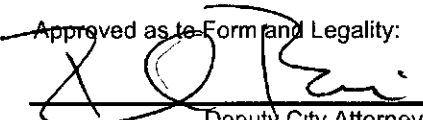


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2014 FEB 13 PM 1:45

Approved as to Form and Legality:

Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 84860 C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$750,000 TO HABITAT FOR HUMANITY EAST BAY/SILICON VALLEY FOR THE OAKLAND HOME RENOVATION PROGRAM

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

WHEREAS, the Developer proposes to acquire and rehabilitate 5 foreclosed single family homes located at scattered sites in the City of Oakland (the "Project"); 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 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 City's Project Development Guidelines, and the Developer meets the City's Threshold Developer Criteria; and

WHEREAS, per 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 will be available in fiscal year 2014-15 from the Community Development Block Grant Program Fund 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 \$750,000 to Habitat for Humanity East Bay/Silicon Valley, 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 \$750,000 will be allocated from the Community Development Block Grant Fund (2108), Community Development Block Grant Organization (89949), Project to be determined for this loan after the 2014-15 fiscal year CDBG funds are available; and be it

FURTHER RESOLVED: That the loan shall be contingent on the availability of sufficient funds in the Community Development Block Grant Fund to cover the City loan of \$750,000; 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 City Administrator or his or her designee in his or her discretion, with repayment to the City upon the initial sale of Project units to eligible homebuyers, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interest of the City and the Project; and be it

FURTHER RESOLVED: That, in the event the Project's development cost exceeds its total net sales proceeds, the City 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 City 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 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 15301 (rehabilitation of existing facilities), 15310 (mortgages for the purchase of existing structures), and 15183 (projects consistent with zoning and general plan) 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.

MAR 04 2014

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

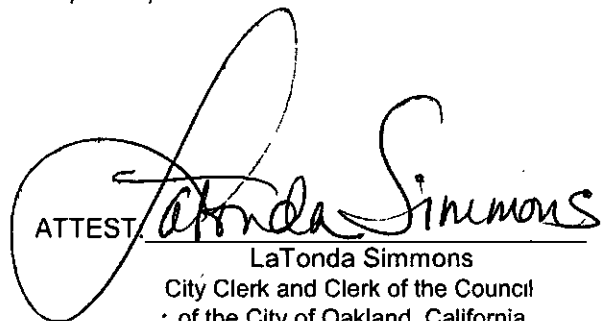
AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT
KERNIGHAN - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST


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