

## RESOLUTION NO. 165-2003

*Adopted November 4, 2003*

**AUTHORIZING A GROUND LEASE AGREEMENT WITH PLAZA APARTMENTS ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE AGENCY'S INTEREST IN THE LAND AT 988-992 HOWARD STREET, FOR 55 YEARS WITH AN EXTENSION OPTION OF 44 YEARS, FOR THE DEVELOPMENT OF 106 AFFORDABLE UNITS, GROUND FLOOR COMMERCIAL SPACE AND THE REPLACEMENT OF BINDLESTIFF STUDIO; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA**


### BASIS FOR RESOLUTION

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 blighted areas in the City and County of San Francisco (the "City").
2. The Agency is authorized pursuant to the Law to increase and maintain the affordability of the housing stock in the City for affordability by very-low, low and moderate-income households.
3. In January 22, 2001, the Agency acquired the Plaza Hotel at 988-992 Howard Street (the "Property"), in the Agency's South of Market Earthquake Recovery Redevelopment Project Area ("Project Area"), as part of an overall strategy to expand the City's affordable housing stock and revitalize Sixth Street.
4. On April 9, 2002, the Agency authorized the incorporation of the Public Initiatives Development Corporation ("PIDC"), a California nonprofit public benefit corporation (the "Sponsor"), for purposes of engaging in the direct development of affordable housing and directed the Sponsor to undertake the redevelopment of the Property into new affordable housing, ground floor commercial space and the replacement of Bindlestiff Studio (the "Project").
5. PIDC established Plaza Apartment Associates, L.P, a California Limited Partnership (the "Partnership"), to own the Project as required for tax credit financing. PIDC will act as the Partnership's managing general partner.
6. To assist in the Project's dedication as long-term, stable, and affordable housing, the Agency intends to execute a 55-year Ground Lease Agreement with the Partnership, with an extension option of 44 years.

**BASIS FOR 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 a Ground Lease Agreement with Plaza Apartments Associates, L.P., a California Limited Partnership, as to the Agency's interest in the land at 988-992 Howard Street, for 55 years with an extension option of 44 years, for the development of 106 affordable units, ground floor commercial space and the replacement of Bindelstiff Studio in the South of Market Earthquake Recovery Redevelopment Project Area, substantially in the form lodged with Agency General Counsel.

**APPROVED AS TO FORM:**



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James B. Morales  
Agency General Counsel