

RESOLUTION NO. 20-2007

Adopted April 3, 2007

AUTHORIZING A FIFTH AMENDATORY AGREEMENT TO THE AGREEMENT FOR DISPOSITION OF LAND FOR PRIVATE DEVELOPMENT WITH ACCESS TO HOUSING, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO EXTEND THE TERM OF AFFORDABILITY RESTRICTIONS IN CONNECTION WITH THE SALE OF THE JUNIPERO SERRA HOUSE APARTMENTS LOCATED AT 926 FILLMORE STREET TO JUNIPERO SERRA LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AFFILIATED WITH MERCY HOUSING CALIFORNIA; AND AUTHORIZING A SUBORDINATION AGREEMENT WITH FANNIE MAE, A FEDERALLY CHARTERED AND STOCKHOLDER OWNED CORPORATION, AND JUNIPERO SERRA LLC TO FACILITATE THE ISSUANCE OF HOUSING REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY, A CALIFORNIA JOINT POWERS AGENCY; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic (the "Agency"), and Access to Housing, Inc., a California nonprofit public benefit corporation (the "Developer"), entered into an Agreement for Disposition of Land for Private Development dated November 4, 1986 (the "Initial LDA") in connection with the Developer's purchase and development of 926 Fillmore Street, Parcel 780-H (the "Site"), in the Western Addition Redevelopment Project Area A-2, which was recorded on March 15, 1988, in the Office of the Recorder of the City and County of San Francisco, State of California, in Book E-550 of Official Records, at page 1199, as Document No. E-144039.
2. The Initial LDA was amended by a First Amendatory Agreement dated February 17, 1987, a Second Amendatory Agreement dated May 19, 1987, a Third Amendatory Agreement dated October 27, 1987, and a Fourth Amendatory Agreement dated March 21, 1989, respectively recorded in the Office of the Recorder of the City and County of San Francisco, State of California, as Document Nos. E-144040, E144041, E144042 and E345598 (collectively, the "Agreement").
3. The Agency transferred the Site to the Developer pursuant to the deed recorded on March 15, 1988, in the Office of the Recorder of the City and County of San Francisco, State of California, in Book E-550 of Official Records, at page 1199, as Document No. E-144043, subject to a number of covenants recited in the deed (collectively the "Deed"), including a covenant requiring the Site improvements

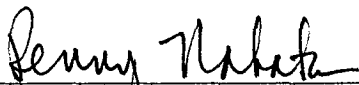
consisting of a 25-unit multi-family rental housing project (the "Project") to remain affordable to lower-income households during the time that a loan was provided pursuant to Section 202 of the Housing Act of 1959 ("Section 202 Loan") remains outstanding.

4. The Developer wishes to prepay the Section 202 Loan and transfer the Project to an affiliate known as Junipero Serra LLC, who will make necessary repairs to the Project, both to be financed through the use of Multifamily Housing Revenue Bonds issued by the California Municipal Finance Authority, a joint exercise of powers agency (the "Bonds"), and credit enhanced by Fannie Mae, a federally chartered and stockholder owned corporation.
5. The Developer has asked the Agency to enter into a Subordination Agreement, subordinating the Deed and the Agreement to the Deed of Trust to be executed by Junipero Serra LLC, who will acquire the Project from the Developer, which Deed of Trust is to be assigned to Fannie Mae so that the financing can occur.
6. The parties also desire to enter into a Fifth Amendatory Agreement to recognize the proposed transfer of the Project to Junipero Serra LLC, a California limited liability company, an affiliate of the Developer; to extend the affordability covenant contained in the Agreement and the Deed until the end of the Qualified Project Period, as defined by the Regulatory Agreement and Declaration of Restrictive Covenants executed in connection with the Bonds, and to extend the applicability of the Certificate of Preference program to the rental of units in the Project.
7. The execution of the Fifth Amendatory Agreement and the Subordination Agreement are categorically exempt from the California Environmental Quality Act.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to (1) enter into a Fifth Amendatory Agreement with Access to Housing, Inc. and (2) to execute a Subordination Agreement on behalf of the Agency with Fannie Mae, a federally chartered and stockholder owned corporation, and Junipero Serra LLC, a California limited liability company, each of which agreements is substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:



James B. Morales
Agency General Counsel

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