

RESOLUTION NO. 195-2002

Adopted November 19, 2002

AUTHORIZING A FIRST AMENDMENT TO A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS CAPITAL LOAN AGREEMENT WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN EXISTING LOAN AMOUNT NOT TO EXCEED \$700,000, TO MODIFY THE INTEREST RATE, 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, 172 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

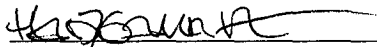
BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco ("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. On June 25, 2002, the Commission authorized a HOPWA Capital Loan Agreement ("HOPWA Loan") in the amount of \$700,000 with Mercy Properties California, a California nonprofit public benefit corporation (the "Sponsor"), to create eight permanently affordable units for persons with HIV/AIDS at the Dudley Apartments at 172 Sixth Street (the "Property") in the Agency's South of Market Earthquake Recovery Redevelopment Project Area ("Project Area").
3. To satisfy a technical requirement relating to the Project's tax credit equity investor, the Sponsor is requesting the interest rate applicable to the HOPWA Loan be increased from three percent (3%) to the November 2002, Applicable Federal Rate ("AFR") of four and six tenths Percent (4.6%).
4. The Agency now desires to make this revision to the interest rate in the HOPWA Loan and the associated Promissory Note with the Partner.

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 execute a first amendment to the Housing Opportunities For Persons With AIDS Capital Loan Agreement with Mercy Properties California, a California nonprofit public benefit corporation, and to cancel the existing Promissory Note and enter into a new Promissory Note, in order to satisfy a technical requirement relating to the Project's tax credit equity investor that the interest rate be increased from three percent (3%) to the November 2002, Applicable Federal Rate ("AFR") of four and six tenths percent (4.6%).

APPROVED AS TO FORM:


Bertha A. Ontiveros
Agency General Counsel