Resolution approving and authorizing the Mayor’s Office of Housing, as Successor Housing Agency to the Redevelopment Agency, to amend an existing term ground lease with Broadway Sansome Associates, L.P., a California limited partnership, for the development and operation of affordable housing on certain real property located at 255 Broadway and making findings that the amendments are in conformance with California Environmental Quality Act, the City’s General Plan, and the priority policies of Planning Code, Section 101.1.

WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) was the fee owner of 255 Broadway Street (Lot 21, Block 165 and referred to herein as the “Property”) and intended to develop the Property for affordable housing; and,

WHEREAS, Through a Memorandum Agreement with the Mayor’s Office of Housing (“MOH”), MOH agreed to fund and manage the development of the Property into affordable family rental housing; and,

WHEREAS, In December 2006 MOH issued a Request for Proposals and in June 2007 conditionally selected Chinatown Community Development Center (“CCDC”) as the qualified developer; and,

WHEREAS, CCDC formed a limited partnership called Broadway Sansome Associates, L.P. (the “Developer”) that will act as the developer for the Property; and,

WHEREAS, the proposed project will be the new construction of 75 family rental units (the “Project”); and,

WHEREAS, In 2010 the Former Agency entered into a ground lease (the “Lease”) with the Developer in order to demonstrate site control for a state funding application; and,
WHEREAS, Under California State Assembly Bill No. 1X26 (Chapter 5, Statues of 2011-12, first Extraordinary Session) ("AB 26"), the Former Agency dissolved as a matter of law on February 1, 2012, and pursuant to AB 26, as amended by California State Assembly Bill No. 1484 ("AB 1484"), and Resolution No. 11-12, adopted by this Board and Mayor on January 26, 2012, Ordinance No. 215-12, adopted by this Board and Mayor on October 12, 2012, and the approved housing asset list submitted by MOH to, and approved by, the State of California Department of Finance pursuant to AB 1484 (Cal. Health & Safety Code Section 34176(a)(2)), MOH is successor in interest to Former Agency's fee interest in the Property and to all of the Former Agency’s rights and obligations under the Lease; and,

WHEREAS, In order to close current Project financing, including a construction loan from Silicon Valley Bank and equity from Raymond James (together, the “Project Financers”), the Project Financers are requesting material changes to the Lease; and,

WHEREAS, MOH staff and the Director of Property have reviewed the requested changes and determined they are administrative and can be accepted and incorporated into an amended and restated ground lease, substantially in the form of the Amended and Restated Ground Lease on files with the Clerk of the Board of Supervisors in File 130234 (the “Amended Lease”); and,

WHEREAS, the Planning Department determined that the Project is consistent with the City’s General Plan and the Eight Priority Policies of Planning Code Section 101.1; and,

WHEREAS, On July 22, 2010, the Planning Commission, in accordance with Title 14 of the California Code of Regulations, Chapter 3, Article 19, Section 15332 (CEQA State Guidelines), adopted a Mitigated Negative Declaration determination under CEQA; now, therefore, be it

RESOLVED, That this Board finds that there have been no substantial project changes or changes in project circumstances since the Mitigated Negative Declaration was certified
that would require major revisions thereto due to the involvement of new significant
environmental effects or an increase in the severity of previous identified significant impacts,
and there is no new information of substantial importance that would change the conclusions
set forth therein; and, be it

FURTHER RESOLVED, That in accordance with the recommendations of the Director
of Property and the Director MOH, the Board of Supervisors hereby approves and authorizes
the Director of Property, along with the Director of MOH, to finalize negotiations for the
Amended Lease and following the negotiations for the Amended Lease authorizes the
Director of Property and the Director of MOH to execute and deliver the Amended Lease; and,
be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
Property and the Director of MOH, in consultation with the City Attorney, to enter into any
additions, amendments or other modifications to the Amended Lease (including in each
instance, without limitation, the attachment of exhibits) that the Director of Property and
Director of MOH determine are in the best interests of the City, do not decrease the revenues
of the City in connection with the Property, or otherwise materially increase the obligations or
liabilities of the City, and are in compliance with all applicable laws, including the City's
Charter.

RECOMMENDED:

[Signatures]

MOH Director

Director of Property
Resolution approving and authorizing the Mayor's Office of Housing, as Successor Housing Agency to the Redevelopment Agency, to amend an existing term ground lease with Broadway Sansome Associates, L.P., a California limited partnership, for the development and operation of affordable housing on certain real property located at 255 Broadway and making findings that the amendments are in conformance with California Environmental Quality Act, the City's General Plan, and the priority policies of Planning Code, Section 101.1.

March 27, 2013 Budget and Finance Sub-Committee - RECOMMENDED

April 02, 2013 Board of Supervisors - ADOPTED
   Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 4/2/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved