

RESOLUTION NO. 122-2003

Adopted July 22, 2003

AUTHORIZING AN AMENDED AND RESTATED TAX INCREMENT AFFORDABLE HOUSING PROGRAM LOAN AGREEMENT WITH PUBLIC INITIATIVES DEVELOPMENT CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO INCREASE THE LOAN AMOUNT BY \$8,422,440, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$10,922,440, FOR THE PREDEVELOPMENT AND CONSTRUCTION OF 106 VERY LOW INCOME RENTAL UNITS, GROUND FLOOR COMMERCIAL SPACE AND THE REPLACEMENT OF BINDLESTIFF STUDIO, 988-992 HOWARD STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

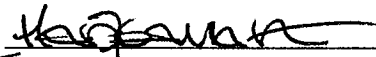
1. California Redevelopment Law (Health and Safety Code, Section 33000, *et seq.*) (the "Law"), requires a Redevelopment Agency to set aside 20% of its tax increment funds for purposes of developing affordable housing.
2. The Redevelopment Agency of the City and County of San Francisco (the "Agency") administers the tax increment funds for affordable housing projects.
3. On April 9, 2002, by Resolution No. 52-2002, the Agency authorized a Tax Increment Affordable Housing Program Predevelopment loan of \$500,000 (the "Agency Loan") with Public Initiatives Development Corporation, a California nonprofit public benefit corporation (the "Sponsor"), for the construction of 106 very low income rental units, ground floor commercial space and the replacement of Bindlestiff Studio (the "Project") at the current site of the Plaza Hotel, 988-992 Howard Street (the "Property"), in the Agency's South of Market Earthquake Recovery Redevelopment Project Area ("Project Area").
4. On April 8, 2003, by Resolution No. 47-2003, the Agency authorized an amendment to the Agency Loan that increased the loan amount by \$1,189,639 for a total aggregate loan amount of \$1,689,639.
5. On June 17, 2003, by Resolution No. 98-2003, the Agency authorized an amendment to the Agency Loan that increased the loan amount by \$810,361 for a total aggregate loan amount of \$2,500,000.
6. The Sponsor has requested that the Agency increase the Agency Loan by an additional \$8,422,440 so that all the Agency funds required to develop the Project are committed in order to secure an allocation of 9% federal tax credits through application to the State of California's Tax Credit Allocation Committee.

7. On July 18, 2003, the Citywide Affordable Housing Loan Committee approved the Sponsor's request to increase the Agency Loan by \$8,422,440 for a total aggregate loan amount of \$10,922,440, and recommended Commission approval of such action.
8. The Agency now desires to amend the Agency Loan as requested by the Sponsor and as recommended by the Citywide Affordable Housing Loan Committee.

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 an Amended and Restated Tax Increment Affordable Housing Program Loan Agreement, with Public Initiatives Development Corporation, a California nonprofit public benefit corporation, to increase the loan amount by \$8,422,440, for a total aggregate amount not to exceed \$10,922,440, for the predevelopment and construction of 106 very low income rental units, ground floor commercial space, and the replacement of Bindlestiff Studio at 988-992 Howard 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:


James B. Morales
Agency General Counsel