

RESOLUTION NO. 123-2002

Adopted June 25, 2002

AUTHORIZING A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$700,000 FOR THE ACQUISITION AND REHABILITATION OF 8 UNITS OF VERY LOW AND LOW-INCOME RENTAL HOUSING FOR PERSONS LIVING WITH HIV/AIDS AT THE DUDLEY APARTMENTS LOCATED AT 172 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Agency is authorized under a Housing Opportunities for Persons with AIDS ("HOPWA") Capital Loan 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. In January 2002, Mercy Properties California, a California nonprofit public benefit corporation (the "Sponsor"), acquired the Dudley Apartments at 172 Sixth Street (the "Property") using a tax increment loan from the Agency for the acquisition and rehabilitation 75 very low and low income rental units in the Agency's South of Market Earthquake Recovery Redevelopment Project Area ("Project Area").
3. The Sponsor has requested a \$700,000 loan of federal HOPWA funds for the rehabilitation of the Property (the "Loan"), which includes 75 residential units, eight of which will be permanently affordable to persons with HIV/AIDS and will be funded by the Loan. In addition, the Property has approximately 6,400 square feet of ground floor commercial space.
4. Hamilton Family Services, a California nonprofit public benefit corporation ("HFS") will provide on-site supportive services to all residents at the Property in partnership with Mercy Services Corporation, a California nonprofit public benefit corporation ("MSC"), now affiliated with the Sponsor, for persons living with HIV/AIDS.
5. On June 7, 2002, the HOPWA Loan Committee reviewed the requested actions and recommends Commission approval.
6. The Agency now desires to execute a HOPWA Capital Loan Agreement with the Sponsor for loan funds in an amount not to exceed \$700,000. With the funds, the

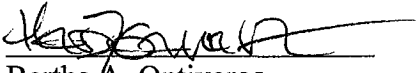
Sponsor will rehabilitate the Property resulting in 8 units affordable to persons with HIV/AIDS.

7. The expenses requested by the Sponsor are eligible expenses under the federal regulation governing the HOPWA program at 24 CFR 574, et seq., and the Agency desires to provide the funds through a HOPWA Capital Loan Agreement.

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 California, a California nonprofit public benefit corporation, in an amount not to exceed \$700,000 for the rehabilitation of 75 units of very low income rental housing, eight of which will be permanently affordable for persons with HIV/AIDS, at the Dudley Apartments, 172 Sixth Street in the South of Market Earthquake Recovery Redevelopment Project Area, substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:


Bertha A. Ontiveros
Agency General Counsel