RESOLUTION NO. 5-2000
(Adopted January 13, 2000)

AUTHORIZING A FIRST AMENDMENT TO THE LOAN AGREEMENT WITH AGONAFER SHIFERAW, SOLE PROPRIETOR OF RASSELAS JAZZ CLUB AND RESTAURANT, TO AMEND THE REPAYMENT SCHEDULE AND EXTEND THE TERM OF THE LOAN, IN CONNECTION WITH THE FILLMORE JAZZ PRESERVATION DISTRICT, WESTERN ADDITION A-2 REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. By Resolution No. 102-97, adopted on June 24, 1997, the Agency approved a tenant improvement loan in the amount of $737,000 with Mr. Agonafer Shiferaw to open Rasselas Jazz Club and Restaurant ("Jazz Club") at 1534-40 Fillmore Street.

2. On December 17, 1997, the Agency entered into a Loan Agreement and a Promissory Note each dated December 31, 1997, with Mr. Shiferaw which provided that the first payment would be due two years from the date of the Note to permit the design and construction of the improvements to be completed and to allow a reasonable start up for the business without the burden of loan payments. The first interest only payment is due on January 15, 2000.

3. Mr. Shiferaw has encountered a number of difficulties in the construction and design of the facility and the anticipated opening of business was delayed for one year.

4. Agency staff recommends an extension of the deferred payment period with the first payment due on January 15, 2001, and an extension of the term of the loan to January 31, 2014.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a First Amendment to the Loan Agreement with Agonafer Shiferaw,
sole proprietor of Rasselas Jazz Club and Restaurant, to amend the payment schedule and extend the term of the loan to January 31, 2014, substantially in the form lodged with Agency General Counsel and hereby approved with such changes that thereafter become necessary, which changes do not materially affect the substance of the First Amendment to the Loan Agreement or materially increase the obligations of the Agency.

APPROVED AS TO FORM:

[Signature]
Robert A. Firehock
Acting Agency General Counsel