

1 [Wells Fargo Loan for Façade Improvement Program]

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3 **Resolution approving the City's acceptance of a \$500,000 Loan from Wells Fargo Bank**
4 **for the purpose of providing low-interest Façade Improvement Loans in low-income**
5 **neighborhoods of San Francisco.**
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7 WHEREAS, The Mayor's Office of Community Development ("MOCD") operates and
8 manages a revolving loan fund earmarked to assist with economic development efforts in low-
9 income neighborhoods. As a part of this loan activity, funds have been earmarked to assist
10 small business owners and commercial property owners to improve their storefront facades in
11 targeted neighborhoods representing distressed or underserved areas of the City including
12 the Mission District, South of Market, Tenderloin, Chinatown, Bayview, Mid-Market, Excelsior
13 (Outer Mission) and Ocean Avenue (the "Facade Improvement Program"); and,

14 WHEREAS, Wells Fargo Bank, N.A. ("Wells Fargo") wishes to make investments
15 which promote the public welfare in targeted neighborhoods and is willing to assist MOCD in
16 the funding of the Façade Improvement Program; and,

17 WHEREAS, Wells Fargo has agreed to lend to the City Five Hundred Thousand
18 Dollars (\$500,000) for a period of ten (10) years at an interest rate of two percent (2%) in
19 order to provide funding for the Façade Improvement Program; and,

20 WHEREAS, Wells Fargo and MOCD have agreed on the terms of a loan agreement
21 (the "Loan Agreement"), a copy of which is on file with the Clerk of the Board of Supervisors
22 in File No. 041685, which is hereby declared to be a part of this resolution as if set forth fully
23 herein; and,

1 WHEREAS, Under the Loan Agreement, the City agrees to create a separate
 2 proceeds account for the loan funds from Wells Fargo and all proceeds therefrom (the
 3 “Proceeds Account”), and the City pledges the Proceeds Account and an assignment of the
 4 City’s rights against borrowers under the Façade Improvement Program for repayment of the
 5 amounts due to Wells Fargo under the Loan Agreement and does not pledge any of the City’s
 6 General Fund for this purpose; now, therefore be it

7 RESOLVED, That the Board of Supervisors approves the Loan Agreement in
 8 substantially the form on file with the Clerk of the Board of Supervisors, and authorizes the
 9 Director of MOCD to execute the Loan Agreement and to perform City's obligations under the
 10 Loan Document, and to take such additional actions as may be necessary to further
 11 effectuate the purpose and intent of this resolution.

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Recommended:

 Dwayne Jones, Director

Approved: _____
 Gavin Newsom, Mayor
 Approved: _____
 Edward Harrington, Controller