

RESOLUTION NO. 73-99
(Adopted June 8, 1999)

**AUTHORIZING THE APPLICATION TO THE CALIFORNIA HOUSING
FINANCE AGENCY FOR \$2 MILLION DOLLARS IN HOUSING ENABLED
BY LOCAL PARTNERSHIPS FUNDS AND THE CREATION OF THE
MISSION BAY HELP LOAN PROGRAM, MISSION BAY NORTH
REDEVELOPMENT PROJECT AREA AND MISSION BAY SOUTH
REDEVELOPMENT PROJECT AREA**

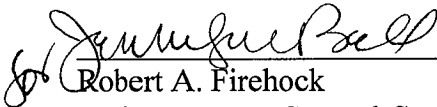
BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco ("Agency") expects to assist nonprofit developers in the development of approximately 500 units in Mission Bay North and South, the Agency's newest redevelopment project areas, over the next eight to ten years.
2. The Agency intends to select a developer for Site N2, the first Agency affordable housing site in Mission Bay North, in June, 1999, with the goal of that developer beginning construction by May of 2000.
3. Due to the fact that Mission Bay North and South are new project areas without current significant tax increment income, the Agency needs to identify sources other than existing tax increment to provide funding to be available to commit and disburse next year.
4. The California Housing Finance Agency ("CHFA") has a program called Housing Enabled by Local Partnerships ("HELP Program"), pursuant to which it has committed to provide \$100 million dollars over five years to local governments for use in innovative and diverse affordable housing programs.
5. HELP Program funds are available to local government entities as loans at 3% interest, with repayment in full no later than ten years from the date of CHFA approval.
6. The Agency is requesting \$2 million dollars in HELP funds to establish the Mission Bay HELP Loan Program, a bridge loan program for Mission Bay affordable housing developments. The initial \$2 million dollars from CHFA would be loaned to the developer of Site N2 in the fall of 1999. This loan would be repaid at the conversion of the tax exempt bond financed construction loan to permanent financing and the receipt of syndication proceeds from the sale of 4% Low Income Housing Tax Credits expected in early 2002. The funds would be similarly re-loaned and repaid to subsequent Mission Bay affordable housing developments. All HELP Program funds should be repaid, and CHFA repaid, by the fall of 2009.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco, that either the Executive Director or the Housing Program Manager is authorized to make application to the California Housing Finance Agency for \$2 million dollars in Housing Enabled by Local Partnerships Program funds, which will be called the Mission Bay HELP Loan Program, and to incur an indebtedness and execute loan agreements, commit Agency resources as detailed in the Agency's proposal to the California Housing Finance Agency, and to take any other actions necessary to facilitate the proposed program.

APPROVED AS TO FORM:



Robert A. Firehock
Acting Agency General Counsel