

ATTACHMENT A

FIRST AMENDMENT TO THE
DISPOSITION AND DEVELOPMENT AGREEMENT

This FIRST AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT (“First Amendment”) is dated as of _____, 2011, and is entered into by and between the REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO (“Agency”) and CONNECTIONS HOUSING DOWNTOWN, L.P., a California limited partnership (“Developer”).

R E C I T A L S

A. The Agency entered into a Purchase and Sale Agreement with the City on March 1, 2011 (“PSA”) for the purchase of the property located at 1250 Sixth Avenue in the City of San Diego, California (“World Trade Center”), which includes the historic World Trade Center building (“Property”) and adjacent parking structure (“Garage”).

B. The Agency and Developer entered into that certain Disposition and Development Agreement by and between the Agency and Developer, dated as of March 1, 2011 (“the DDA”), which contemplates that upon the Agency’s acquisition of the Property from the City, the Agency shall immediately convey the Property to Developer so that the Developer can rehabilitate the Property, for the purposes of housing a one-stop service center for homeless persons with (i) seventy-three (73) permanent supportive housing units, (ii) 150 transitional housing beds, (iii) a medical clinic, (iv) a multi-service homeless center, and (v) administrative offices (collectively, “Project”).

C. The Agency intends to complete renovations to the Garage independently of the Developer’s renovation of the Property.

D. Section 201 of the DDA currently provides, as follows:

201 Sale of Property

At such time as all conditions precedent to the conveyance of the Property have been satisfied, as set forth in the Method of Financing (Attachment No. 3), Agency shall (i) acquire the Property from the City, and (ii) convey the Property to Developer in consideration for Developer’s payment to Agency in the amount of FOUR MILLION THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$4,300,000) (“Purchase Price”) and satisfaction of conditions precedent.

E. Following the execution of the DDA and the PSA, the City and the Agency mutually agreed that the Agency would acquire the World Trade Center from the City in advance of the Developer’s satisfaction of the conditions precedent, as set forth in the DDA in order to allow the Agency to begin renovations to the Garage for the City’s and Agency’s own public purposes.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties agree as follows:

1. Recitals. The Recitals and attachments referenced above are hereby incorporated by reference into this First Amendment and adopted by the parties to this First amendment as true and correct.
2. Defined Terms. Capitalized terms used in this First Amendment shall have the meaning given them in the DDA unless specifically provided otherwise herein.
3. Modifications to Section 201 of the DDA. Section 201 of the DDA is deleted in its entirety and replaced with the following text:

SECTION 201 Sale of Property

At such time as all conditions precedent to the conveyance of the Property have been satisfied, as set forth in the Method of Financing (Attachment No. 3), Agency shall convey the Property to Developer in consideration for Developer's payment to Agency in the amount of FOUR MILLION THREE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$4,300,000)("Purchase Price") and satisfaction of conditions precedent. Agency shall acquire the Property from the City at any time prior to Agency's conveyance of the Property to Developer.
4. Binding on Successors and Assigns. This First Amendment and all of the terms and conditions herein shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legatees of the parties.
5. DDA in Full Force and Effect. Except as otherwise expressly modified herein, the terms and conditions of the DDA shall remain unmodified and in full force and effect.
6. Further Assurances. The parties agree to execute such other documents and to take such other action as may be reasonably necessary to further the purposes of this First Amendment.
7. Third Party Beneficiaries. The parties to this First Amendment acknowledge and agree that the provisions of this First Amendment are for the sole benefit of City, Agency and Developer, and not for the benefit, directly or indirectly, of any other person or entity.
8. Effectiveness of this First Amendment. This First Amendment shall not be effective unless and until it has been executed by Developer and Agency.
9. Effective Date. The Effective Date of this First Amendment shall be deemed to be the date this First Amendment is executed by Agency.

10. Counterpart Signatures. This First Amendment may be executed by each party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

IN WITNESS WHEREOF, Agency and Owner have signed this Agreement as of the dates set opposite their signatures.

REDEVELOPMENT AGENCY OF THE CITY OF
SAN DIEGO

Dated: _____

By: _____

Janice Weinrick
Deputy Executive Director

APPROVED AS TO FORM AND LEGALITY:

JAN I. GOLDSMITH,
Agency General Counsel

By: _____

Monique R. Tayyab
Deputy General Counsel

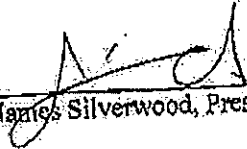
KANE, BALLMER & BERKMAN
Agency Special Counsel

By:  _____
Susan Y. Cola

SIGNATURES CONTINUED ON NEXT PAGE

CONNECTIONS HOUSING DOWNTOWN, L.P.
a California limited partnership

By: Affirmed Housing Group, Inc.
a Delaware corporation
Its: Administrative General Partner

By: 
James Silverwood, President

By: PATH Ventures
a California non-profit public
benefit corporation
Its: Managing General Partner

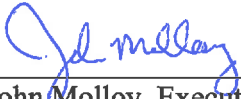
By: _____
John Molloy, Executive Director

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