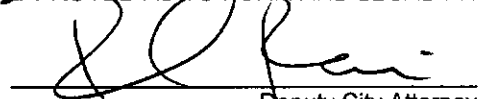


FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PM 1:45

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 84856 C.M.S.

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A RESOLUTION INCREASING THE AMOUNT OF AN AFFORDABLE HOUSING PRESERVATION AND REHABILITATION LOAN TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE MARCUS GARVEY COMMONS AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 1769 GOSS STREET AND 1766 7<sup>TH</sup> STREET BY \$200,000 FOR A TOTAL LOAN AMOUNT OF \$934,000, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT

**WHEREAS**, Redevelopment Agency Resolution No. 2011-0017 C.M.S., dated March 3, 2011, authorized an affordable housing development loan of \$352,000 and City Resolution No. 83921 C.M.S. dated June 19, 2012 authorized an additional affordable housing development loan of \$382,000 for a total loan amount of \$734,000 to East Bay Asian Local Development Corporation ("Developer"), a nonprofit developer of affordable housing, for the rehabilitation of Marcus Garvey Commons; and

**WHEREAS**, the City as successor to the housing functions of the former Redevelopment Agency under California Health and Safety Code Section 34176 has succeeded to the loan authorized by the Redevelopment Agency under Resolution No. 2011-0017 C.M.S.; and

**WHEREAS**, on September 10, 2013, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, the Developer submitted a proposal in response to the NOFA to complete rehabilitation of the Marcus Garvey Commons affordable rental project at 1769 Goss Street and 1766 7<sup>th</sup> Street in the City of Oakland (the "Property") to continue to provide 22 rental units of affordable housing to serve families (the "Project"); and

**WHEREAS**, 21 units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and

maintaining decent, safe and habitable 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 City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

**WHEREAS**, previously reserved loan funds of \$382,000 are available in the HUD-HOME Fund (2109) Housing Development Organization (89929), Marcus Garvey Commons Project (G460410) to assist the Project; and

**WHEREAS**, previously reserved loan funds of \$352,000 are available in the Low and Moderate Income Housing Fund (1880) Housing Development Organization (89929), Marcus Garvey Commons Project (L438310) to assist the Project; and

**WHEREAS**, funds are available from the HUD-HOME Fund to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or his or her designee to provide an additional loan in an amount not to exceed \$200,000, for a total loan in an amount not to exceed \$934,000, to East Bay Asian Local Development Corporation or to an affiliated entity approved by the City Administrator or his or her designee, to be used for the Project; and be it

**FURTHER RESOLVED:** That the \$200,000 additional funding will be allocated from the HUD-HOME Fund (2109), Municipal Lending Organization (89939), HMIP-Homeowner Rehab project (G155810); and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the HUD-HOME Fund and the Low and Moderate Income Housing Fund to cover the City loan of \$934,000; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and the City finds and determines that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (existing facilities) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator 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 the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her

discretion, 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 Administrator 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 shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to extend the term of any existing City loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing City loans; and be it

**FURTHER RESOLVED:** That the loan funds shall be reserved for a period of no more than twelve months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the 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 Administrator or his or her designee may establish; 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 the National Environmental Protection Act, as certified by the City Administrator or his or her designee; 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 hereby appoints the City Administrator 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.

IN COUNCIL, OAKLAND, CALIFORNIA, MAR 04 2014

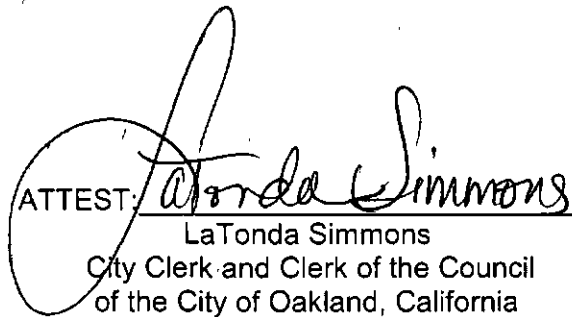
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN - 8

NOES-  $\emptyset$

ABSENT-  $\emptyset$

ABSTENTION-  $\emptyset$

ATTEST:   
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California