

RESOLUTION NO. 44-2006

Adopted March 21, 2006

AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH BAYVIEW VILLAGE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR THE DEVELOPMENT OF A FIVE-STORY, MIXED-USE PROJECT INCLUDING 15 RENTAL UNITS AND GROUND-FLOOR RETAIL SPACE AT 950 NEWHALL STREET, LOCATED AT THE CORNER OF NEWHALL STREET AND KIRKWOOD AVENUE; BAYVIEW INDUSTRIAL TRIANGLE REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. Bayview Village, LLC, a California limited liability company (the "Owner"), owns approximately 7,500 square feet of land, located at 950 Newhall Street (Assessor's Block 5279, Lot 004) (the "Site") in the Bayview Industrial Triangle Redevelopment Project Area (the "Project Area"). The Site is located at the corner of Newhall Street and Kirkwood Avenue. The Site is currently improved with a two-story, commercial building of approximately 6,500 square feet and 1,000 square feet of paved parking lot.
2. The Owner is seeking approval of a proposed Owner Participation Agreement ("OPA") to demolish the existing building and develop a new five-story, mixed-use project including 15 rental units and approximately 5,000 square feet of ground floor retail space, with 16 vehicle and five bicycle parking spaces in the basement, 1,332 square feet of common resident open space on a second-floor terrace, and private outdoor terraces for all units (collectively, the "Development").
3. The proposed Development complies with the requirements of the Bayview Industrial Triangle Redevelopment Plan (the "Plan") and pursuant to Resolution No. 45-2006, the Agency Commission is concurrently considering conditional approval of the schematic design.
4. The Development is subject to the Agency's Housing Participation Policy ("AHPP"), which was last amended on July 23, 2002, by Resolution No. 71-2002. Under the AHPP, the Owner is required to provide a minimum of 10% of the total number of units as affordable. In accordance with the AHPP, two of the 15 rental units will be affordable and distributed throughout the Development.
5. The Plan provides for owners to participate in the redevelopment of private property in the Project Area, and the Owner wishes to participate and to enter into an OPA to build the Development.
6. Although the Owner plans to initially operate the Development as a rental project, the Owner may potentially convert the residential units after occupancy from rental to

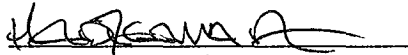
for-sale condominiums in the future, pursuant to a subdivision map to be recorded on the property. The OPA includes an incentive program for tenants occupying affordable units to ensure that no one is displaced and that each tenant has an opportunity to purchase his or her unit.

7. Pursuant to the California Environmental Quality Act ("CEQA") Guidelines Section 15332, the Development is categorically exempt from CEQA review as an infill development that will not result in significant environmental effects or expansion of utilities to service the project.
8. Staff recommends execution of the OPA with the Owner.

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 an Owner Participation Agreement and related documents with Bayview Village, LLC, a California limited liability company, for the development of a five-story, mixed-use project including 15 rental units of residential housing and ground-floor retail space, located on the corner of Newhall Street and Kirkwood Avenue (Assessor's Block 5279, Lot 004) in the Bayview Industrial Triangle Redevelopment Project Area, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel