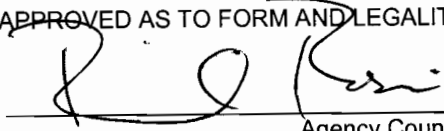


FILED
OFFICE OF THE CITY CLERK
OAKLAND
2010 MAR 11 PM 6:30

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**
2010 - 0052
RESOLUTION No. _____ C.M.S.

**AN AGENCY RESOLUTION AUTHORIZING A
CONSTRUCTION LOAN TO ALTA CITY WALK, LLC, IN
AN AMOUNT NOT TO EXCEED \$5,000,000 AND FOR A
TERM NOT TO EXCEED FIVE YEARS, FOR THE CITY
WALK PROJECT AT 1307 JEFFERSON STREET**

WHEREAS, the Agency entered into a Disposition and Development Agreement ("DDA") with Olson 737 – Oakland I, LLC ("Olson") on August 6, 2004, per Agency Resolution No. 2004-37 C.M.S. adopted on July 6, 2004, which sets forth the terms and conditions of the sale of certain property located in the Central District Redevelopment Project Area on the block bounded by 14th Street, the 13th Street pedestrian walk, Jefferson Street, and Martin Luther King, Jr., Way (the "Property") to Olson, and governs the development of the City Center T-10 Residential Project, also known as City Walk, 252 residential condominium units, and approximately 3,000 square feet of retail space (the "Project") on the Property; and

WHEREAS, on September 26, 2004, Olson purchased the Property from the Agency in order to develop the Project; and

WHEREAS, the Project was partially completed by Olson, but construction work on the Project was halted and no construction has occurred for several years; and

WHEREAS, Resolution No. 2009-0005 C.M.S. passed on February 3, 2009, authorized an amendment to the DDA that would allow the Project to be rental, extend the Project completion date to December 31, 2010, authorized transfer of the Project to DCA City Walk, L.P., or to another qualified entity approved by the Agency Administrator without returning to the Agency, added local construction employment requirements, and modified the profit-sharing provisions; and

WHEREAS, Resolution No. 2009-0079 C.M.S. passed on July 21, 2009, authorized an amendment to the DDA that would authorize the transfer of the Project to WP West Development Enterprises, LLC, or an affiliated entity ("Wood Partners"), and further extend the Project completion date to December 31, 2011; and

WHEREAS, Wood Partners created Alta City Walk, LLC, as a single purpose entity for the development of the City Walk Project, and Alta City Walk, LLC, now holds title to the Property; and

WHEREAS, Alta City Walk, LLC has requested a \$5 million market rate construction loan from the Agency in order to make completion of the Project financially feasible; and

WHEREAS, the requirements of the California Environmental Quality Act ("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 for the Project; and

WHEREAS, none of the circumstances necessitating additional CEQA review of the Project are present; and

WHEREAS, funds are available from the Central District to help finance the Project; and

WHEREAS, construction financing from the Agency is necessary in order to complete redevelopment of the Property per the DDA and eliminate current blight conditions on the Property; now, therefore, be it

RESOLVED: That the Agency hereby authorizes the Agency Administrator to provide a construction loan to Alta City Walk, LLC, or to an affiliated entity approved by the Agency Administrator or his or her designee, for the Project in an amount not to exceed \$5 million; and be it

FURTHER RESOLVED: That the loan shall have a minimum interest rate equal to the greater of (a) eight percent, or (b) one percentage point above the interest rate on any other construction loan for the Project adjusted for differences in terms and fees for the loans; and be it,

FURTHER RESOLVED: That the loan shall have a maximum term of five years, with such 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 the loan shall be secured by a deed of trust on the Property; and be it

FURTHER RESOLVED: That the loan shall be contingent on developer's success in securing commitments for full financing to complete the Project; 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 the Agency 's deed of trust to a lien or encumbrance of another entity providing financing to the Project; 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 finds that the loan terms as set forth in this Resolution are at market rate; and be it

FURTHER RESOLVED: That funds totaling \$5 million shall be allocated from Central District Tax Allocation Bonds Series 2009T Fund (9536), Central District Site Acquisition Project (T314430) for the loan; 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, 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, APR 20 2010, 2010

PASSED BY THE FOLLOWING VOTE:


AYES- ~~Brooks~~, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON BRUNNER -- 7

NOES- 0

ABSENT- 0

ABSTENTION- 0

Excused- Brooks - 1

ATTEST: 
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland