

RESOLUTION NO. 73-2003

Adopted May 20, 2003

AUTHORIZING A FIRST AMENDMENT TO THE TAX INCREMENT AFFORDABLE HOUSING PROGRAM LOAN AGREEMENT WITH 32-40 6TH STREET, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO REVISE THE SCHEDULE OF CERTAIN PREDEVELOPMENT ACTIVITIES FOR THE REHABILITATION OF THE SENECA HOTEL, 32-40 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

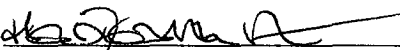
1. The Redevelopment Agency of the City and County of San Francisco ("Agency") is authorized, pursuant to the California Community Redevelopment Law (Health and Safety Code, Section 33000, et seq.) and desires to distribute money from its Low and Moderate Income Housing Fund for the specific and special purpose of increasing and maintaining the housing stock in the City and County of San Francisco as affordable to very low, low and moderate income households.
2. The Agency authorized a Single Room Occupancy ("SRO") Hotel Rehabilitation Loan Program ("Program"), which provides financial assistance to owners of SRO hotels along the Sixth Street Corridor.
3. The Seneca Hotel ("Site") is a 204-unit SRO hotel located at 32-40 Sixth Street in the South of Market Earthquake Recovery Redevelopment Project Area.
4. The Site is leased on a long-term basis by the Tenderloin Housing Clinic, a California nonprofit public benefit corporation ("THC"), from the owner, 32-40 6th Street, LLC ("Owner") (the "Master Lease"), to provide housing to very low-income residents, many of whom are clients of the Personal Assistance Employment Services ("PAES") Program, an employment assistance program administered by the City's Department of Human Services ("DHS").
5. On July 30, 2002, the Agency authorized a \$142,785 loan, to the Owner, for predevelopment activities related to the renovation of the Site (the "Predevelopment Loan"). THC, however, will administer the loan on behalf of the Owner to develop a scope of work for renovating the Site, including improvements to the common areas and elevator repairs. At this time, it is anticipated that the Owner will request an additional amount not to exceed \$857,215 for the construction of the renovations, following the predevelopment work (the "Construction Loan").

6. THC was unable to complete the architectural specifications/bid documents by March 31, 2003 and the selection of contractor by April 30, 2003.
7. THC, on behalf of the Owner, has requested Agency approval of a First Amendment of the Loan Agreement to revise the completion date for the architectural specifications/bid documents to July 31, 2003, and the selection of contractor to August 31, 2003.
8. The Agency, Owner and THC now desire to amend the Loan Agreement to reflect the new dates for completing the predevelopment activities.

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 Tax Increment Affordable Housing Loan Agreement with 32-40 6th Street, LLC, a California Limited Liability Company, to revise the schedule of certain predevelopment activities for the rehabilitation of the Seneca Hotel, 32-40 Sixth Street in the South of Market Earthquake Recovery Redevelopment Project Area, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


Bertha A. Ontiveros
Agency General Counsel