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OAKLAND

2011 FEB 24 AM 11:43

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
RESOLUTION NO. 2011-0016 C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,867,000 TO HABITAT FOR HUMANITY EAST BAY FOR THE BROOKFIELD COURT HOMEOWNERSHIP PROJECT LOCATED AT 9507 EDES AVENUE

WHEREAS, on September 3, 2010, the Redevelopment Agency of the City of Oakland and the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

WHEREAS, Habitat for Humanity East Bay ("Developer") submitted a proposal in response to the NOFA; and

WHEREAS, the Developer proposes to develop a 12-unit homeownership project at 9507 Edes Avenue in the City of Oakland (the "City") known as Brookfield Court (the "Project"); and

WHEREAS, City of Oakland Ordinance No. 13043 C.M.S. dated October 19, 2010 authorized the City of Oakland to sell City-owned land at 9507 Edes Ave and authorized a Disposition and Development Agreement with the Developer for the Project site; and

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

WHEREAS, the Project is located in the Coliseum Redevelopment Project Area; and

WHEREAS, the Project units will achieve an average income targeting of up to 100% of area median income and will not exceed income targeting of 120% of area median income; and

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

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in Oakland, is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3, and will benefit the redevelopment project area in the City of Oakland by providing affordable housing opportunities within the community that will enhance the economic viability and redevelopment potential of the project area; and

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; and

WHEREAS, the requirements of 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 by the December 1, 2010 Planning Commission finding that the project meets criteria for exemption per Sections 15312, 15332, 15192, and 15194 of the CEQA Guidelines (surplus government property sales, infill projects, and affordable housing); and

WHEREAS, funds are available from the Agency's Low and Moderate Income Housing Fund to assist the Project; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,867,000 to Habitat for Humanity East Bay or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it

FURTHER RESOLVED: That \$1,867,000 shall be allocated from the 2006 Affordable Housing Set-Aside Bond Fund (9584), Housing Development Organization (88929), Housing Development Program project (L290410) for this loan; and be it

FURTHER RESOLVED: That the loan shall be contingent on the availability of sufficient funds in the Agency's 2006 Affordable Housing Set-Aside Bond Fund to cover the Agency loan of \$1,867,000; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of four years, with an interest rate to be determined by the Agency Administrator or his or her designee in his or her discretion, with repayment to the Agency upon the initial sale of Project units to eligible homebuyers, or on such other repayment terms and schedule as the Agency Administrator or his or her designee determines are in the best interest of the Agency and the Project; and be it

FURTHER RESOLVED: That, in the event the Project's development cost exceeds its total net sales proceeds, the Agency Administrator or his or her designee is authorized, upon the initial sale of Project units, to convert a portion of the loan,

represented by the difference between the development cost of the Project unit or units and the total net sales proceeds from Project unit or units, into a grant; and be it

FURTHER RESOLVED: That as a condition of the loan, the Agency will require that appropriate restrictions on the sale and resale of Project units 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 the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That if the Developer is unable to secure commitments for full Project funding due to delays in State financing that are out of the control of the Developer, the Agency Administrator or his or her designee may approve an extension of time for Project funding at his or her discretion; 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 Agency Administrator or his or her designee may establish; and be it

FURTHER RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of any of the Agency'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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and based on the December 1, 2010 Planning Commission finding, has found and determined that the project meets criteria for exemption per Sections 15332 and 15183 of the CEQA Guidelines (infill projects and projects consistent with a community plan, general plan, or zoning); and be it

FURTHER RESOLVED: That the Agency Administrator or his 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 the Agency hereby authorizes the Agency 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; and be it

FURTHER RESOLVED: That all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution.

IN AGENCY, OAKLAND, CALIFORNIA, MAR 3 2011, 2011

PASSED BY THE FOLLOWING VOTE:

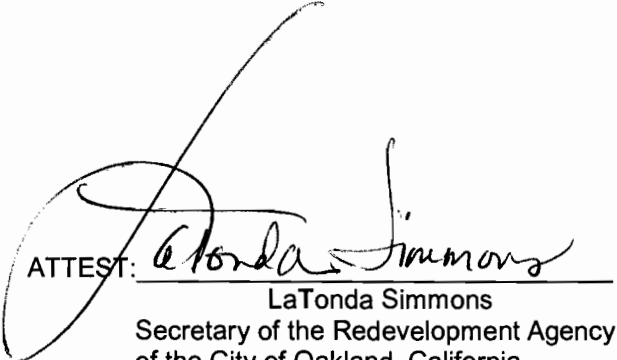
AYES- ~~BROOKS~~, BRUNNER, ~~DE LA FUENTE~~, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND CHAIRPERSON REID - 6

NOES- 0

ABSENT- 0

ABSTENTION- 0

Excused- Brooks, De La Fuente - 2

ATTEST: 
LaTonda Simmons
Secretary of the Redevelopment Agency
of the City of Oakland, California