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**REVISED**

APPROVED AS TO FORM AND LEGALITY:



AGENCY COUNSEL

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND  
**2003-28**  
RESOLUTION No. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AMENDING RESOLUTION NO. 01-11 C.M.S. TO EXTEND THE LOAN TERM FROM 30 YEARS TO 55 YEARS, AND TO REDUCE THE INTEREST RATE ON A \$361,000 SITE ACQUISITION LOAN; AND AUTHORIZING CONSOLIDATION OF THE EXISTING \$361,000 SITE ACQUISITION LOAN WITH AN EXISTING AFFORDABLE HOUSING DEVELOPMENT LOAN COMMITMENT FOR \$1,066,000 TO RESOURCES FOR COMMUNITY DEVELOPMENT, INC. FOR THE EASTMONT COURT PROJECT LOCATED AT 6850 FOOTHILL BOULEVARD**

**WHEREAS**, on September 10, 2002, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Resources for Community Development, 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 19 unit housing project at 6850 Foothill Boulevard in the City of Oakland (the "Project"); and

**WHEREAS**, 18 Project units will be rented at prices affordable to very low-income households; and

**WHEREAS**, all Project units will be accessible to individuals with physical disabilities, providing a valuable source of accessible affordable housing to individuals and small families; and

**WHEREAS**, the Developer has secured funding commitments from the U.S. Department of Housing and Urban Development's (HUD) Section 811 Program in the amount of \$2,330,300 and the Federal Home Loan Bank's Affordable Housing Program in the amount of \$126,000; and

**WHEREAS**, the Agency previously authorized a \$361,000 Site Acquisition loan (Resolution #00-55 C.M.S.) and a \$1,066,000 Development loan (Resolution #01-11 C.M.S.) to the Project, and Developer is requesting additional funds in the amount of \$460,600 to come from the HOME Investment Partnership Program; and

**WHEREAS**, Resolution 01-11 C.M.S. provided for a development loan maximum term of 30 years, with an interest rate of 3% percent per year, 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 his or her designee determines are in the best interests of the Agency and the Project; and

**WHEREAS**, Resolution 01-11 C.M.S. altered the term of the Site Acquisition loan to a maximum loan term of 30 years, with an interest rate of 6% percent per year, 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 his or her designee determines are in the best interests of the Agency and the Project; and

**WHEREAS**, it is generally the Agency's intent to match Development loan terms to the Regulatory period of 55 years, with a maximum interest rate of 3% per year; and

**WHEREAS**, the City of Oakland'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 Agency's Project Development Guidelines, and Developer meets the Agency'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, is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3, and will benefit the redevelopment project areas in the City of Oakland by providing affordable housing opportunities within the community that will enhance the economic viability and redevelopment potential of the project areas; 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 Developer other than the Low and Moderate Income Housing Fund; and

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

**WHEREAS**, compliance with CEQA requirements was established in Resolution No. 01-11 C.M.S.; and

**WHEREAS**, the Project will be required to comply with the household eligibility requirements of the HUD Section 811 program, which stipulate that in order to live in Section 811 housing, a household which may consist of a single qualified person must be very low-income (within 50 percent of the median income for the area) and at least one member must be 18 years old or older and have a physical disability.

**WHEREAS**, funds are available from the Agency's Low and Moderate Income Housing Funds under the Affordable Housing Bond Fund to assist the Project; now, therefore, be it

**RESOLVED:** That the Redevelopment Agency hereby authorizes the Agency Administrator or his designee to consolidate the existing Site Acquisition loan of \$361,000 and existing Agency Development loan commitment of \$1,066,000 into a single Agency Development loan in an amount not to exceed \$1,427,000 to Resources for Community Development, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it further

**RESOLVED:** That all Agency loan funds to the Project shall come from the Agency's Affordable Housing Bond Fund; and be it further

**RESOLVED:** That the loan is contingent on the availability of sufficient funds in the Affordable Housing Bond fund and the HOME Investment Partnership Program to cover both the Agency loan and the City Development loan of \$460,600; and be it further

**RESOLVED:** That the terms of the Agency's Development loan shall be for a maximum term of 55 years, with an interest rate of 3% percent per year, 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 his 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, including the restriction that at least one household member in every unit must have a physical disability as defined above; 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 will be reserved for a period of no more than one year from the date of this Resolution, and the loan shall be contingent on Developer's success in securing remaining commitments for full Project funding, or other assurances of adequate Project funding the Agency 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 Agency Administrator or his or her designee may establish; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency 's deed of trust and/or recorded restrictions to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the Agency 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 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 all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it further

**RESOLVED:** That the Agency previously established CEQA compliance in Resolution No. 01-11 C.M.S.; and be it further

**RESOLVED:** That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this Project; 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, 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 AGENCY, OAKLAND, CALIFORNIA, JUN 03 2003, 2003

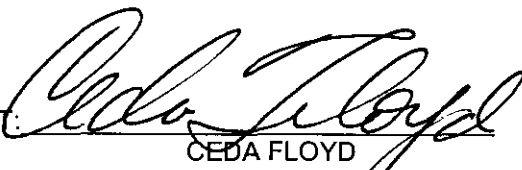
**PASSED BY THE FOLLOWING VOTE:**

AYES- ~~BROOKS~~, BRUNNER, CHANG, ~~NADDEL~~, REID, QUAN, ~~WAN~~, AND CHAIRPERSON DE LA FUENTE, **-5**

NOES- **BROOKS, NADDEL, WAN -3**

ABSENT- **0**

ABSTENTION- **0**

ATTEST:   
CEDA FLOYD  
Secretary of the Redevelopment Agency  
of the City of Oakland