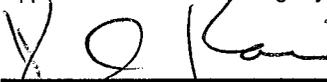


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OAKLAND

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Approved as to Form and Legality

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 86989 C.M.S.

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**RESOLUTION AUTHORIZING THE ASSUMPTION FROM THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY (“ORSA”) OF APPROXIMATELY \$47.5 MILLION IN LOANS MADE BY ORSA TO FOX OAKLAND THEATER, INC., FOR THE RENOVATION OF THE FOX THEATER, AND AUTHORIZING A COMPENSATION AGREEMENT WITH ORSA TO PAY 30% OF LOAN REPAYMENTS**

**WHEREAS**, the Redevelopment Agency of the City of Oakland (the “Redevelopment Agency”) entered into an Amended and Restated Fox Theater Disposition and Development Agreement (“DDA”) on December 15, 2006 with Fox Oakland Theater, Inc. (“FOT”) to ground lease the Fox Theater at 1807 Telegraph Avenue for 60 years and undertake the restoration of the property, and for the Redevelopment Agency to provide loans to carry out the restoration; and

**WHEREAS**, renovation of the Fox Theater required numerous funding sources including Redevelopment Agency loans, New Markets Tax Credits, Historic Tax Credits, governmental and private grants, and a commercial loan; and

**WHEREAS**, with the dissolution of redevelopment agencies, the Fox Theater loans, as Redevelopment Agency assets, were transferred under the dissolution law to the Oakland Redevelopment Successor Agency (“ORSA”) as the successor agency to the Redevelopment Agency; and

**WHEREAS**, the Fox Theater loan assets have a current value of \$47,534,470 in principal and approximately \$27,420,975 in accrued interest; and

**WHEREAS**, the Fox Theater property is listed on ORSA’s Long Range Property Management Plan as a property held to fulfill existing obligations, i.e., the tax credit investor buy out, loan repayment guaranty (both completed) and various contingent commitments to the tax credit investors; and after these obligations are fulfilled, the Fox Theater property will be transferred to the City pursuant to the Long Range Property Management Plan to be retained for future development; and

**WHEREAS**, the City has proposed that ORSA assign the Fox Theater loan assets to the

