

RESOLUTION NO. 52-2006

Adopted April 18, 2006

AUTHORIZING A SIXTH AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT TO EXTEND THE TERM UNTIL SEPTEMBER 30, 2007, A THIRD AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT TO AMEND THE SCHEDULE OF PERFORMANCE, AND A DEVELOPMENT SERVICES AGREEMENT TO PERFORM PRE-CONSTRUCTION DEMOLITION IN AN AMOUNT NOT TO EXCEED \$100,000, WITH SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR THE DEVELOPMENT OF 18 LOW- AND MODERATE-INCOME FIRST-TIME HOME OWNERSHIP UNITS AND GROUND FLOOR COMMERCIAL SPACE AT 4800 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. San Francisco Housing Development Corporation's, a California nonprofit public benefit corporation ("SFHDC" or "Developer"), mission is to provide safe, decent and affordable housing primarily to households in the City's Bayview and Western Addition communities.
3. On November 27, 2001, by Resolution No. 208-2001, the Agency Commission authorized the Agency to enter into an Exclusive Negotiations Agreement ("ENA") with SFHDC leading to a ground lease agreement providing for the redevelopment of 4800 Third Street, an under developed and blighted property with a 1,584 square foot building along with 10 surface parking spaces (the "Existing Improvements") in the Bayview Hunters Point Redevelopment Survey Area (the "Site"), as a mixed-use affordable housing development (the "Project"). The Agency had acquired the Site on December 14, 2001, pursuant to an Assignment and Assumption Agreement between the Agency and SFHDC for the Purchase and Sale Agreement between SFHDC and the former owner of the Site.
4. Also on November 27, 2001, by Resolution No. 209-2001, the Agency Commission authorized a Tax Increment Affordable Housing Program Redevelopment Loan for \$400,000 (the "Agency Loan") with the Developer for the development of the Project.

5. From September 16, 2003 through June 21, 2005, the Agency Commission authorized five amendments to the ENA primarily to amend the Schedule of Performance and the date of expiration, to allow the Developer and the Agency to determine a development plan for the Site and to receive input from the community throughout the process.
6. On June 21, 2005, by Resolution No. 111-2005, the Agency Commission authorized a First Amendment to the Agency Loan to increase the loan amount by an additional \$453,500, for a total amount not to exceed \$853,500, to advance a new development concept for the Project consisting of 18 condominiums for first-time low and moderate income homebuyers.
7. On November 1, 2005, by Resolution No 173-2005, the Agency Commission authorized a Second Amendment to the Agency Loan to modify the sources and use of funds and the loan disbursement budget for the Project.
8. The parties now desire to: (1) extend the expiration of the ENA from January 31, 2006 to September 30, 2007 to provide SFHDC sufficient time to complete the performance milestones prior to the transfer of the Site to the Developer; (2) amend the Agency Loan to include the current development schedule for the Project in a revised Schedule of Performance; and (3) to execute a Development Services Agreement, for a total amount not to exceed \$100,000, for demolition of the Existing Improvements, which amount was included in the Agency Commission's authorization for purchase of the Site and other related costs, by Resolution No. 207-2001.

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 a Sixth Amendment to the Exclusive Negotiations Agreement to extend the expiration date to September 30, 2007; to execute a Third Amendment to the Tax Increment Loan Agreement to amend the Schedule of Performance; and, to execute a Development Services Agreement to perform pre-construction demolition, in an amount not to exceed \$100,000, with San Francisco Housing Development Corporation, a California nonprofit public benefit corporation, for the development of 18 low- and moderate-income first-time home ownership units and ground floor commercial space at 4800 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:


James B. Morales
Agency General Counsel