

1 [Ground Lease Amendment - 1555 Turk Street - Laurel Gardens of Bethel A.M.E.
2 Church, L.P. - Up to \$950,000 per Year, Including Mandatory \$15,000 per Year Base Rent]

3 **Resolution authorizing the execution and performance of an amendment to a Long-**
4 **Term Ground Lease of 99 years in length between the City and County of San**
5 **Francisco and Laurel Gardens of Bethel A.M.E. Church, L.P., a California limited**
6 **partnership, for real property located at 1555 Turk Street, in connection with the**
7 **refinancing and rehabilitation of 52 units of affordable housing for low and very low**
8 **income individuals and families, for an annual rent amount of up to \$950,000 per year,**
9 **including a mandatory \$15,000 per year base rent.**

10
11 WHEREAS, The Former San Francisco Redevelopment Agency (the "Agency") leased
12 the land for the property located at 1555 Turk Street, San Francisco, CA 94115 (Assessor's
13 Parcel Block No. 0754, Lot No. 028) (the "Property") on October 1, 1998, to Laurel Gardens of
14 Bethel A.M.E. Church, L.P. ("Bethel"); and

15 WHEREAS, Bethel has operated the building located thereon (the "Improvements") as
16 affordable housing for low and very low income individuals and families; and

17 WHEREAS, Under California State Assembly Bill No. 1X26 (Chapter 5, Statutes of
18 2011-12, first Extraordinary Session) ("AB 26"), the Agency dissolved as a matter of law on
19 February 1, 2012, and pursuant to AB 26, as amended by California State Assembly Bill No.
20 1484 ("AB 1484"), and Resolution No. 11-12, adopted by the City's Board of Supervisors and
21 Mayor on January 26, 2012, Ordinance No. 215-12, adopted by the City's Board of
22 Supervisors and Mayor on October 12, 2012, and the approved housing asset list submitted
23 by City to, and approved by, the State of California Department of Finance pursuant to AB
24 1484 (Cal. Health & Safety Code, Section 34176(a)(2)), City is successor in interest to
25 Agency's fee interest in the Property and to all of the Agency's rights and obligations with

1 respect to the Lease and the Property; and

2 WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD")
3 wishes to enter into an amendment to the Ground Lease with Laurel Gardens of Bethel
4 A.M.E. Church LP, in order to facilitate a refinance and rehabilitation project at 1555 Turk
5 Street which provides 52 units of affordable housing to low and very low income individuals
6 and families and to update the Ground Lease to comply with current MOHCD reporting
7 requirements; now, therefore, be it

8 RESOLVED, That in accordance with the recommendations of the Director of Property
9 and the Director of MOHCD, the Board of Supervisors hereby approves and authorizes the
10 Director of Property, along with the Director of MOHCD, to finalize negotiations for the
11 amended Lease and following the negotiations for the amended Lease authorizes the Director
12 of MOHCD to execute and deliver the amended Lease; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
14 MOHCD, in consultation with the City Attorney, to enter into any additions, amendments or
15 other modifications to the amended Lease that the Director of MOHCD determines are in the
16 best interests of the City, do not decrease the revenues of the City in connection with the
17 Property, or otherwise materially increase the obligations or liabilities of the City, and are in
18 compliance with all applicable laws, including the City's Charter; and, be it

19 FURTHER RESOLVED, That the Director of Property shall provide the Clerk of the
20

21 // // //

22 // // //

23 // // //

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Board of the Board of Supervisors a fully executed copy of the Amendment to the Ground Lease within thirty (30) days of signature of same.

RECOMMENDED:


Acting Director of Property


Director of the Mayor's Office of Housing and Community Development



City and County of San Francisco

Tails

Resolution

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

File Number: 160322

Date Passed: April 26, 2016

Resolution authorizing the execution and performance of an amendment to a Long-Term Ground Lease of 99 years in length between the City and County of San Francisco and Laurel Gardens of Bethel A.M.E. Church, L.P., a California limited partnership, for real property located at 1555 Turk Street, in connection with the refinancing and rehabilitation of 52 units of affordable housing for low and very low income individuals and families, for an annual rent amount of up to \$950,000 per year, including a mandatory \$15,000 per year base rent.


April 20, 2016 Budget and Finance Sub-Committee - RECOMMENDED


April 26, 2016 Board of Supervisors - ADOPTED

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

File No. 160322

I hereby certify that the foregoing Resolution was ADOPTED on 4/26/2016 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


Mayor

5/6/2016
Date Approved