CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK
OAKLAND

2005 SEP 15 PM 12: 19

TO: Office of the City Administrator/ Executive Director of the Redevelopment Agency of the City of Oakland
ATTN: Deborah A. Edgerly
FROM: Finance and Management Agency
DATE: September 27, 2005

RE: **RESOLUTIONS OF THE CITY COUNCIL OF THE CITY OF OAKLAND AND OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND APPROVING ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS (UPTOWN APARTMENTS PROJECT), SERIES 2005A, NOT TO EXCEED $170,000,000 AGGREGATE PRINCIPAL AMOUNT, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO**

SUMMARY

Resolutions have been prepared for the Redevelopment Agency of the City of Oakland (the "Agency") and a City of Oakland ("City") resolution authorizing the conduit issuance of not to exceed $170,000,000 of Multifamily Housing Revenue Bonds (the "Bonds"). The proceeds of the Bonds will be used to make a loan to Uptown Housing Partners, L.P. or affiliate(s) ("Forest City") for the purpose of developing the first phase, consisting of 665 rental units, of a mixed-income housing project (the "Uptown Project" or "Project") located in an area bounded by Thomas L. Berkley Way (formerly 20th Street) to the north, Telegraph Avenue to the east, 19th Street to the south and San Pablo Avenue to the west (the "Uptown Project Area"). Twenty percent of the 665 units will be affordable to households earning 50 percent or less of the Area Median Income (AMI).

The City has previously approved direct funding for the construction of off-site infrastructure improvements and a public park serving the Uptown Project. The Agency has also previously approved the provision of financial assistance to the Uptown Project. The Agency also passed an inducement resolution indicating its intent to act as a conduit entity and issue project-based revenue bonds. As conduit debt, the debt service on the Bonds will be solely the responsibility of Forest City.

The passage of the proposed legislation will authorize staff to satisfy the Agency's obligation to secure tax-exempt bond financing for the development of the Uptown Project, and approve the finalization and execution of the documents attached hereto.

FISCAL IMPACTS

The Bonds are neither general nor moral obligation of the Agency or the City. Bond debt service payments are the sole responsibility of Forest City, and the City will receive issuance fees in the amount of one eighth of a percent (⅛ %) of the principal amount of the Bonds at closing and an annual administrative fee in the amount of one eighth of a percent (⅛ %) of the principal amount of the Bonds. The annual administrative fee will be used to cover City and Agency staff costs related to the administration of the Bonds.

In addition to assisting Forest City to secure financing through the bond issuance, the City and the Agency have agreed to provide direct financial assistance for the first phase of the Project in the amount of $12.9 million and another $10.4 million for public improvements, including a public park, and hazardous materials abatement. Additionally, annual Agency reimbursements of the net available tax increment from the Uptown Project Area are pledged to the Project from 2007 until 2020. If necessary, the Agency will offset any shortfall in the net available tax increment by up to an amount not to exceed the Borrower's actual payment of business taxes to the City. The Agency's annual reimbursement to the first phase of the Project shall not exceed a maximum combined present value of approximately $11.5 million. All of these prior commitments to the Project and/or the developer have been approved by the City Council and/or the Agency Board of Directors.

BACKGROUND

On July 20, 2004, the Agency and City approved Resolution No. 2004-38 C.M.S. and Resolution No. 78728 C.M.S., respectively, authorizing the Agency and the City Administrator to enter into a Lease Disposition and Development Agreement ("LDDA"), ground lease and related documents with Uptown Housing Partners, L.P., a predecessor to Forest City. The LDDA was executed on October 14, 2004. The Agency and the City have agreed to provide the following financial assistance to Forest City to ensure the financial feasibility of the first phase of the Uptown Project:

(1) Annual Agency reimbursements of the net available tax increment to be collected from the Uptown Project, and, if necessary, Agency reimbursement of an amount not to exceed the Borrower's actual payment of Business Taxes to the City. The Agency will make payments to Forest City until 2020. The Agency's payments shall not exceed a maximum combined present value of approximately $11.5 million.

(2) Direct Agency financial assistance in an amount not to exceed $12.9 million dollars.

(3) An additional $10.4 million dollars, which includes $5.3 million for the construction of off-site infrastructure improvements, $1.0 million for a public park serving the Uptown Project, and $4.1 million for the remediation of hazardous materials.

Among other obligations on the part of the Agency, City and Forest City, the LDDA sets forth the following:

- The Agency will assemble and lease certain Agency-owned properties in the Uptown Project Area to Forest City[1].
- The Agency already owns or will seek to acquire, at its sole and absolute discretion, and at its sole expense (not to exceed $18.9 million), all parcels for the first phase of the Project Lease.
- The Ground Lease will have an initial term of 66 years, and an option to extend the lease term by an additional 33 years.
- Forest City will develop 665 residential units, including 25 percent affordable units, as part of the first phase of the Uptown Project (of which eighty percent (80%) shall be affordable to households earning incomes not exceeding fifty percent (50%) of AMI, and twenty percent (20%) shall be affordable to households earning incomes not to exceed one hundred twenty percent (120%) of AMI). The project will be developed in two project phases.
- Forest City will also develop at least 9,000 square feet of neighborhood-serving commercial space and parking facilities in the Uptown Project Area.
- Forest City, in consideration of the financial assistance provided by the Agency and City, will make the following payments to the Agency (which it has assigned to the City):

(1) Participation rent based on Forest City's cash flow from the Uptown Project, after receipt of a specified preferred return on equity (12% per year), until the Agency and the City have been fully repaid the financing assistance to the project.

(2) A share of net proceeds from sale of the Uptown Project, and a share of net proceeds from refinancing (subject to the availability of sufficient proceeds from such a refinancing) the first mortgage for the Uptown Project to repay the City's and Agency's financial assistance amount.

The LDDA also requires the Agency to assist Forest City in its efforts to secure tax-exempt bond financing for the development of the Uptown Project. The Agency applied for and received an allocation of $100,000,000 in bonds from the California Debt Limit Allocation Committee (CDLAC) on December 25, 2004. Subsequently, the Agency applied for the balance of the required bond amount for the project, and received an allocation in the amount of $60,000,000 from CDLAC on July 20, 2005. On August 22, 2005, the Agency conducted an administrative TEFRA hearing for the Uptown Project, as required under federal law.

PROJECT DESCRIPTION

The Uptown Project

The first phase of the Uptown Project is being revised to include 665 rental units. The Uptown Project will consist of 20 studio apartments, 411 one-bedroom, one-bath apartments;

[1] The total Agency and City contribution for the first phase of the Project, including land cost, is approximately $53.7 million. The $ $18.9 million of land cost could be recaptured by sale of the land to Forest City either at cost plus an annual CPI increase during the first lease term, or at the new appraised market value during the second lease term.

199 two-bedroom, two-bath apartments; and 35 three-bedroom, two-bath apartments. The first phase will also include approximately 9,000 square feet of ground floor retail along Telegraph Avenue, as well as a public park to be located between William and 19th Street.

The regulations governing the proposed bond financing stipulate that twenty percent (20%) of the total number of units (133 units out of 665 units) must have rents (less utility allowance) of no more than 30 percent of 50 percent of AMI and be reserved for very low income households earning no more than 50% of AMI ($44,100 for a family of four, as annually adjusted by the Department of Housing and Urban Development). Forest City is requesting an amendment to the LLDA to increase the affordable units to 140 very low-income units. A full presentation of LDDA modifications is provided in a separate report to the CED Committee. Affordability restrictions will be incorporated into a regulatory agreement that will be executed by Forest City and recorded on the properties comprising the first phase of the Uptown Project. These rent restrictions will remain in place for 55 years.

Financing Description

These Bonds will be unrated and will be privately placed with Merrill Lynch Portfolio Management, Inc. ("Merrill Lynch Portfolio Management"). Merrill Lynch Portfolio Management will purchase the Bonds from the Agency at a fixed interest rate (approximately 6.0 percent to 6.5 percent) determined on the date of issuance of the Bonds for an initial interest rate term of not to exceed 20 years. The final maturity of the bonds is for a term of not to exceed 40 years. The Agency will lend the Bond proceeds to Forest City for the development of the Uptown Project.

At the same time, Forest City will enter into an interest rate swap agreement, known as a "total return swap" agreement with Merrill Lynch Capital Services ("Merrill Lynch") for an amount equal to the principal amount of the Bonds for an initial term of 4 years. Neither the City nor the Agency will be a party to the total return swap agreement, but should indirectly benefit from the expected reduction in debt service payable by Forest City from net operating income. These savings should improve the timing for receipt of the residual ground lease participation payments to the Agency as required by the LDDA. Interest payments pledged under the total return swap agreement will be secured by the Uptown Project and by additional collateral provided by Forest City.

KEY ISSUES AND IMPACTS

1.) Issuance of Unrated Debt: The bonds are to be issued without a rating. The Bond purchaser, Merrill Lynch, will provide a letter certifying that it is a sophisticated investor and has conducted its own due diligence on the Uptown Project and the Bonds. It will be restricted from transferring the Bonds unless it obtains a similar letter from the subsequent purchaser, who is an accredited investor and qualified institutional buyer.

2.) No Financial Liability: The City or the Agency will not be financially liable for the repayment of the Bonds. Neither the faith and credit, nor the taxing power of the City or the

Agency will be pledged to the repayment of the Bonds. Forest City will enter into an interest rate swap agreement with Merrill Lynch, and neither the City nor the Agency will be a party to that agreement and neither will have any obligation under that agreement. Payments on the Bonds will be secured by the Uptown Project and by collateral to be provided by Forest City. Forest City has agreed to pay all costs of issuance for the financing and to indemnify the City and the Agency regarding matters relating to the financing.

3.) Fees: The financing generates (a) issuance fees in the amount of at least one eighth of a percent (⅛ %) of the principal amount of the Bonds – paid to the City at closing, and (b) an annual administrative fee in the amount of one eighth of a percent (⅛ %) of the principal amount of the Bonds, split between the City and the Agency. This funding will be used to cover staff costs related to the administration of the Bonds.

4.) Lower Borrowing Cost: Generally, the proposed total return swap structure will effectively provide the Uptown Project with favorable variable rate financing for a certain specified term. The variable interest rate offered by Merrill Lynch is lower than the coupon rate on the Bonds. This reduces the debt service payments that would have been required if Forest City had to pay the coupon interest rate on the Bonds. In addition, the variable rate terms offered by Merrill Lynch pursuant to the total return swap agreement provide an interest rate advantage of about 50 basis points over the next best alternative for variable rate debt financing that was explored by the Agency, Forest City and their respective financing consultants.

5.) Project Risk: It is impossible to predict how much revenue the project will generate over the long term. As a result, there are no assurances that the subordinated rent participation payments to the City will be made by Forest City. However, the proposed financing structure significantly enhances the net revenue potential of the Uptown Project and thereby improves the City's position in this regard.

SUSTAINABLE OPPORTUNITIES

Economic

This redevelopment infill project will take blighted, underutilized and contaminated sites and turn them into an economically productive use by building a large-scale housing project that also includes a neighborhood-serving retail component. The development of approximately 665 housing units in the Uptown Area should attract hundreds of new residents to downtown Oakland, which will contribute to the revitalization of vacant retail sites and stimulate job creation through increased demand for local services and shopping opportunities while providing affordable housing opportunities.

Environmental

By developing in already built-up areas, the Uptown Project reduces the pressure to construct on agricultural and other undeveloped land, and thereby contributes to the prevention of urban sprawl. Moreover, the redevelopment of a "brownfield" site, contaminated by hazardous materials, into productive use contributes greatly to the revitalization of this underutilized neighborhood in the Central District.

The location of the Uptown Project in proximity to major public transportation nodes will likely encourage Project residents and retail customers to use BART and AC Transit. Specifically, Forest City Oakland and City staff has established the following list of sustainability measures that are either goals or requirements for the developer:

- Limit or eliminate the use of potable water for landscape irrigation.
- Use low-emitting building materials.
- Exceed Title 24 Energy Standards by 15 percent.
- Divert 75% of construction waste from landfills and redirect recyclable material back to the manufacturing process.
- Use recycled content materials for construction.
- Provide views and natural day lighting in 75% of indoor spaces.
- Maximize the production of electricity from renewable/solar energy.
- Incorporate a sufficient number of green building attributes from the LEED scorecard to insure a LEED-certified rating by the U.S. Green Building Council.

Equity

Forest City will comply with the City's contracting programs, including the Small/Local Business Construction Program, the Small/Local Business Professional Services Program (L/SLBE) and the Local Employment Program. All of the workers performing construction work for Agency funded projects must be paid prevailing wage rates. Forest City will also be subject to the Living Wage Ordinance.

Affordability

Under the requirements for bond financing and according to the Regulatory Agreement, Forest City will restrict affordability of 20 percent of the project's units to households earning no greater than 50% of AMI for 55 years. Moreover, 5 percent of the units will be restricted to households earning no more than 120 percent of the AMI for a term of 55 years.

DISABILITY AND SENIOR CITIZEN ACCESS

Forest City's project design must comply with the requirements of the Americans with Disabilities Act.

RECOMMENDATIONS AND RATIONALE

Staff recommends that the City Council and Agency's governing body approve the resolutions authorizing the issuance of not to exceed $170,000,000 in Bonds. Said resolutions will also authorize the Agency Administrator to execute and deliver associated Bond documents, including the Trust Indenture, Loan Agreement, Regulatory Agreement, Bond Placement Agreement and any additional necessary documents in connection with the Bonds. Additionally, the resolutions authorize the payment of costs of issuance associated with the issuance of the Bonds.

ACTION REQUESTED OF THE AGENCY AND CITY COUNCIL

Staff requests that the City Council and Agency governing body approve the resolutions authorizing the issuance of not to exceed $170,000,000 of Multifamily Housing Revenue Bonds, the execution of documents and authorizing the Agency/City Administrator to take any necessary actions connected with the issuance of the Bonds including appropriating the cost of issuance.

Respectfully submitted,

for WILLIAM E. NOLAND
Director, Finance and Management Agency/
Treasurer

DAN VANDERPRIEM
Director of Redevelopment,
Economic Development, Housing
and Community Development

Prepared by:

Katano Kasaine
Treasury Manager

Jens Hillmer
Urban Economic Coordinator
Redevelopment Division

APPROVED AND FORWARDED TO
THE FINANCE AND MANAGEMENT COMMITTEE

DEBORAH A. EDGERLY
Executive Director, Redevelopment Agency of the
City of Oakland/ City Administrator

APPROVED AS TO FORM AND LEGALITY:

Agency Counsel

2005 SEP 15 PM 12: 19

**REDEVELOPMENT AGENCY
OF THE CITY OAKLAND**

RESOLUTION NO. ___

RESOLUTION AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS, CONDITIONS AND FORM OF NOT TO EXCEED $170,000,000 PRINCIPAL AMOUNT OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND MULTIFAMILY HOUSING REVENUE BONDS (UPTOWN APARTMENTS PROJECT), SERIES 2005A, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE, A LOAN AGREEMENT, A REGULATORY AGREEMENT, AND A BOND PLACEMENT AGREEMENT; AUTHORIZING PAYMENT OF COSTS OF ISSUANCE; AND AUTHORIZING AND APPROVING NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Redevelopment Agency of the City of Oakland (the "Agency") is a public body, corporate and politic, duly organized and existing and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law, being Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Law") and the powers of such agency include the power to issue revenue bonds for the purpose of financing the development of multifamily rental housing for persons of moderate, low and very low income;

WHEREAS, Uptown Housing Partners, L.P., a Delaware limited partnership, or a related entity (the "Borrower"), has requested that the Agency issue and sell revenue bonds to assist in the financing of the acquisition, construction and development of a 665-unit multifamily housing rental development located in the City of Oakland, and generally known as Uptown Oakland Apartments (the "Project");

WHEREAS, on December 15, 2004, and July 20, 2005, the Agency received, in two separate installments, an allocation from the state ceiling for private activity bonds in the amount of $160,000,000 (the "Allocation Amount") from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the Agency intends to issue not to exceed $170,000,000 aggregate principal amount of its Redevelopment Agency of the City of Oakland Multifamily Housing Revenue Bonds (Uptown Apartments Project), Series 2005A, including at least one tax-exempt series in an amount not to exceed the Allocation Amount (the "Bonds") and loan the proceeds thereof to the Borrower to assist in providing financing for the Project;

WHEREAS, the Bonds will be privately placed with Merrill Lynch & Co. or an affiliate thereof, as the initial purchaser of the Bonds, in minimum denominations of not less than $500,000;

WHEREAS, to allow the Agency to ensure and enforce the Project's compliance with applicable provisions of the Law and the Internal Revenue Code of 1986 (the "Code"), including the set-aside of certain units within the Project for moderate, low and very low income tenants and the restriction of rents payable by such moderate, low and very low income tenants, the Agency, the Borrower and Wells Fargo Bank, N.A., as trustee (the "Trustee"), will enter into one or more Regulatory Agreements and Declaration of Restrictive Covenants (the "Regulatory Agreements") to be recorded in the real property records of the County of Alameda; and

WHEREAS, there have been prepared and presented at this meeting the following documents required for the issuance of the Bonds, and such documents are now substantially in final form to be executed and delivered for the purposes intended:

(1) Trust Indenture (the "Indenture"), to be entered into between the Agency and the Trustee;

(2) Loan Agreement (the "Loan Agreement") to be entered into between the Agency and the Borrower;

(3) One or more Regulatory Agreements and Declaration of Restrictive Covenants to be entered into among the Borrower, the Agency and the Trustee; and

(4) Bond Placement Agreement (the "Placement Agreement") to be entered into among the Agency, the Borrower and Hutchinson, Shockey, Erley & Co. (the "Placement Agent").

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Conditions Precedent. All conditions, things and acts required by law to exist, to happen and to be performed precedent to and in connection with the issuance by the Agency of revenue bonds exist, have happened and been performed in due time, form and manner, in accordance with applicable law, and the Agency is now authorized pursuant to the Law to incur indebtedness in the manner and form provided in this Resolution, as may be supplemented from time to time.

Section 2. Indenture. The Indenture between the Agency and the Trustee in substantially the form on file with the Secretary of the Agency, is hereby approved and adopted. The Agency Administrator or his or her designee is hereby authorized and directed to execute and the Secretary of the Agency is hereby authorized to attest to, the Indenture in substantially such form, with such changes, additions, amendments or modifications which are approved by the Agency Treasurer, in consultation with Agency Counsel, in the interest of the Agency, such approval to be conclusively evidenced by said execution. The Agency hereby agrees to comply with, or cause to be complied with, all covenants of the Agency set forth in the Indenture.

Section 3. Issuance of Bonds. The Board of the Agency hereby authorizes the issuance of the Bonds which shall be designated the "Redevelopment Agency of the City of Oakland Multifamily Housing Revenue Bonds (Uptown Apartments Project), Series 2005A", in an aggregate amount of not to exceed $170,000,000, provided that the total principal amount of the Bonds issued on a tax-exempt basis for purposes of the Code shall not exceed the Allocation Amount.

Section 4. Form of Bonds. The form of the Bonds, in substantially the form attached to the Indenture, is hereby approved and adopted. The Agency Administrator or his or her designee is hereby authorized and directed to approve and to execute the Bonds by manual or facsimile signature; and the Secretary of the Agency is hereby authorized and directed to attest, by manual or facsimile signature, and to cause the seal of the Agency to be reproduced or impressed on the Bonds, with such changes, additions, amendments or modifications made in accordance with Section 10 hereof.

Section 5. Placement Agreement. The Placement Agreement by and among the Agency, the Borrower and the Placement Agent, substantially in the form on file with the Secretary of the Agency, is hereby approved. The Agency Administrator or his or her designee is hereby authorized and directed to execute and deliver the Placement Agreement with such changes therein as the Agency Administrator may approve, such approval to be conclusively evidenced by the execution and delivery of the Placement Agreement, provided that the aggregate principal amount of Bonds to be issued shall not exceed $170,000,000, of which the total principal amount of the Bonds issued on a tax-exempt basis for purposes of the Code shall not exceed the Allocation Amount, the true interest cost of the Bonds shall not exceed twelve percent (12%), and the final maturity for Bonds shall be repaid over a period not to exceed 50 years. Hutchinson, Shockey, Erley & Co. is hereby approved as the Placement Agent of the Bonds.

Section 6. Loan Agreement. The Loan Agreement between the Agency and Borrower, substantially in the form on file with the Secretary of the Agency, is hereby approved. The Agency Administrator or his or her designee is hereby authorized and directed to execute and deliver the Loan Agreement with such changes therein as the Agency Administrator may approve, such approval to be conclusively evidenced by the execution and delivery of the Loan Agreement. The Loan Agreement shall provide for a principal amount of not more than $170,000,000, of which the total principal amount of the Bonds issued on a tax-exempt basis for purposes of the Code shall not exceed the Allocation Amount; an interest rate that is the same as the interest on the Bonds; and payments in amounts required to pay the principal of, redemption premium, if any, interest and any other amount due on the Bonds on or prior to the dates when and as due and payable.

Section 7. Regulatory Agreements. One or more Regulatory Agreements between the Agency, the Trustee and the Borrower, substantially in the form on file with the Secretary of the Agency, are hereby approved. The Agency Treasurer or his or her designee is hereby authorized and directed to execute and deliver the Regulatory Agreements with such changes therein as the Agency Treasurer may approve, such approval to be conclusively evidenced by the execution and delivery of the Regulatory Agreements.

Section 8. Appointment of Depositories and Other Agents. The Agency Treasurer is hereby authorized and directed to appoint from time to time one or more depositories for the Bonds, as he or she may deem desirable. The Agency Administrator is hereby also authorized and directed to appoint from time to time one or more agents, as he or she may deem necessary or desirable. To the extent permitted by applicable law, and under the supervision of the Agency Treasurer, such agents may serve as paying agent, Trustee or registrar for the Bonds, or financial printer or may assist the Agency Treasurer in performing any or all of such functions and other duties as the Agency Treasurer shall determine. Such agents shall serve under such terms and conditions, as the Agency Treasurer shall determine. The Agency Treasurer may remove or replace agents appointed pursuant to this section at any time.

Section 9. Payment of Costs of Issuance and Administration. The Agency Administrator is hereby authorized and directed to appropriate from the Bond proceeds funds for the payment of expenditures, fees and other costs related to issuance and administration of the Bonds. The Agency Treasurer is hereby authorized and directed to pay, or cause to be paid on behalf of the Agency, all such costs of issuance and administration associated with the Bonds.

Section 10. Modification to Documents. Any Agency official authorized by this Resolution to execute any document is hereby further authorized, in consultation with the Agency Administrator and the Agency Counsel, to approve and make such changes, additions, amendments or modifications to the document or documents the official is authorized to execute as may be necessary or advisable (provided that such changes, additions, amendments or modification shall not authorize an aggregate principal amount of Bonds in excess of $170,000,000). The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.

Section 11. Ratification. All actions heretofore taken by the officials, employees and agents of the Agency with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified.

Section 12. General Authority. The Agency Treasurer, the Agency Administrator, the Secretary of the Agency or each such person's duly authorized designee and agent, and any other officials of the Agency and their duly authorized designee and agents are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents including a Continuing Disclosure Agreement, a Tax Certificate or Certificates, letters of representation to any depository for the Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds, and to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution.

Section 13. Authority to Designate. The Agency Treasurer and the Agency Administrator may designate in writing one or more persons to perform any act, which such persons are hereby authorized by this Resolution to perform.

Section 14. Effect. This Resolution shall take effect immediately upon its passage.

IN AGENCY, OAKLAND, CALIFORNIA,____________________ , 2005

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST:____________________________
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California

OFFICE OF THE CITY CLERK OAKLAND
APPROVED AS TO FORM AND LEGALITY
2005 SEP 15 PM 12: 21 CITY ATTORNEY

CITY OF OAKLAND

RESOLUTION NO. _____ C.M.S.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLAND APPROVING ISSUANCE BY THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND OF NOT TO EXCEED $170,000,000 AGGREGATE PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND MULTIFAMILY HOUSING REVENUE BONDS (UPTOWN APARTMENTS PROJECT), SERIES 2005A, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the Redevelopment Agency of the City of Oakland (the "Agency") intends to issue its Multifamily Housing Revenue Bonds (Uptown Apartments Project), Series 2005A, in an aggregate principal amount not to exceed $170,000,000 (the "Bonds"), under and pursuant to the provisions of Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California (the "Law") and other applicable laws, for the purpose of financing redevelopment activities within and of benefit to the Agency's Central District Redevelopment Project; and

WHEREAS, Section 33640 of the Law requires the Agency to obtain the approval of the City Council of the City of Oakland prior to issuance of the Bonds; and

WHEREAS, the City Council of the City of Oakland (the "City Council") finds the issuance of the Bonds as being in the public interests of the City of Oakland and of the Agency; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Oakland as follows:

Section 1. Findings. The City Council hereby finds and determines the forgoing recitals to be true and correct and hereby adopts and incorporates them into this Resolution.

Section 2. Approval of Issuance of Bonds. The City Council hereby approves the issuance of the Bonds by the Agency as being in the public interest of the City of Oakland and of the Agency.

Section 3. Approval of Appropriation for Costs Issuance and Administration of Bonds. The City Council hereby approves the appropriation of funds from the Bond proceeds for the payment of expenditures, fees and other costs related to issuance and administration of the Bonds.

Section 4. Effect. This Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA,____________________, 2005

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT -

ABSTENTION -

Attest: ______________________________

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California