

RESOLUTION NO. 146-2003

Adopted September 16, 2003

**AUTHORIZING A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS
CAPITAL LOAN AGREEMENT WITH MERCY HOUSING WEST, A
CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN
AMOUNT NOT TO EXCEED ONE MILLION DOLLARS (\$1,000,000) IN
CONJUNCTION WITH THE DEVELOPMENT OF 139 UNITS OF VERY LOW
INCOME SENIOR RENTAL HOUSING (PLUS ONE MANAGER'S UNIT) AT
THE MISSION CREEK SENIOR COMMUNITY, 201 BERRY STREET;
MISSION BAY NORTH 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. Mercy Housing California, a California limited partnership, ("Borrower"), entered into an Exclusive Negotiations Agreement ("ENA") on January 16, 2001 to develop the property described in Exhibit A and located at 201 Berry Street, San Francisco, California, also referred to as Assessor's Block 8708, Lot 6 ("Property"), and intends to construct certain improvements ("Improvements") on the Property in accordance with the terms of this Agreement for use as 139 units of permanent affordable housing with supportive services for use by Qualifying Low and Very Low Income Tenants plus one manager's unit. Ten of the 139 units are intended for use by households in which one or more persons has HIV/AIDS.
3. In order to partially finance the construction of the improvements and the payment of certain costs and expenses relating thereto, Borrower has requested HOPWA loan funds in the amount of ONE MILLION DOLLARS (\$1,000,000) ("Loan"), the repayment of which will be secured by Borrower's interest in the Property and Improvements evidenced by a deed of trust to be executed by Borrower or Borrower's assignee in favor of the Agency.
4. Subsequent to the development of the Property, the Borrower will operate the Property as affordable supportive housing for seniors, where at least ten individuals are living with HIV/AIDS with Mercy Services, Inc. and North and South of Market Adult Day Health Center providing on-site supportive services to

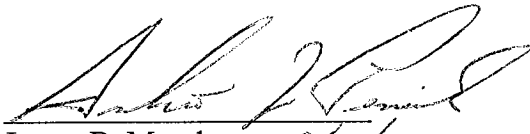
residents. The Borrower has requested and received a Section 8 allocation from HUD for 88 units to subsidize the units for very low income seniors.

5. On September 5, 2003, the HOPWA/Citywide Affordable Housing Loan Committee reviewed the requested actions and recommended Agency Commission approval of such actions.
6. The Agency now desires to execute a HOPWA Capital Loan Agreement with the Borrower for loan funds in the amount of ONE MILLION DOLLARS (\$1,000,000). The Borrower will develop the Property with the funds.

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 Housing West, a California nonprofit public benefit corporation, in an amount not to exceed One Million (\$1,000,000) in conjunction with the development of 139 units of very low income senior rental housing (plus one manager's unit) at the Mission Creek Senior Community, 201 Berry Street, Mission Bay North Redevelopment Project Area, substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales 8/11/03
Agency General Counsel