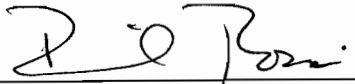


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2009 FEB 26 PM 3:06

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 81850 C.M.S.

A RESOLUTION AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS OF EXISTING CITY LOANS FOR THE OAKS HOTEL PROJECT LOCATED AT 587 15th STREET

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Affordable Housing Associates ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate the Oaks Hotel, a property at 587 15th Street in the City of Oakland (the "Property"), to continue to provide 84 rental units of housing to serve families and special needs households (the "Project"); and

WHEREAS, a request to provide a Redevelopment Agency loan to fund the Project is being recommended for approval to the Redevelopment Agency; and

WHEREAS, the City of Oakland has made affordable housing development loans previously for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the City; and

WHEREAS, the City desires to conform the terms of the existing City loans to the terms of the new Agency loan; now therefore be it

RESOLVED: That the City Administrator is authorized to extend the term of existing City loans for the Property up to 55 years, consolidate the existing loans with the new loan authorized by the Redevelopment Agency, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, negotiate and execute loan documents, and take any other action with respect to the existing City loans consistent with this Resolution and its basic purpose; 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 City'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 for form and legality prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, MAR 17 2009, 2009

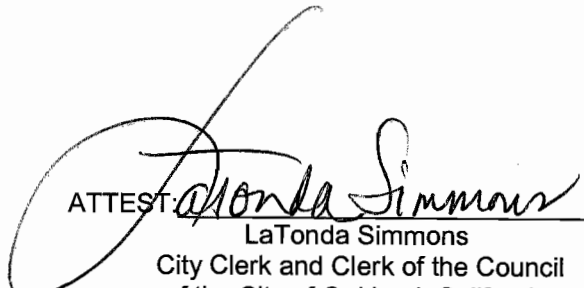
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT BRUNNER - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

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