

**FIRST AMENDMENT TO AMENDED AND RESTATED SENIOR OPERATING
SUBSIDY GRANT AGREEMENT
(1005 POWELL STREET – PERMANENT LOCAL HOUSING ALLOCATION
(PLHA PROGRAM))**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED SENIOR OPERATING SUBSIDY GRANT AGREEMENT (this “First Amendment”) is made and entered into as of _____, 2025 by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (the “City”), represented by the Mayor, acting by and through the Mayor’s Office of Housing and Community Development (“MOHCD”), and **CHINATOWN SROS L.L.C.**, a California limited liability company (“Grantee”).

RECITALS

A. Grantee owns that certain real property located at 1005 Powell Street, in San Francisco, consisting of a multifamily residential building providing affordable housing to income qualified households (the “Project”).

B. The City previously provided a grant in the amount of Six Million Two Hundred Nine Thousand Two Hundred Four and No/100 Dollars (\$6,209,204.00) (the “Grant”) to Grantee to provide a project-based rent subsidy for extremely low income households at 15% of Median Income and 25% of Median Income residing at the Project. The Grant is evidenced by the Senior Operating Subsidy Grant Agreement dated April 17, 2024 (the “Grant Agreement”). Capitalized terms use herein and not otherwise define shall have the meanings set forth in the Grant Agreement.

B. After the Grant Agreement was executed, MOHCD and Grantee discovered that the Grant Amount inadvertently omitted the amount of Grant Funds that the Grantee will need in the final year of the term.. The City desires to fully fund the originally intended amount of Grant Funds by increasing the Grant Amount by \$572,765, for a total amount equal to \$6,781,969. The City and Borrower desire to amend the Grant Agreement to increase the Grant Amount to cover the full term of the Grant Agreement.

C. On _____, 2025, the City’s Board of Supervisors and the Mayor approved this First Amendment under Resolution No. _____-25.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, City and Borrower agree as follows:

AGREEMENT

1. Amendments to Grant Agreement.

(a) The recitals set forth in this First Amendment are hereby incorporated in the Grant Agreement.

(b) Section 5.1 of the Grant Agreement is hereby deleted in its entirety and replaced with the following:

5.1 Maximum Amount of Grant Funds; Disbursement of Subsidy Payments. In no event shall the total amount of Grant Funds disbursed during the Term hereunder exceed Six Million Seven Hundred Eighty One Thousand Nine Hundred Sixty Nine and No/100 Dollars (\$6,781,969.00) (the “Grant Amount”), unless appropriated by the Board of Supervisors. Subject to Grantee’s performance of its obligations under this Agreement and MOHCD’s receipt of sufficient funds, as further set forth in Article 2, the Grant Funds shall be disbursed through annual Subsidy Payments as set forth in Section 5.4.

Provided that Grantee is in compliance with all of the conditions for receipt of the First Subsidy Payment, City shall deliver the First Subsidy Payment to Grantee within sixty (60) business days immediately following the Effective Date. For every subsequent year during the Term, the Sponsor will submit draw requests to MOHCD per the Senior Operating Subsidy Payments and Schedule as shown in Exhibit A (based on January to December calendar year) and must include a self-compliance certification form. The City shall deliver the Subsidy Payment for such year to Grantee within sixty (60) business days to the Capitalized SOS Reserve Account. To the extent Grantee is in compliance with all of the conditions for receipt of a Subsidy Payment, and Grantee is required to make out of pocket payments due to a MOHCD disbursement that is later than sixty-five (65) business days immediately following the anniversary of the Effective Date, then MOHCD shall allow Grantee to reimburse itself such out of pocket expense, plus interest for such period from the Operating Reserve Account.

2. Amendments to Exhibit B. Exhibit B is hereby deleted in its entirety and replaced with the following:

UPDATED* EXHIBIT B - SOS Funding Schedule					
Funding Start Date:			7/1/2024		
Base Year Annual Amount			318,036		
Base Year			2024		
annual % increase	Calendar Year		Full Year Funding Amount	Estimated Disbursement Date	FY Budgeted (for Disbursement)
	CY-1	2024	\$159,018	May 1, 2024	FY2024/25
4.00%	CY-2	2025	\$330,757	Jan 1, 2025	FY2024/25
4.00%	CY-3	2026	\$343,988	Jan 1, 2026	FY2025/26
4.00%	CY-4	2027	\$357,747	Jan 1, 2027	FY2026/27
4.00%	CY-5	2028	\$372,057	Jan 1, 2028	FY2027/28
4.00%	CY-6	2029	\$386,939	Jan 1, 2029	FY2028/29
4.00%	CY-7	2030	\$402,417	Jan 1, 2030	FY2029/30
4.00%	CY-8	2031	\$418,514	Jan 1, 2031	FY2030/31
4.00%	CY-9	2032	\$435,254	Jan 1, 2032	FY2031/32
4.00%	CY-10	2033	\$452,664	Jan 1, 2033	FY2032/33
4.00%	CY-11	2034	\$470,771	Jan 1, 2034	FY2033/34
4.00%	CY-12	2035	\$489,602	Jan 1, 2035	FY2034/35
4.00%	CY-13	2036	\$509,186	Jan 1, 2036	FY2035/36
4.00%	CY-14	2037	\$529,553	Jan 1, 2037	FY2036/37
4.00%	CY-15	2038	\$550,735	Jan 1, 2038	FY2037/38
4.00%	CY-16	2039	\$572,765	Jan 1, 2039	FY2038/39
Total Contract Amount:			\$6,781,969		

*Updated by MOHCD - February 24, 2025

4. Representations and Warranties.

(a) All of the representations and warranties made by Borrower to the City in the Agreement continue to be true and complete as of the date of this First Amendment.

(b) No event has occurred and is continuing that constitutes an event of default or potential event of default under the Agreement.

5. Miscellaneous.

(a) References. No reference to this First Amendment is necessary in any instrument or document at any time referring to the Agreement. Any reference to such documents will be deemed a reference to the Agreement as amended by this First Amendment.

(b) No Other Amendments. Except as amended by this First Amendment, the Agreement will remain unmodified and in full force and effect.

(c) Counterparts. This First Amendment may be executed in two or more counterparts, each of which will be deemed an original, but all of which when taken together will constitute one and the same instrument.

(d) Successors and Assigns. The terms, covenants, and conditions contained in this First Amendment will bind and inure to the benefit of Borrower and the City and, except as otherwise provided herein, their personal representatives and successors and assigns.

(e) Further Instruments. The parties hereto agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this First Amendment.

(f) No Third-Party Beneficiaries. Nothing contained in this First Amendment, nor any act of the City, may be interpreted or construed as creating the relationship of third-party beneficiary, limited or general partnership, joint venture, employer and employee, or principal and agent between the City and Borrower or Borrower's agents, employees or contractors.

SIGNATURES ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment at San Francisco, California as of the date first written above.

THE CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By: _____
Daniel Lurie
Mayor

By: _____
Daniel Adams, Director
Mayor's Office of Housing
and Community Development

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____
Keith Nagayama
Deputy City Attorney

GRANTEE:

CHINATOWN SROS LLC,
a California Limited Liability Company

By: Chinatown Community Development
Center, Inc., a California nonprofit public
benefit corporation
Its: Sole member/manager

By: _____
Name: Malcolm Yeung
Title: Executive Director

Federal Tax ID #: 94-2514053

City Vendor Number: