

RESOLUTION NO. 41-2002

Adopted March 12, 2002

AUTHORIZING THE FIRST AMENDMENT TO THE CDBG AFFORDABLE HOUSING PROGRAM LOAN AGREEMENT WITH TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, TO APPROVE ASSIGNMENT TO AM PRESERVATION L.P., A CALIFORNIA LIMITED PARTNERSHIP, AS THE BORROWER, AND REVISES THE SCHEDULE OF PERFORMANCE FOR THE REHABILITATION OF 133 UNITS OF VERY LOW INCOME RENTAL HOUSING UNITS AT THE ANTONIA MANOR, LOCATED AT 180 TURK STREET, AS PART OF THE AGENCY'S AFFORDABLE HOUSING PRESERVATION PROGRAM; 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 that benefits the goals and objectives of the Agency's redevelopment project areas.
4. The Antonia Manor is a 133-unit residential property, 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. 114-2000, which authorized the Agency's acquisition of the land on the property known as the Antonia Manor (the "Project") on the real property located at 180 Turk Street, San Francisco, California (the "Site"), and an assignment of the Agency's rights to purchase the improvements on the Site ("Site Improvements") to the Tenderloin Neighborhood Development Corporation, a California non-profit public benefit

corporation ("TNDC"), and a Tax Increment Loan Agreement for \$2,332,607 with TNDC for the acquisition and rehabilitation of the Site Improvements.

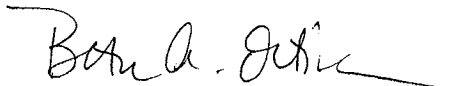
6. On December 5, 2000 the Redevelopment Agency Commission adopted Resolution No. 246-2000, which authorized a Community Development Block Grant ("CDBG") loan as a substitute for the Tax Increment Loan previously approved on June 27, 2000.
7. On December 7, 2000, TNDC and the Agency entered into a CDBG Affordable Housing Program Loan Agreement ("CDBG Loan Agreement").
8. TNDC has diligently pursued all predevelopment tasks to date and requests an amendment of the CDBG Loan Agreement to substitute AM Preservation L.P., a California limited partnership, whose General Partner is TNDC, for TNDC as the borrower and extends the Schedule of Performance, Attachment C to the CDBG Loan Agreement.

RESOLUTION

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

1. A First Amendment to the CDBG Loan Agreement to authorize the assignment to AM Preservation L.P., a California limited partnership, for TNDC as the borrower and revise Attachment C, Schedule of Performance, substantially in the form lodged with the Agency General Counsel.
2. Any and all ancillary documents necessary to carry out the transactions authorized by this Resolution.

APPROVED AS TO FORM:


BERTHA A. ONTIVEROS
Agency General Counsel