

RESOLUTION NO. 36-2007

Adopted April 17, 2007

AUTHORIZING A TAX INCREMENT LOAN AGREEMENT WITH BALDWIN HOUSE HOTEL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR AN AMOUNT NOT TO EXCEED \$100,000, PURSUANT TO THE SINGLE ROOM OCCUPANCY HOTEL REHABILITATION LOAN PROGRAM, FOR REHABILITATION ACTIVITIES AT THE BALDWIN HOTEL LOCATED AT 74 SIXTH STREET; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The South of Market Earthquake Recovery Redevelopment Plan was adopted in 1990 to address the damage from the 1989 Loma Prieta earthquake and to develop and preserve affordable and market rate housing.
2. To accomplish the goal of preserving affordable housing, Redevelopment Agency of the City and County of San Francisco ("Agency") staff worked with the City Attorney's Office, the South of Market Project Area Committee ("PAC"), the Department of Building Inspection, the SRO Task Force, the Indian Hotel Owners Association, Tenderloin Housing Clinic, tenant representatives, and the San Francisco Rent Board to design a loan program to provide below market rate loans to owners of Single Room Occupancy ("SRO") hotels to subsidize physical improvements of properties on the Sixth Street corridor in exchange for affordability restrictions.
3. The program is known as the SRO Hotel Rehabilitation Loan Program ("Program") and was adopted as amended on February 25, 2003, pursuant to Resolution No. 28-2003. The Program's goals are to improve tenant quality of life, extend the useful life of SROs, alleviate blight, and prevent displacement and gentrification through long-term affordability ("Program Goals").
4. The Program is part of the Agency's affordable housing efforts on Sixth Street located within the South of Market Earthquake Recovery Redevelopment Project Area (the "Project Area").
5. Agency staff proposes to enter into a loan agreement with Baldwin House Hotel, LLC, a California limited liability company ("Baldwin House Hotel, LLC"), to fund \$100,000 in quality of life improvements, specifically rehabilitation activities including elevator repairs, to the Baldwin House Hotel at 74 Sixth Street. All Program loans must be approved by the Citywide Affordable Housing Loan Committee. On March 16, 2006, the Citywide Affordable Housing Loan

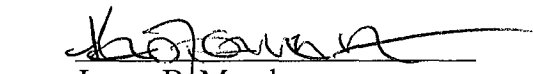
Committee approved this proposed loan. Pursuant to the Program, any loan exceeding \$50,000 must also be authorized by the Commission.

6. The proposed loan to Baldwin House, LLC is consistent with achieving the Program Goals in the Project Area.
7. The rehabilitation of the Baldwin House Hotel is exempt from environmental review under the California Environmental Quality Act ("CEQA") (Section 15301(d) guidelines).

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to enter into a Single Room Occupancy Rehabilitation Loan Program loan agreement with Baldwin House Hotel, LLC, a California limited liability company, for an amount not to exceed \$100,000, for rehabilitation activities at the Baldwin House Hotel, located at 74 Sixth Street, in the South of Market Redevelopment Project Area, substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel