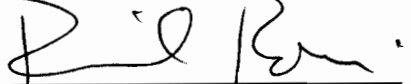


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 JUN 10 PM 5:53

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
2010 - 0079
RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$5,597,000 TO RELATED COMPANIES OF CALIFORNIA AND ACTS COMMUNITY DEVELOPMENT CORPORATION JOINTLY FOR THE 94TH AND INTERNATIONAL APARTMENTS PROJECT

WHEREAS, on September 4, 2009, the Redevelopment Agency of the City of Oakland and the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

WHEREAS, Related Companies of California and Acts Community Development Corporation (jointly, the "Developer") submitted a proposal in response to the NOFA; and

WHEREAS, the Developer proposes to develop a 54-unit rental housing project at 94th Avenue and International Boulevard in the City of Oakland known as the 94th and International Apartments project (the "Project"); 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 located in the Coliseum Redevelopment Project Area; and

WHEREAS, at least 53 Project units will be rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the Project is consistent with the Agency's Project Development Guidelines, and the Developer meets the Agency's Threshold Developer Criteria; and

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in Oakland, is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3, and will benefit the redevelopment project areas in the City of Oakland by providing affordable housing opportunities within the community that will enhance the economic viability and redevelopment potential of the project areas; 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, the Hill-Elmhurst senior affordable housing project has applied for a third time for HUD Section 202 funds and if the application is not successful the project will no longer be financially feasible; and

WHEREAS, funds may become available from the Agency's Low and Moderate Income Housing Fund to assist the Project if the Agency funding commitment in the amount of \$6,032,000 for the Hill-Elmhurst senior housing project expires due to financial infeasibility; and

WHEREAS, if funds do not become available from the expiration of the Hill-Elmhurst senior housing project, funds are available from the Low and Moderate Income Housing Fund and the Coliseum Redevelopment Project Area Tax Allocation Bonds, Series 2006 (Taxable) Fund; and

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$5,597,000 to Related Companies of California and Acts Community Development Corporation, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it

FURTHER RESOLVED: That if the Agency loan commitment for the Hill-Elmhurst senior housing project expires, \$2,489,700 shall be allocated from the Low Mod Operations Fund (9580), Housing Development Organization (88929), Hill-Elmhurst Senior project (L327910) for this loan; and be it

FURTHER RESOLVED: That if the Agency loan commitment for the Hill-Elmhurst senior housing project expires, \$3,107,300 shall be allocated from the 2000 Housing Bond Fund (9583), Housing Development Organization (88929), Hill-Elmhurst Senior project (P151772) for this loan; and be it

FURTHER RESOLVED: That if funding is not available from the expiration of the Hill-Elmhurst senior housing project's funding commitment, \$457,976 shall be allocated from the Low Mod Operations Fund (9580), Housing Development Organization

(88929), Hill-Elmhurst Senior project (P209310) for this loan and that this funding shall be contingent on the Project's receipt of an award of tax credits in 2010; and be it

FURTHER RESOLVED: That if funding is not available from the expiration of the Hill-Elmhurst senior housing project's funding commitment, \$1,400,000 shall be allocated from the Low Mod Operations Fund (9580), Housing Development Organization (88929), Eldridge Gonaway project (L380810) for this loan and that this funding shall be contingent on the project's receipt of an award of tax credits in 2010; and be it

FURTHER RESOLVED: That if funding is not available from the expiration of the Hill-Elmhurst senior housing project's funding commitment, \$3,739,024 shall be allocated from the Coliseum Redevelopment Project Area Tax Allocation Bonds, Series 2006 (Taxable) Fund (9456) Capital Improvement Project, Economic Development Organization (94800) Coliseum Land- Taxable Bond Project (T315820) for this loan which would be repaid from the Low Mod Operations Fund (9580), Housing Development Organization (88929), Housing Development Program project (P209310) when the 2010-2011 funds become available, and that this funding shall be contingent on the Project's receipt of an award of tax credits in 2010; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency 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 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 as a condition of the loan, the Agency will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; 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 shall be reserved for a period of no more than 24 months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That if the Developer is unable to secure commitments for full Project funding due to delays in State financing that are out of the control of the Developer, the Agency Administrator or his or her designee may approve an extension of time for Project funding at his or her discretion; 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 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 has independently reviewed and considered this environmental determination, and has found and determined that the Project meets criteria for exemption under Section 15332 (infill projects) and 15183 (consistent with zoning and general plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his designee shall file a Notice of Exemption, and an Environmental Declaration under the California Fish and Game Code (Section 711.4) with the County of Alameda: and be it

FURTHER RESOLVED: That the Agency hereby authorizes the Agency Administrator or his designee 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; 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, JUL 6 2010, 2010

PASSED BY THE FOLLOWING VOTE:

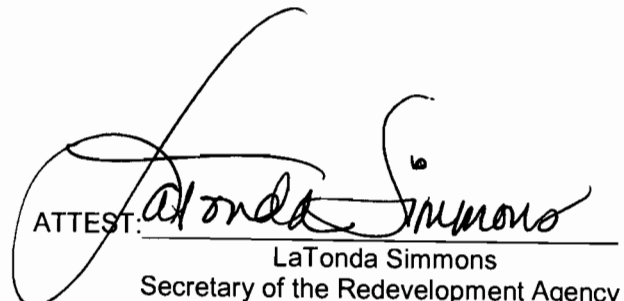
AYES- ~~BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND~~
CHAIRPERSON BRUNNER - 6

NOES- 0

ABSENT- Brooks - 1

ABSTENTION- 0

Excused - De La Fuente - 1

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