RESOLUTION NO. 236-2000
Adopted November 28, 2000

AUTHORIZING THE DISPOSITION OF THE AGENCY'S INTEREST IN
THE LAND AT 150 BERRY STREET, SAN FRANCISCO,
CONSTITUTING PARCEL 2 OF BLOCK N2 OF THE MISSION BAY
NORTH REDEVELOPMENT PROJECT AREA, THROUGH A GROUND
LEASE WITH MISSION BAY AFFORDABLE HOUSING LIMITED
PARTNERSHIP; MISSION BAY NORTH 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 “Law”), 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. On September 17, 1998, the Agency Commission approved the Mission Bay North and
   South Redevelopment Plans and Owner Participation Agreements (the “OPAs”) with
   Catellus Development Corporation (“Catellus”). Under the terms of the OPAs, Catellus
   is obligated to transfer “Agency Affordable Housing Parcels” to the Agency in each
   major phase at no cost for the development of the “Agency Sponsored Affordable
   Housing Units.” Parcel 2 of Block N2 represents the first Agency Affordable Housing
   Parcel contributed by Catellus. Catellus is generally required to contribute land to the
   Agency as it proceeds with its own developments. The Agency’s Mission Bay
   Affordable Housing Policy (also approved by the Commission on September 17, 1998)
   states that the type of housing to be built on the Agency land will be determined as part
   of the City’s affordable housing policy and that the Agency will select nonprofit
   developers for these sites through a Request for Qualifications process.

3. On June 29, 1999, the Commission authorized the Agency to enter into Exclusive
   Negotiations with Mission Housing Development Corporation (“MHDC”) leading to the
   lease and development of Parcel 2 of Block N2 in the Mission Bay North Redevelopment
   Project Area (the “Site”). MHDC agreed to negotiate in good faith to enter into an
   agreement for the disposition and development of the Site during the Exclusive
   Negotiation Period. The development will provide affordable rental housing for 100
   households earning 20% to 50% of the Area Median Income or approximately $17,500
   to $37,450 for a family of four (the “Project”).

4. In order to utilize an allocation of 4% Low Income Housing Tax Credits, MHDC has
   created Mission Bay Affordable Housing Limited Partnership (the “Partnership”), with
   MHCD, or an affiliate, acting as its managing general partner.

5. In furtherance of the objectives of the Mission Bay North Redevelopment Plan, the
   Agency wishes to loan certain Low and Moderate Income Housing Funds, issue tax-
exempt mortgage revenue bonds, dispose of the Site through a ground lease, and to enter into other related financing and regulatory agreements to the benefit of MHDC, the Partnership, and the Project.

6. The Agency wishes to lease the Site to the Partnership pursuant to a Ground Lease with an initial term of 75 years with an option to renew for an additional 24 years, annual rental payments of $625,000, and requirements that the Partnership maintain the Project for very-low and low income tenants. The Agency subsidies make it financially feasible for the Partnership to construct 100 dwelling units for occupancy by very-low and low-income households.

7. At its meeting on November 3, 2000, the Citywide Affordable Housing Loan Committee recommended approval of the Ground Lease.

8. The publication of the Notice of Public Hearing concerning the Ground Lease for the Site occurred as required by Section 33431 of the California Health and Safety Code.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director or his designee is authorized to:

1. Enter into a Ground Lease Agreement with Mission Bay Affordable Housing Limited Partnership, a California limited partnership, with Mission Housing Development Corporation, or its affiliate, acting as the managing general partner, for the Site located at 150 Berry Street for seventy-five years, which is renewable for an additional term of twenty-four years, substantially in the form lodged with Agency General Counsel; and

2. Enter into any and all ancillary documents or take any additional actions necessary to consummate the transactions authorized by this Resolution, in forms to be approved by Agency General Counsel.

APPROVED AS TO FORM:

BERTHA A. ONTIVEROS
Agency General Counsel