

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03051

ADOPTED ON OCTOBER 5, 1999

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE RE-SUBORDINATION OF ACQUISITION LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AND SAN DIEGO YOUTH AND COMMUNITY SERVICES, INC.

WHEREAS, on April 12, 1994, by Resolution No. 2372, the Redevelopment Agency of The City of San Diego [the Agency] approved an Acquisition Loan Agreement with San Diego Youth and Community Services, Inc. [SDYCS], in the amount of \$500,000 to assist with the acquisition of property located at 3225 Wing Street; a copy of the Acquisition Loan Agreement is on file in the office of the Secretary to the Agency as Document No. 02131; and

WHEREAS, the Agency loan was secured by a promissory note, which was subordinate to a private loan, in the amount of \$500,000, serviced by Midland Loan Services; and

WHEREAS, over the past year, discussions were held between representatives of SDYCS, The City of San Diego, the San Diego Housing Commission, and the Centre City Development Corporation [CCDC] to develop a plan to refund the private first position loan in order to allow SDYCS to preserve its transitional housing program for homeless youths and strengthen SDYCS by removing the payments which were required under the current first position loan; and

WHEREAS, the San Diego Housing Commission agreed to fund an additional loan to

replace the first position loan; and

WHEREAS, the Agency would not be required to commit additional funds but would be required to subordinate to the new loan; in effect, the Agency's financial position remains unchanged; NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of The City of San Diego, as follows:

1. That the subordination of the Acquisition Loan Agreement between the Agency and San Diego Youth and Community Services, Inc., in favor of a Housing Commission loan issued for the purpose of refunding the private first position loan is approved.

2. That the Executive Director, or designee, is authorized to execute, for and on behalf of the Agency, a Subordination Agreement regarding the Agency's Acquisition Loan Agreement with San Diego Community Youth Services, Inc., and amend related loan documents, as necessary. A copy of the Subordination Agreement is on file in the office of the Secretary to the Agency as Document No. D-03051.

APPROVED: CASEY GWINN, General Counsel

By
Douglas K. Humphreys
Deputy Counsel

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