

APPROVED AS TO FORM AND LEGALITY

  
CITY ATTORNEY'S OFFICE

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO  
EXTEND THE TERMS OF EXPIRING AFFORDABLE HOUSING LOANS  
AND REGULATORY AGREEMENTS BY UP TO FIFTY-FIVE YEARS,  
AND TO AMEND LOAN DOCUMENTS TO REFLECT CURRENT CITY  
POLICIES AND PRACTICES**

**WHEREAS**, the City has issued more than one hundred affordable housing loans (the “Loans” and each a “Loan”) over the past decades; and

**WHEREAS**, a growing number of these Loans will be due to be repaid in full to the City over the coming years; and

**WHEREAS**, most affordable housing project developers lack the resources to repay the Loans in full at the end of their term; and

**WHEREAS**, the City wishes to prevent a series of defaults or other fiscal crises within its affordable housing portfolio by demanding payment in full as each Loan reaches its maturity date; and

**WHEREAS**, the City also wishes to preserve the affordability of properties over the long term; and

**WHEREAS**, the City’s terms for extending loans and regulating properties are continually refined to reflect current best practices, in areas such as interest rate, residual receipts distributions, and reserve deposit requirements; and

**WHEREAS**, it is more equitable and efficient to apply a uniform standard for loan extensions rather than seeking individual council approval on a project-by-project basis; now, therefore, be it

**RESOLVED:** That the City Administrator shall be hereby authorized to extend the term of a Loan by up to fifty-five years for City-assisted projects upon maturity, refinancing of senior loans, or request of the borrower for modification of Loan terms; and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized to extend the loan agreements, regulatory agreements and other associated documents of such projects up to fifty-five years in connection with the Loans; and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized to update the loan agreements, regulatory agreements, promissory notes, and other loan documents to reflect current City policies and practices for affordable housing financing; and be it

**FURTHER RESOLVED:** That appropriate due diligence, in accordance with current City policies and practices, shall be performed prior to the execution of any such extensions, modifications, or amendments, and the City Administrator shall retain discretion to carry out such actions based on the performance and good standing of each project; and be it

**FURTHER RESOLVED:** That all documents shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution; and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized to conduct negotiations, executed documents, and take any other action with respect to the Loans consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND  
PRESIDENT FORTUNATO BAS

NOES –  
ABSENT –  
ABSTENTION –

ATTEST: \_\_\_\_\_  
ASHA REED  
City Clerk and Clerk of the Council of the  
City of Oakland, California