

1 [Second Amendment to Ground Lease - Mission Bay Affordable Housing, L.P - 150 Berry
2 Street, 201, 207, 213, 215, 217, 219, 221, 223, 225, and 227 King Streets - Rich Sorro
3 Commons]

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4 **Resolution authorizing the execution and performance of a Second Amendment to the**
5 **Ground Lease between the City and County of San Francisco and Mission Bay**
6 **Affordable Housing, L.P., for real property located at 150 Berry Street, 201, 207, 213,**
7 **215, 217, 219, 221, 223, 225 and 227 King Streets, in connection with the loan**
8 **refinancing and minor rehabilitation of community space at Rich Sorro Commons, a**
9 **100-unit affordable housing development for very low income individuals and families,**
10 **with no change to the length of term or amount.**

11 WHEREAS, The Former Redevelopment Agency of the City and County of San
12 Francisco ("Agency") leased the property located at 150 Berry Street, 201, 207, 213, 215,
13 217, 219, 221, 223, 225 and 227 King Streets San Francisco, CA 94107 (Assessor's Parcel
14 Block No. 8706, Lot No. 003; Block No. 8706, Lot No. 005; Block No. 8706, Lot No. 006; Block
15 No. 8706, Lot No. 010; Block No. 8706 Lot No. 011-263; Block No. 8706, Lot No. 013; Block
16 No. 8706, Lot No. 264-308) (together the "Property") to Mission Bay Affordable Housing, L.P.
17 ("Developer") pursuant to that certain Orlando Cepeda Place Ground Lease dated as of
18 November 28, 2000 ("Ground Lease"); and

19 WHEREAS, Developer has constructed and operated the building located thereon (the
20 "Building") as affordable housing for very low income individuals and families; and

21 WHEREAS, Under California State Assembly Bill No. 1X26 (Chapter 5, Statutes of
22 2011-12, first Extraordinary Session) ("AB 26"), the Agency dissolved as a matter of law on
23 February 1, 2012, and pursuant to AB 26, as amended by California State Assembly Bill No.
24 1484 ("AB 1484"), and Resolution No. 11-12, adopted by the City's Board of Supervisors and
25 Mayor on January 26, 2012, Ordinance No. 215-12, adopted by the City's Board of

1 Supervisors and Mayor on October 12, 2012, and the approved housing asset list submitted
2 by City to, and approved by, the State of California Department of Finance pursuant to AB
3 1484 (Cal. Health & Safety Code, Section 34176(a)(2)), City is successor in interest to
4 Agency's fee interest in the Property and to all of the Agency's rights and obligations with
5 respect to the Lease and the Property; and

6 WHEREAS, The Developer desires to refinance its existing debt with a new lender, and
7 such lender has requested the City and the Developer amend the Ground Lease to provide
8 certain protections in the event of a default by the Developer; and

9 WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD")
10 desires to enter into a Second Amendment to the Ground Lease ("Second Amendment") with
11 the Developer substantially in the form approved by the Director of Property and MOHCD on
12 file with the Clerk of the Board of Supervisors in File No. 171195, incorporated herein by
13 reference; now, therefore, be it

14 RESOLVED, That in accordance with the recommendations of the Director of Property
15 and the Director of MOHCD, the Board of Supervisors hereby approves and authorizes the
16 Director of Property, along with the Acting Director of MOHCD, to finalize negotiations for the
17 Second Amendment and following the negotiations for the Second Amendment authorizes the
18 Director of MOHCD to execute and deliver the Second Amendment; and be it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
20 Property and Acting Director of MOHCD, in consultation with the City Attorney, to enter into
21 any additions, amendments or other modifications to the Second Amendment that the Director
22 of Property and Director of MOHCD determines are in the best interests of the City, do not
23 decrease the revenues of the City in connection with the Property, or otherwise materially
24 increase the obligations or liabilities of the City, and are in compliance with all applicable laws,
25 including the City's Charter; and, be it

