RESOLUTION NO. 217-2001

Adopted December 11, 2001

AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH TENANTS AND OWNERS DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE CONSTRUCTION OF 85-UNITS OF VERY LOW INCOME SENIOR HOUSING, AND AN APPROXIMATELY 9,400 SQUARE FOOT RETAIL/INSTITUTIONAL COMPONENT AT 827 HOWARD STREET AND RE-LANDSCAPING OF THE CLEMENTINA COMMONS COMMON AREA; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

A. The Housing Authority of the City and County of San Francisco (the “Housing Authority”) and Tenants and Owners Development Corporation, a California nonprofit public benefit corporation (“TODCO”), have entered into a Lease Option Agreement (the “LOA”) and a Memorandum of Understanding (the “MOU”) providing TODCO the option to lease approximately 11,625 square feet of underutilized area (the “TODCO Portion”) within the Housing Authority’s Clementina Towers property (Assessor’s Block 3733, Lot 102, the “Site”), for the construction of rental units for very low-income seniors. The LOA and MOU permit TODCO to: (1) subdivide the Site; (2) lease the TODCO Portion of the Site for $1/year for 55 years, (3) build approximately 85 rental units (55 studios and 30 one-bedrooms) for very low-income seniors, and an approximately 9,400 square foot retail/institutional component (the “Project”), and (4) re-landscape the common area adjacent to the Clementina Towers (the “Common Area Improvements”).

B. TODCO is required to undertake these tasks (“TODCO’s Obligations”) without any financial assistance from the Housing Authority. The proposed Owner Participation Agreement (the “OPA”) between the Redevelopment Agency of the City and County of San Francisco (the “Agency”) includes TODCO’s Obligations for the Project.

C. The proposed OPA requires that the Common Area Improvements comply with the Yerba Buena Center Redevelopment Plan requirements while creating a campus style usable open space as an amenity for the Clementina Tower’s and the TODCO Project’s residents, as well as for low-income seniors residing in the nearby Wolfe House and Ceteuce Polite developments. Additionally, TODCO’s agreements with the Housing Authority require that 75% of the net rental income from the retail/institutional component in TODCO’s Project be paid to the Housing Authority for the provision of needed social services to low-income seniors residing in Clementina Towers.
D. TODCO has received funding commitments from the United States Department of Housing and Urban Development, the Mayor’s Office of Housing and other sources, and has submitted a funding request to the Agency for the retail/institutional and re-landscaping components of the proposed Project, which request the Commission is considering concurrently with this Resolution pursuant to Resolution No. 218-2001.

E. The Agency and TODCO now desire to enter into the proposed OPA for the development of the Project.

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 an Owner Participation Agreement with Tenants and Owners Development Corporation, a California nonprofit public benefit corporation, in conjunction with the construction of 85 units of very low income senior housing, an approximately 9,400 square foot retail/institutional component and re-landscaping of the commons area at 827 Howard Street in the Yerba Buena Center Redevelopment Project Area, substantially in the form lodged with Agency General Counsel.

Approved as to form:

[Signature]
Bertha A. Ontiveros
Agency General Counsel