RESOLUTION NO. 126-2005

Adopted August 16, 2005

AUTHORIZING A SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING AND TO THE GRANT AGREEMENT BOTH WITH BINDLESTIFF STUDIO, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO EXTEND THE TERM FROM JUNE 30, 2005 TO DECEMBER 31, 2005, TO ALLOW FOR ADDITIONAL PREDEVELOPMENT ACTIVITIES ASSOCIATED WITH A NEW COMMUNITY THEATER AT THE PLAZA APARTMENTS, 988-992 HOWARD STREET; AND AUTHORIZING A SECOND AMENDMENT TO THE FISCAL AGENT CONTRACT WITH TENANTS AND OWNERS DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO EXTEND THE TERM FROM JUNE 30, 2005 TO DECEMBER 31, 2005, TO ACT AS FISCAL AGENT FOR BINDLESTIFF STUDIO; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. On June 24, 2003, by Resolution No. 103-2003, the Commission authorized: 1) execution of a Memorandum of Understanding (the “MOU”) and a predevelopment grant agreement (the “Grant Agreement”) with Bindlestiff Studio (“Bindlestiff” or “Grantee”); and 2) a Fiscal Agent Contract with Tenant and Owners Development Corporation, a California nonprofit corporation (“TODCO”) to act as fiscal agent for the Agency’s grant to Bindlestiff (the “Grant”) in an amount not to exceed $140,390 (the “Grant Amount”).

2. On February 3, 2004, by Resolution No. 11-2004, the Commission authorized: 1) a First Amendment to the MOU and a First Amendment to the Grant Agreement to increase the Grant Amount by $84,645 for a total aggregate amount not to exceed $225,035, and to extend the agreement period from June 30, 2004 to June 30, 2005; and 2) a First Amendment to the Fiscal Agent Contract with TODCO.

3. The Grant is intended to enable Bindlestiff to hire professionals to assist in developing its organizational and fundraising capacity so that it can raise the funds necessary to complete the tenant improvements for the new theater space in the Plaza Apartments under construction at 988-992 Howard Street (the “New Theater Space”) in the South of Market Earthquake Recovery Redevelopment Project Area (the “Project Area”), and operate the New Theater Space once it has been completed.

4. The MOU, the Grant Agreement and the Fiscal Agent Contract expired on June 30, 2005. Bindlestiff has not been able to raise any of the capital funding necessary to complete the tenant improvements in the New Theater Space and it has failed to meet many of the other milestones outlined in the Grant Agreement. Because it has not performed many of the required Grant tasks, Bindlestiff still has significant funds remaining from the Grant Amount.
5. Bindlestiff has requested that the Agency extend the period of the MOU, the Grant Agreement, and the Fiscal Agent Contract by six months in order to allow Bindlestiff to demonstrate that it has overcome the problems that have stalled its fundraising progress and organizational development over the past two years.

6. The extension includes several performance milestones that Bindlestiff must achieve by December 31, 2005, including: 1) hiring a Managing Director who will assume all of the current responsibilities Bindlestiff’s Project Manager; 2) completion of an Interim Management Plan; 3) completion of a Long Term Business Plan; 4) completion of a Long Term Implementation Plan; 5) completion of an operational Fundraising Database; 6) and raising $165,000 in capital funding from applications totaling $660,000 to various funding sources.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute the following documents, substantially in the form lodged with the Agency General Counsel:

1) a Second Amendment to the Memorandum of Understanding and Grant Agreement both with Bindlestiff Studio, a California nonprofit public benefit corporation, to extend the term from June 30, 2005 to December 31, 2005 to allow for addition of such development activities associated with a new community theater at the Plaza Apartments, 988-992 Howard Street; and

2) a Second Amendment to the Fiscal Agent Contract with Tenants and Owners Development Corporation, a California nonprofit public benefit corporation, to extend the term from June 30, 2005 to December 31, 2005 to act as fiscal agent for Bindlestiff Studio.

APPROVED AS TO FORM:

[Signature]

James B. Morales
Agency General Counsel