RESOLUTION NO. 16-2004

Adopted February 17, 2004

AUTHORIZING A TAX INCREMENT LOAN AGREEMENT NOT TO EXCEED $1,118,344 WITH MISSION HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE PREDEVELOPMENT OF 104 UNITS OF VERY LOW-INCOME SENIOR RENTAL HOUSING UNDER A GROUND LEASE ON CENTRAL FREEWAY PARCEL C, SOUTHWEST CORNER OF GOLDEN GATE AVENUE AND FRANKLIN STREET, WESTERN ADDITION A-2 REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM

BASIS FOR RESOLUTION

1. On October 22, 2001, by Resolution No. 824-01, the San Francisco Board of Supervisors approved the sale of Central Freeway Parcel A and Parcel C to the Redevelopment Agency of the City and County of San Francisco (the “Agency”) for the express purpose of building affordable housing. The Agency and City and County of San Francisco (the “City”) executed a Transfer of Real Estate Agreement on March 19, 2002, which implemented the Board of Supervisors resolution.

2. On April 18, 2003, the Agency issued a Request for Proposals (“RFP”) for the construction, ownership, and operation of affordable senior housing on Parcel A and Parcel 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. On November 18, 2003, by Resolution No. 171-2003, the Agency Commission authorized the Agency Executive Director to negotiate and execute an Exclusive Negotiations Agreement (“ENA”) with Mission Housing Development Corporation (“MHDC” or the “Developer”) to enable the Developer to pursue predevelopment activities for the construction and operation of affordable, supportive senior housing on Parcel C (the “Site”). On December 18, 2003, the Agency and the Developer executed the ENA.

4. The term of the ENA is fifteen months. The ENA provides specific obligations for the Developer and sets forth a detailed schedule of performance related to predevelopment activities for the construction and operation of affordable, supportive senior housing. The ENA is expected to conclude with the Developer’s execution of a ground lease agreement for consideration by the Commission after a public hearing, as required by law.
5. The Developer has requested that the Commission approve a predevelopment loan in an amount not to exceed $1,118,344 in order to continue its predevelopment work, fulfill its ENA obligations, and prepare for the execution of the ground lease and commencement of construction.

6. On January 30, 2004, the Agency’s Executive Director reviewed the Developer’s predevelopment loan request and recommended approval of a predevelopment loan in the amount of $1,118,344 subject to the terms and conditions in the Loan Evaluation.

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 the following agreements substantially in the form lodged with the Agency General Counsel:

1. A Tax Increment Loan Agreement with Mission Housing Development Corporation, a California nonprofit public benefit corporation, in an amount not to exceed $1,118,344 to be used to complete predevelopment activities for the development of affordable, supportive senior housing on the Site.

2. Any and all ancillary documents necessary to carry out the transactions authorized by this Resolution.

APPROVED AS TO FORM:

James B. Morales
Agency General Counsel