

## **RESOLUTION NO. 76-2007**

*Adopted as amended July 17, 2007*

### **AUTHORIZING SUBSTITUTION OF MARIA GP LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AS THE GENERAL PARTNER OF MM PRESERVATION, L.P., A CALIFORNIA LIMITED PARTNERSHIP AND OWNER OF THE MARIA MANOR AT 174 ELLIS STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM**

#### **BASIS FOR RESOLUTION**

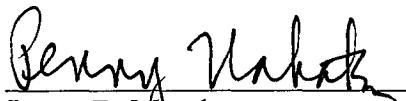
1. In furtherance of the objectives of the California Community Redevelopment Law Health and Safety Code Section 33000 *et seq.*, (the "Law"), the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of slums and blighted areas in the City and County of San Francisco (the "City").
2. The Agency is authorized pursuant to the Law to distribute monies to nonprofit developers and sponsors for the specific and special purpose of increasing and maintaining the housing stock in the City for very low-, low- and moderate-income households.
3. The expiration of project-based Section 8 contracts poses a serious threat to San Francisco's affordable housing stock. The Agency desires to preserve developments with Section 8 contracts as affordable housing by lending or expending Tax Increment Housing Funds, an action which benefits the goals and objectives of the Agency's Redevelopment Project Areas.
4. Maria Manor is a 119-unit residential property located at 174 Ellis Street in San Francisco, California (the "Site") whose owner had indicated its intent to prepay the HUD-insured mortgage and such property was therefore at risk of conversion to market rate housing.
5. On June 27, 2000, the Agency adopted Resolution No. 116-2000, authorizing the Agency's acquisition of the Maria Manor property (the "Development"), and a Tax Increment Loan Agreement for \$1,408,873 with Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation ("TNDC" or the "Sponsor"), for the acquisition and rehabilitation of the Development. In addition, the Agency further authorized \$2,500,000 in Agency funds and authorized the issuance of tax exempt bonds and a guarantee in the amount of \$1,807.319.
6. Pursuant to TNDC's assignment of the right to acquire, renovate and operate the improvements on the Development, MM Preservation, L.P., a California limited partnership (sometimes "Tenant") whose general partner is TNDC, entered into the Ground Lease with the Agency on December 7, 2000.

7. Due to the current requirements of the Internal Revenue Service, MM Preservation, Inc., the Tenant's intended general partner, has not been able to attain tax exempt status under Internal Revenue Code section 501c(3). Therefore, TNDC (which has tax-exempt status under Internal Revenue Code section 501c(3)) has formed Maria GP LLC to serve as the Tenant's general partner.
8. The substitution of Maria GP LLC as the Tenant's general partner will not have any environmental impacts and therefore does not constitute a project as defined by the California Environmental Quality Act ("CEQA") and is therefore exempt from environmental review under CEQA.

### **RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to approve the substitution of Maria GP LLC, a California limited liability company, as the general partner of MM Preservation, L.P., a California limited partnership and owner of Maria Manor, 174 Ellis Street, substantially in the form lodged with the Agency General Counsel, conditioned on the approval of such general partner by the United States Department of Housing and Development.

### **APPROVED AS TO FORM:**



for James B. Morales  
Agency General Counsel