RESOLUTION NO. 194-2001

Adopted November 13, 2001

AUTHORIZING A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH VAN NESS CARE CENTER, INC., A CALIFORNIA CORPORATION, TO REVISE THE SCHEDULE OF PERFORMANCE 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. On May 22, 2001, by Resolution #63-2001, the Agreement was amended by a First Amendment of the same date (together, the Agreement and the First Amendment are collectively called the "Agreement").

3. The Developer has met the performance milestones set forth in the Agreement for opening of escrow, submission of Evidence of Equity, Preliminary Construction Documents, Final Construction Documents, Affirmative Marketing and Equal Opportunity Programs and Certified List of Estimated Development Costs.

4. The Developer confirms its continuing intent to develop the Site in accordance with the Agreement, which development includes the provision of 25 Affordable Residential Care Units at an Affordable Rent, to be developed without financial assistance from the Agency.

5. However, the Developer wishes to conduct a value engineering analysis to reduce the cost of developing the project and to extend the deadlines established in the Schedule of Performance by a reasonable period of time to obtain a building permit, project financing, enter into a construction contract, and close escrow.

6. Based on the Developer’s accomplishments to date, the Agency agrees that an extension of time for completion of the tasks listed above is appropriate. The proposed Second Amendment to the DDA will modify the current DDA Schedule of Performance to grant the requested extension.
7. The Developer also asks the Agency to extend the Absolute Conveyance Date from November 30, 2001, to September 12, 2002 to enable the Developer to complete remaining performance milestones required by the Agreement, as modified by this Second Amendment to the DDA.

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 Second 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