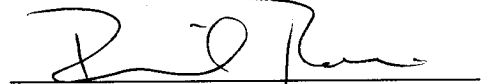


OFFICE OF THE CITY CLERK  
CITY OF OAKLAND

2008 FEB 10 PM 3:28

APPROVED AS TO FORM AND LEGALITY:

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

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND

2008-0027  
RESOLUTION No. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AUTHORIZING AN AFFORDABLE  
HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO  
EXCEED \$4,859,833 TO RESOURCES FOR COMMUNITY  
DEVELOPMENT FOR THE 720 E. 11TH STREET PROJECT**

**WHEREAS**, on August 17, 2007, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Resources for Community Development ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

**WHEREAS**, Developer proposes to develop a 55-unit rental housing project at 720 E. 11th Street in the City of Oakland (the "Project") known as the 720 E. 11th Street Project; and

**WHEREAS**, 54 Project units will be rented at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, Developer is also requesting additional funds from the City of Oakland in the amount of \$1,390,167 to come from the HOME Investment Partnership Program for development of the Project; and

**WHEREAS**, the City of Oakland'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**, the Project is consistent with the Agency's Project Development Guidelines, and 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 the City of 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 areas 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 areas; 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 Agency is the Responsible Agency and the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); 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; and

**WHEREAS**, funds are available from the 2006 Affordable Housing Set-Aside Bond to assist the Project; now, therefore, be it

**RESOLVED:** That the Redevelopment Agency hereby authorizes the Agency Administrator or her designee to provide a loan in an amount not to exceed \$4,859,833 to Resources for Community Development, 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 \$4,859,833 shall be allocated from the 2006 Affordable Housing Set-Aside Bond Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Project (L290410) for this loan; and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the 2006 Affordable Housing Set-Aside Bond funds and the HOME Investment Partnership Program to cover both the Agency loan of \$4,859,833 and the City development loan of \$1,390,167; and be it

**FURTHER RESOLVED:** That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to CEQA Guidelines Sections 15332 (Infill Development) and 15183 (Projects Consistent with Zoning and General Plan) and meets the relevant criteria for these exemptions; and be it

**FURTHER RESOLVED:** That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; 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 Agency Administrator in his or her discretion, with repayment to the Agency 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 Agency Administrator or his or her designee determines are in the best interests of the Agency and the Project; and be it

**FURTHER RESOLVED:** That as a condition of the loan, the Agency 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 eighteen 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 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 all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it

**FURTHER RESOLVED:** That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency 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 AGENCY, OAKLAND, CALIFORNIA, MAR 4 2008, 2008

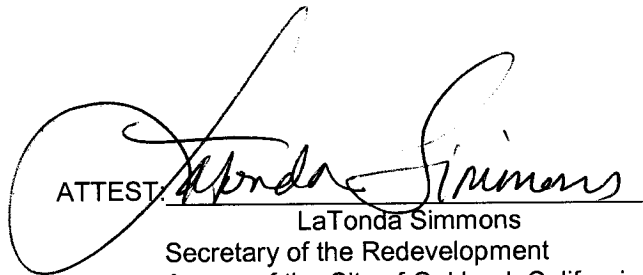
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND  
CHAIRPERSON DE LA FUENTE - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

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