RESOLUTION NO. 144-2005

Adopted September 20, 2005

AUTHORIZING A THIRD AMENDMENT TO THE BUSINESS DEVELOPMENT LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF COMMUNITY DEVELOPMENT TO INCREASE THE MAXIMUM AMOUNT PAYABLE BY $190,000 FOR DESIGN ASSISTANCE AS PART OF THE SIX ON SIXTH ECONOMIC REVITALIZATION PROGRAM THROUGH THE REALLOCATION OF EXISTING PROGRAM FUNDS, FOR AN AGGREGATE AMOUNT NOT TO EXCEED $2,698,820; SOUTH OF MARKET EARTHQUAKE RECOVERY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. On November 26, 2002, the Redevelopment Agency of the City and County of San Francisco (the “Agency”) authorized the creation of the Six on Sixth Economic Revitalization Program (the “Six on Sixth Program” or “Program”) and allocated funding in the amount of $750,000 to provide façade improvement, tenant improvement, and business assistance loans and grants for design assistance to property and business owners on Sixth Street in the South of Market Earthquake Recovery Redevelopment Project Area (the “Project Area”).

2. On the same day, the Agency authorized a Third Amendment to the Letter Agreement with the Mayor’s Office of Community Development (“MOCD”) to assist in the implementation of the Sixth on Sixth Program through December 31, 2003, by increasing the maximum amount payable under the Letter Agreement with MOCD by $592,000 for the following purposes: (1) $442,000 for façade improvement, tenant improvement, and business assistance loans; (2) $68,000 for provision of outreach, technical assistance, and loan packaging for the Six on Sixth Program by Urban Solutions; and (3) $52,000 for provision of design services by Asian Neighborhood Design (“AND”) from the Sixth on Sixth Program budget.

3. On July 8, 2003, the Commission authorized a Business Development Letter Agreement with MOCD to provide operations support for Urban Solutions and San Francisco Renaissance to provide outreach and technical assistance for small businesses in redevelopment project and survey areas. The Business Development Letter Agreement with MOCD was for a period of three years, in an amount not to exceed $628,233 for Fiscal Year 2003-04, plus 3 percent cost of living increases for Fiscal Years 2004-05 and 2005-06, subject to the appropriation of funds, for an aggregate amount not to exceed $1,941,806.
4. On February 3, 2004, the Commission authorized a First Amendment to the Business Development Letter Agreement with MOCD to increase the maximum amount payable by $489,426, including a carry-over of $442,926 for the Sixth on Sixth Program, plus an additional $30,000 for Urban Solutions and $16,500 for MOCD to assist in the administration of the Six on Sixth Program and with the contract with Urban Solutions.

5. On October 5, 2004, the Commission authorized a Second Amendment to the Business Development Letter Agreement with MOCD to increase the maximum amount payable by $77,588 for design assistance as part of the Sixth on Sixth Program, including $3,694 in administrative fees for MOCD, through the reallocation of Program funds.

6. Due to the success of the Six on Sixth Program, many additional property owners have expressed interest in participating. Demand for the larger, non-forgivable loans has been lower than anticipated, with the result that the Program can afford to support more projects, and thus the demand for design assistance is extremely high. Increasing the total amount available in the Six on Sixth Program for design assistance by reallocation of existing Sixth on Sixth Program funds will enable the Program to continue to serve the large number of current participants as well as attract new participants through the end of Fiscal Year 2005-06.

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 Business Development Letter Agreement with the Mayor's Office of Community Development to increase the maximum amount payable by $190,000 for design assistance as part of the Six on Sixth Economic Revitalization Program through the reallocation of existing Program funds, for an aggregate amount not to exceed $2,698,820 through June 30, 2006.

APPROVED AS TO FORM:

[Signature]
James B. Morales
Agency General Counsel