RESOLUTION NO. 210-2000
Adopted October 31, 2000

AUTHORIZING A FIFTH AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT WITH LENNAR/BVHP, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. By Resolution No. 68-99, dated June 1, 1999, the Agency approved an Exclusive Negotiations Agreement (the "Agreement") between the Agency and Lennar/BVHP, LLC, a California limited liability company ("Developer") regarding the negotiation of transaction documents for the conveyance, management and redevelopment of Hunters Point Shipyard Project Area ("Project Area"). The Agreement authorized exclusive negotiations for a period up to 12 months and further authorized the Executive Director, for financial consideration, to extend the Agreement for a period up to six (6) months as needed.

2. The Agreement contains a Schedule of Performance, which establishes certain milestones, the first of which was the preparation by Developer of a Preliminary Development Concept ("PDC") proposal.

3. By Resolution No. 136-99, dated September 14, 1999, the Commission approved a First Amendment to the Exclusive Negotiations Agreement extending the submission date for the PDC to October 18, 1999. In addition, the Executive Director was authorized to extend the date of the PDC submittal for an additional period up to sixty (60) days following October 18, 1999.

4. Pursuant to the same resolution, on October 18, 1999, the Executive Director authorized a Second Amendment to the Exclusive Negotiations Agreement for an additional sixty (60) days extending the submission date for the Preliminary Development Concept to December 17, 1999, on which date the Developer submitted its PDC.

5. By Resolution No. 43-2000 adopted March 21, 2000, the Commission authorized a Third Amendment to the Exclusive Negotiations Agreement allowing for the extension of the Agency’s review and endorsement of the Preliminary Development concept until May 23, 2000 and authorized the Executive Director to extend the review and endorsement date for an additional period up to sixty (60) days following May 23, 2000.

6. Pursuant to Resolution No. 43-2000, on May 23, 1999, the Executive Director authorized a Fourth Amendment to the Exclusive Negotiations Agreement extending the date for the Agency’s review and endorsement of the PDC for an additional sixty (60) days to July 21, 2000.

7. On June 1, 2000, following receipt of the financial consideration required by the Agreement, the Executive Director authorized an extension of the term of the Agreement for six (6) months until November 30, 2000.
8. By Resolution 130-2000, adopted July 20, 2000 the Commission endorsed the Preliminary Development Concept provided that Developer meet certain conditions requiring the submittal of additional information necessary for negotiation of the term sheet.

9. The Developer has been diligently working to submit the additional information requested by the Commission as a condition of the Preliminary Development Concept endorsement and by letter dated October 26, 2000, the Developer has submitted both an outline of the required information and an acceptable schedule for submitting the required information to the Agency. Developer has also agreed to a 12-month budget of $2.8 million for Agency and City staff, consultant and outside counsel costs, which Developer will pay on a reimbursement basis and receive a credit toward payments of Developer’s property lease or acquisition costs pursuant to the terms and conditions of the Agreement.

10. In order to submit the information requested by the Agency Commission as a condition of its endorsement of the Preliminary Development Concept and to allow reasonable time for the parties to complete the next milestones of the Exclusive Negotiations Agreement (the conceptual framework/term sheet and the transaction documents), the Developer has requested a 12-month extension of the Exclusive Negotiations Agreement which, if granted, would extend the termination date from November 30, 2000 to November 30, 2001.

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 Fifth Amendment to the Exclusive Negotiations Agreement with Lennar/BVHP, LLC, a California limited liability company, amending the agreement to extend the term of the agreement until November 30, 2001, revise the Schedule of Performance consistent with the work schedule contained in the letter submitted by Lennar/BVHP on October 26, 2000 and revise the budget to reimburse the Agency an amount not to exceed $2.8 million for Agency and City staff, consultant and outside counsel costs on the terms and conditions set forth in the agreement.

APPROVED AS TO FORM:

BERTHA A. ONTIVEROS
Agency General Counsel