

OFFICE OF THE CITY CLERK
OAKLAND

2006 FEB 16 PM 4:13

Approved as to form and legality:

By: *A. Lewis*
Deputy City Counsel

OAKLAND CITY COUNCIL

RESOLUTION No. 79785 C.M.S.

A RESOLUTION AUTHORIZING AN AMENDMENT TO RESOLUTION NO. 77657 C.M.S. TO ALLOW AN EXTENSION OF TIME FOR A COMMITMENT OF FUNDS FOR AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$771,300 TO BRIDGE HOUSING FOR THE MANDELA GATEWAY OWNERSHIP PROJECT LOCATED AT 1431 8TH STREET

WHEREAS, Resolution No. 77657 C.M.S. dated February 25, 2003 (the "Resolution") authorized an affordable housing development loan in an amount not to exceed \$771,300 to BRIDGE Housing, Inc. (the "Developer"), a nonprofit organization devoted to the provision of affordable housing, for the Mandela Gateway Ownership project (the "Project"), a fourteen unit housing project located at 1431 8th Street in the City of Oakland; and

WHEREAS, the Resolution states that the loan is 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 twelve months from the date of the Resolution; and

WHEREAS, the Developer secured development funds within twelve months of the date of the Resolution and began predevelopment work, and

WHEREAS, subsequently, primarily due to tremendous increase in insurance costs, there has been a significant increase in development costs which created a funding gap, and

WHEREAS, Developer has secured funding commitments from the Federal Home Loan Bank in the amount of \$700,000, World Savings Bank in the amount of \$5,000, and a BRIDGE homeownership grant of \$25,000 to cover a portion of the funding gap; and

WHEREAS, a request to increase an existing Redevelopment Agency loan commitment by \$333,000 to fund the remaining funding gap is being recommended for approval to the Redevelopment Agency; and

WHEREAS, with this additional funding from the Redevelopment Agency, the Developer can move forward with the construction of the Project and has submitted a request to the City to extend its funding commitment until March 7, 2007; and

WHEREAS, the previously committed loan funds of \$771,300 are available in the HUD-HOME Fund (2109), Housing Development Org (88929), Mandela Gateway Ownership Project (G237910); now, therefore, be it


RESOLVED: That the City Council hereby authorizes an amendment to Resolution No. 77657 C.M.S., allowing an extension of time until March 7, 2007 for its loan commitment to the Developer in an amount not to exceed \$771,300.

MAR - 7 2006


IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

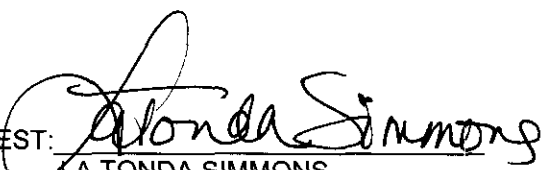
AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON DE LA FUENTE, 

NOES- 

ABSENT- 

ABSTENTION- 

Excused - Reid,
DeLaFuente - 2

ATTEST: 
LA TONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland