

RESOLUTION NO. 37-2008

Adopted April 15, 2008

AUTHORIZING AN AMENDED AND RESTATED LOAN AGREEMENT WITH GREEN BLENDED COMMUNITIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, WHOSE SOLE MANAGING MEMBER IS SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$6,812,329 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$8,465,829 FOR THE DEVELOPMENT OF 18 LOW- AND MODERATE-INCOME FIRST-TIME HOMEOWNERSHIP UNITS AND GROUND FLOOR COMMERCIAL SPACE AT 4800 THIRD STREET; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; 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"), mission is to provide safe, decent and affordable housing primarily to households in the City's Bayview Hunters Point 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 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. 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 SFHDC for the development of the Project.

5. 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.
6. 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.
7. 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.
8. 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.
9. On December 18, 2007, by Resolution No. 135-2007, the Agency Commission authorized a Fifth Amendment to the Agency Loan to amend the Schedule of Performance.
10. SFHDC has assigned all of its rights and obligations related to the Site, including the assignment of the Agency Loan, to Green Blended Communities, LLC, a California limited liability company (the "Developer"), whose sole managing member is SFHDC.
11. The Developer is now requesting an additional loan amount not to exceed \$6,812,329, for a total aggregate amount not to exceed \$8,465,829, which amount includes the initial acquisition costs of \$800,000, to construct the Project. Concurrently with this Resolution, the Agency Commission is considering the approval of a Disposition and Development Agreement (the "DDA") with the Developer so the construction phase of the Project can move forward.
12. A Mitigated Negative Declaration was prepared pursuant to the California Environmental Quality Act ("CEQA") for the proposed Project by the City Planning Department (the "Planning Department"), published on April 24, 2004, and amended on May 17, 2004. On December 8, 2005, the Planning Department issued an Addendum to the Mitigated Negative Declaration. On December 15, 2005, the Planning Commission adopted Motion No. 17163, approving a Conditional Use Application and the Mitigation Monitoring Program for the mitigation measures contained in the Mitigated Negative Declaration.
13. The Mitigated Negative Declaration and the Addendum to the Mitigated Negative Declaration describe the proposed Project, assess potential environmental impacts of the proposed Project, and identify mitigation measures to preclude significant impacts or reduce such impacts to less than significant levels. The proposed mitigation measures in the Mitigated Negative Declaration have also been incorporated into the DDA for the Project as Attachment 23.

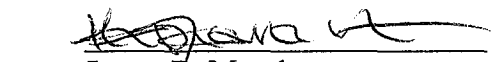
14. Based on the Agency's independent review of the Mitigated Negative Declaration and the Addendum to the Mitigated Negative Declaration, and all available information regarding the Project, the Agency finds that the proposed Project is consistent with the project description contained in the Mitigated Negative Declaration and the Addendum to the Mitigated Negative Declaration, and would not result in any significant impacts not identified in the Mitigated Negative Declaration or any impact identified in the Mitigated Negative Declaration that would be substantially more severe.

RESOLUTION

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

1. It has reviewed Mitigated Negative Declaration and the Addendum to the Mitigated Negative Declaration for the proposed Project, and finds that the Mitigated Negative Declaration and Addendum reflect the independent judgment and analysis of the Agency and adopts the Mitigated Negative Declaration and Addendum as adequate and having been prepared in accordance with CEQA;
2. The Executive Director is authorized to enter into an Amended and Restated Tax Increment Loan Agreement with Green Blended Communities, LLC, a California limited liability company, whose sole managing member is San Francisco Housing Development Corporation, a California nonprofit public benefit corporation, in an amount not to exceed \$6,812,329, for a total aggregate amount not to exceed \$8,465,829, 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; and,
3. The Executive Director is authorized to enter into any an all ancillary documents or take any additional action necessary to consummate the transactions authorized by the Resolution, in forms to be approved by the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel