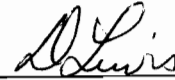


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Agency Counsel

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND  
2010-0043  
RESOLUTION No. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AUTHORIZING A MODIFICATION OF THE \$386,550 AFFORDABLE HOUSING SITE ACQUISITION LOAN TO HABITAT FOR HUMANITY EAST BAY FOR 10211 BYRON AVENUE TO EXTEND THE TERM, REDUCE THE INTEREST RATE, AND FORGIVE THE ACCRUED INTEREST**

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable ownership housing, and has identified this activity as a priority; and

**WHEREAS**, on July 25, 2000, by Resolution No. 00-55 C.M.S., the Redevelopment Agency established the Site Acquisition Loan Program to assist developers of affordable housing to effectively compete for the purchase of housing sites (the "Program"); and

**WHEREAS**, loans made under the Program have a maximum term of six years; and

**WHEREAS**, sites acquired under the program are restricted by a recorded affordability agreement requiring that a minimum of 25% of any housing units developed thereon will be affordable to households at 80% of Area Median Income; and

**WHEREAS**, a loan of \$386,550 ("Loan") was made under the Program to Imani Baptist Church and BRIDGE jointly, to acquire 10211 Byron Avenue (the "Property"), a parcel adjacent to the Church; and

**WHEREAS**, the Loan bears interest at 5.89% and has accrued approximately \$184,000 of interest; and

**WHEREAS**, Imani Baptist Church and BRIDGE were unable to proceed with the development they had planned, and in 2006, with Agency approval, arranged for Habitat for Humanity of the East Bay ("Habitat") to take title to the Property and assume responsibility for the Loan; and

**WHEREAS**, Habitat has also been unable to proceed with development of the Property because of neighborhood concerns of negative effects; and

**WHEREAS**, the Loan is past due and now technically delinquent; 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**, none of the circumstances necessitating additional CEQA review are present; now, therefore, be it

**RESOLVED:** That the Redevelopment Agency hereby forgives the accrued interest on the Loan; and be it

**FURTHER RESOLVED:** That the promissory note for the Loan will be rewritten as a non interest-bearing note with a due date ten years from the passage of this resolution and such other repayment terms as the Agency Administrator or his or her designee determines are in the best interest of the Agency; and be it

**FURTHER RESOLVED:** That affordability restrictions on the sale and resale of the Property shall remain recorded against it; and be it

**FURTHER RESOLVED:** That the Loan shall continue to be secured by a deed of trust on the Property; and be it

**FURTHER RESOLVED:** That forgiveness of the interest and rewriting of the loan terms shall be contingent upon 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 the Agency, in concurrence with the Lead Agency which has independently reviewed and considered this environmental determination, 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 Guideline Section 15332 (infill housing); and be it

**FURTHER RESOLVED:** That the Agency Administrator and his designee are authorized to conduct negotiations, execute documents, administer the Loan, extend or modify the repayment terms, and take any other action with respect to the Loan consistent with this Resolution and its basic purpose; 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.

IN AGENCY, OAKLAND, CALIFORNIA, MAR 16 2010, 2010

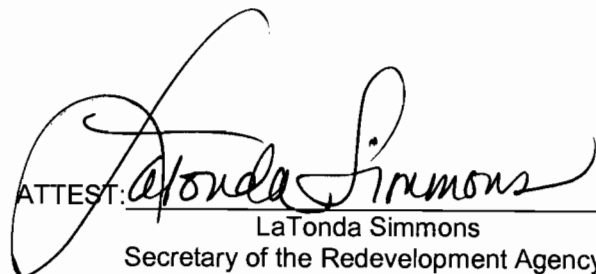
**PASSED BY THE FOLLOWING VOTE:**

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

NOES- 0

ABSENT- 0

ABSTENTION- 0

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