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[Mixed-use development of affordable housing and a City office building at 10th and Market Streets.]

Resolution endorsing the concept of a mixed-use development project at 10th and Market Streets including affordable and market rate housing and a new City office building, and directing City staff to identify the key terms and conditions of agreements effectuating such a project.

WHEREAS, The Mid-Market Development Corporation ("MMDC") is a joint venture of Citizens Housing Corporation ("CHC") and the Tenderloin Neighborhood Development Corporation ("TNDC"), two non-profit public benefit corporations that provide and preserve quality affordable housing for low income Californians; and,

WHEREAS, MMDC owns a 2.18 acre parcel of land located on the eastern half of the block bounded by Market, Tenth, Mission and Eleventh Streets in the Civic Center area of San Francisco (the "Property"); and,

WHEREAS, MMDC seeks to develop over 400 units of affordable and market-rate transit based housing on a portion of the Property, including a mix of studios for seniors, large multi-family apartments and first-time home-buying units; and,

WHEREAS, In order to (i) help finance a portion of the costs of such affordable housing, (ii) take advantage of efficiencies in the planning and entitlement process, and (iii) better serve the City's long-term use and programmatic goals for the area, MMDC plans to master develop the entire site as a mix of residential, public, commercial and neighborhood-serving retail uses in a transit based environment; and,

WHEREAS, Towards that end, MMDC conducted a competitive solicitation process seeking a qualified development company to develop the entire Property, and through that

1 process selected Myers Development Company ("Myers") to master develop the Property on
2 MMDC's behalf; and,

3 WHEREAS, The City seeks to acquire fee title ownership of over 1,000,000 square feet
4 of office space in the Civic Center area to protect the City's General Fund from uncertainties
5 and fluctuations in the rental market for office space and to minimize the costs, inefficiencies
6 and disruptions in service caused by the frequent relocation of City personnel to and from
7 rented space; and,

8 WHEREAS, The Property has certain specific characteristics, including its proximity to
9 the Civic Center and other City office buildings such as City Hall, its proximity to major transit
10 corridors along Market Street and Van Ness Avenue, its size, its configuration and other
11 physical characteristics, that make it uniquely well situated for the development of an office
12 building for City personnel containing over 400,000 rentable square feet (the "City Office
13 Building"); and,

14 WHEREAS, By developing the City Office Building on the Property in conjunction with
15 MMDC's larger mixed-use of the site, the City would further multiple public purposes,
16 including: (i) achieving a significant portion of the City's efficiency and programmatic goals
17 related to owning space instead of renting it, as described above, (ii) contributing to the
18 development of a significant number of new affordable and market-rate housing units in a
19 transit based environment, and (iii) enlivening and revitalizing a portion of the Mid-Market area
20 of San Francisco; now therefore, be it

21 RESOLVED, That the Board of Supervisors hereby endorses the concept of MMDC
22 developing a mixed-use project at the Property including affordable and market-rate transit
23 based housing, a City Office Building, and other public, commercial and neighborhood-serving
24 retail uses (the "Project"); and, be it
25

1 FURTHER RESOLVED That the Board of Supervisors urges City staff, including the
2 Mayor's Office (including the Mayor's Office of Public Finance, the Mayor's Office of Housing
3 and the Mayor's Office of Economic Development), the Office of the City Architect, the Real
4 Estate Department, the Planning Department, and the City Attorney's Office to develop a
5 financing plan to pay for construction of the City Office Building and to identify the key terms
6 and conditions of any required agreements with MMDC and Myers necessary to effectuate the
7 Project, and to provide a written report to the Board of Supervisors summarizing such
8 financing plan and key terms and conditions (a "Term Sheet") within 60-120 days.

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 030205

Date Passed:

Resolution endorsing the concept of a mixed-use development project at 10th and Market Streets including affordable and market rate housing and a new City office building, and directing City staff to identify the key terms and conditions of agreements effectuating such a project.

February 11, 2003 Board of Supervisors — REFERRED: City Services Committee

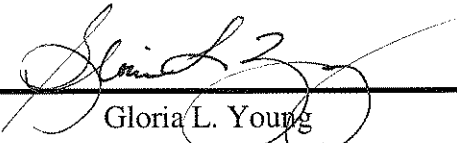
March 4, 2003 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick,
Newsom, Peskin

Noes: 1 - Sandoval

File No. 030205

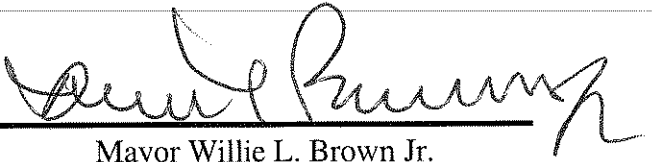
I hereby certify that the foregoing Resolution was ADOPTED on March 4, 2003 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

MAR 07 2003

Date Approved



Mayor Willie L. Brown Jr.