

RESOLUTION NO. 28-2003

AS AMENDED, ADOPTED FEB 25, 2003

**AUTHORIZING THE SINGLE ROOM OCCUPANCY HOTEL
REHABILITATION LOAN PROGRAM FOR A TOTAL PROGRAM AMOUNT
NOT TO EXCEED \$700,000 SUBJECT TO \$500,000 FUTURE APPROPRIATION
OF FUNDS; SOUTH OF MARKET EARTHQUAKE RECOVERY
REDEVELOPMENT PROJECT AREA.**

BASIS FOR RESOLUTION

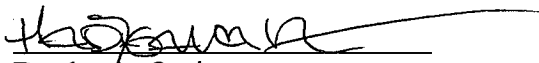
1. The South of Market Earthquake Recovery Redevelopment Plan was adopted in 1990 to address the damage from the 1989 Loma Prieta earthquake and to develop and preserve affordable and market rate housing ("Redevelopment Plan").
2. To accomplish the goal of preserving affordable housing, Agency staff has worked with the City Attorney's office, the South of Market Project Area Committee ("SOMPAC"), the Department of Building Inspection, the SRO Task Force, the Indian Hotel Owners Association, Tenderloin Housing Clinic, tenant representatives, and the San Francisco Rent Board to design a loan program to provide below market rate loans to owners of Single Room Occupancy ("SRO") hotels to subsidize physical improvements of properties on the Sixth Street corridor in exchange for affordability restrictions.
3. The proposed program is known as the SRO Hotel Rehabilitation Loan Program ("Program"). The Program's goals are to improve tenant quality of life, extend the useful life of SROs, alleviate blight, and prevent displacement and gentrification through long-term affordability (the "Program Goals").
4. The proposed Program would be part of the Agency's affordable housing efforts on Sixth Street located within the South of Market Redevelopment Earthquake Recovery Project Area ("Project Area"). \$200,000 of the total Program amount is available at this time and staff intends to receive the remaining \$500,000 as part of the 2003-2004 budget appropriations.

5. It is therefore appropriate and consistent with the Agency's affordable housing program for the Project Area to create the Program to achieve the Program Goals.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco, that the Executive Director is authorized to create and implement the Single Room Occupancy Hotel Rehabilitation Loan Program, without an Agency right of first refusal, for a total program amount not to exceed \$700,000 subject to \$500,000 future appropriation of funds, in the South of Market Earthquake Recovery Redevelopment Project Area.

APPROVED AS TO FORM:


Bertha A. Ontiveros
Agency General Counsel