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APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 80477 C.M.S.

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**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$3,991,000 TO BRIDGE HOUSING, INC., FOR THE ST. JOSEPH'S SENIOR APARTMENTS PROJECT LOCATED AT 2647 INTERNATIONAL BOULEVARD**

**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**, BRIDGE Housing, Inc. ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

**WHEREAS**, Developer proposes to develop a 73-unit senior rental development at 2647 International Boulevard in the City of Oakland (the "Project") known as St. Joseph's Senior Apartments; and

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

**WHEREAS**, the City's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental 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**, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland; and

**WHEREAS**, the City is a Responsible Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

**WHEREAS**, environmental review is (or will be) underway to assess the environmental impacts of the Project under CEQA; and

**WHEREAS**, execution of loan documents or other documents legally committing the City to fund this Project shall be expressly conditioned on compliance with the requirements of the National Environmental Protection Act ("NEPA"), as certified by the City Administrator or his or her designee; and

**WHEREAS**, funds are available from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

**RESOLVED**: That the City Council hereby authorizes the City Administrator or his or her designee to provide a loan in an amount not to exceed \$3,991,000 to BRIDGE Housing, Inc., or to an affiliated entity approved by the City Administrator or his or her designee, to be used for development of the Project; and be it

**FURTHER RESOLVED**: That \$3,991,000 is allocated from the HUD-HOME Fund (2109), Housing Development Organization (88929), HOME Housing Development project (G172111) for this loan; and be it

**FURTHER RESOLVED**: That the loan shall be contingent on the availability of sufficient funds in the HOME Program Development Fund and the Agency's Low and Moderate Income Housing Fund and the 2006T Affordable Housing Set-Aside Bond to cover both the City loan of \$3,991,000 and the Redevelopment Agency development loan of \$3,789,000; 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 City Administrator in his or her discretion, with repayment to the City 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 City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

**FURTHER RESOLVED**: That as a condition of the loan, the City 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 eighteen months 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 City Administrator or

his or her designee deems sufficient within his or 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 City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That this action shall not be effective, and the funding authorized by this Resolution shall not be disbursed, unless and until appropriate CEQA review has been completed and approved/adopted by the City in full compliance with CEQA and CEQA regulations; and be it

**FURTHER RESOLVED:** That the City shall retain all discretionary authority over the Project under CEQA, including approval, denial or modification of the Project; and be it

**FURTHER RESOLVED:** That if the Project as described in this Resolution changes as a result of CEQA review, the loan authorized by this Resolution must return to the Agency/Council for reconsideration based on those changes; and be it

**FURTHER RESOLVED:** That execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of NEPA, as certified by the City Administrator or his or her designee; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Administrator or his 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 City Administrator or his 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 City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

**FURTHER RESOLVED:** That all loan documents shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution, and copies will be placed on file with the City Clerk; and be it

**FURTHER RESOLVED:** That the City Council hereby appoints the City Administrator and his or her designee as agent of the City 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.

IN COUNCIL, OAKLAND, CALIFORNIA, MAR 20 2007, 2007


**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, ~~NADOL~~, QUAN, REID, AND PRESIDENT DE LA FUENTE - 7

NOES- 0

ABSENT- 0

ABSTENTION- Nadel - 1

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