

RESOLUTION NO. 111-2002

Adopted June 25, 2002

AUTHORIZING A FOURTH AMENDMENT TO THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS LOAN AGREEMENT WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, INCREASING THE CONTRACT BY \$20,908, FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$3,629,622, IN CONNECTION WITH THE REHABILITATION AND OPERATION OF THE LELAND HOUSE, A 45 VERY LOW INCOME BED FACILITY LOCATED AT 141 LELAND AVENUE

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco ("Agency") administers the U.S. Department of Housing and Urban Development ("HUD") program known as the Housing Opportunities for Persons With AIDS ("HOPWA") for San Francisco.
2. The Agency entered into a HOPWA Program Loan Agreement ("Loan Agreement") dated March 14, 1994, with Community Hospice Foundation of the Bay Area, Inc., a California nonprofit public benefit corporation ("Hospice"), to develop affordable housing for persons with AIDS on the real property commonly known as the Leland House at 141 Leland Avenue, San Francisco, CA ("Property"). A First Amendment to the Loan Agreement was executed as of February 14, 1995. A Second Amendment to the Loan Agreement was executed as of September 30, 1996. A Third Amendment to the Loan Agreement was executed as of June 6, 2000. The Loan Agreement as amended by the First Amendment, the Second Amendment, and the Third Amendment shall be referred to as the "Agreement".
3. On October 4, 1996, with the consent of Agency, Hospice entered into an Assignment and Assumption Agreement ("Assignment") with Mercy Housing California, a California nonprofit public benefit corporation ("Borrower") as part of a restructuring of the ownership of the Project. Under the Assignment, Borrower agreed to assume the obligations of Hospice under the Agreement.
4. On July 27, 1999, the Commission authorized, pursuant to Resolution No. 112-99, an additional increase in the HOPWA funds under the Agreement in an amount not to exceed \$68,044, for an aggregate amount not to exceed \$3,608,714, for the purpose of paying costs associated with the rehabilitation and operation of the Property.
5. The Borrower is now requesting an additional increase in the HOPWA funds under the Agreement in an amount not to exceed \$20,908. As a result, the total amount of

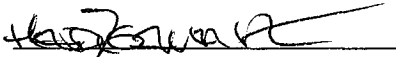
HOPWA funds which may be provided under the Agreement shall not exceed \$3,629,622, for the purpose of paying costs associated with the rehabilitation and operation of the Property.

6. The expenses requested by the Borrower are eligible expenses under the federal regulations governing the HOPWA program at 24 CFR 574 et seq., and the Agency desires to provide the funds through a Fourth Amendment to the Loan Agreement.

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 Fourth Amendment to the Housing Opportunities For Persons With AIDS Loan Agreement with Mercy Housing California, a California nonprofit public benefit corporation, in an amount not to exceed \$20,908, for an aggregate amount not to exceed \$3,629,622, in connection with the rehabilitation and operation of the Leland House, a 45 very low income bed facility located at 141 Leland Avenue, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


BERTHA A. ONTIVEROS
Agency General Counsel