

RESOLUTION NO. 123-2006

Adopted September 19, 2006

AUTHORIZING A HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS OPERATING AGREEMENT WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$150,000, FOR OCTOBER 1, 2006 TO SEPTEMBER 30, 2009, CONTINGENT UPON PROGRAM CONSIDERATIONS, AVAILABILITY OF FUNDS AND PERFORMANCE, AT THE DEREK SILVA COMMUNITY, 20 FRANKLIN STREET, TO PROVIDE PROGRAM OPERATING COSTS FOR PEOPLE LIVING WITH HIV/AIDS, HOUSING OPPORTUNITIES FOR PERSON WITH AIDS PROGRAM

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (the "Agency") is authorized under a Housing Opportunities for Persons with AIDS ("HOPWA") Grant Agreement with the United States Department of Housing and Urban Development ("HUD"), executed pursuant to the AIDS Housing Opportunity Act (42 U.S.C. §§ 12901 to 12912), to provide qualifying sponsors with resources for meeting the housing needs of persons with Acquired Immune Deficiency Syndrome ("AIDS").
2. The Derek Silva Community located at 20 Franklin Street in San Francisco (the "Improvements" or the "Project") was purchased and rehabilitated, in part with a loan of federal HOPWA funds approved by the Agency Commission on December 4, 2001 and March 2, 2004 pursuant to Agency Resolution Nos. 212-2001 and 28-2004. The Project is a 68-unit housing development for low-income households by the Tenant. In addition to the residential component, the Improvements also include 6,771 square feet of ground floor commercial space.
3. Mercy Housing California XVII ("MHC XVII"), a California limited partnership affiliate of Mercy Housing California, a California nonprofit public benefit corporation ("MHC"), owns the Improvements and the Agency owns the land. The Agency entered into a Ground Lease with MHC XVII on December 19, 2002.
4. Mercy Services Corporation ("MSC"), the property management affiliate of MHC, manages the Project.
5. The Project offers on-site supportive services provided by Catholic Charities CYO ("CCCYO").

6. MHC has requested a HOPWA Operating Agreement in an amount not to exceed one hundred fifty thousand dollars (\$150,000.00) for operating costs between October 1, 2006 to September 30, 2009. The HUD regulations for HOPWA at 24 CFR §574 et seq. permit use of the funds for operating costs as “eligible activities” pursuant to 24 CFR §574.300 (b)(8).
7. On August 18, 2006, the HOPWA Affordable Housing Loan Committee reviewed the requested actions and recommended Agency Commission approval of such actions.

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 HOPWA Operating Agreement in an amount not to exceed one hundred fifty thousand dollars (\$150,000.00) for operating costs between October 1, 2006 to September 30, 2009, contingent upon program considerations, funding availability, and performance, with Mercy Housing California, a California nonprofit public benefit corporation, for the ongoing operation of 68 units of very low income housing at the Derek Silva Community at 20 Franklin Street, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:



James B. Morales
Agency General Counsel