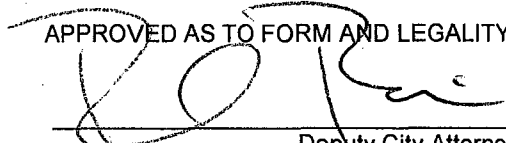


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 FEB 11 PM 2:08

REVISED 2/10/2015

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION (1) AUTHORIZING AN ADDITIONAL AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,000,000 TO SATELLITE AFFORDABLE HOUSING ASSOCIATES FOR THE REDWOOD HILL TOWNHOMES PROJECT LOCATED AT 4856-4868 CALAVERAS AVENUE, (2) APPROVING A CHANGE IN THE PROJECT FROM OWNERSHIP TO RENTAL, (3) AUTHORIZING ASSUMPTION OF THE EXISTING LOAN FOR THE PROJECT BY SATELLITE AFFORDABLE HOUSING ASSOCIATES, AND (4) AUTHORIZING REPAYMENT EXTENSION AND CHANGES IN TERMS FOR THE EXISTING LOAN FOR THE PROJECT

WHEREAS, Redevelopment Agency Resolution No. 2004-08 C.M.S., passed on February 17, 2004, and amended by Redevelopment Agency Resolution No. 2005-0013 C.M.S. on February 15, 2005, and Redevelopment Agency Resolution No. 2006-0009 C.M.S. on February 7, 2006, authorized an affordable housing development loan of \$3,858,424 to Community Asset, Inc. for the development of Redwood Hill Townhomes (the "Project"), a 28 unit affordable housing development to be located at 4856-4868 Calaveras Avenue in Oakland; and

WHEREAS, the Project was originally planned as a homeownership project;
and

WHEREAS, the City as successor to the housing assets and functions of the former Redevelopment Agency under California Health and Safety Code Section 34176 has succeeded to the loan authorized by the Redevelopment Agency under Resolution No. 2004-08 C.M.S., passed on February 17, 2004, and amended by Redevelopment Agency Resolution No. 2005-0013 C.M.S. on February 15, 2005, and Redevelopment Agency Resolution No. 2006-0009 C.M.S. on February 7, 2006 C.M.S.; and

WHEREAS, in 2008, before construction commenced, the Project was suspended due to the rapidly falling home values in the area; and

WHEREAS, the City has disbursed a total of \$2,242,600 from loan proceeds for Project uses including site acquisition, architectural work, engineering work, and permit fees; and

WHEREAS, Satellite Affordable Housing Associates (the "Developer") now proposes to assume the existing City loan and to complete the Project as a rental development serving families at or below 60% of the area median income; and

WHEREAS, on September 3, 2014, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

WHEREAS, the Developer submitted a proposal in response to the NOFA for additional funds; and

WHEREAS, additional funds are available from the HOME Program Development Fund (2109) to assist the Project; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and now, therefore, be it

RESOLVED: That the City Council hereby authorizes an additional loan in an amount not to exceed \$2,000,000, for a total loan in an amount not to exceed \$4,242,600, to Satellite Affordable Housing Associates, or to an affiliated entity approved by the City Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the following will be allocated from the HUD-HOME Fund (2109) for this loan: \$1,500,000 from Housing Development Organization (89929), HOME Housing Development Program project (G172111) after the 2015-16 fiscal year HOME funds are available; \$200,000 from Housing Development Organization (89929), HOME Housing Development Program project (G172111); and \$300,000 from Housing and Community Development Organization (89919), CHDO Operating project (G172121); and be it

FURTHER RESOLVED: That the additional loan shall be contingent on the availability of sufficient funds in the HOME Program Development Fund to cover the loan amount of \$2,000,000; and be it

FURTHER RESOLVED: That loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the 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 the City Council hereby approves the conversion of the Project from affordable homeownership to affordable rental housing; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the assumption of the existing loan on the Project by Satellite Affordable Housing Associates or its affiliate; and be it

FURTHER RESOLVED: That the City Administrator is authorized to extend the repayment term of the existing City loan for the Project by up to 55 years, consolidate the existing loan with the new loan authorized by this Resolution, modify other terms and conditions of the existing City loan to be consistent with the terms and conditions of the new funding for the Project, and negotiate and execute loan documents with respect to the existing City loan; 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 be it

FURTHER RESOLVED: That the City has independently reviewed and considered this environmental determination, and determines that this actions complies with CEQA because it is exempt from CEQA pursuant sections 15280 (lower-income housing projects) and under Section 15332 (infill projects) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the City Administrator or her designee shall file a Notice of Exemption and an Environmental Declaration under the California Fish and Game Code (Section 711.4) with the County of Alameda; 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 appoints the City Administrator and his or her designee as agent of the City to conduct negotiations, execute documents, administer the loans, extend or modify the repayment terms, and take any other action with respect to the loans and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and
PRESIDENT GIBSON MCELHANEY

NOES-

ABSENT-

ABSTENTION-

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