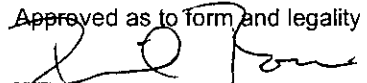


FILED
OFFICE OF THE CITY CLERK
OAKLAND
2008 SEP -4 PM 2:11

REVISED 7/22/2008

Approved as to form and legality


Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH PINEVIEW PARTNERS, LLC, AND LENIN ANNE FOR THE REHABILITATION OF 8603 AND 8701 HILLSIDE STREET IN THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA, INCLUDING AGENCY FUNDING IN AN AMOUNT NOT TO EXCEED \$275,000

WHEREAS, Pineview Partners, LLC, is partial owner of 8603 Hillside and sole owner of 8701 Hillside, and Lenin Anne is partial owner of 8603 Hillside (together, the "Owners"); and

WHEREAS, A total of 96 units are located in two apartment buildings at 8603 and 8701 Hillside Street (together, the "Property"); and

WHEREAS, the Property is located within the boundaries of the Central City East Redevelopment Project Area; and

WHEREAS, the Owners of the Property are making certain health and safety improvements to the apartment buildings on the Property, and have requested funding assistance from the Redevelopment Agency for those improvements; and

WHEREAS, the Owners presented their request to the Central City East Project Area Committee ("PAC") at the February 4, 2008, PAC meeting, where the PAC supported the Owner's request and recommended that Agency funding be provided via a recorded Owner Participation Agreement ("OPA"); and

WHEREAS, proposed funding for eligible improvements would be structured as a forgivable, deferred-payment permanent construction loan not to exceed \$275,000 (the "Loan"); and

WHEREAS, Loan funds are available from the Agency's Central City East Redevelopment Project Area; and

WHEREAS, the proposed improvements will address issues of blight and help meet the goals and objectives of the Central City East Redevelopment Plan; now therefore be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to negotiate and execute an Owner Participation Agreement ("OPA") with the Owners or to affiliated entities approved by the Agency Administrator or his or her designee, for the rehabilitation of the Property; and be it

FURTHER RESOLVED: That the OPA shall provide for a forgivable, deferred-payment permanent construction loan from the Agency in an amount not to exceed \$275,000 to the Owners to be used for approved improvements to the Property; and be it

FURTHER RESOLVED: That a total of up to \$275,000 in Agency funds will be allocated. Specifically, \$100,000 from the Redevelopment Agency's Central City East Operations Fund (9540), Central City East Organization (88699), Central City East Public/Private Development (\$233360) and \$175,000 from the Land Assembly and Relocation (\$233350) Programs; and be it

FURTHER RESOLVED: That the loan will be for a term of 20 years, with no interest and with no periodic payments, but shall become due and payable in full when the Property is transferred, sold or refinanced, or if Owners default under the OPA; and be it

FURTHER RESOLVED: That the loan shall be forgiven after twenty years if there is no transfer, sale, refinance, or default; and be it

FURTHER RESOLVED: That as a condition of the loan, the Agency shall require the recordation of the OPA; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Property; and be it

FURTHER RESOLVED: That a condition precedent to the disbursement of any loan funds shall be that the Owners have executed a settlement agreement with the City of Oakland as negotiated with the City Attorney's Office concerning operations and management practices at the Property; 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 to liens or encumbrances 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 Property in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

FURTHER RESOLVED: That the OPA and 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 hereby authorizes the Agency Administrator or his or her designee to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the OPA, the loan, and the Property consistent with this Resolution and its basic purpose,

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2008

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT -

ABSTENTION -

ATTEST:

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

Approved as to form and legality

~~DRAFT~~
Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

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Deleted: , which shall also incorporate best management practices regarding property operations and management concerns

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NOES -

ABSENT -

ABSTENTION -

ATTEST:

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