RESOLUTION NO. 212-2001

Adopted December 4, 2001

AUTHORIZING A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH MERCY PROPERTIES, INC., A COLORADO NONPROFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED $2,300,000 IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 61 VERY LOW INCOME RENTAL UNITS AND APPROXIMATELY 6,400 SQUARE FEET OF GROUND FLOOR COMMERCIAL SPACE AT THE DEREK SILVA COMMUNITY RESIDENCE, 1594 MARKET STREET

BASIS FOR RESOLUTION

1. The Agency is authorized under a Housing Opportunities for Persons with AIDS ("HOPWA") Grant Agreement with the United States Department of Housing and Urban Development ("HUD"), executed pursuant to the AIDS Housing Opportunity Act (42 U.S.C. §§ 12901 to 12912), to provide qualifying sponsors with resources for meeting the housing needs of persons with Acquired Immune Deficiency Syndrome ("AIDS").

2. The Borrower has requested a loan of federal HOPWA funds to purchase the Derek Silva Community Residence, consisting of 61 residential units and approximately 6,400 square feet of ground floor commercial space, located at 1594 Market Street in San Francisco, California and the improvements thereon (the "Property").

3. Since 1995, Catholic Charities of the Archdiocese of San Francisco, a California nonprofit corporation ("CCASF"), has continuously operated the Property as affordable supportive housing for persons living with HIV/AIDS under a master lease from Dhirubhai Amin (the "Owner"). CCASF has partnered with the Mercy Properties, Inc., a Colorado nonprofit corporation ("MHC" or "Borrower"), to acquire the Property to preserve the affordability level for current and subsequent residents and to rehabilitate the improvements.

4. Subsequent to the acquisition of the Property, the Borrower will continue to operate the Property as affordable supportive housing for persons living with HIV/AIDS with CCASF providing on-site supportive services to residents.

5. On November 16, 2001, the Citywide Housing Loan Committee reviewed the requested actions and recommended Agency Commission approval of such actions.
6. The Agency now desires to execute a HOPWA Capital Loan Agreement with the Borrower for loan funds in the amount of TWO MILLION THREE HUNDRED THOUSAND AND NO/100 DOLLARS ($2,300,000). The Borrower will acquire the Property with the funds.

**BASIS FOR 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 Housing Opportunities for Persons With AIDS Capital Loan Agreement with Mercy Properties, Inc., a Colorado nonprofit corporation, in an amount not to exceed Two Million Three Hundred Thousand And No/100 Dollars ($2,300,000) in conjunction with the acquisition of 61 units of very low income rental housing and approximately 6,400 square feet of ground floor commercial space located at the Derek Silva Community Residence, 1594 Market Street, San Francisco, California, in substantially the form lodged with Agency General Counsel.

APPROVED AS TO FORM:


Bertha A. Ontiveros
Agency General Counsel