

RESOLUTION NO. 22-2002

Failed with 3 Ayes, 3 Nays and 1 Abstention - February 12, 2002

AUTHORIZING EXCLUSIVE NEGOTIATIONS WITH GP/TODCO-A, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DISPOSITION AND DEVELOPMENT OF PROPERTY LOCATED 988-992 HOWARD STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTUION

1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq., the "Law"), the Redevelopment Agency of the City and County of San Francisco (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 June 11, 1990, by Ordinance 234-90, the Board of Supervisors for the City adopted the South of Market Earthquake Recovery Redevelopment Plan (the "Plan") which lists as one activities, "the rehabilitation, development or construction of low and moderate income Housing within the Project Area an/or the City and County, or other housing within the Project Area".
3. In furtherance of the objectives of the Plan, the Agency has acquired real property located at 988-992 Howard Street, San Francisco, California (the "Site"), with the intent of redeveloping it as affordable housing with ground floor commercial space.
4. The Agency issued a Request for Proposals (the "RFP") for the Site on March 29, 2001, seeking developers capable of developing and operating an affordable rental development for very low income households, which maximizes the building envelope for affordable rental housing units and related community and commercial space (the "Project"). A summary of the RFP was provided to the Commission in an informational memorandum dated March 27, 2001.
5. One Statement of Qualification (the "SOQ") was submitted by GP/TODCO-A, Inc. ("TODCO"), pursuant to the RFP. TODCO's SOQ has been evaluated by staff, and it has been determined that it is complete and meets the RFP minimum qualifications standards.
6. The South of Market Project Area Committee reviewed TODCO's SOQ, and at its meeting of September 17, 2001 passed a motion endorsing the exclusive negotiations.

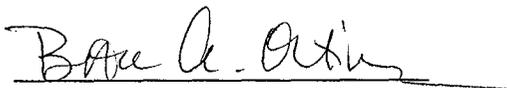
7. During the exclusive negotiations period, TODCO is required to meet a series of milestones leading to the execution of an Interim Lease and a Disposition and Development Agreement for consideration by the Commission.

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 enter into Exclusive Negotiations with GP/TODCO-A, a California nonprofit public benefit corporation, for a period of six (6) months from the date of this resolution (the "Exclusive Negotiations Period"), for the purpose of negotiating agreements leading to the interim lease and disposition and development of 988-992 Howard Street. The Executive Director is further authorized to extend the Exclusive Negotiations period for three (3) additional 30-day periods, and to adjust the Schedule of Performance dates for milestones therein, so long as they are accomplished by end of the Exclusive Negotiations period as it may be extended.
2. Exclusive negotiations shall terminate upon the occurrence of any of the following events: (a) the expiration of the exclusive negotiations period unless extended as set forth above; (b) Developer's breach of any of the terms of the exclusive negotiations unless such breach is expressly waived in writing by the Executive Director; (c) Developer's default under the terms of any loan or grant agreement with the Agency unless such default is cured within the period allowed or such default is expressly waived by the Executive Director or by action of the Agency Commission; or (d) Developer's failure to agree in writing to the terms and schedule for the exclusive negotiations period within 15 days of the date of this Resolution.

APPROVED AS TO FORM:



Bertha A. Ontiveros
Agency General Counsel