

RESOLUTION NO. 7-2008

Adopted March 18, 2008

EXTENDING THE EXPIRATION DATE OF A NON-BINDING TERM SHEET WITH 1210 SCOTT STREET, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE ACQUISITION OF AGENCY-OWNED PROPERTY COMMONLY KNOWN AS 1210 SCOTT STREET (ASSESSOR'S BLOCK 729, LOT 46) FOR THE EXPANSION OF A PRIVATE, COEDUCATIONAL HIGH SCHOOL, WHICH IS KNOWN AS THE JEWISH COMMUNITY HIGH SCHOOL OF THE BAY, FOR A PERIOD OF 30 DAYS TO APRIL 30, 2008; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. During the early 1970s, the Agency purchased and assembled the majority of the lots on Block 729, bounded by Ellis, Eddy, Pierce and Scott Streets, in the Western Addition Redevelopment Project Area A-2 (the "Project Area"). These Agency-owned lots became Agency Disposition Parcels 729-A, 729-A-1, and 729-B ("Agency Parcels"). The California College of Podiatric Medicine ("the College") was the other major property owner on Block 729, and housed its operations in buildings adjacent to the Agency Parcels. The College eventually became interested in expanding its operations and rehabilitating its existing buildings. As a result, in 1973, the Agency sold the College the Agency Parcels under the terms of an Agreement for Disposition of Land for Private Redevelopment ("1973 LDA") and entered into an Owner Participation Agreement ("1973 OPA") with the College for the rehabilitation of its property.
2. In 1975, the College completed the first phase of its two-phased development of the expanded campus, primarily on one of the former Agency parcels (729-A). However, due to a decline in enrollment and other budget-related issues, the College never completed its second phase of development, which was to be located on the two other former Agency parcels (729-A-1 and 729-B).
3. In 2001, the College sold a portion of its property to 1210 Scott Street LLC for the location of the Jewish Community High School of the Bay ("JCHS"). Also in 2001, pursuant to the terms of the 1973 LDA, the College conveyed the two remaining undeveloped Agency Parcels back to the Agency.
4. In 2002, 1210 Scott Street LLC and the Agency entered into an Amended Owner Participation Agreement and Second Amendment to the Agreement for Disposition of Land for Private Development (the "2002 Agreement") for the phased rehabilitation and demolition of several older buildings and the new construction of a parking structure, classrooms, gymnasium, and assembly hall.

At the same time, the Agency and 1210 Scott Street LLC entered into an exchange agreement and completed the swap of some Agency-owned land for some land owned by 1210 Scott Street LLC to regularize the two parcels (the "Exchange Agreement").

5. 1210 Scott Street LLC completed the first phase of its proposed development under the 2002 Agreement, but the remaining phases, as described under the 2002 Agreement, are no longer contemplated. The 2002 Agreement, as well as other related documents (including the Exchange Agreement), are being amended concurrently with the proposed DDA to incorporate the planned revised development program.
6. 1210 Scott Street LLC was subsequently dissolved and the JCHS parcels owned by it were transferred to 1210 Scott Street Inc, a California nonprofit public benefit corporation (the "Developer"). The Developer now wishes to purchase the Agency-owned property (Assessor's Block 729, Lot 46, otherwise known as Agency Disposition Parcels 729-A-1 and 729-B) (the "Property") to complete the phased expansion of the JCHS campus. The Property is approximately 20,250 square feet.
7. On October 2, 2007, the Agency Commission approved a non-binding term sheet between the Agency and the Developer, which summarized certain basic terms related to the Agency's proposed sale of the Property to the Developer for the expansion of the JCHS (the "Term Sheet").
8. The Term Sheet called for the execution of a Disposition and Development Agreement ("DDA") with the Developer within 120 days of the Commission's approval of the Term Sheet, unless a 60-day extension was granted by the Executive Director at the Developer's request. The Developer requested the extension, and the Executive Director extended the deadline for execution of the DDA to March 30, 2008.
9. With the Developer's consent, the Agency is requesting a 30-day extension of the Term Sheet to April 30, 2008 to allow more time to finalize a proposal for the use of the sales proceeds. Staff intends to bring before the Commission this proposal and the proposed DDA for its consideration prior to April 30, 2008.
10. In Resolution No. 109-2007, adopted on October 2, 2007, the Agency Commission determined that the authorization of the Term Sheet is exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15061(b)(3). Similarly the proposed extension of the expiration date will not directly cause any changes in the physical environment.
11. Staff recommends extending the expiration date of the Term Sheet for 30 days to April 30, 2008.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to extend the expiration date of a non-binding Term Sheet with 1210 Scott Street, Inc., a California nonprofit public benefit corporation, for the acquisition of Agency-owned property commonly known as 1210 Scott Street (Assessor's Block 729, Lot 46) for the expansion of a private, coeducational high school, which is known as the Jewish Community High School of the Bay, for a period of 30 days to April 30, 2008 in the Western Addition Redevelopment Project Area A-2.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel