN AGREEMENT WITH BRIDGE HOUSING CORPORATION, A
CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN
AMOUNT NOT TO EXCEED \$1,660,000, FOR A TOTAL AGGREGATE
AMOUNT NOT TO EXCEED \$5,459,136, FOR THE DEVELOPMENT OF
116 UNITS OF VERY LOW-INCOME SENIOR RENTAL HOUSING AT
5600 THIRD STREET; BAYVIEW HUNTERS POINT
REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT
HOUSING PROGRAM**

BASIS FOR RESOLUTION

1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq., the "Law"), the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of slums and blighted areas in the City and County of San Francisco (the "City").
2. On January 3, 1995, by Ordinance No. 026-94, the Board of Supervisors of the City adopted the Bayview Hunters Point Redevelopment Survey Area (the "Survey Area") in response to community concern over the physical and economic decline of the South Bayshore community for the purpose of conducting a study to determine if the formation of a redevelopment project area was warranted.
3. On February 10, 1997, the Board of Supervisors certified the election of the Bayview Hunters Point Project Area Committee (the "PAC"). The PAC worked with Agency staff to develop the Bayview Hunters Point Community Revitalization Plan (the "Plan"). The PAC adopted the Plan at its regular meeting in November 2000.
4. On May 16, 2006, by Ordinance No. 113-06, the Board of Supervisors adopted the Bayview Hunters Point Redevelopment Project Area in order to undertake a variety of projects and activities to alleviate blighting conditions.
5. It is the mission of BRIDGE Housing Development Corporation, a California nonprofit public benefit corporation ("BRIDGE" or the "Developer"), to provide safe, decent and affordable rental and ownership housing in the Bay Area and Southern California.

6. On December 12, 2001, in furtherance of its mission, the Developer entered into a purchase and sale agreement to purchase approximately 3.14 acres at 5600 Third Street in the Survey Area (the "Site") for the purpose of redeveloping it as approximately 116 units of rental housing for very low-income seniors with ground floor commercial space (the "Senior Project") in conjunction with approximately 118 units of ownership housing for low- and moderate-income households (the "Family Project") on two parcels (together, the "Projects").
7. On June 18, 2002, the Agency Commission authorized the following with BRIDGE: (1) an Assignment and Assumption Agreement to purchase the real property located at 5600 Third Street for a total amount not to exceed \$9,800,000; (2) an Exclusive Negotiations Agreement leading to the long-term lease of the real property at 5600 Third Street for the development of the Senior Project; and, (3) a Tax Increment Predevelopment Loan Agreement in the amount of \$200,000.
8. In addition, on June 18, 2002, the Agency Commission was made aware that in the event that more Agency funds would become available, BRIDGE would return to the Agency to request additional predevelopment funding.
9. On May 18, 2004, the Agency Commission approved a First Amendment to the Predevelopment Loan Agreement to increase the funding amount to \$2,532,990.
10. In September 2004, the Developer submitted a request to the Agency for demolition predevelopment funding for the Project. On July 7, 2005, the PAC's Economic and Development Committee continued to endorse the proposed Project. On July 14, 2005, the PAC's Housing Committee also supported BRIDGE's demolition predevelopment funding request.
11. On July 19, 2005, the Agency Commission approved a request for additional predevelopment funding for an amount not to exceed \$600,000, to increase the loan amount to an amount not to exceed \$3,132,990.
12. On September 7, 2007, the Citywide Affordable Housing Loan Committee approved Agency staff's evaluation of the Developer's request for additional predevelopment funding for an amount not to exceed \$1,660,000, for a total aggregate amount not to exceed \$5,459,136.
13. On February 20, 2007, the Agency Commission adopted Resolution No. 10-2007, wherein the Commission found that the Mitigated Negative Declaration for the proposed Project, which was prepared pursuant to the California Environmental Quality Act ("CEQA") by the Planning Department of the City and adopted by the San Francisco Planning Commission on June 23, 2005, reflected the independent judgment and analysis of the Agency and adopted the Mitigated Negative Declaration as adequate and having been prepared in accordance with CEQA.

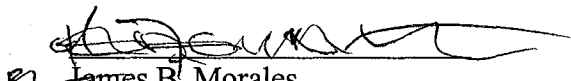
14. Authorization of the Third Amendment to the Predevelopment Loan Agreement is an Implementing Action for the construction of the project. Agency staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the Mitigated Negative Declaration. Documents related to the Implementing Action and the Mitigated Negative Declaration have been and continue to be available for review by the Agency Commission and the public and are part of the record before the Agency Commission.
15. The Mitigated Negative Declaration and Resolution No. 10-2007 were and remain adequate, accurate and objective and are incorporated herein by reference as applicable to the Implementing Action.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that:

1. It has reviewed and considered the Mitigated Negative Declaration and hereby adopts the CEQA findings set forth in Resolution No. 10-2007 incorporated herein;
2. The Executive Director is authorized to enter into a Third Amendment to the Tax Increment Predevelopment Loan Agreement with BRIDGE Housing Corporation, a California nonprofit public benefit corporation, in an amount not to exceed \$1,660,000, for a total aggregate amount not to exceed \$5,459,136, for the development of 116 very low-income senior rental housing with ground floor commercial space at 5600 Third Street, within the Bayview Hunters Point Redevelopment Project Area, as part of the Citywide Tax Increment Housing Program, substantially in the form lodged with the Agency General Counsel; and
3. The Executive Director is authorized to enter into any and all ancillary documents or take any additional actions necessary to consummate the transactions authorized by this Resolution, in forms to be approved by the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel