

RESOLUTION NO. 47-2011

Adopted April 19, 2011

AUTHORIZING A SECOND AMENDMENT TO THE GROUND LEASE AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO TO EXTEND THE LEASE TERM FOR TWO YEARS, FOR A TOTAL FIVE-YEAR TERM, ENDING SEPTEMBER 1, 2015, FOR A PORTION OF ASSESSOR'S PARCEL 0817, LOT 30, KNOWN AS CENTRAL FREEWAY PARCEL K; CITYWIDE TAX INCREMENT HOUSING PROGRAM

BASIS FOR RESOLUTION


1. On March 19, 2002, the Redevelopment Agency of the City and County of San Francisco (the "Agency") and the City and County of San Francisco (the "City") executed a Transfer of Real Estate Agreement, to transfer seven Central Freeway parcels to the Agency for the express purpose of developing affordable housing. This transfer included certain real property consisting of parcels known as Parcels A, C, G, K, O, Q, and U.
2. On January 30, 2004, the Agency executed a Ground Lease (the "Ground Lease" or the "Lease") with the City, authorized by Resolution No. 38-2002, adopted February 26, 2002, concerning the lease of a portion of Lot 030, Block 0817 (the "Premises"), known as Central Freeway Parcel K, on a month-to-month term for the parking uses consistent with the parking uses that existed on the Premises as of the date of the Lease, and for use as a staging area for construction purposes in connection with the City's Octavia Boulevard Project.
3. The Premises have been designated as a future site for housing development as part of the Agency's Citywide Tax Increment Housing Program. The Agency does not intend to develop the Premises within the next three years.
4. The City has requested that terms of the Lease be amended to allow for uses other than parking or construction staging and to extend the term of the Lease for three years.
5. On March 16, 2010, the Agency authorized a First Amendment to the Ground Lease (the "First Amendment"), allowing the Agency's Executive Director to approve interim uses other than for parking or construction and to change the term of the Lease from month-to-month to fixed term.
6. In August 2010, pursuant to the First Amendment, the Executive Director approved such a request from the City to allow non-parking or construction interim uses and approved a fixed term of three years, expiring on September 1, 2013.
7. The City has requested that terms of the Lease be amended to extend the term of the Lease for an additional two years, expiring on September 1, 2015.

8. The Agency and the City desire to modify certain terms of the Ground Lease and are entering into a Second Amendment to the Ground Lease (“Second Amendment”).
9. Authorizing the Second Amendment is an Agency administrative activity that is not a “Project” as defined in California Environmental Quality Act Guidelines Section 15378(b)(5). The Second Amendment facilitates continuation of activities under the Ground Lease Agreement, which are activities that would not directly have a significant effect on the environment.

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 a Second Amendment to the Ground Lease Agreement with the City and County of San Francisco, a municipal corporation, to allow for an extension of the fixed term for an additional two years, for a total five-year term, expiring on September 1, 2015, for a portion of Assessor's Parcel 0817, Lot 30, known as Central Freeway Parcel K, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel