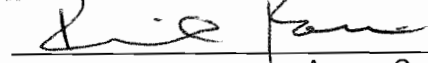


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2008 JUN -5 PM 7:07

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
2008 - 0053
RESOLUTION No. _____ C.M.S.

A RESOLUTION ALLOCATING UP TO \$191,288 FROM THE AGENCY'S 2006 AFFORDABLE HOUSING BOND FUND TO PAY LIABILITY INSURANCE PREMIUMS FOR NINE OAKLAND COMMUNITY HOUSING, INC. AFFILIATED AFFORDABLE RENTAL PROPERTIES IN OAKLAND

WHEREAS, nine affordable rental properties (Kenneth Henry Court, Marin Way Court, Nueva Vista, Slim Jenkins Court, James Lee Court, the California Hotel, Drasnin Manor, the Oaks Hotel, and San Antonio Terrace) in Oakland owned by affiliates of Oakland Community Housing, Inc. (OCHI) have experienced considerable deferred maintenance and high vacancy levels under prior management; and

WHEREAS, these nine properties are part of 11 OCHI-affiliated properties insured under one blanket liability insurance policy and the premium for the blanket policy, totaling \$240,720, was due June 6, 2008; and

WHEREAS, neither OCHI nor its affiliate owners of these nine properties have sufficient funds to pay their portion of the premium, totaling \$191,288; and

WHEREAS; if the insurance premium is not paid, the policy will be terminated and the management companies of these projects will be forced to immediately terminate their management agreements; and

WHEREAS, loss of the blanket insurance policy would also mean that the projects could begin shutting down and the current tenants would be forced to find replacement housing in the next month or two due to the lack of management; and

WHEREAS, the units in these projects are rented at prices affordable to households earning no more than 80% of area median income; and

WHEREAS, the residential units provided by these projects are an important source of affordable housing for the low and very low income residents who may otherwise be homeless; and

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

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.3, authorize a redevelopment agency to use its low and moderate income housing funds to preserve housing affordable to very low income households and to provide subsidies for the benefit of such households; and

WHEREAS, funds are available from Agency 2006 Housing Bond Proceeds, Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Project (L290410) to provide additional funding to cover insurance premiums for these projects; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("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, this action is exempt from CEQA per Section 15301 of the CEQA guidelines (continuing operation of existing facilities); now, therefore, be it

RESOLVED: That the Agency hereby allocates an amount not to exceed \$191,288 to pay for liability insurance premiums for Kenneth Henry Court, Marin Way Court, Nueva Vista, Slim Jenkins Court, James Lee Court, the California Hotel, Drasnin Manor, the Oaks Hotel, and San Antonio Terrace; and be it

FURTHER RESOLVED: That up to \$191,288 shall be re-allocated from Agency 2006 Housing Bond Proceeds, Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Project (L290410) to cover these payments; and be it

FURTHER RESOLVED: That payments made under the this funding shall be directly related to the portion of the blanket liability insurance premium that the nine projects are unable to cover from reserves or other available sources and that is necessary to keep the projects operating; and be it

FURTHER RESOLVED: That the disbursement of these payments shall be contingent on and subject to such appropriate terms and conditions as the Agency Administrator or his or her designee may establish; 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, allocate the funding to projects, make payments, administer the funding, and take any other action with respect to the funding of insurance premiums for the projects consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, JUN 17 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