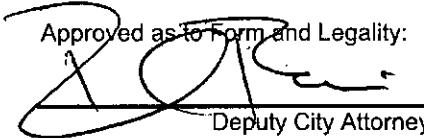


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2014 FEB 13 PM 1:45

Approved as to Form and Legality:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 84858 C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,750,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE 11TH AND JACKSON APARTMENTS RENTAL PROJECT LOCATED AT 1110 JACKSON STREET

WHEREAS, on September 10, 2013, the City of Oakland issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

WHEREAS, East Bay Asian Local Development Corporation (the "Developer") submitted a proposal in response to the NOFA; and

WHEREAS, the Developer proposes to develop a 71-unit rental housing project at 1110 Jackson Street in the City of Oakland (the "City") known as 11th and Jackson Apartments (the "Project"); and

WHEREAS, the City's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental housing, and has identified this activity as a priority; and

WHEREAS, at least 70 Project units will be rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the Project is consistent with the City's Project Development Guidelines, and the Developer meets the City's Threshold Developer Criteria; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

WHEREAS, funds are available or will be available in fiscal year 2014-15 from the HUD HOME Investment Partnership Program to assist the Project; now, therefore, be it

RESOLVED: That the City hereby authorizes the City Administrator or his or her designee to provide a loan in an amount not to exceed \$2,750,000 to East Bay Asian Local Development Corporation, or to an affiliated entity approved by the City Administrator or his or her designee, to be used for development of the Project; and be it

FURTHER RESOLVED: That the following will be allocated from the HUD-HOME Fund (2109) for this loan: \$2,000,000 from Housing Development Organization (89929), HOME Housing Development Program project (G172111) after the 2014-15 fiscal year HOME funds are available; \$626,000 from Housing Development Organization (89929), HOME Housing Development Program project (G172111); and \$124,000 from Housing and Community Development Organization (89919), CHDO Operating project (G172121); and be it

FURTHER RESOLVED: That the loan shall be contingent on the availability of sufficient funds in the HOME Program Development Fund to cover the City loan of \$2,750,000; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her discretion, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

FURTHER RESOLVED: That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the loan funds shall be reserved for a period of no more than twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

FURTHER RESOLVED: That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

FURTHER RESOLVED: That the City hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City Administrator or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

FURTHER RESOLVED: That the City has independently reviewed and considered this environmental determination, and has found and determined that the Project meets criteria for exemption under Section 15332 (infill projects) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the City Administrator or her designee shall file a Notice of Exemption, and an Environmental Declaration under the California Fish and Game Code (Section 711.4) with the County of Alameda; and be it

FURTHER RESOLVED: That execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of the National Environmental Protection Act ("NEPA"), as certified by the City Administrator or his or her designee; and be it

FURTHER RESOLVED: That all loan documents shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution; and be it

FURTHER RESOLVED: That the City hereby authorizes the City Administrator or his or her designee to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, MAR 04 2014

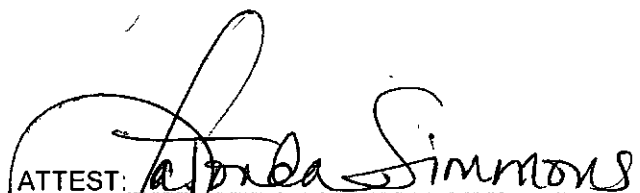
PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT
KERNIGHAN — 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST: 
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California