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APPROVED AS TO FORM AND LEGALITY:

  
\_\_\_\_\_  
Agency Counsel

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND  
RESOLUTION NO. 2006-0017 C.M.S.

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**A RESOLUTION AUTHORIZING A LOAN GUARANTY FOR 15 YEARS IN THE AMOUNT OF \$1.8 MILLION PLUS INTEREST TO EAST OAKLAND COMMUNITY PROJECT FOR DEVELOPMENT OF A NEW HOUSING FACILITY FOR THE HOMELESS AT 7515 INTERNATIONAL BOULEVARD**

**WHEREAS**, the East Oakland Community Project (EOCP) has proposed a new 125 bed housing facility for the homeless at 7515 International Boulevard; and

**WHEREAS**, the new proposed facility has a total development cost of \$10,300,000; and

**WHEREAS**, EOCP desires to borrow \$2.4 million from Washington Mutual to help close the funding gap; and

**WHEREAS**, the private loan from Washington Mutual is contingent upon EOCP offering security in addition to the real property valued at \$600,000; and

**WHEREAS**, EOCP desires the Redevelopment Agency to guarantee a 15-year debt service for the \$1.8 million loan from Washington Mutual; and

**WHEREAS**, the Redevelopment Agency, under this loan guaranty, would guarantee obligations of payment of the loan principal in a maximum amount of \$1.8 million, along with interest on that portion of the loan at the rate set forth in the note; and

**WHEREAS**, the maximum principal amount constituting the guaranteed obligations will be reduced each year by an amount to be set forth in the guaranty; and,

**WHEREAS**, the Redevelopment Agency would be responsible for making payments on the note within ten business days after Washington Mutual's written demand for payments in the event of EOCP's failure to pay the note; now, therefore, be it

**RESOLVED:** That the Agency hereby authorizes a loan guaranty for 15 years in the principal amount of \$1.8 million plus interest to EOCP for the development of a new housing facility for the homeless at 7515 International Boulevard; and be it further

**RESOLVED:** That the funds shall be allocated from the Central City East Operations Fund (9540); Central City East Development Organization (88699); ORA – Central City East Repayment Agreement Project (S233310); and be it further

**RESOLVED:** That the project will be subject to the Agency's employment and contracting requirements, including Prevailing Wage, Living Wage, Local Employment Program for construction (including apprenticeship requirements), Local and Small Business Enterprise Program, Equal Benefits, and First-Source Hiring requirements; and be it further

**RESOLVED:** That during the construction of the facility and once the facility is in operation EOCP will be held to the following employment and contracting requirements which include without limitation:

**HUD Section 3:** A requirement that employment opportunities be given to low and very low income persons.

**City Local Employment Requirements:** Fifty percent (50%) of work hours at the construction site shall be furnished by Oakland residents on a craft-by-craft basis, and fifty percent (50%) of all new construction hires shall be Oakland residents.

**City 15% Apprenticeship:** 15% of the total workforce hours go to Oakland apprentices.

**City Local/Small Local Business Enterprise Requirements:** A minimum of 20% local business participation is required at a rate of 10% certified local businesses and 10% certified small local businesses or 20% certified small local business participation.

and be it further

**RESOLVED:** That the EOCP shall continue its strong commitment to hire Oakland residents as program service staff; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator to conduct negotiations, execute documents, and take any other action with respect to the project and the loan guaranty consistent with this Resolution and its basic purpose.

**MAR 7 2006**

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON DELA FUENTE - 6

NOES- 0

ABSENT- 0

ABSTENTION- 0

Excused: Reid, DelaFuente - 2

ATTEST: Latonda Simmons  
LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland