

RESOLUTION NO. 149-2003

Adopted September 16, 2003

AUTHORIZING A SECOND AMENDMENT TO THE TAX INCREMENT AFFORDABLE HOUSING PROGRAM LOAN AGREEMENT WITH 32-40 6TH STREET, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO INCREASE THE LOAN AMOUNT BY \$855,991, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$998,776, AND TO REVISE THE SCHEDULE OF PERFORMANCE FOR THE REHABILITATION OF THE SENECA HOTEL, 32-40 SIXTH STREET; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

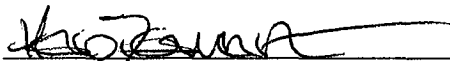
1. The Redevelopment Agency of the City and County of San Francisco ("Agency") is authorized, pursuant to the California Community Redevelopment Law (Health and Safety Code, Section 33000, *et seq.*) and desires to distribute money from its Low and Moderate Income Housing Fund for the specific and special 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. On February 25, 2003, by Resolution No. 28-2003, 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 Tax Increment Affordable Housing Program Loan Agreement (the "Loan") to the Owner, for predevelopment activities related to the renovation of the Site. 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. When the loan was authorized, the Agency anticipated that the Owner would request an additional amount not to exceed \$857,215 for the construction of the renovations, identified during the predevelopment phase.

6. On May 20, 2003, the Agency authorized a First Amendment to the Loan ("First Amendment") to revise the Schedule of Performance in order to complete certain predevelopment activities.
7. THC has completed a scope of work for the renovations. On behalf of the Owner, THC has requested a Second Amendment to the Loan ("Second Amendment") to increase the Loan by \$855,991 for the purpose of making the rehabilitation improvements identified in the scope of work.
8. On July 18, 2003, the Citywide Affordable Housing Loan Committee approved an additional amount Loan amount of \$855,991, for an amount not to exceed \$998,776, and to revise the Schedule of Performance.
9. The Agency now desires to increase the Loan amount and revise the Schedule of Performance, pursuant to the Owner's and THC's request.

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 Second Amendment to the Tax Increment Affordable Housing Program Loan Agreement with 32-40 6th Street, LLC, a California Limited Liability Company, to increase the loan amount by \$855,991, for a total aggregate amount not to exceed \$998,776, and to revise the Schedule of Performance, 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:


James B. Morales
Agency General Counsel