AUTHORIZING A FIRST AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT WITH TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO EXTEND THE LOAN REPAYMENT DATE FROM DECEMBER 18, 2001 TO THE CLOSING OF PERMANENT FINANCING, IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 179 UNITS OF VERY LOW INCOME RENTAL HOUSING AT THE ALEXANDER RESIDENCE, 230 EDDY STREET; AFFORDABLE HOUSING PRESERVATION AND CITYWIDE TAX INCREMENT HOUSING PROGRAMS

BASIS FOR RESOLUTION

1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq., (the “CRL”)), 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 (“City”).

2. The Agency is authorized pursuant to the CRL to increase and maintain the affordability of the housing stock in the City for affordability by very-low, low and moderate-income households.

3. Pursuant to the CRL and in response to the serious threat to San Francisco’s affordable housing stock posed by the expiration of Section 8 mortgages, the Agency established a Housing Preservation Program, which has included the lending or expenditure of Tax Increment Housing Funds in order to preserve the affordability of Section 8 rental units.

4. In December 2000, the Agency and Tenderloin Neighborhood Development Corporation (“Sponsor”) purchased the land and improvements, respectively, at 230 Eddy Street (“Alexander Residence” or “Project”), as part of the Agency’s Housing Preservation Program. At that time, the Sponsor and Agency executed a twelve-month Affordable Housing Tax Increment Loan Agreement (“Agreement”), which provided Four Million Seven Hundred Eleven Thousand Four Hundred Twenty-Five Dollars ($4,711,425) for the Sponsor’s improvements acquisition and predevelopment work. The repayment date of the Agreement is December 18, 2001.

5. The Sponsor has fulfilled its Agency Loan obligations, proceeded diligently with its predevelopment work, and has secured permanent financing for the Project acquisition, rehabilitation, and operation, including 9% Low Income Housing Tax
Credits and conventional mortgage financing. The Sponsor expects to commence construction in June 2002.

6. The Agency and Sponsor now desire to extend the repayment term of the Agreement to the closing of permanent financing, in order to facilitate the conclusion of final financing negotiations for the Project.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director and other officers of the Agency designated by the Executive Director are authorized to enter into the following agreements and obligations:

1. A First Amendment to the Tax Increment Loan Agreement executed on December 18, 2000 with Tenderloin Neighborhood Development Corporation, a California non-profit public benefit corporation, to extend the loan repayment date from December 18, 2001 to the closing of permanent financing, in substantially the form lodged with Agency General Counsel.

2. Any and all ancillary documents necessary to carry out the transactions authorized by this Resolution in a form to be approved by Agency General Counsel.

APPROVED AS TO FORM:

BERTHA A. ONTIVEROS
Agency General Counsel