RESOLUTION NO. 105-2001

Adopted June 12, 2001

AUTHORIZING THE EXECUTIVE DIRECTOR TO RE-ENTER
EXCLUSIVE NEGOTIATIONS WITH ASIAN, INC.,
FOR THE DISPOSITION OF AN AGENCY OWNED PARCEL
AT 474 NATOMA STREET TO DEVELOP AFFORDABLE HOUSING
FOR FIRST TIME HOMEBuyERS; SOUTH OF MARKET
EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS OF RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco
(“Agency”) offered the property at 474 Natoma Street (the “Site”) under a
Request for Proposals (“RFP”) issued February 22, 2000 for the purchase and
development of the Site as affordable housing for first time homebuyers.

2. Pursuant to Section II of the RFP and the review, analysis and evaluation
by Agency staff of the RFP responses submitted, the Agency Commission
(“Commission”) selected Asian, Inc. (“Developer”) to negotiate with exclusively
for the purchase and development of the Site, and issued a 90-day Exclusive

3. The ENR required the Developer to perform certain tasks and complete
negotiations for a Disposition and Development Agreement (“DDA”) within the
ENR period. The Developer substantially completed all required tasks, except for
finalization of a project budget and negotiation of the DDA. The Commission
authorized a 60-day Re-Entrance into Exclusive Negotiations on April 3, 2001 to
provide more time for the Developer to complete requisite project activities,
including twelve conditions precedent prior to the Commission’s consideration of
the DDA.

4. The Developer completed all conditions contained in the April 3, 2001
ENR by the required deadlines except for resolution of the Project’s insurance
program, and, consequently, execution of the DDA. Though the re-authorized
ENR period expired June 4, 2001, the Sponsor has presented satisfactory evidence
of its ability to provide the required Project insurance and execute the DDA.

5. In light of the progress the Developer has made on the development to
date and the Developer’s impending execution of the DDA, Agency staff
recommends re-entering exclusive negotiations with the Developer for an
additional 45-day period, pursuant to Section V(A) of the RFP.
6. The disposition of the Site will be subject to the approval of the Agency Commission after public hearing, as required by law. The estimated return date for the Commission’s consideration of the DDA is July 10, 2001.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to re-enter Exclusive Negotiations with Asian, Inc., for a period of 45 days, until July 19, 2001, for the purchase and development of the property at 474 Natoma Street.

2. Exclusive Negotiations shall expire if the requirements of subparagraphs 3(a) – 3(d) of this Resolution have not been met by 5:00 p.m. on July 19, 2001, unless extended by the Commission or the Executive Director pursuant to the terms of Paragraph 4 below.

3. The Developer, as part of the Exclusive Negotiations and as a condition precedent to the Agency’s consideration of the DDA at or after the public hearing shall:
   
   (a) By no later than June 29, 2001, execute the 474 Natoma Development and Disposition Agreement.

   (b) By no later than June 29, 2001, contractually agree to provide insurance for the development of 474 Natoma which fulfills, to the Agency’s satisfaction, the 474 Natoma RFP provision requiring the Developer to provide, at a minimum, a ten year warranty for all work completed under contract with the Agency including design, material, or installation flaws.

   (c) By no later than June 29, 2001, submit a Project Sources & Uses budget accurately reflecting all project costs, including insurance, and all anticipated sources of permanent and construction funding.

   (d) By no later than June 29, 2001, submit revised schematic architectural documents which accurately reflect the parking requirements of the San Francisco Department of City Planning and any attendant ground floor changes; a site plan showing buildings, landscaped areas, parking areas, loading areas, roads and sidewalks; site and all building sections; all building plans; all building elevations; and roof plans.

4. The Executive Director is further authorized to grant an extension of said Exclusive Negotiation Period, not to exceed thirty (30) days from July 19, 2001, if the Developer has executed a Disposition and Development Agreement, and such additional extension is deemed necessary and appropriate by the Executive
Director to permit the Agency to comply with statutory public notice requirements.

5. As a condition to the effectiveness of said Negotiations, the Developer shall execute a written acceptance thereof on a copy of this Resolution and file it with the Agency within fifteen (15) days of the adoption of this Resolution.

APPROVED AS TO FORM:

[Signature]

Bertha A. Ontiveros
Agency General Counsel