


**REVISED**

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
FEB 13 PM 3:47

**OAKLAND CITY COUNCIL**

RESOLUTION No. 77656 C.M.S.

**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,500,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION AND THE RELATED COMPANIES OF CALIFORNIA JOINTLY FOR THE COLISEUM GARDENS – PHASE I PROJECT LOCATED AT 6610, 6701, AND 6733 OLMSTEAD STREET**

**WHEREAS**, on September 10, 2002, 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**, East Bay Asian Local Development Corporation, a nonprofit organization devoted to the provision of affordable housing, and the Related Companies of California, a California Limited Liability Company (jointly the "Developer"), submitted a proposal in response to the NOFA; and

**WHEREAS**, Developer proposes to develop a 115 unit housing project at 6610, 6701, and 6733 Olmstead Street in the City of Oakland (the "Project"); and

**WHEREAS**, The Project site is occupied by 178 Public Housing units that will be removed to provide for the construction of the Project's 115 units; and

**WHEREAS**, The Project is the initial project in the Oakland Housing Authority's HOPE VI Coliseum Gardens project that is scheduled to generate approximately 356 units of affordable housing on various sites that will comply with all applicable HOME requirements; and

**WHEREAS**, The Oakland Housing Authority will develop or cause to be developed a minimum of 178 affordable housing rental units, within three years from demolition of the existing Coliseum Gardens public housing units, that are of the same bedroom mix and will be rented at prices affordable to low-income households earning no more than 50% of area median income; and

**WHEREAS**, 114 Project units in the first phase will be rented at prices affordable to low-income households earning no more than 60% of area median income with 12 Project units being governed by HOME Investment Partnership Program rules and regulations; and

**WHEREAS**, the City'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 City's Project Development Guidelines, and Developer meets the City'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; and

**WHEREAS**, the City has agreed that the Agency 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**, execution of loan documents or other documents legally committing the City to fund this Project shall be expressly conditioned on compliance with the requirements of the National Environmental Protection Act ("NEPA"), as certified by the City Manager or his or her designee; and

**WHEREAS**, funds are available to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Manager or his or her designee to provide a loan in an amount not to exceed \$1,500,000 to East Bay Asian Local Development Corporation, or to an affiliated entity approved by the City Manager or his or her designee, to be used for development of the Project; and be it further

**RESOLVED:** That the total loan of \$1,500,000 shall be composed of a \$1,000,000 loan for a maximum term of 55 years, with an interest rate of 0 percent per year, and a \$500,000 loan for a maximum term of 55 years, with an Applicable Federal Rate interest rate, with repayment to the City 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 City Manager or his or her designee determines are in the best interests of the City and the Project; and be it further

**RESOLVED:** That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it further

**RESOLVED:** That the Loan is contingent upon the commitment of the Oakland Housing Authority to develop or cause to be developed a minimum of 178 affordable housing rental units, within three years from demolition of the existing Coliseum Gardens public housing units, that

are of the same bedroom mix and will be rented at prices affordable to low-income households earning no more than 50% of area median income; 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 will be reserved for a period of no more than 12 months from the date of this Resolution, and the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Manager 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 City Manager or his or her designee may establish; and be it further

**RESOLVED:** That the City Council hereby authorizes the City Manager or his or her designee in his or her discretion to subordinate the priority of the City's deed of trust and/or recorded restrictions to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City Manager 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 City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it further

**RESOLVED:** That all loan documents shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution, and copies will be placed on file with the City Clerk; and be it further

**RESOLVED:** That the City Council has independently reviewed and considered this environmental determination, and the City Council 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 Section 15302 (replacement or reconstruction of existing structures) of the CEQA Guidelines; and be it further

**RESOLVED:** That the City Manager 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 execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of NEPA, as certified by the City Manager or his or her designee; and be it further

**RESOLVED:** That the City Council hereby appoints the City Manager and his or her designee as agent of the City 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.

**REVISED**

**FEB 25 2003**

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2003


**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, SPEES, WAN, AND PRESIDENT DE LA FUENTE -8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST:   
CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California