

**RESOLUTION NO. 116-99**  
(Adopted August 3, 1999)

**AUTHORIZING FUNDING IN AN AMOUNT NOT TO EXCEED \$5,823,000  
TO HOWARD STREET DEVELOPMENT CORPORATION, AN AFFILIATE  
OF TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION  
AND CITIZENS HOUSING CORPORATION, FOR ACQUISITION AND  
PREDEVELOPMENT EXPENSES RELATED TO THE DEVELOPMENT OF  
1166-1188 HOWARD STREET; SOUTH OF MARKET EARTHQUAKE  
RECOVERY PROJECT AREA**

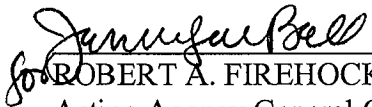
**BASIS FOR RESOLUTION**

1. In January 1999, the Agency issued a Notice of Funding Availability for SRO and Studio Units for Extremely Low- and Very Low-Income Persons (the "NOFA"). The NOFA made available up to \$9,600,000 for acquisition and predevelopment expenses related to the development of new SRO and studio units in the broader South of Market area in San Francisco, California.
2. Tenderloin Neighborhood Development Corporation ("TNDC") and Citizens Housing Corporation ("CHC") have applied to the Agency in a joint venture for \$5,823,000 in funding under the NOFA for acquisition and predevelopment expenses related to the development of 1166-1188 Howard Street, San Francisco, California (the "Site"). CHC and TNDC have created a nonprofit affiliate, Howard Street Development Corporation ("Developer") to act as the developer of the Site.
3. Developer proposes to construct 88 studio units on approximately one-third of the Site consistent with the goals of the NOFA. Development of these studio units will assist the Agency in meeting its replacement housing goals for the South of Market Earthquake Recovery Project Area. Developer also intends to develop the remaining two-thirds of the Site, however, Developer has not finalized its plans for development of this portion of the Site.
4. Developer has entered into an option to purchase the Site for \$4,600,000 and needs an additional \$1,223,000 for closing costs and predevelopment expenses. The option must be exercised no later than August 7, 1999.
5. The Citywide Affordable Housing Loan Committee approved the request for funding on July 9, 1999.
6. The Agency has either tax increment or Community Development Block Grant money available to fund the above referenced costs.

**RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** that the Executive Director is hereby authorized to execute either a loan agreement or a combination of a loan and grant agreement in a total amount not to exceed \$5,823,000 with Howard Street Development Corporation, a California nonprofit public benefit corporation, for acquisition and predevelopment expenses related to the development of 1166-1188 Howard street, in a form to be approved by the Agency General Counsel.

APPROVED AS TO FORM

  
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ROBERT A. FIREHOCK  
Acting Agency General Counsel