RESOLUTION NO. 45-2005

Adopted March 15, 2005

AUTHORIZING AN AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT, PROMISSORY NOTE, REGULATORY AND GRANT AGREEMENT, DECLARATION OF RESTRICTIONS, GROUND LEASE, AND MEMORANDUM OF GROUND LEASE ALL WITH JORDAN HOUSING CORPORATION, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO SATISFY THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT REQUIREMENTS FOR FUNDING IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 55 VERY LOW-INCOME RENTAL UNITS, THE JORDAN APARTMENTS, 820 O’FARRELL STREET; CITYWIDE TAX INCREMENT AFFORDABLE HOUSING PROGRAM

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco ("Agency") has established a Citywide Tax Increment Affordable Housing Program to assist in the acquisition and rehabilitation of housing for low- and very low-income tenants.

2. By Resolution 208-2002 dated December 11, 2002, the Commission authorized a first amendment to the Predevelopment Grant Agreement with Conard House Inc., a California nonprofit public benefit corporation ("CHI"), to modify the Schedule of Performance.

3. CHI has established a single-asset nonprofit subsidiary, Jordan Housing Corporation, a California nonprofit public benefit corporation ("JHC"), to ultimately own and operate the Project ("Project").

4. JHC also applied for and received an award in the amount of $1,250,000 in State of California Department of Housing and Community Development ("HCD") Multifamily Housing Program Funds ("MHP") to partially fund the rehabilitation of the Project.

5. Upon meeting the necessary due diligence requirements, JHC entered into a Ground Lease, Regulatory and Grant Agreement, Declaration of Restrictions, Loan Agreement, and Promissory Note.

6. On March 11, 2003 per Resolution No. 31-2003, the Commission authorized the Loan Agreement and companion Promissory Note in the amount of $1,250,000 subject to JHC’s receipt of the MHP award.

8. On March 11, 2003 pursuant to Resolution No. 32-2003, the Commission authorized the Regulatory and Grant Agreement, which was amended on August 26, 2003 per Resolution No. 140-2003, and the Second Amendment was authorized on October 4, 2004 under Resolution No. 117-2004 secured by an Agency Declaration of Restrictions.

9. JHC and HCD are requesting that the Commission authorize a Second Amendment to the Ground Lease, a Third Amendment to the Regulatory and Grant Agreement, and a First Amendment to the Loan Agreement for the purpose of resolving conflicts with MHP documents principally associated with definitions of surplus cash, project expenses and Project reserve requirements.

10. Amendments to these documents also include a modification of the term from an initial term of 67 years with an option to renew for an additional 32 years, to a revised initial term of 69 years with an option of renewal for an additional 30 years, in accordance with MHP requirements.

11. Although the Project is substantially complete, additional elevator work recently required by the Mayor’s Office of Disability requires an amended completion date of May 20, 2005.

12. These changes do not materially effect the Agency’s obligations or interests in this Project. Moreover, they facilitate MHP financing.

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 amendment to the Affordable Housing Tax Increment Loan Agreement, Promissory Note, Regulatory and Grant Agreement, Declaration of Restrictions, Ground Lease, and Memorandum of Ground Lease and any other ancillary documents as necessary to complete this transaction with Jordan Housing Corporation, a California nonprofit public benefit corporation, to satisfy the California Department of Housing and Community Development requirements for funding in conjunction with the acquisition and rehabilitation of 55 very low-income rental units, the Jordan Apartments, 820 O’Farrell Street, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:

[Signature]

James B. Morales
Agency General Counsel