

RESOLUTION NO. 170-2003

Adopted November 18, 2003

AUTHORIZING EXCLUSIVE NEGOTIATIONS WITH A.F. EVANS COMPANY, INC., A CALIFORNIA CORPORATION, AND CHINATOWN COMMUNITY DEVELOPMENT CENTER, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR DEVELOPMENT OF AFFORDABLE SENIOR HOUSING UNDER A GROUND LEASE ON CENTRAL FREEWAY PARCEL A, SOUTHEAST CORNER OF TURK AND GOUGH STREETS; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. On March 19, 2002, the Redevelopment Agency of the City and County of San Francisco (the "Agency") and the City and County of San Francisco (the "City") executed a Transfer of Real Estate Agreement, enabling the Agency to purchase Central Freeway Parcels A and C from the City for the purpose of developing affordable senior housing.
2. On April 18, 2003, the Agency issued a Request for Proposals ("RFP") for the construction, ownership, and operation of affordable senior housing on Parcels A and C. The RFP sought high-quality proposals from experienced developers capable of building approximately 100 units for very low- and low-income seniors, with supportive services, on each of the parcels.
3. Four development teams submitted proposals that met the minimum requirements defined in the RFP. An interdisciplinary evaluation panel comprised of Agency staff and a community representative with expertise in supportive services for seniors ("Evaluation Panel") reviewed the proposals and interviewed each development team. The teams then presented their proposals at a public town hall meeting on September 6, 2003.
4. The RFP set forth specific ranking criteria to guide the Evaluation Panel in recommending a development team for exclusive negotiating rights to develop affordable senior housing at Parcel A, including previous development experience, developer staff capacity, architectural design, building constructability, financial feasibility, and appropriateness of the supportive services plan.
5. Following a very competitive selection process, the Evaluation Panel completed its review in accordance with the stated goals of the RFP and the priorities defined by the ranking criteria and determined that the submittal presented by the joint venture team of A.F. Evans and Chinatown Community Development Center ("AFE-CCDC") offers the best development program among competitors for Parcel A. The Evaluation Panel recommended that the Commission authorize exclusive negotiations with AFE-CCDC, with the condition that AFE-CCDC

refine its proposed services program so that it specifically meets the needs of frail seniors.

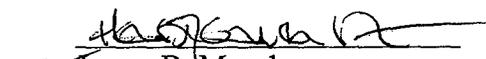
6. A fifteen (15) month period ("Exclusive Negotiations Period") will allow AFE-CCDC to pursue predevelopment activities for the construction and operation of affordable, supportive, senior housing. AFE-CCDC must meet a series of milestones during the Exclusive Negotiations Period that will result in the execution of a ground lease agreement for consideration by the Commission after a public hearing, as required by law.

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 negotiate and to execute an Exclusive Negotiations Agreement ("ENA") with the joint venture team of A.F. Evans Company, Inc., a California corporation, and Chinatown Community Development Center, a California nonprofit public benefit corporation, (together, "Developer"), based on Developer's Offer to Negotiate and incorporating agreed upon milestones substantially similar to those described in the November 18, 2003 Commission Memorandum, substantially in the form lodged with the Agency General Counsel;
2. The Exclusive Negotiations Period shall be fifteen (15) months from the date of the execution of the ENA, which ENA shall be executed within one month of the date of this Resolution. The Executive Director, at her discretion, is authorized to extend the Exclusive Negotiations Period for a cumulative period not to exceed six (6) months to permit the transfer of the Site, the submission of permanent financing applications, the completion of the negotiations, or to comply with statutory public notice requirements;
3. Exclusive Negotiations shall terminate upon the occurrence of any of the following events: (a) the expiration of the Exclusive Negotiations Period unless extended pursuant to paragraph 2 above; (b) Developer's breach of any of the terms of the ENA unless such breach is expressly waived 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; (d) Developer's failure to execute the ENA within 30 days of the date of this Resolution; or (e) the Agency's execution of a Ground Lease Agreement approved by the Agency Commission.

APPROVED AS TO FORM:


for James B. Morales
Agency General Counsel