

RESOLUTION NO. 135-2007

Adopted December 18, 2007

**AUTHORIZING AN EIGHTH AMENDMENT TO THE EXCLUSIVE
NEGOTIATIONS AGREEMENT TO EXTEND THE TERM UNTIL
JUNE 30, 2008, AND A FIFTH AMENDMENT TO THE TAX INCREMENT
LOAN AGREEMENT TO AMEND THE SCHEDULE OF PERFORMANCE,
WITH SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A
CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE
DEVELOPMENT OF 18 LOW- AND MODERATE-INCOME FIRST-TIME
HOMEOWNERSHIP UNITS AND GROUND FLOOR COMMERCIAL
SPACE AT 4800 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. San Francisco Housing Development Corporation's, a California nonprofit public benefit corporation ("SFHDC" or the "Developer"), mission is to provide safe, decent and affordable housing primarily to households in the City's Bayview and Western Addition communities.
3. On November 27, 2001, by Resolution No. 208-2001, the Agency Commission authorized the Agency to enter into an Exclusive Negotiations Agreement (the "ENA") with SFHDC leading to a ground lease agreement providing for the redevelopment of 4800 Third Street, an under-developed and blighted property with a 1,584 square foot building along with 10 surface parking spaces in the Bayview Hunters Point Redevelopment Project Area (the "Site"), as a mixed-use affordable housing development (the "Project"). The Agency had acquired the Site on December 14, 2001, pursuant to an Assignment and Assumption Agreement between the Agency and SFHDC for the Purchase and Sale Agreement between SFHDC and the former owner of the Site.
4. Also, on November 27, 2001, by Resolution No. 209-2001, the Agency Commission authorized a Tax Increment Affordable Housing Program Redevelopment Loan for \$400,000 (the "Agency Loan") with the Developer for the development of the Project.

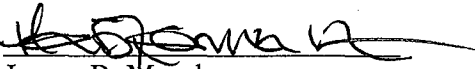
5. From September 16, 2003 through June 21, 2005, the Agency Commission authorized five amendments to the ENA to amend the Schedule of Performance and the date of expiration, to allow the Developer and the Agency to determine a development plan for the Site and to receive input from the community throughout the process.
6. On June 21, 2005, by Resolution No. 111-2005, the Agency Commission authorized a First Amendment to the Agency Loan to increase the loan amount by an additional \$453,500, for a total amount not to exceed \$853,500, to advance a new development concept for the Project consisting of 18 condominiums for first-time low- and moderate-income homebuyers.
7. On November 1, 2005, by Resolution No. 173-2005, the Agency Commission authorized a Second Amendment to the Agency Loan to modify the sources and use of funds and the loan disbursement budget for the Project.
8. On April 18, 2006, by Resolution No. 52-2006, the Agency Commission authorized a Third Amendment to the Agency Loan to amend the Schedule of Performance and a Sixth Amendment to the ENA to extend the expiration date from January 31, 2006 to September 30, 2007.
9. On September 18, 2007 by Resolution No. 92-2007, the Agency Commission authorized a Fourth Amendment to the Agency Loan to amend the Schedule of Performance and a Seventh Amendment to the ENA to extend the expiration date from September 30, 2007 to December 31, 2007.
10. The parties now desire to: (1) extend the expiration date of the ENA from December 31, 2007 to June 30, 2008 to provide SFHDC sufficient time to complete the performance milestones prior to the transfer of the Site to SFHDC; and (2) amend the Agency Loan to include the current development schedule for the Project in a revised Schedule of Performance.
11. Authorization of an Eighth Amendment to the ENA and a Fifth Amendment to the Tax Increment Loan Agreement with SFHDC for the development of 18 low- and moderate-income first-time homeownership units and ground floor commercial space are both exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15262.

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: (1) an Eighth Amendment to the Exclusive Negotiations Agreement to extend the expiration date to June 30, 2008 and (2) a Fifth Amendment to the Tax Increment Loan Agreement to amend the Schedule of Performance, with San Francisco Housing

Development Corporation, a California nonprofit public benefit corporation, for the development of 18 low- and moderate-income first-time homeownership units and ground floor commercial space at 4800 Third Street, in 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.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel