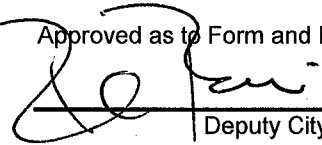


FILED
OFFICE OF THE CITY CLERK
OAKLAND

Approved as to Form and Legality


Deputy City Attorney

2015 OCT 29 PM 2:15

OAKLAND CITY COUNCIL

RESOLUTION No. 85895 C.M.S.

RESOLUTION AMENDING RESOLUTION NOS. 89-108, 90-92, 2011-0017, 83921, AND 84586 C.M.S. TO MODIFY THE TERMS OF EXISTING LOANS TO THE MARCUS GARVEY COMMONS AFFORDABLE HOUSING PROJECT AT 721 A WOOD STREET TO (1) ALLOW THE NEW OWNER TO ASSUME AND ASSIGN THE LOANS IN ORDER TO CONSOLIDATE THE LOANS WITH LOANS FOR THE HISMEN HIN-NU TERRACE PROJECT, (2) EXTEND THE MATURITY DATE TO 55 YEARS, AND (3) CHANGE THE INTEREST RATE FROM 3% TO THE APPLICABLE FEDERAL RATE

WHEREAS, in 1990, the Redevelopment Agency of the City of Oakland loaned \$334,500 to a joint venture between East Bay Asian Local Development Corporation ("EBALDC"), and Jubilee West, for the development of the 22 unit Marcus Garvey Commons affordable housing project at 721 A Wood Street, at an interest rate of six percent, per Redevelopment Agency Resolution No. 89-108 C.M.S., which will come due on August 13, 2020; and

WHEREAS, in 1991, the Redevelopment Agency of the City of Oakland loaned \$380,500 to Gosswood Housing Associates, L.P., for the Marcus Garvey Commons affordable housing project, at an interest rate of six percent, per Redevelopment Agency Resolution No. 90-92 C.M.S., which will come due on April 30, 2021; and

WHEREAS, in 2011, the Redevelopment Agency of the City of Oakland loaned \$352,000 to Gosswood Housing Associates, L.P., for the Marcus Garvey Commons affordable housing project at an interest rate of three percent, per Redevelopment Agency Resolution No. 2011-0017 C.M.S., which will come due on March 3, 2066; and

WHEREAS, the Oakland City Council adopted Resolution No. 83680 C.M.S. on January 10, 2012, electing to retain and assume the housing assets and functions of the Redevelopment Agency pursuant to Health & Safety Code Section 34176 upon Redevelopment Agency dissolution; and

WHEREAS, the Redevelopment Agency dissolved on February 1, 2012; and

WHEREAS, the Redevelopment Agency loans to the Marcus Garvey Commons affordable housing project are housing assets retained and assumed by the City; and

WHEREAS, in 2013, the City of Oakland loaned \$382,000 to Gosswood Housing Associates, L.P., for the Marcus Garvey Commons affordable housing project, at an interest rate of three percent, per Oakland City Council Resolution No. 83921 C.M.S. , which will come due on August 22, 2068; and

WHEREAS, in 2014, the City of Oakland loaned \$200,000 to Gosswood Housing Associates, L.P., for the Marcus Garvey Commons affordable housing project, at an interest rate of three percent, per Oakland City Council Resolution No. 84856 C.M.S. , which will come due on August 12, 2069; and

WHEREAS, EBALDC is forming a new ownership entity and financial structure that include both Marcus Garvey Commons and the 92 unit Hismen Hin-Nu Terrace affordable housing project in order to leverage funds that will mutually benefit both properties; and

WHEREAS, EBALDC is pursuing a refinance and resyndication opportunity for Marcus Garvey Commons jointly with Hismen Hin-Nu Terrace in order to receive tax credit equity that will be used towards project rehabilitation; and

WHEREAS, an extension of the loan maturity date to 55 years from construction completion is necessary for the project to comply with tax credit requirements and receive additional equity; and

WHEREAS, the City recognizes that consolidating the loans for this project and Hismen Hin-Nu Terrace, extending the loan maturity dates, and modifying the interest rates to the Applicable Federal Rate will ensure the long term financial health and preservation of Marcus Garvey Commons; now, therefore, be it

RESOLVED: That the City Council hereby amends Resolution Nos. 89-108, 90-92, 2011-0017, 83921, and 84586 C.M.S to authorize the amendment of the existing affordable housing loans to the Marcus Garvey Commons affordable housing project to reduce the interest rate to the Applicable Federal Rate; and be it

FURTHER RESOLVED: That the City Council hereby authorizes a further amendment to the loans to extend the loan maturity date to 55 years after the date of construction completion; and be it

FURTHER RESOLVED: That the City Council authorizes the existing loans on the project to be assigned to and assumed by Hin-Nu Garvey Associates LP, an affiliate of the original borrower, or its affiliate; and be it

FURTHER RESOLVED: That loans assumed by Hin-Nu Garvey Associates, LP may be consolidated with the loan to the Hismen Hin-Nu Terrace project; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator to modify other loan terms as necessary to effectuate the assignment and consolidation; and be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to negotiate and enter into amendments to the loan documents, and to take any other actions with respect to the existing loans to the Marcus Garvey Commons affordable housing project consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, NOV 17 2015

PASSED BY THE FOLLOWING VOTE:

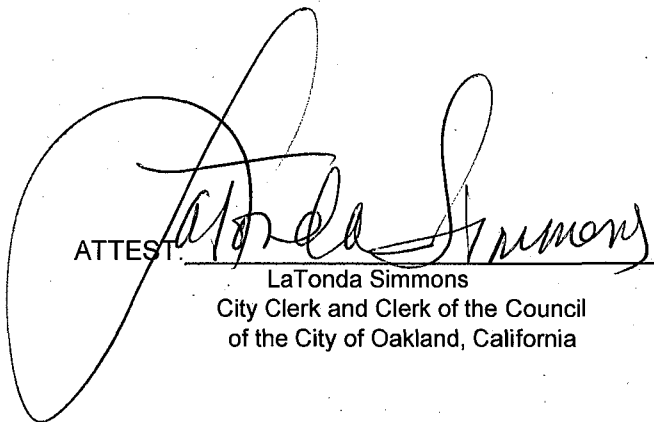
AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON
MCELHANEY - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:



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