RESOLUTION NO. 30-2005

Adopted February 15, 2005

APPROVING THE REVISED FILLMORE JAZZ PRESERVATION DISTRICT REVOLVING LOAN PROGRAM TO PROVIDE FAÇADE IMPROVEMENT, TENANT IMPROVEMENT AND BUSINESS ASSISTANCE LOANS TO BUSINESS AND PROPERTY OWNERS IN THE FILLMORE JAZZ PRESERVATION DISTRICT AND APPROPRIATING $850,000 TO CAPITALIZE THE LOAN PROGRAM; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. The economic revitalization of the Fillmore Jazz Preservation District (“District”) is a significant component of the Redevelopment Agency of the City and County of San Francisco’s (“Agency”) completion of the Western Addition A-2 Redevelopment Plan (“Plan”). The District is the area generally located along Fillmore Street between Post and McAllister Streets, in the Western Addition Redevelopment Project Area A-2 (“Project Area”).

2. On October 26, 1999, by Resolution No. 166-99, the Agency Commission approved the Fillmore Jazz Preservation District Revolving Loan Program (“Loan Program”) to provide loans up to $50,000 to attract new businesses and to strengthen existing businesses in the District.

3. On November 16, 1999, by Resolution No. 174-99, the Agency Commission approved a Loan Program Agreement (“Agreement”) with Community Bank of the Bay (“Bank”) to administer the Loan Program and appropriated $200,000 to fund the Loan Program.

4. As recommended by the Bank, on October 24, 2000, the Agency Commission authorized changes to the Loan Program guidelines and appropriated an additional $300,000 in funding. Elkor Realty Corporation, the former owner of The Fillmore Center, also contributed $200,000, bringing the total Loan Program funds to $700,000.

5. The Bank made five loans in a total amount of $165,000 from the inception of the Loan Program until May 2001, when the Bank staff person who was appointed to administer the program resigned. Thereafter, the Bank failed to appoint a new administrator for the Loan Program or to fulfill any of its obligations under the Agreement.
6. On May 28, 2002, the Agency Commission authorized the termination of the Agreement. On July 23, 2002, the Bank returned the undisbursed loan funds, interest earnings and loan repayments in the amount of $601,692 to the Agency.

7. In 2002, the Loan Program was suspended due to the termination of the Agreement with the Bank. Staff extensively solicited feedback from the community and as a result, staff has revised the Loan Program, as described in more detail in Attachment A, Fillmore Jazz Preservation District Revolving Loan Program of the Commission Memorandum dated February 4, 2005.

8. Staff will administer the revised Loan Program internally and will collaborate with Urban Solutions to provide loan packaging and economic development assistance to loan applicants.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that: 1) the revised Fillmore Jazz Preservation District Revolving Loan Program for the Western Addition Redevelopment Project Area A-2, substantially in the form lodged with the Agency General Counsel, is hereby approved with such changes that hereafter become necessary, which changes do not materially affect the substance of the Loan Program or materially increase the obligations of the Agency; and 2) authorizes the Executive Director to expend $850,000 to capitalize the Loan Program.

APPROVED AS TO FORM:

[Signature]

James B. Morales
Agency General Counsel