

OFFICE OF THE CITY CLERK

2007 MAR -1 AM 9:16

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND

RESOLUTION No. 2007-0023 C.M.S.

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**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN TO EAST BAY HABITAT FOR HUMANITY IN AN AMOUNT NOT TO EXCEED \$442,000 TO PROVIDE ADDITIONAL FUNDS FOR THE EDES AVENUE HOMES PROJECT LOCATED AT 10900 EDES AVENUE FOR A TOTAL LOAN AMOUNT OF \$2,517,000**

**WHEREAS**, Oakland Redevelopment Agency Resolution No. 2004-10 C.M.S., dated February 17, 2004 authorized an affordable housing development loan of up to \$2,075,000 to East Bay Habitat for Humanity, a nonprofit organization devoted to the provision of affordable housing, (the "Developer"), for Edes Avenue Homes, a 26-unit housing project located at 10900 Edes Avenue in the City of Oakland (the "Project"); and

**WHEREAS**, on September 5, 2006, the City and the Redevelopment Agency of the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, the Developer experienced significant cost increases over the original budget proposal in response to the August 8, 2003 NOFA, and therefore, submitted a request under the current NOFA for additional loan funds of \$442,000 to cover a portion of the nearly \$800,000 in project cost increases; and

**WHEREAS**, 26 Project units will be sold at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, at resale of Project units, Developer will have the first right of refusal and Agency shall have the second right of refusal to purchase and sell at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, if neither Developer nor Agency exercises its right to purchase a Project unit, the owner can sell at prices affordable to households earning no more than 90% of area median income; and

**WHEREAS**, the City's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable ownership 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**, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to the Developer other than the Low and Moderate Income Housing Fund; and

**WHEREAS**, funds for the Project are available from the Low and Moderate Income Housing Fund ; now, therefore, be it

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator or her designee to provide a loan in an amount not to exceed \$442,000 to East Bay Habitat for Humanity or to an affiliated entity approved by the Agency Administrator or her designee, to be used for development of the Project; and be it

**FURTHER RESOLVED:** That \$442,000 is allocated from the Low and Moderate Income Housing Fund (9580), Housing Development Program Project (P209310) for this loan; and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the Agency's Low and Moderate Income Housing Fund to cover the loan; 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 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 one year 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 her designee deems sufficient within her discretion, within this 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 Agency Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That the Agency hereby authorizes the Agency Administrator 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 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 hereby appoints the Agency Administrator and her designee as agent of the Agency 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 the Agency Counsel's Office for form and legality prior to execution, and copies will be placed on file with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, MAR 20 2007, 2007

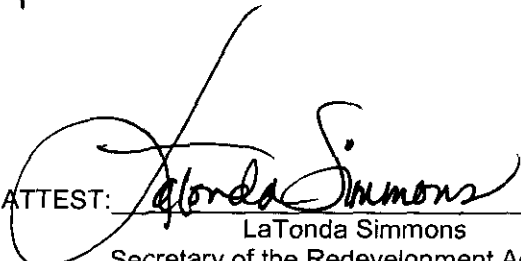
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, ~~NADIEL~~, QUAN, REID AND CHAIRPERSON DE LA FUENTE - 7

NOES- 0

ABSENT- 0

ABSTENTION- Nadel - 1

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