

OFFICE OF THE CITY CLERK  
2008 JUL 10 PM 5:58

APPROVED AS TO FORM AND LEGALITY:

  
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Agency Counsel

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND

RESOLUTION No. 2008-0005 C.M.S.

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A RESOLUTION ALLOCATING \$300,000 TO CAHON ASSOCIATES AS A GRANT FOR THE REHABILITATION AND CONVERSION OF THE CALIFORNIA HOTEL, LOCATED AT 3501 SAN PABLO AVENUE, FOR PERMANENT SUPPORTIVE HOUSING UNITS FOR HOMELESS INDIVIDUALS AND HOUSEHOLDS

**WHEREAS**, the Agency and City Council budgeted \$300,000 in Low and Moderate Income Set-Aside funds during the FY 2007/09 budget process to help transfer the ownership and convert the California Hotel, a 150 unit residential hotel located at 3501 San Pablo Avenue, to a permanent supportive housing property;

**WHEREAS**, CaHon Associates has requested that the Agency allocate \$300,000 in grant funds previously budgeted by the Agency for the property; and

**WHEREAS**, the Agency desires to provide a \$300,000 grant to CaHon Associates to cover costs associated with capital improvements for the property, including improved security systems; and

**WHEREAS**, the \$300,000 grant will be made from the Low and Moderate Income Housing Fund; and

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

**WHEREAS**, the improvements will preserve and improve the supply of low and moderate income housing available in the City of 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 improving

affordable housing opportunities within the community that will enhance the economic viability and redevelopment potential of the project areas; and

**WHEREAS**, no other reasonable means of private or commercial financing of the improvements at the same level of affordability and quantity are reasonably available to CaHon Associates other than the Low and Moderate Income Housing Fund; and

**WHEREAS**, the Agency by agreement with the City is the Lead Agency for the improvements 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**, funds are available from the Agency's Low and Moderate Income Housing Fund to assist the Project; now, therefore, be it

**RESOLVED:** That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a grant in an amount not to exceed \$300,000 to CaHon Associates or to an affiliated entity or successor to the California Hotel approved by the Agency Administrator or his or her designee, to be used for capital improvements relating to the development of permanent supportive housing units for homeless individuals and households; and be it further

**RESOLVED:** That grant funds shall come from the Agency's Low and Moderate Income Housing Fund (Fund 9580, Organization 88929, Account 58312, Project L324710); and be it further

**RESOLVED:** That the grant is contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund to cover the grant; and be it further

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

**RESOLVED:** That the making of the grant 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 all grant 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; and be it further

**RESOLVED:** That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines that this action complies with

CEQA because the Project is exempt from CEQA pursuant to Section 15301 (minor alterations to existing facilities) of the CEQA Guidelines;

**RESOLVED:** That the Agency 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 Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the grant, and take any other action with respect to the grant and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, FEB 5 2008, 2008

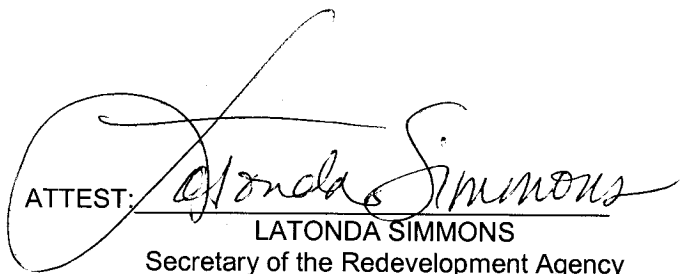
**PASSED BY THE FOLLOWING VOTE:**

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

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST:   
LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland