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[Ground Lease of Redevelopment Agency Land for the Notre Dame Apartments]
APPROVING THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO'S LEASE OF LAND AT ASSESSOR'S BLOCK 571, LOTS 5 AND
14, COMMONLY KNOWN AS 1590 BROADWAY STREET, TO THE NOTRE
DAME HOUSING PARTNERS, L.P., AN AFFILIATE OF CHINATOWN
COMMUNITY DEVELOPMENT CENTER, FOR 50 YEARS FOR THE PURPOSE OF
PRESERVING A HOUSING DEVELOPMENT FOR VERY LOW AND LOW
INCOME SENIOR HOUSEHOLDS.

WHEREAS, The expiration of project-based Section 8 contracts poses a serious
threat to San Francisco's affordable housing stock; and

WHEREAS, The Agency and the City desire to preserve developments with
Section 8 contracts as affordable housing; and

WHEREAS, The housing development located at Assessor's Block 571, Lots 5
and 14, more commonly known as 1590 Broadway Street ("the Project"), has an expiring
Section 8 contract and an FHA-insured mortgage eligible for prepayment; and

WHEREAS, The current private owner of the Project expressed its intention to
prepay that mortgage, terminate the Section 8 contract and convert the Project from
affordable housing to market rate housing; and

WHEREAS, In order to preserve the long-term affordability of the Project, the
Agency intends to become the owner of the land associated with the Project ("the
Property") located in the Russian Hill neighborhood ; and

WHEREAS, Notre Dame Housing Partners, a California 501 (c) (3) Non-profit
corporation ("Developer") is an entity established to acquire and operate the Project as
housing units for Very Low and Low Income Households and will become the owner of
the improvements on the Property; and

WHEREAS, A majority of the tenants at the Project have endorsed the acquisition
of the Project by the Developer; and

1 WHEREAS, The Developer has applied to the Agency for funding to preserve the Project
2 as affordable housing; and

3 WHEREAS, The Developer anticipates issuing tax exempt multifamily mortgage
4 revenue bonds and, this funding, the Agency funding and the lease of the Property for a
5 restricted rent, estimated to be five hundred and forty thousand dollars per year
6 (\$540,000), will make it financially feasible for the Developer to preserve 205 dwelling
7 units for occupancy by Very Low and Low Income Senior Households, as those terms are
8 defined in California Health and Safety Code Sections 50105 and 33334.2, respectively;
and

9 WHEREAS, The Agency and Notre Dame Housing Partners, intend to enter into
10 a ground lease (“the Ground Lease”), in which the Agency will lease the Property for five
11 hundred and forty thousand dollars (\$540,000) per year, in exchange for the Developer’s
12 agreement, among other things, to preserve the Project with rent levels affordable to Very
Low and Low Income Senior Households; and

13 WHEREAS, Although the Property could command a higher rent, leasing the
14 Property for a rent in excess of the stated rent would render it financially infeasible to
15 preserve the Project with rent levels affordable to Very Low and Low Income
16 Households; and

17 WHEREAS, Because the Property will be purchased with tax increment money,
18 Section 33433 of the California Health and Safety Code requires the Board of
Supervisors’ approval of its sale or lease, after a public hearing; and

19 WHERAS, Notice of the public hearing has been published as required by Health
20 and Safety Code Section 33433; and

21 WHEREAS, The Agency prepared and submitted a report in accordance with the
22 requirements of Section 33433 of the Health and Safety Code, including a copy of the
23 proposed Ground Lease, and a summary of the transaction describing the cost of the
24 Ground Lease of the Agency, the value of the property interest to be conveyed, the lease
25 price and other information was made available for the public inspection; now therefore
be it

1 RESOLVED, That the Board of Supervisors of the City and County of San
2 Francisco does hereby find and determine that the lease of the Property from the Agency
3 to Notre Dame Housing Partners, a California 501(c) (3) Non-profit corporation: (1) will
4 provide housing for Very Low and Low Income Senior and Disabled Persons; (2) is
5 consistent with the Agency's implementation plan adopted pursuant to California Health
6 and Safety Code Section 33490; (3) the less than fair market value rent of approximately
7 five hundred and forty dollars (\$540,000) per year for a period of fifty (50) years is
8 necessary to effectuate the purposes of the Mayor's Affordable Housing Preservation
9 Program; and (4) the consideration to be received by the Agency is not less than the fair
10 reuse value at the use and with the covenants and conditions and developments costs
11 authorized by the Ground Lease; and be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby approves and
13 authorizes the Agency to execute the Ground Lease of the Property from the Agency to
14 Notre Dame Partners, substantially in the form of the Ground Lease lodged with the
15 Agency General Counsel, and to take such further actions and execute such documents as
16 are necessary to carry out the Ground Lease on behalf of the Agency.
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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: 001875

Date Passed:

Resolution approving the Redevelopment Agency of the City and County of San Francisco's lease of land at Assessor's Block 571, Lots 5 and 14, commonly known as 1590 Broadway Street, to the Notre Dame Housing Partners, L.P., an affiliate of Chinatown Community Development Center, for 50 years for the purpose of preserving a housing development for very low and low income senior households.

November 13, 2000 Board of Supervisors — ADOPTED

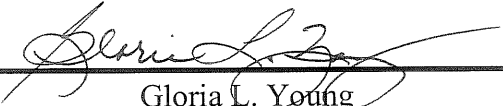
Ayes: 9 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki

Absent: 1 - Yee

Excused: 1 - Becerril


File No. 001875

I hereby certify that the foregoing Resolution was ADOPTED on November 13, 2000 by the Board of Supervisors of the City and County of San Francisco.


Gloria L. Young
Clerk of the Board

NOV 23 2000

Date Approved


Mayor Willie L. Brown Jr.