

RESOLUTION NO. 16-2010

Adopted February 16, 2010

AUTHORIZING A SECOND AMENDMENT TO THE AMENDED AND RESTATED TAX INCREMENT LOAN AGREEMENT, AND A FIRST AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH GREEN BLENDED COMMUNITIES, LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, TO MODIFY THE SCHEDULE OF PERFORMANCE AND OTHER TERMS AND CONDITIONS OF THE AGREEMENTS, AND TO AMEND THE DEFINITION OF "QUALIFYING HOMEBUYER" TO ALLOW HOUSEHOLDS UP TO 120% AREA MEDIAN INCOME TO PARTICIPATE IN THE HOMEBUYER PROGRAM, RELATED TO THE DEVELOPMENT OF 18 UNITS OF LOW- AND MODERATE-INCOME OWNERSHIP UNITS AT 4800 THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM

BASIS FOR RESOLUTION

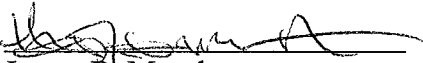
1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of blighted areas in the City 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 Nos. 208-2001 and 209-2001, the Agency Commission authorized the Agency to enter into a Tax Increment Affordable Housing Program Redevelopment Loan for \$400,000 (the "Agency Loan") and an Exclusive Negotiations Agreement (the "ENA") with SFHDC leading to a ground lease agreement providing for the redevelopment of 4800 Third Street, an underdeveloped and blighted property with a 1,584-square-foot building along with 10 surface parking spaces (the "Site") in the Bayview Hunters Point Redevelopment Project Area (the "Project Area"), 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. From September 16, 2003 through December 18, 2007, the Agency Commission authorized eight amendments to the ENA to amend the schedule of performance and the date of expiration, to allow SFHDC and the Agency to determine a development plan for the Site and to receive input from the community.

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. SFHDC 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 corporation (the "Developer"), whose sole managing member is SFHDC.
7. On April 15, 2008, by Resolution Nos. 36-2008 and 37-2008, the Agency Commission authorized the Executive Director to enter into a Disposition and Development Agreement (the "DDA"), and approved an Amended and Restated Tax Increment Loan Agreement (the "Loan Agreement") with the Developer to increase the loan amount by \$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 18 low- and moderate-income homeownership units.
8. On July 21, 2009, by Resolution No. 77-2009, the Agency Commission approved a First Amendment to the Loan Agreement to modify the budget for the use of Agency loan proceeds, and to give the Deputy Executive Director of the Agency's Housing Division the authority to approved single line item changes of up to \$50,000 and aggregate line item changes of up to \$100,000.
9. The Agency now desires to enter into a Second Amendment to the Loan Agreement, and a First Amendment to the DDA to modify the schedule of performance and to amend the definition of "qualifying homebuyer" to include households at 120% of area median income ("AMI") to participate in the homebuyer program.
10. On January 28, 2010, the Bayview Hunters Point Project Area Committee was notified of the amendment to increase the AMI to 120% and voiced no concern. The Bayview Hunters Point Redevelopment Plan, adopted on June 1, 2006, states that units must be sold to households with an AMI of up to 100% to be considered affordable housing production units for the Project Area. Therefore, with this amendment, if any units are sold to households between 100% and 120% AMI those units cannot be counted as affordable housing units for the Project Area.
11. Authorizing the Second Amendment to the Amended and Restated Tax Increment Loan Agreement, and a First Amendment to the DDA to revise the schedule of performance and to modify certain terms is an Agency administrative activity that will not cause any physical change in the environment and is not a project pursuant to the California Environmental Quality Act ("CEQA") definition of a project contained in CEQA Guidelines Section 15378(b)(5).

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to enter into a Second Amendment to the Amended and Restated Tax Increment Loan Agreement, and a First Amendment to the Disposition and Development Agreement with Green Blended Communities, LLC, a California limited liability corporation, to modify the schedule of performance and other terms and conditions of the Agreements, and to amend the definition of "qualifying homebuyer" to allow households up to 120% area median income to participate in the homebuyer program related to the development of 18 low- and moderate-income first-time homeownership units 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