

RESOLUTION NO. 51-2002

No Motion Made- Not Adopted March 19, 2002

AUTHORIZING THE INCORPORATION OF PUBLIC INITIATIVES DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE AGENCY'S DIRECT DEVELOPMENT OF LOW AND MODERATE INCOME HOUSING, AND THE PERFORMANCE OF ANY AND ALL ACTIONS NECESSARY FOR THE FORMATION AND ORGANIZATION OF THE CORPORATION; ALL REDEVELOPMENT PROJECT AREAS

BASIS FOR RESOLUTION

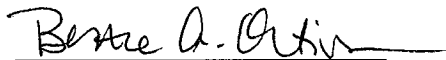
1. In furtherance of the objectives of the California Community Redevelopment Law, the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of slums and other blighted areas in the City and County of San Francisco (the "City"), as well as increasing and preserving the supply of housing affordable to low- and moderate-income households.
2. The Agency is authorized pursuant to the Law to undertake activities for the specific and special purpose of increasing and maintaining the housing stock in the City for very low, low and moderate income households.
3. At the Commission meeting of November 27, 2001, the Commission directed the Agency Executive Director to propose an internal mechanism and process for the Agency's development of the Plaza Hotel and future affordable housing developments.
4. By Resolution No. 21-2002 dated February 12, 2002, the Commission directed staff to commence implementation of direct development of the Plaza Hotel, 998-92 Howard Street.
5. To engage in direct development of affordable housing, the Agency should create a subsidiary non-profit public benefit development corporation to protect the Agency and its assets from financial liability (the "Development Corporation").
6. The proposed Articles of Incorporation state that the purposes of the Development Corporation is the development of low and moderate-income housing and such other activities that qualify as charitable purposes within the meaning of the Internal Revenue Code Section 501(c)3.
7. The development of low and moderate income housing will done in a manner consistent with the Agency's obligation under California Community Redevelopment Law, (Health and Safety Code Section 33334.2) governing the use of low and moderate income housing funds and other state law provisions

governing redevelopment activities as well as with the Agency's housing policy as adopted in April of 1989 and with the City's Consolidated Plan and Annual Action Plan.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to incorporate the Public Initiatives Development Corporation, a California nonprofit public benefit corporation, for the Agency's direct development of low and moderate income housing, and to perform any and all actions necessary for the formation and organization of the corporation.

APPROVED AS TO FORM:



BERTHA A. ONTIVEROS
Agency General Counsel