RESOLUTION NO. 96-2004

Adopted July 20, 2004

AUTHORIZING A LEASE OPTION AGREEMENT WITH BRIDGE HOUSING CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DEVELOPMENT OF APPROXIMATELY 132 UNITS OF VERY LOW INCOME SENIOR RENTAL HOUSING AND 118 UNITS OF LOW INCOME OWNERSHIP UNITS AT 5600 THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT SURVEY AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM

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 slums and blighted areas in the City and County of San Francisco (the "City").

2. On January 3, 1995, by Ordinance No. 026-94, the Board of Supervisors of the City adopted the Bayview Hunters Point Redevelopment Survey Area (the "Survey Area") in response to community concern over the physical and economic decline of the South Bayshore community for the purpose of conducting a study to determine if the formation of a redevelopment project area was warranted.

3. On February 10, 1997, the Board of Supervisors certified the election of the Bayview Hunters Point Project Area Committee (the "PAC"). The PAC worked with Agency staff to develop the Bayview Hunters Point Community Revitalization Plan (the "Plan"). The PAC adopted the Plan at its regular meeting in November 2000.

4. It is the mission of BRIDGE Housing Development Corporation, a California nonprofit public benefit corporation ("BRIDGE" or "Developer"), to provide safe, decent and affordable rental and ownership housing in the Bay Area and Southern California.

5. On June 18, 2002, the Agency Commission authorized an Exclusive Negotiations Agreement with BRIDGE leading to the long-term lease of real property at 5600 Third Street for the development of the Project.
6. BRIDGE is in the process of completing a U.S. Department of Housing and Urban Development ("HUD") Section 202 funding application. This funding will help subsidize the development and operation of the senior housing parcel. It is anticipated that 4% low income housing tax credits, tax exempt bond financing, Affordable Housing Program financing, and Agency tax increment financing will also be used to develop the senior housing.

7. BRIDGE is currently requesting a 12-month Lease Option Agreement, and an option to extend the Lease Option for an additional 12 months with the Agency.

8. The Lease Option Agreement will allow the application to be more favorably scored, as it will demonstrate site control. However, to exercise the Lease Option the Developer must be awarded the Section 202 financing and must return to the Commission for approval of the ground lease.

9. At such time that BRIDGE exercises the Lease Option, a public hearing concerning the proposed ground lease will be held in a time and manner required by law and subject to the Board of Supervisors’ approval as required by California Health and Safety Code Section 33433.

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 Lease Option Agreement with BRIDGE Housing Corporation, a California nonprofit public benefit corporation, for the development of approximately 132 units of very low income senior rental housing and 118 units of low income ownership units at 5600 Third Street, within the Bayview Hunters Point Redevelopment Survey Area, as part of the Citywide Tax Increment Housing Program, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:

[Signature]
James B. Morales
Agency General Counsel