

RESOLUTION NO. 93-2010

Adopted July 6, 2010

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR THE PROPOSED REDEVELOPMENT OF THE ALICE GRIFFITH HOUSING DEVELOPMENT WITH THE SAN FRANCISCO HOUSING AUTHORITY, MAYOR'S OFFICE OF HOUSING, AND SAN FRANCISCO OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

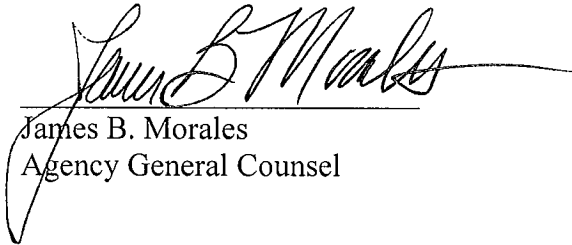
1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, Section 33000 *et seq.*), the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of blighted areas and for the purpose of increasing, improving, and preserving San Francisco's supply of affordable housing.
2. On March 23, 2007, the HOPE SF Task Force recommended to the Mayor and Board of Supervisors of the City and County of San Francisco ("City") that the City pursue the rebuilding of San Francisco's most distressed public housing sites, including the Alice Griffith Housing Development ("Alice Griffith"), while increasing affordable housing and ownership opportunities, improving the quality of life for existing residents, and bringing together in one community new housing units of different income levels and building types.
3. On May 1, 2007, Lennar-BVHP, LLC and Lennar Communities, Inc. (collectively and together with any of their respective successors, the "Developer") and the Agency executed the Second Amended and Restated Exclusive Negotiations and Planning Agreement for Phase 2 of the Hunters Point Shipyard, which calls for the integrated planning and redevelopment of Candlestick Point and the Phase 2 Hunters Point properties, which include the Alice Griffith site (collectively, the "Project Site").
4. In May 2007, the Board of Supervisors and the Mayor approved a resolution endorsing a Conceptual Framework for the integrated development of the Project Site with a major mixed-use project, including hundreds of acres of parks and open space, thousands of new units of housing, and a robust affordable housing program (the "Mixed-Use Project"). The parties recognized that the housing component for the Mixed-Use Project may present an opportunity to achieve the goal of improving the housing for existing residents by renovating or rebuilding Alice Griffith, subject to certain conditions.

5. In June 2008, the voters of the City and County of San Francisco adopted Proposition G, the Mixed-Use Development Project for Candlestick Point and Hunters Point Shipyard ("Proposition G"). Proposition G encouraged the rebuilding of Alice Griffith as a part of the development of the Mixed-Use Project consistent with the objectives set forth in Proposition G and subject to consultation with the residents of Alice Griffith and approval by all applicable governmental agencies. The voters also encouraged the City, the Agency, and other public agencies with applicable jurisdiction to proceed as expeditiously as possible to implement Proposition G.
6. On June 3, 2010, by Resolution No. 69-2010, the Agency Commission authorized the Agency Executive Director to execute a Development and Disposition Agreement (the "DDA") with the Developer, for a mixed-use development at the Project Site, including a proposed plan for the rebuilding of Alice Griffith. The DDA provides that the construction of the Alice Griffith Replacement Projects will be undertaken pursuant to a separate disposition and development agreement with the Alice Griffith Developer ("Alice Griffith DDA"). If the Alice Griffith DDA is not finalized within three to four years after the DDA becomes effective, the Developer shall make a liquidation payment to the Agency that covers the reasonably estimated cost of all of the Developer's obligations related to the Alice Griffith Site.
7. The Agency, the San Francisco Housing Authority, the Mayor's Office of Housing, and the San Francisco Office of Economic and Workforce Development seek to revitalize Alice Griffith pursuant to the principles and goals of HOPE SF and Proposition G, and in conformance to the DDA.
8. The Memorandum of Understanding (the "MOU") articulates the principles defining the redevelopment program for Alice Griffith and the actions and responsibilities of the parties to the MOU required to advance the Alice Griffith housing replacement plan.
9. The MOU commits the Agency to participate in project administration, coordination, and oversight of the reconstruction of the Alice Griffith Housing Development, including involvement in the completion of feasibility and planning studies necessary for development to proceed, and in project administration and interagency coordination. Such activities would not independently result in a physical change in the environment, and are exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15061(b)(3) and 15262. The MOU also commits the Agency to provide gap financing and Agency-owned land as necessary for the development to proceed; however, the specifics of these future Agency contributions are unknown at this time. After completion of feasibility and planning studies, details of the Agency transactions for gap financing and land will be known and environmental review on these elements will be conducted.

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, substantially in the form lodged with the Agency General Counsel, the Memorandum of Understanding for the proposed redevelopment of Alice Griffith Housing Development with the San Francisco Housing Authority, Mayor's Office of Housing, and San Francisco Office of Economic and Workforce Development.

APPROVED AS TO FORM:



James B. Morales
Agency General Counsel