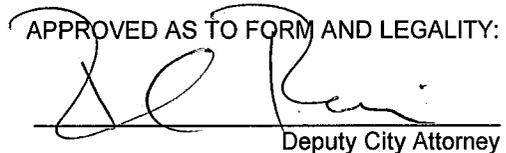


FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2017 NOV 21 PM 3:49

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

86997--

RESOLUTION No. \_\_\_\_\_ C.M.S.

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**RESOLUTION AUTHORIZING THE CITY TO (1) ASSIGN THE CITY LOANS AND DEEDS OF TRUST SECURED BY THE E.C. REEMS GARDENS APARTMENTS LOCATED AT 2700 ALVINGROOM COURT TO RENAISSANCE HOUSING COMMUNITIES, LLC (OR AFFILIATE), (2) CONSOLIDATE AND MODIFY THE CITY LOANS ON THE PROPERTY INTO A SECURED DEFERRED-PAYMENT LOAN AT 3% SIMPLE INTEREST FOR FIFTY-FIVE YEARS, AND (3) MODIFY AND EXTEND THE TERM OF THE REGULATORY AGREEMENT ENCUMBERING THE PROPERTY**

**WHEREAS**, Alvingroom Court L.P., composed of the Corporation for Better Housing (managing general partner), Hope Housing Development Corporation (operating general partner), and Kavigem, Incorporated, is a housing development limited partnership; and

**WHEREAS**, Alvingroom Court L.P. owns an affordable housing rental housing project in Oakland known as E.C. Reems Garden Apartments, a 126-unit multi-family affordable housing complex located at 2600-2795 Alvingroom Court; and

**WHEREAS**, the City has made affordable housing development loans to Alvingroom Court L.P. for the project; and

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD) insured a permanent mortgage loan on the property; and

**WHEREAS**, the HUD financing was in first position, senior in priority to the City loans; and

**WHEREAS**, the City and HUD had both put the owner in default under their respective loans and regulatory agreements; and

**WHEREAS**, On July 18, 2017, the City adopted Resolution No. 86873 C.M.S. authorizing the purchase of the HUD loan, and authorizing other actions necessary to facilitate the preservation and rehabilitation of the project including foreclosing on the City's affordable housing development loans secured by the property or assigning City

loans or lien rights to a responsible affordable housing entity chosen by the City Administrator; and

**WHEREAS**, on August 23, 2017, the City entered into a Mortgage Loan Sale Agreement with HUD for the purchase of the HUD loan; and

**WHEREAS**, the City owns the former HUD loan and it remains in first position, senior in priority to the other City loans; and

**WHEREAS**, the owner, Alvingroom Court L. P., remains in default under the City's loans and regulatory agreement; and

**WHEREAS**, the City took actions necessary to facilitate the preservation and rehabilitation of the project, and on August 24, 2017, issued a Request For Proposals and Qualifications for an owner/developer/property manager for the property; and

**WHEREAS**, the City received two submittals, and, after review and scoring of the submittals, City staff is recommending Renaissance Housing Communities, LLC (RHC) for this role; and

**WHEREAS**, in order to facilitate the transfer of project ownership needed for RHC to preserve and rehabilitate the property, the loans and lien rights currently owned by the City on the property needs to be assigned to RHC; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or designee to assign any of the City loans on E.C. Reems Garden Apartments, including the former HUD loan, as well as any deeds of trust and/or other lien rights securing said loans, to RHC or to an affiliated entity approved by the City Administrator; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Administrator to consolidate and modify the existing City loans into one secured deferred payment loan at 3% non-compounding interest for fifty-five years, with the right to extend the loan term in exchange for equal extension in the affordability restrictions on the property; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Administrator to modify and extend the term of the regulatory agreement encumbering the property; and be it

**FURTHER RESOLVED:** That the City hereby appoints the City Administrator and/or designee to conduct negotiations, execute documents, and take any other action with respect to the assignment of the City loans, the consolidation and modification of the City loans and City regulatory agreement on the property, and the preservation and rehabilitation of E.C. Reems Garden Apartments consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, DEC 18 2017

**PASSED BY THE FOLLOWING VOTE:**

AYES- ~~BRACKS~~, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, and PRESIDENT REID - 7

NOES- 0

ABSENT- 0

ABSTENTION 0

Waived - Bracks - 1

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