

1 [Resolution approving a ground lease of land and sale of improvements at 820 O'Farrell  
2 Street by the San Francisco Redevelopment Agency.]

3  
4 **Resolution approving (1) a ground lease of land at 820 O'Farrell Street (Assessor's**  
5 **Block 0716, Lot 003) from the San Francisco Redevelopment Agency to Jordan**  
6 **Housing Corporation, a California nonprofit public benefit corporation ("JHC"), for**  
7 **\$1.00 per year plus \$129,999 per year of deferred rent for sixty-five (65) years with an**  
8 **option to renew for an additional thirty-four (34) years, and (2) the sale of**  
9 **improvements thereon for \$2,050,000 to JHC for the purpose of rehabilitating, owning**  
10 **and operating housing for very low income households.**

11  
12 WHEREAS, In May, 1993, the San Francisco Redevelopment Agency ("Agency")  
13 entered into grant and loan agreements with a nonprofit developer pursuant to the Agency's  
14 Citywide Tax Increment Affordable Housing Program to rehabilitate certain improvements  
15 located at 820 O'Farrell Street to provide housing for "Very Low Income Households" as  
16 defined by the United States Department of Housing and Urban Development ("HUD"); and

17 WHEREAS, On October 15, 2001, the Agency acquired title to the land and  
18 improvements at 820 O'Farrell Street (collectively, the "Property") through foreclosure; and,

19 WHEREAS, After an extensive Request for Proposal ("RFP") period, on February 26,  
20 2002, the Agency Commission adopted Resolution No. 36-2002 authorizing entering into  
21 exclusive negotiations with Conard House, Inc., a California nonprofit public benefit  
22 corporation, or its single asset subsidiary, for the disposition of the Property for the operation  
23 of 54 units of very low income housing. A copy of Resolution No. 36-2002 is on file with the  
24 Clerk of the Board of Supervisors in File No. , which is hereby declared to be a part of this  
25 resolution as if set forth fully herein; and

1 WHEREAS, Conard House, Inc. has established Jordan Housing Corporation, a  
2 California nonprofit public benefit corporation (“Developer”), to rehabilitate, own and operate  
3 the Property for housing for Very Low and Low Income Households; and

4 WHEREAS, On July 3, 2003, the Agency determined that the ground lease of the land  
5 and the sale of the improvements of the Property to Developer were categorically exempt  
6 under the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State  
7 CEQA Guidelines (Existing Facilities). A copy of the Agency’s CEQA determination is on file  
8 with the Clerk of the Board of Supervisors in File No. , which is hereby declared to be a  
9 part of this resolution as if set forth fully herein

10 WHEREAS, On March 11, 2003, the Agency Commission adopted Resolution No. 30-  
11 2003 authorizing entering into a ground lease with Developer of the Property’s land for \$1.00  
12 per year base rent plus \$129,999.00 per year of deferred rent. A copy of Resolution No. 30-  
13 2003 is on file with the Clerk of the Board of Supervisors in File No. , which is hereby  
14 declared to be a part of this resolution as if set forth fully herein; and

15 WHEREAS, On March 11, 2003, the Agency Commission also adopted (1) Resolution  
16 No. 31-2003 authorizing a Tax Increment Loan Agreement to Developer in an amount not to  
17 exceed \$1,250,000 as a bridge loan subject to the Developer’s receipt of State Multifamily  
18 Housing Program funds, and (2) Resolution No. 33-2003 authorizing execution of a  
19 Regulatory and Grant Agreement with the Developer in an amount not to exceed \$3,886,864  
20 for the balance of costs associated with the acquisition and rehabilitation of the Property for  
21 housing for Very Low Income Households. Copies of Resolution No. 31-2003 and Resolution  
22 No. 33-2003 are on file with the Clerk of the Board of Supervisors in File No. , which are  
23 hereby declared to be a part of this resolution as if set forth fully herein; and

24 WHEREAS, On June 24, 2003, the Agency Commission adopted Resolution No. 102-  
25 2003 authorizing the Agency’s Executive Director to enter into a purchase and sale

1 agreement with Developer for the sale of the improvements on the Property to Developer for  
2 an amount not to exceed \$2,050,000 for the rehabilitation of 55 residential units for Very Low  
3 Income Households. A copy of Resolution No. 102-2003 is on file with the Clerk of the Board  
4 of Supervisors in File No. , which is hereby declared to be a part of this resolution as if set  
5 forth fully herein; and

6 WHEREAS, Section 33433 of the Health and Safety Code requires the Board of  
7 Supervisors, as the legislative body under Section 33433, to approve the Agency's sale or  
8 lease of any property acquired in whole or in part, directly or indirectly, with tax increment  
9 proceeds for development; and

10 WHEREAS, In accordance with the requirements of Section 33433, the Agency has  
11 published a notice and made available a report (the "Report") regarding the proposed ground  
12 lease of the land and sale of the improvements of the Property to the Developer. A copy of  
13 the Report is on file with the Clerk of the Board of Supervisors in File No. , which is hereby  
14 declared to be a part of this resolution as if set forth fully herein; now, therefore, be it

15 RESOLVED, That the Board of Supervisors hereby finds, determines and declares,  
16 based on the record before it, including but not limited to the analyses and information  
17 contained in the Report that:

- 18 1. The ground lease of the land and the sale of the improvements on the Property  
19 to Developer will assist in the elimination of blight;
- 20 2. The ground lease of the land and the sale of the improvements on the Property  
21 to Developer is consistent with the implementation plans adopted by the Agency  
22 pursuant to Section 33490 of the Health and Safety Code for all redevelopment  
23 project areas; and
- 24 3. The consideration is not less than the fair reuse value at the use and with the  
25 covenants and conditions and development costs authorized by the ground

1                    lease and purchase and sale agreement between the Agency and Developer;  
2                    and, be it

3                    FURTHER RESOLVED, That the Board of Supervisors adopts as its own the finding  
4                    and determination of the Agency that the ground lease and sale of the Property as described  
5                    above is categorically exempt under CEQA; and, be it

6                    FURTHER RESOLVED, That the Board of Supervisors hereby approves the ground  
7                    lease and sale of the Property as described hereinabove.

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25