RESOLUTION NO. 63-2001
Adopted May 22, 2001

AUTHORIZING A FIRST AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH VAN NESS CARE CENTER, INC., A CALIFORNIA CORPORATION, FOR THE PURCHASE AND DEVELOPMENT OF PARCEL 714-A(2), LOCATED AT THE NORTHWEST CORNER OF VAN NESS AVENUE AND MYRTLE STREET; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. On September 12, 2000, the Redevelopment Agency of the City and County of San Francisco (the “Agency”) authorized execution of a Disposition and Development Agreement (the “DDA”) with Van Ness Care Center, Inc., a California Corporation (the “Developer”), for the purchase and development of Disposition Parcel 714-A(2), Lots 2 & 3 of Assessor’s Block 714 (the “Site”), in the Western Addition Redevelopment Project Area A-2.

2. The Developer, pursuant to the DDA’s Schedule of Performance, submitted Preliminary Construction Documents for Agency review and approval with a request to reduce the number of parking spaces from 39 to 36 based on a slight reduction of the proposed retail floor area. The 36 parking spaces comply with the Redevelopment Plan for the Western Addition Redevelopment Project Area A-2; however, the DDA needs to be revised to reflect this reduction.

3. Delays in resolving certain code-related design issues have resulted in a reevaluation of the likelihood of obtaining a tax-exempt bond financing allocation within the time frame required under the DDA.

4. Based on staff’s evaluation of the prospects and cost of obtaining tax exempt financing for this project and the Developer’s agreement to provide 5 more affordable units with conventional financing than the DDA currently requires, staff believes it is appropriate to waive the requirement that the Developer first seek an allocation of tax exempt financing before being permitted to use conventional financing.

5. The proposed amendment to the DDA reduces the required parking to 36 parking spaces, changes the institutional use on the 2nd floor from convalescent hospital to a dementia/respite unit, eliminates the requirement to seek tax exempt bond financing and increases the number of affordable units from 20 to 25.

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 and execute a First Amendment to the Disposition and Development Agreement with Van Ness Care Center, Inc., a California corporation, substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:

Bertha A. Ontiveros
Agency General Counsel