

RESOLUTION NO. 30-2006

Adopted March 7, 2006

AUTHORIZING EXCLUSIVE NEGOTIATIONS WITH WESTBAY HOUSING CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND SATELLITE HOUSING, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DEVELOPMENT OF VERY LOW-INCOME RENTAL HOUSING FOR PERSONS WITH DISABILITIES ON CENTRAL FREEWAY PARCEL Q, SOUTHWEST CORNER OF OCTAVIA BOULEVARD AND OAK STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM

BASIS FOR RESOLUTION

1. On November 19, 2004, the Redevelopment Agency of the City and County of San Francisco ("Agency") purchased Central Freeway Parcel Q from the City and County of San Francisco ("City") for the express purpose of developing affordable housing.
2. On September 9, 2005, the Agency issued a Request for Proposals ("RFP") for the construction, ownership, and operation of 15 units of affordable housing for disabled individuals and their families on Central Freeway Parcel Q. The RFP sought high-quality proposals from experienced development teams comprised of a developer, architect, service provider and property manager.
3. Two development teams submitted proposals, both of which met the minimum requirements defined in the RFP. An interdisciplinary evaluation panel comprised of Agency staff and a staff member from the San Francisco Department of Public Health, with expertise in supportive services, ("Evaluation Panel") reviewed the proposals and interviewed the development teams. The teams then presented their proposals at a public town hall meeting on February 7, 2006.
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 housing for disabled individuals at Parcel Q, including previous development experience, developer staff capacity, architectural design, building constructability, financial feasibility, and appropriateness of the supportive services plan.
5. 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 Westbay Housing Corporation, a California nonprofit public benefit corporation, and Satellite Housing, Inc., a California nonprofit public benefit corporation (together, "Westbay/Satellite") offered the best development program for Parcel Q. The Evaluation Panel

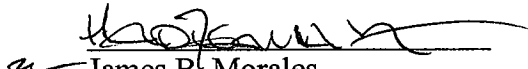
recommends that the Agency Commission authorize exclusive negotiations with Westbay/Satellite.

6. An eighteen-month period (“Exclusive Negotiations Period”) will allow the Developer to pursue predevelopment activities for the construction and operation of affordable and supportive housing for persons with disabilities. Westbay/Satellite must meet a series of milestones during the Exclusive Negotiations Period that will result in the execution of a ground lease agreement and a grant and regulatory agreement for consideration by the Agency 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 the Executive Director is authorized to negotiate and to execute an Exclusive Negotiations Agreement (“ENA”) with the joint-venture team of Westbay Housing Corporation., a California nonprofit public benefit corporation, and Satellite Housing, Inc., a California nonprofit public benefit corporation, (together, “Developer”), for the development of very low-income rental housing for persons with disabilities on Central Freeway Parcel Q, at the southwest corner of Octavia Boulevard and Oak Street, as part of the Agency’s Citywide Tax Increment Affordable Housing Program, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel