RESOLUTION NO. 147-2004

Adopted December 14, 2004

AUTHORIZING A FIRST AMENDMENT TO THE BRIDGE LOAN AGREEMENT WITH THE MUSEUM OF THE AFRICAN DIASPORA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO CHANGE THE TERMS FOR THE REPAYMENT OF THE LOAN FOR THE MUSEUM TO BE LOCATED ON A PORTION OF PARCEL EB-2A ON THE SOUTH SIDE OF MISSION STREET BETWEEN NEW MONTGOMERY AND THIRD STREETS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Museum of the African Diaspora, a California nonprofit public benefit corporation (“MoAD”), is planning a unique cultural and museum facility to create an experience of the journeys, accomplishments, and achievements of the peoples from the African continent who have been transported throughout the world. The museum facility will consist of about 20,000 square feet of space located on a portion of Parcel EB-2A, in the St. Regis Museum Tower structure, a mixed-use project currently under construction at the southeast corner of Third and Mission Streets in the Yerba Buena Center Redevelopment Project Area.

2. On October 7, 2003, by Resolution No. 160-2003, the Commission of the Redevelopment Agency of the City and County of San Francisco (the “Agency Commission”) authorized a Bridge Loan Agreement (the “Loan Agreement”) in an amount not to exceed $1.0 million with MoAD to fund the professional and specialized design services needed for the cultural exhibits, including permanent exhibits, lighting, media and technology, and graphics for the museum facility.

3. On January 20, 2004, by Resolution No. 6-2004, the Agency Commission authorized an Agreement for Operation of a Museum Facility (the “Operating Agreement”) with MoAD to provide funds in a base annual amount not to exceed $450,000 per year, for an aggregate amount of $6,750,000, for a maximum period of 15 years, subject to the availability of funds.

4. The Loan Agreement contains terms, conditions and controls, including restrictions on repayment in one of two ways: 1) in full by October 2005, or 2) through annual deductions from the Operating Agreement funding, at 3% interest.

5. The First Amendment to the Loan Agreement would allow for repayment through an upfront reduction in the aggregate amount of funding to be provided over the life of the Operating Agreement. This would result in the effective repayment of the loan, though no interest will be charged. The modifications would achieve the
Agency’s goal of maintaining a balance in the overall level of funding to the museum while removing the burden of a large ongoing loan liability on MoAD’s balance sheet, a hindrance to MoAD’s corporate and foundation fundraising.

6. The Agency desires to enter into a First Amendment to the Loan Agreement with MoAD to provide for the modifications described above.

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 the First Amendment to the Bridge Loan Agreement and all related loan documents to effectuate the terms and conditions of the Bridge Loan Agreement with the Museum of the African Diaspora, a California nonprofit public benefit corporation, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:

James B. Morales
Agency General Counsel