

**REDEVELOPMENT AGENCY  
OF THE CITY OAKLAND**  
*AGENDA REPORT*

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND,  
2009 JUL -2 AM 10:10

TO: Office of the City Administrator / Agency Administrator  
ATTN: Dan Lindheim  
FROM: Finance and Management Agency  
DATE: July 14, 2009

RE: **A Resolution By The Redevelopment Agency Of The City Of Oakland (1) Authorizing Amendments To The Multifamily Housing Revenue Bonds (Uptown Apartments Project) 2005 Series Trust Indenture Between The Agency and Wells Fargo Bank, As Trustee, And Related Loan Agreement Between The Agency And Uptown Housing Partners Extending The Term Of The Current Project Financing By Fourteen Months, And (2) Authorizing Necessary Actions In Connection Therewith**

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**SUMMARY**

Staff is recommending that the Redevelopment Agency (Agency) adopt a resolution authorizing amendments to (1) a loan agreement (the "Loan Agreement") between the Agency and Uptown Housing Partners, LP (UHP), and (2) a trust indenture (the "Indenture") between the Agency and Wells Fargo Bank, National Association ("Wells Fargo"), to extend the term of the current project financing by 14 months from October 1, 2010 to November 30, 2011. UHP is the developer of the Uptown, a 665-unit mixed-income rental apartment project (the "Project") located in the Central District Project Redevelopment Area. Given the current market environment and level of occupancy at the Project (approximately 38%, or 253 out of 665 units), it is in the best interest of the Project to extend the current financing.

**FISCAL IMPACT**

There are no fiscal impacts associated with this report. Any costs associated with the amendment to the loan agreement and trust indenture will be borne by UHP and not the Agency.

**BACKGROUND**

In October of 2005, the Agency issued \$160,000,000 of Multifamily Housing Revenue Bonds (Uptown Apartments Project) 2005 Series A, pursuant to an Indenture between the Agency and Wells Fargo, acting as trustee. The bonds were sold directly in a private placement to an affiliate of Merrill Lynch, Merrill Lynch Portfolio Management, Inc. (Merrill). The Agency used the

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bond proceeds to make a loan to UHP, a development entity sponsored by Forest City Enterprises, to construct the Uptown located on three City blocks generally bounded by 19th Street, San Pablo Avenue, Thomas L. Berkley Way, Telegraph Avenue, William Street and Rashida Muhammad Street in downtown Oakland. The Project also received financial assistance from the Agency and City.

The bonds were initially structured as fixed rate bonds subject to optional redemption at the end of a five-year term (October 1, 2010). Accordingly, the loan was subject to prepayment after five years, at which point it was expected that the bonds would be refunded and the project refinanced. UHP has determined, given the current market environment and level of occupancy at the Project (approximately 38%, or 253 out of 665 units), that it is in the best interest of the Project to extend the current refinancing window. Merrill has also agreed to the 14 month extension, from October 1, 2010 to November 30, 2011.

### **KEY ISSUES AND IMPACTS**

Neither the City nor the Agency is financially liable for the repayment of the bonds. Neither the faith and credit, nor the taxing power of the City or the Agency, was pledged to the repayment of the Bonds. Neither the City nor the Agency is party to any agreement between UHP and Merrill, and neither has any obligation under that agreement. Payments on the Bonds are secured by the Uptown and by collateral provided by UHP and its affiliates. Forest City has indemnified the City and the Agency regarding matters relating to the Project bond financing. However, the City and Agency has invested in the Project and it is in the best interest of the City and Agency to have a successful Project completion.

The resolution would approve amending the Indenture and related Loan Agreement and extend the first optional redemption date and the first optional prepayment date, respectively, on the bonds to November 30, 2011. These amendments are more technical than substantive in nature, but are necessary to permit extension of the current Project financing. Extension of this financing should result in lower overall borrowing costs for UHP than would otherwise be available if the Project were refinanced in the current restrictive credit environment. As a result, the developer's debt service payments will be more manageable in light of the overall unexpected substandard financial performance of the Project, which mirrors the national and state declines in apartment rents and occupancy levels.

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## **PROJECT DESCRIPTION**

The multi-family Uptown apartment complex covers three blocks generally bounded by 19th Street, San Pablo Avenue, Thomas L. Berkley Way, Telegraph Avenue, William Street and Rashida Muhammad Street in downtown Oakland and was completed in December of 2008, 38 months after the start of construction in October of 2005. The project features:

- 665 affordable and market rate rental apartments
- 9,000 square feet of neighborhood-serving retail on Telegraph Avenue, between William Street and Thomas L. Berkley Way
- Fox Square, a 25,000 square-foot City-owned public park between Rashida Muhammad Street, William Street and 19th Street

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** There are no economic opportunities that apply to the proposed amendments to the Indenture and Loan Agreement.

**Environmental:** There are no sustainable environmental opportunities that apply to these particular actions. The Uptown is Oakland's first LEED Silver certified residential building.

**Social Equity:** There are no social equity opportunities that apply to the proposed legislation. UHP fully satisfied the City's employment and contracting programs, including the Small/Local Business Construction Program, the Small/Local Business Professional Services Program (L/SLBE) and the Local Employment Program, as well as the requirements of the Prevailing and the Living Wage Ordinances during the development of the Project.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

The proposed amendments to the Indenture and Loan Agreement do not involve issues related to disability and senior citizen access. The Uptown meets the requirements of the Americans with Disability Act.

## **RECOMMENDATIONS AND RATIONALE**

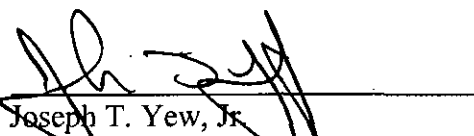
Staff recommends that the Redevelopment Agency adopt an Agency resolution authorizing first amendments to (1) a Loan Agreement between the Agency and UHP, and (2) an Indenture between the Agency and Wells Fargo, to extend the term of the current project financing by 14 months, from October 1, 2010 to November 30, 2011. Extension of the Project financing should result in lower overall borrowing costs for UHP than would otherwise be available if the Project were refinanced in the current restrictive credit environment. As a result, UHP and the City/Agency will see to a successful completion of the Project.

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**ACTION REQUESTED OF THE CITY COUNCIL**

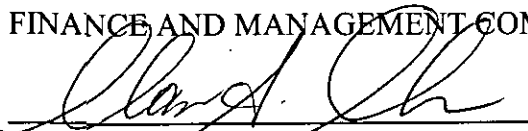
Staff is recommending that the Agency adopt a Redevelopment Agency resolution authorizing first amendments to (1) a Loan Agreement between the Agency and Uptown Housing Partners, LP, and (2) an Indenture between the Agency and Wells Fargo Bank, National Association, to extend the term of the current Project financing by 14 months, from October 1, 2010 to November 30, 2011.

Respectfully submitted,

  
\_\_\_\_\_  
Joseph T. Yew, Jr.  
Finance Director / City Treasurer

Prepared by:  
Katano Kasaine  
Treasury Manager

APPROVED AND FORWARDED TO THE  
FINANCE AND MANAGEMENT COMMITTEE

  
\_\_\_\_\_  
Office of the City Administrator

Item: \_\_\_\_\_  
Finance and Management Committee  
July 14, 2009

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FIRST AMENDMENT TO LOAN AGREEMENT

by and between the

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

and

UPTOWN HOUSING PARTNERS, LP

dated as of June 1, 2009

\$160,000,000  
Redevelopment Agency of the City of Oakland  
Multifamily Housing Revenue Bonds  
(Uptown Apartments Project) 2005 Series A

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FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (this "Loan Agreement Amendment") made and entered into as of June 1, 2009, by and between the REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND, a political subdivision of the State of California (the "Issuer") and UPTOWN HOUSING PARTNERS, LP, a California limited partnership (the "Borrower");

WITNESSETH:

WHEREAS, the Issuer previously issued its \$160,000,000 Redevelopment Agency of the City of Oakland Multifamily Housing Revenue Bonds (Uptown Apartments Project) 2005 Series A (the "Bonds") pursuant to a Trust Indenture, dated as of October 1, 2005, as amended by the First Supplemental Indenture, dated as of June 1, 2009 (as amended, the "Indenture"), by and between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Trustee");

WHEREAS, the Issuer and the Borrower entered into a Loan Agreement, dated as of October 1, 2005 (the "Original Loan Agreement"), as amended by this Loan Agreement Amendment, dated June 1, 2009 (as amended, the "Loan Agreement") pursuant to which the Issuer loaned the proceeds of the Bonds to the Borrower to finance, in part, the acquisition, construction and development of a multifamily rental housing project known generally as Uptown Apartments, located in the city of Oakland, California;

WHEREAS, pursuant to Section 9.06 of the Loan Agreement and Section 12.06 of the Indenture, the Loan Agreement may be amended, modified, changed or altered by written instrument executed by the parties to the Original Loan Agreement, with the written consent of the Trustee and the Bondholder Representative (who is deemed, pursuant to Section 13.10 of the Indenture, to consent for the Owners of 100% of the Outstanding Bonds), and upon receipt of an approving opinion of Bond Counsel with regard to such amendment; and

WHEREAS, all acts and proceedings required by law, by the Loan Agreement and by the Indenture necessary to constitute this Loan Agreement Amendment a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken, and the execution and delivery of this Loan Agreement Amendment have been in all respects duly authorized;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions. Except as provided by this Loan Agreement Amendment, all terms defined in the Original Loan Agreement shall have the same meanings when used herein.

Section 1.02. Conflict of Terms. If there is any conflict between the terms of this Loan Agreement Amendment and the terms of the Original Loan Agreement, the terms of this Loan Agreement Amendment shall control. Except as expressly modified by this Loan Agreement Amendment, however, the terms of the Original Loan Agreement shall remain in full force and effect.

## ARTICLE II

### AMENDMENTS

Section 2.01. Amendment of Section 5.05. Section 5.05 of the Original Loan Agreement is hereby amended by removing the phrase "After October 1, 2010," and inserting in its place the phrase "After the date set forth in Section 3.02(a) of the Indenture," so that the first sentence of Section 5.05 reads as follows:

"After the date set forth in Section 3.02(a) of the Indenture, during the Initial Fixed Rate Period, the Borrower, shall have the option, exercisable by written notice to the Issuer, the Trustee, and the Owner given at least thirty (30) days prior to the proposed prepayment date, to prepay the outstanding principal balance of the Note in whole or otherwise cause funds to be deposited with the Trustee in an amount equal to the principal balance of the Note to be prepaid plus accrued interest and premium, if any, thereon to the date of prepayment, for the purpose of effecting a redemption of all of the Outstanding Bonds."

## ARTICLE III

### MISCELLANEOUS

Section 3.01. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Loan Agreement Amendment on the part of the Issuer or the Borrower to be performed should be found by a court of competent jurisdiction to be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Loan Agreement Amendment.

Section 3.02. Waiver of Notice Defects. By execution hereof, each of the signatories to this Loan Agreement Amendment hereby acknowledges its receipt and review of the form of this Loan Agreement Amendment and waives any procedural defects in the provision of notice of

this Loan Agreement Amendment, including but not limited to the notice provisions of Article XII of the Indenture and the consent provisions of Section 9.06 of the Loan Agreement.

Section 3.03. Governing Law. This Loan Agreement Amendment shall be governed by and construed in accordance with the laws of the State of California.

Section 3.04. Confirmation of Loan Agreement. Except as amended hereby, the Original Loan Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Loan Agreement Amendment shall be deemed to be an amendment to the Loan Agreement within the meaning of Section 9.06 of the Loan Agreement and Section 12.06 of the Indenture. All references in the Loan Agreement to “this Loan Agreement,” “this Agreement,” “hereunder,” “hereof,” “herein,” or other words of like import, and all references to the Loan Agreement in any other agreement or document shall hereafter be deemed to refer to the Loan Agreement as amended hereby.

Section 3.05. Counterparts. This Loan Agreement Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original and all of which shall constitute but one and the same instrument.

Section 3.06. Bondholder Consent. The Current Bondholder Period has not terminated as of the effective date of this Loan Agreement Amendment. Pursuant to Section 13.10 of the Indenture, during the Current Bondholder Period, consent of the Bondholder Representative is deemed the consent of 100% of Bond Owners.

Section 3.07. Conditions to Effectiveness. This Loan Agreement Amendment shall not become effective until the Trustee shall have received an opinion of Bond Counsel as described in Section 12.06 of the Indenture.

[Remainder of page intentionally left blank]



IN WITNESS WHEREOF, the parties hereto have caused this FIRST AMENDMENT TO LOAN AGREEMENT to be executed by their duly authorized representatives as of the day and year first written above.

REDEVELOPMENT AGENCY OF THE  
CITY OF OAKLAND

By \_\_\_\_\_  
Agency Administrator

UPTOWN HOUSING PARTNERS, LP,  
a California limited partnership

By: UPTOWN APARTMENTS, LLC,  
a California limited liability company.  
Its: Sole General Partner

By: FC OAKLAND, INC.,  
a California corporation  
Its: Authorized Member

By: \_\_\_\_\_  
Its: Authorized Officer

[Signature Page to First Amendment to Loan Agreement]

Acknowledged, Consented and Agreed To:

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

Dated: June 1, 2009

[Trustee Signature Page to First Amendment to Loan Agreement]

Acknowledged, Consented and Agreed To:

BONDHOLDER REPRESENTATIVE:

MERRILL LYNCH, PIERCE,  
FENNER & SMITH  
INCORPORATED, a Delaware  
corporation, registered for  
MERRILL LYNCH PORTFOLIO  
MANAGEMENT, INC., a Delaware  
corporation, as 100% Bondholder

By: \_\_\_\_\_  
[Marianne K. Carl]  
Authorized Signatory

Dated: June 1, 2009

[Bondholder Representative Signature Page to First Amendment to Loan Agreement]

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FIRST SUPPLEMENTAL INDENTURE

by and between the

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

dated as of June 1, 2009

\$160,000,000  
Redevelopment Agency of the City of Oakland  
Multifamily Housing Revenue Bonds  
(Uptown Apartments Project) 2005 Series A

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FIRST SUPPLEMENTAL INDENTURE

This FIRST SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), dated as of June 1, 2009, by and between the REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND, a political subdivision of the State of California (the "Issuer"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America (the "Trustee");

WITNESSETH:

WHEREAS, the Issuer previously issued its \$160,000,000 Redevelopment Agency of the City of Oakland Multifamily Housing Revenue Bonds (Uptown Apartments Project) 2005 Series A (the "Bonds") pursuant to a Trust Indenture, dated as of October 1, 2005 (the "Original Indenture") as amended by this First Supplemental Indenture, dated as of June 1, 2009 (as amended, the "Indenture"), by and between the Issuer and the Trustee, and loaned the proceeds of such Bonds to Uptown Housing Partners, LP, a California limited partnership (the "Borrower"), pursuant to a Loan Agreement, dated as of October 1, 2005, as amended by the First Amendment to Loan Agreement, dated June 1, 2009 (as amended, the "Loan Agreement") by and between the Issuer and the Borrower;

WHEREAS, pursuant to Article XII of the Indenture, the Issuer and the Trustee may enter into a supplemental indenture to amend the terms of the Indenture with the consent of the Borrower and the Bondholder Representative (who is deemed, pursuant to Section 13.10 of the Indenture, to consent for the Owners of 100% of the Outstanding Bonds), and upon receipt of an approving opinion of Bond Counsel with respect to such amendment; and

WHEREAS, all acts and proceedings required by law and by the Indenture necessary to constitute this First Supplemental Indenture a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken, and the execution and delivery of this First Supplemental Indenture have been in all respects duly authorized;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

SECTION 1.01. Authority for this Supplemental Indenture. This First Supplemental Indenture is adopted in accordance with Article XII of the Indenture and is supplemental to the Original Indenture.

SECTION 1.02. Definitions. Except as otherwise provided by this First Supplemental Indenture, all terms defined in the Original Indenture shall have the same meanings when used herein.

SECTION 1.03. Conflict of Terms. If there is any conflict between the terms of this Supplemental Indenture and the terms of the Original Indenture, the terms of this Supplemental Indenture shall control. Except as expressly modified by this Supplemental Indenture, however, the terms of the Original Indenture shall remain in full force and effect.

## ARTICLE II

### AMENDMENTS TO ORIGINAL INDENTURE

SECTION 2.01. Change in Optional Conversion of Interest Rate. The date set forth in Section 2.02 of the Original Indenture indicating the earliest date the Trustee may establish a Conversion Date during the Initial Fixed Rate Period is hereby changed from October 1, 2010 to November 30, 2011.

SECTION 2.02. Change in Optional Redemption Date During the Initial Fixed Rate Period. The date set forth in Section 3.02 of the Original Indenture indicating the earliest date the Borrower may elect to have the Bonds redeemed during the Initial Fixed Rate Period is hereby changed from October 1, 2010 to November 30, 2011.

## ARTICLE III

### MISCELLANEOUS

SECTION 3.01. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Supplemental Indenture on the part of the Issuer or the Trustee to be performed should be found by a court of competent jurisdiction to be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Supplemental Indenture.

SECTION 3.02. Waiver of Notice Defects. By execution hereof, each of the signatories to this Supplemental Indenture hereby acknowledges its receipt and review of the form of this Supplemental Indenture and waives any procedural defects in the provision of notice of this Supplemental Indenture, including but not limited to the notice provisions of Article XII of the Indenture.

SECTION 3.03. Governing Law. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of California.

SECTION 3.04. Confirmation of Indenture. Except as amended hereby, the Original Indenture shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Supplemental Indenture shall be deemed to be an amendment to the Indenture, and a supplemental indenture within the meaning of Article XII of the Indenture. All references in the Indenture to "this Indenture," "hereunder," "hereof," "herein," or other words of like

import, and all references to the Indenture in any other agreement or document shall hereafter be deemed to refer to the Indenture as amended hereby.

SECTION 3.05. Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original and all of which shall constitute but one and the same instrument.

SECTION 3.06. Bondholder Consent. The Current Bondholder Period has not terminated as of the effective date of this First Supplemental Indenture. Pursuant to Section 13.10 of the Indenture, during the Current Bondholder Period, consent of the Bondholder Representative is deemed the consent of 100% of Bond Owners.

SECTION 3.07. Conditions to Effectiveness. This First Supplemental Indenture shall not become effective until the Trustee shall have received an Opinion of Bond Counsel as described in Section 12.02 of the Indenture.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this FIRST SUPPLEMENTAL INDENTURE to be executed by their duly authorized representatives as of the day and year first written above.

REDEVELOPMENT AGENCY OF THE  
CITY OF OAKLAND

By: \_\_\_\_\_  
Agency Administrator

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

[Signature Page to First Supplemental Indenture]



Acknowledged, Consented and Agreed To:

BORROWER:

UPTOWN HOUSING PARTNERS, LP,  
a California limited partnership

By: UPTOWN APARTMENTS, LLC,  
a California limited liability company.  
Its: Sole General Partner

By: FC OAKLAND, INC.,  
a California corporation  
Its: Authorized Member

By: \_\_\_\_\_  
Its: Authorized Officer

Dated: June 1, 2009

[Borrower Signature Page to First Supplemental Indenture]

Acknowledged, Consented and Agreed To:

BONDHOLDER REPRESENTATIVE:

MERRILL LYNCH, PIERCE, FENNER &  
SMITH INCORPORATED, a Delaware  
corporation, registered for  
MERRILL LYNCH PORTFOLIO  
MANAGEMENT, INC., a Delaware  
corporation, as 100% Bondholder

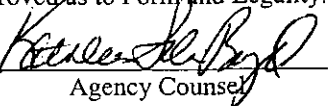
By: \_\_\_\_\_  
[Marianne K. Carl]  
Authorized Signatory

Dated: June 1, 2009

[Bondholder Representative Signature Page to First Supplemental Indenture]

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2009 JUL -2 AM 10:10

Approved as to Form and Legality:

By:   
Agency Counsel

**REDEVELOPMENT AGENCY  
OF THE CITY OAKLAND**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION BY THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND (1) AUTHORIZING AMENDMENTS TO THE MULTIFAMILY HOUSING REVENUE BONDS (UPTOWN APARTMENTS PROJECT) 2005 SERIES TRUST INDENTURE BETWEEN THE AGENCY AND WELLS FARGO BANK, AS TRUSTEE, AND RELATED LOAN AGREEMENT BETWEEN THE AGENCY AND UPTOWN HOUSING PARTNERS EXTENDING THE TERM OF THE CURRENT PROJECT FINANCING BY FOURTEEN MONTHS, AND (2) AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH**

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**WHEREAS**, the Agency issued its \$160,000,000 Redevelopment Agency of the City of Oakland Multifamily Housing Revenue Bonds (Uptown Apartments Project) 2005 Series A (the "Bonds") pursuant to a Trust Indenture as of October 1, 2005.

**WHEREAS**, the Agency loaned the bond proceeds to Uptown Housing Partners, LP, a California limited partnership pursuant to the Loan Agreement dated as of October 1, 2005; and

**WHEREAS**, the bonds were initially structured as fixed rate bonds subject to optional redemption at the stated value at the end of a five-year term (October 1, 2010), subject to prepayment after five years, when it was expected that the bonds would be refunded and the project refinanced; and

**WHEREAS**, Uptown Housing Partners (the "Borrower") has determined, given the current credit environment and level of occupancy at the Project (approximately 38%, or 253 out of 665 units), that it is in the best interest of the Project to extend the current financing to the extent possible; and

**WHEREAS**, the Borrower has requested that the Agency enter into a First Supplemental Indenture and First Amendment to the Loan Agreement to extend the first optional redemption date and the first optional prepayment date on the bonds and the loan for 14 months to November 30, 2011; and

**WHEREAS**, the Agency finds and determines that it is in the Agency's best interest to authorize amendments to (1) a Loan Agreement between the Agency and Uptown Housing Partners, LP, and (2) an Indenture between the Agency and Wells Fargo, to extend the term of the current project financing by 14 months from October 1, 2010 to November 30, 2011; now, therefore be it

**RESOLVED**, as follows:

Section 1. First Supplemental Indenture. The First Supplemental Indenture in the form presented at this meeting is hereby approved, and the Agency Administrator or his or her designee is hereby authorized and directed to execute, and the Secretary of the Agency is hereby authorized to attest to such signature, and such officers are authorized and directed to deliver to the Trustee, for and in the name and on behalf of the Agency, a supplemental indenture in substantially such form, with such changes, additions, amendments or modifications which are approved by the Agency Treasurer, in consultation with Agency Counsel and Bond Counsel to the Agency, in the interest of the Agency, such approval to be conclusively evidenced by the execution of said supplemental indenture with such changes, additions, amendments or modifications.

Section 2. First Amendment to Loan Agreement. The First Amendment to Loan Agreement in the form presented at this meeting is hereby approved, and the Agency Administrator or his or her designee is hereby authorized and directed to execute, and the Secretary of the Agency is hereby authorized to attest to such signature, and such officers are authorized and directed to deliver to the Borrower, for and in the name and on behalf of the Agency, a first amendment to loan agreement in substantially such form, with such changes, additions, amendments or modifications which are approved by the Agency Treasurer, in consultation with Agency Counsel and Bond Counsel to the Agency, in the interest of the Agency, such approval to be conclusively evidenced by the execution of said supplemental indenture with such changes, additions, amendments or modifications.

Section 3. Conditions Precedent. All conditions, things and acts required by law to exist, to happen and to be performed precedent to and in connection with the amendment of the Indenture and the Loan Agreement exist, have happened and been performed in due time, form and manner, in accordance with applicable law.

Section 4. Modification to Documents. Any Agency official authorized by this Resolution to execute any document is hereby further authorized, in consultation with the Agency Administrator, Agency Counsel and Bond Counsel to the Agency, to approve and make such changes, additions, amendments or modifications to the document or documents the official is authorized to execute as may be necessary or advisable. The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.

Section 5. Ratification. All actions heretofore taken by the officials, employees and agents of the Agency in connection with the amendment of the Indenture and the Loan Agreement are hereby approved, confirmed and ratified.

Section 6. General Authority. The Agency Treasurer, the Agency Administrator, the Secretary of the Agency or each such person's duly authorized designee and agent, and any other officials of the Agency and their duly authorized designee and agents are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions and execute and deliver any and all documents, which they, or any of them, may deem necessary or advisable in order to consummate the amendment of the Indenture and Loan Agreement and to effectuate the purposes thereof.

Section 7. Authority to Designate. The Agency Treasurer and the Agency Administrator may designate in writing one or more persons to perform any act, which such persons are hereby authorized by this Resolution to perform.

Section 8. Effect. This Resolution shall take effect immediately upon its passage.

IN AGENCY, OAKLAND, CALIFORNIA, JULY \_\_, 2009

PASSED BY THE FOLLOWING VOTE:

AYES        BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL,  
                  QUAN, REID AND CHAIRPERSON BRUNNER

NOES

ABSENT

ABSTENT

ATTEST \_\_\_\_\_

LATONDA SIMMONS  
Secretary of the Redevelopment Agency of the  
City of Oakland, California