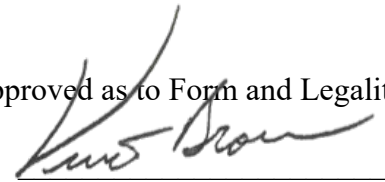


Approved as to Form and Legality



City Attorney's Office

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR HIS OR HER DESIGNEE TO EXTEND THE TERM OF THE REGULATORY AGREEMENT AND THE EXISTING LOAN TO 532 16TH ST. INC. FOR THE ADCOCK JOYNER APARTMENTS TO THE EARLIER OF 15 YEARS FROM TAX CREDIT REHABILITATION LOAN CONVERSION OR JULY 30, 2040.**

**WHEREAS**, on October 20, 1992, the former Oakland Redevelopment Agency (the “*Agency*”), adopted Resolution No. 92-60 C.M.S., authorizing a preservation and rehabilitation loan in the amount of \$1,470,000 (the “*Loan*”), to 532 16<sup>th</sup> St. Inc., for site acquisition, rehabilitation, and permanent financing of the Drake Hotel, which is now known as the Adcock Joyner Apartments (the “*Project*”); and

**WHEREAS**, the City Council adopted Resolution No. 83680 C.M.S. on January 10, 2012, electing to retain and assume the housing assets, functions, and obligations of the Agency pursuant to Health and Safety Code Section 34176 upon the dissolution of the Agency. The Agency dissolved on February 1, 2012, and the Loan consists of housing assets of the former Agency retained and assumed by the City; and

**WHEREAS**, the Project is now in need of substantial rehabilitation to ensure the long-term viability of the Project as housing affordable to very low and low-income households; and

**WHEREAS**, the Project will be transferred to an affiliate limited partnership controlled by 532 16<sup>th</sup> St Inc. to facilitate the refinancing of the property with four percent Low Income Housing Tax Credits and tax-exempt bonds; and

**WHEREAS**, by re-syndicating and refinancing the Project with four percent Low Income Housing Tax Credits and tax-exempt bonds, 532 16<sup>th</sup> St. Inc and its affiliate will be able to generate sufficient equity to implement the needed improvements to the Project; and

**WHEREAS**, the maturity date of the Loan is currently July 2023, and the term of the Loan needs to be extended to the earlier of fifteen (15) years from tax credit rehabilitation loan conversion or July 30, 2040, in order for 532 16<sup>th</sup> St. Inc. and its affiliate to re-syndicate and refinance the Project with four percent Low Income Housing Tax Credits and tax-exempt bonds; and

**WHEREAS**, the City Council wishes to extend the maturity date of the Loan and the regulatory agreement to enable 532 16<sup>th</sup> St. Inc. and its affiliate to facilitate the re-syndication, refinancing, and subsequent substantial rehabilitation of the Project, thereby ensuring the Project’s long-term viability and the continued preservation of housing affordable to very low and low-income households; now, therefore; be it

**RESOLVED**: That the City Administrator or his or her designee is hereby authorized to extend the maturity date of the Loan and the regulatory agreement to the earlier of fifteen (15) years from tax credit rehabilitation loan conversion or July 30, 2040; and be it

**FURTHER RESOLVED**: That the City Administrator is hereby authorized to negotiate and execute amendments and modifications of the loan documents to extend the maturity date of the Loan and the regulatory agreement and to take whatever other action that is necessary with respect to the Loan consistent with this Resolution and its basic purposes; and be it

**FURTHER RESOLVED**: That the City Council hereby finds that because the extension of the maturity date of the Loan and the regulatory agreement will not have a significant effect on the environment, that such action is not subject to the California Environmental Quality Act (“*CEQA*”) pursuant to CEQA Guidelines Section 15061(b)(3).

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR,  
THAO AND PRESIDENT KAPLAN

NOES –

ABSENT –

ABSTENTION –

ATTEST: \_\_\_\_\_  
ASHA REED  
Acting City Clerk and Clerk of the  
Council of the City of Oakland, California