

1 [Ground Lease - Successor Agency Land - 1751 Carroll Avenue - Bayview Senior Housing]

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3 **Resolution approving and authorizing the Successor Agency to the Redevelopment**
4 **Agency of the City and County of San Francisco to execute a lease of land at 1751**
5 **Carroll Avenue (Assessor's Block No. 5431A, Lot No. 042), with Carroll Avenue Senior**
6 **Homes, LP, a California limited partnership, for a term of 55 years for the purpose of**
7 **developing housing for very low-income senior households; adopting findings under**
8 **the California Environmental Quality Act; and adopting findings that the conveyance is**
9 **consistent with the General Plan, and the eight priority policies of Planning Code,**
10 **Section 101.1.**

11
12 WHEREAS, The Successor Agency to the Redevelopment Agency of the City and
13 County of San Francisco (the "Successor Agency," also commonly known as the Office of
14 Investment and Infrastructure ("OCII")) and the City desire to increase the City's supply of
15 affordable housing and encourage affordable housing development through financial and
16 other forms of assistance; and

17 WHEREAS, The Board of Supervisors of the City adopted the Bayview Hunters Point
18 Redevelopment Project Area (the "Project Area") in order to undertake a variety of projects
19 and activities to alleviate blighting conditions; and

20 WHEREAS, The OCII-owned parcel located at 1751 Carroll Avenue (the northwest
21 corner of 5800 Third Street), Assessor's Block 5431A, Lot 042, San Francisco, California, in
22 the former Project Area ("Site" or "Property"), is an underutilized and unimproved lot; and

23 WHEREAS, The former Redevelopment Agency Commission selected Carroll Avenue
24 Senior Homes, LP, a California limited partnership (formerly Bayview Supportive Housing,
25 LLC, a California limited liability company) an affiliate of Bayview Hunters Point Multipurpose

1 Senior Services, Inc., and McCormack Baron Salazar, ("Developer"), to develop the Site; and

2 WHEREAS, OCII is providing the Developer with financial assistance to leverage
3 equity from an allocation of low-income housing tax credits and other funding sources in order
4 to construct approximately 120 (plus one manager's unit) units of affordable senior rental
5 housing, support service space, and ground floor senior services (the "Project"); and

6 WHEREAS, The OCII Commission has approved a ground lease between OCII and
7 the Developer (the "Ground Lease Agreement"), in which OCII will lease the Property for
8 Fifteen Thousand Dollars (\$15,000.00) per year, in exchange for the Developer's agreement,
9 among other things, to operate the Project with rent levels affordable to Lower Income
10 Households. A copy of OCII Commission Resolution No. 56-2013 is on file with the Clerk of
11 the Board of Supervisors in File No. 140103, and incorporated by reference herein as though
12 fully set forth; and

13 WHEREAS, OCII believes that the redevelopment of the Site, pursuant to the Ground
14 Lease Agreement, and the fulfillment generally of the Ground Lease Agreement and the
15 intentions set forth herein, are in the vital and best interests of the City and the health, safety,
16 morals and welfare of its residents, and in accord with the public purposes and provisions of
17 the applicable State and Federal laws; and

18 WHEREAS, By Planning Commission Motion No. 18730 dated October 25, 2012, the
19 Department of City Planning adopted and issued a General Plan Consistency Finding, a copy
20 of which is on file with the Clerk of the Board in File No. 140103, wherein the Department of
21 City Planning found that the development of the Property is consistent with the City's General
22 Plan and with the eight priority policies under Planning Code Section 101.1; and that the
23 Addendum to Mitigated Negative Declaration, Case No. 2012.0045E, concluded that the
24 Finding of Mitigated Negative Declaration adopted and issued on September 1, 2005 remains
25 valid and that no supplemental environmental review is required for the revised project; and

1 WHEREAS, Upon completion of the Project, OCII intends to transfer the affordable
2 housing loan obligation, asset, and ground lease to the Mayor's Office of Housing and
3 Community Development ("MOHCD") as the designated Successor Housing Agency of the
4 City and County of San Francisco under Board Resolution 11-12, as required by Dissolution
5 Law. Additionally, at the time of transfer to MOHCD, or subsequent to such transfer, the
6 Tenant intends to transfer a portion of an adjacent parcel to MOHCD and the Ground Lease
7 will be amended to reflect a revised legal description based on such transfer; and

8 WHEREAS, Because the Property was purchased with tax increment money, Section
9 33433 of the California Health and Safety Code requires the Board of Supervisors' approval of
10 its sale or lease, after a public hearing; and

11 WHEREAS, Notice of the public hearing has been published as required by Health and
12 Safety Code Section 33433; and

13 WHEREAS, OCII prepared and submitted a report in accordance with the requirements
14 of Section 33433 of the Health and Safety Code, including a copy of the proposed Ground
15 Lease Agreement, and a summary of the transaction describing the cost of the Ground Lease
16 to the Agency, the value of the property interest to be conveyed, the lease price and other
17 information was made available for the public inspection; now, therefore, be it

18 RESOLVED, That the Board of Supervisors does hereby find and determine that the
19 lease of the Site from OCII to the Developer (1) will provide housing for very low-income
20 seniors; (2) is consistent with the former Redevelopment Agency's citywide Tax Increment
21 Affordable Housing Program, pursuant to Community Redevelopment Law Section 33342.2;
22 (3) the less than fair market value rent of approximately Fifteen Thousand Dollars
23 (\$15,000.00) per year for a term of fifty-five (55) years is necessary to achieve affordability for
24 Very Low Income Households; and (4) the consideration to be received by OCII is not less
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1 than the fair reuse value at the use and with the covenants and conditions and development
2 costs authorized by the Ground Lease Agreement; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the ground
4 lease of the Property are consistent with the General Plan, and with the eight priority policies
5 of Planning Code Section 101.1 for the same reasons as set forth in the Planning Commission
6 Motion, dated October 25, 2012, and hereby incorporates such findings by reference as
7 though fully set forth in this Resolution; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors hereby approves and
9 authorizes OCII to execute the Ground Lease Agreement with the Developer, substantially in
10 the form on file with the Clerk of the Board of Supervisors in File No. 140103 and lodged with
11 the OCII, and to take any such further actions needed to execute such documents as is
12 necessary to carry out the Ground Lease Agreement.

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City and County of San Francisco

Tails

Resolution

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

File Number: 140103

Date Passed: March 04, 2014

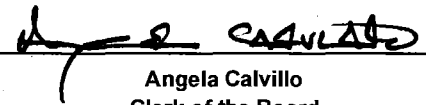
Resolution approving and authorizing the Successor Agency to the Redevelopment Agency of the City and County of San Francisco to execute a lease of land at 1751 Carroll Avenue (Assessor's Block No. 5431A, Lot No. 042), with Carroll Avenue Senior Homes, LP, a California limited partnership, for a term of 55 years for the purpose of developing housing for very low-income senior households; adopting findings under the California Environmental Quality Act; and adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

March 04, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 140103

I hereby certify that the foregoing Resolution was ADOPTED on 3/4/2014 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


Mayor


Date Approved