

FILED
OFFICE OF THE CITY CLERK
OAKLAND

Michelle S. A.
CITY ATTORNEY

CITY OF OAKLAND
2004-38

RESOLUTION NO. 78809 = C. M. S.

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF OAKLAND REGARDING CERTAIN CAPITAL EXPENDITURES FOR UPTOWN PARTNERS, LLC TO FINANCE THE CONSTRUCTION OF RENTAL HOUSING IN THE CITY OF OAKLAND, IN AN AMOUNT NOT TO EXCEED \$160,000,000, TO BE REIMBURSED FROM THE PROCEEDS OF A TAX-EXEMPT OBLIGATION

WHEREAS, on July 26, 2004, the Redevelopment Agency of the City of Oakland (the "Agency") adopted Resolution 2004-38 C.M.S. authorizing the execution of a Lease, Development and Disposition Agreement (the "LDDA") among the Agency, the City of Oakland (the "City") and Uptown Partners, LLC (the "Developer"); and

WHEREAS, pursuant to the LDDA, the Developer is required to construct during phase one of the Project (hereinafter defined) 590 rental housing units and closely related facilities to be located on properties bounded by Thomas L. Berkley Way (formerly 20th Street) on the north, Telegraph Avenue on the east, 19th Street on the south and San Pablo Avenue on the west in the City of Oakland, California (the "Project"); and

WHEREAS, the LDDA also requires the City and the Agency to assist the Developer in its efforts to seek funding to pay for the construction of the rental housing units, including the adoption of this Resolution; and

WHEREAS, the Developer has requested that the Agency submit an application to the California Debt Limit Allocation Committee ("CDLAC") for authorization to issue tax-exempt housing revenue bonds in an amount not to exceed \$160,000,000 (the "Bonds"); and

WHEREAS, the Bonds will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code") and the Developer, not the City or the Agency, will have the obligation to repay the Bonds; and

WHEREAS, it is in the public interest and for the public benefit that the City approve the issuance and delivery of the Bonds for the purpose of financing the construction of the Project; and

WHEREAS, the City intends to finance the costs of the Project, plus related closing costs, with the issuance of tax-exempt obligations; and

WHEREAS, the Code requires an issuer of tax-exempt obligations to declare its intention if the issuer expects to spend its funds on a project and later reimburse itself for those expenditures from the proceeds of tax-exempt obligations; and

WHEREAS, the City reasonably expects to reimburse its expenditures, plus related closing costs, by issuing the Bonds; and

WHEREAS, the maximum principal amount of tax-exempt obligations which the City may issue and use to reimburse itself for the Project, plus related closing costs, is \$160,000,000; and

WHEREAS, the requirements of the California Environmental Quality Act (CEQA) of 1970, the Guidelines as prescribed by the Secretary for Resources and the provisions of the Statement of Objectives, Criteria and Procedures for Implementation of the California Environmental Quality Act have been satisfied and that in accordance with the California Code of Regulations the actions authorized by this Resolution are categorically exempt from the provisions of CEQA;

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Oakland hereby finds, determines, declares and resolves as follows:

SECTION 1. The Redevelopment Director of the City of Oakland is hereby authorized to submit an application to CDLAC for authorization to the Bonds.

SECTION 2. The issuance of the Bonds is hereby approved for the purposes of Section 147(f) of the Code.

SECTION 3. The City reasonably expects to reimburse its expenditures with proceeds of one or more obligations to be issued by the City or another entity of the City or in which the City is a member or which the members of the City Council act as the governing board or whose debt is subject to the approval of the City Council.

SECTION 4. The maximum principal amount of the obligations expected to be issued for the Projects is \$160,000,000.

SECTION 5. This Resolution is a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.

SECTION 6. This Resolution complies with the California Environmental Quality Act.

SECTION 7. All actions of the officers, agents and employees of the City or other entity of the City that are in conformity with the purposes and intent of this Resolution, whether taken before or after the adoption of this Resolution, are hereby ratified and confirmed.

SECTION 8. This Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, SEP 21 2004, 2004

PASSED BY THE FOLLOWING VOTE:

AYES ~~BRUCE~~, BRUNNER, CHANG, NADEL, REID, ~~QUAN~~, WAN, AND PRESIDENT DE LA FUENTE - 7

NOES- 0

ABSENT- 0

ABSTENTION- 0

Quan

ATTEST *CEDA FLOYD*

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