

1 [Exceptions to Seismic Safety Loan Program Requirements to Allow for a \$15,000,000 Loan
2 to Arlington Residence - 480 Ellis Street]

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4 **Ordinance approving exceptions to requirements of the Seismic Safety Loan Program**
5 **pursuant to San Francisco Administrative Code Sections 66 and 66A and the Program**
6 **Regulations, dated May 2006, adopted by the Board of Supervisors through Ordinance**
7 **No. 122-06, to allow for a \$15,000,000 Seismic Safety Loan Program loan for an existing**
8 **affordable housing project at the Arlington Residence, 480 Ellis Street, San Francisco,**
9 **California.**

10 Note: Additions are single-underline italics Times New Roman;
11 deletions are ~~strikethrough italics Times New Roman~~.
12 Board amendment additions are double underlined.
13 Board amendment deletions are ~~strikethrough normal~~.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Findings. The Board of Supervisors hereby finds and determines as follows:

16 (a) Mercy Housing California XL, L.P., a California limited partnership
17 ("Borrower") is acquiring an existing 173 unit affordable housing project located at 480 Ellis
18 Street, San Francisco, California and commonly known as the Arlington Residence (the
19 "Property"). Borrower is currently proposing to seismically retrofit and substantially
20 rehabilitate the Property in order to significantly extend the useful life of the Property (the
21 "Project").

22 (b) Pursuant to a loan evaluation report dated July 22, 2009 (the
23 "Evaluation"), the Unreinforced Masonry Building Loan Committee (the "Committee") and the
24 City and County of San Francisco Mayor's Office of Housing ("MOH") recommended providing
25 a \$15,000,000 Deferred Extended Loan (the "Loan") from the City and County of San
Francisco, acting by and through MOH, to the Borrower pursuant to San Francisco

1 Administrative Code Sections 66 and 66A and the Seismic Safety Loan Program Regulations,
2 dated May 2006, adopted by the Board of Supervisors through Ordinance No. 122-06 ("SSLP
3 Program"), for the purpose of seismically retrofitting the Project. MOH adopted implementing
4 regulations for the SSLP Program in 1994, as amended in May 2006 ("Regulations").

5 (c) The Loan does not satisfy the loan-to-value ratio requirement nor the
6 alternative lending criteria set forth in the SSLP Program Section 66A.4 and the Regulations.
7 In accordance with the Evaluation, MOH has determined that the Loan is necessary to the
8 feasibility of the Project, and that preserving and extending the useful life of a significant
9 existing affordable housing resource is of overriding importance to the lending criteria outlined
10 in SSLP Program Section 66A.4 and the Regulations.

11 Section 2. In accordance with the recommendations of MOH and the Committee, the
12 Board of Supervisors hereby exempts the Loan and the Project from the loan-to-value ratio
13 requirement and the alternative lending criteria set forth in SSLP Program Section 66A.4 and
14 the Regulations, subject to all other requirements set forth in San Francisco Administrative
15 Code Sections 66 and 66A and the Regulations.

16 Section 3. The Board of Supervisors hereby authorizes the Director of MOH to take
17 any and all actions which the Director of MOH or the City Attorney may deem necessary or
18 advisable in order to effectuate the purpose and intent of this ordinance.

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21 APPROVED AS TO FORM:
22 DENNIS J. HERRERA, City Attorney

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24 By: Evan Gross, Deputy City Attorney

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