

CITY OF OAKLAND

AGENDA REPORT

2007 MAY 22 PM 3:40

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: May 22, 2007

RE: **A Series Of Three Agency Resolutions Related To Oakland Community Housing, Inc.'s Affordable Housing Portfolio In Oakland: (1) A Resolution Authorizing Up To \$1,000,000 In Operating Loans To Oakland Community Housing, Inc., Or Its Affiliates, For The Following Affordable Rental Projects: The California Hotel (3501 San Pablo Avenue); Drasnin Manor (2530 International Boulevard); Eldridge Gonaway Commons (115 3rd Avenue); Foothill Plaza (6311 Foothill Boulevard); James Lee Court (690 15th Street); Kenneth Henry Court (6455 Foothill Boulevard); Marin Way Court (2000 International Boulevard); Nueva Vista (3700 International Boulevard); The Oaks Hotel (587 15th Street); San Antonio Terrace (1485 E 22nd Street); Slim Jenkins Court (700 Willow Street); (2) A Resolution Authorizing The Removal Of Affordability Restrictions On 2001-2007 Linden Street; And (3) A Resolution Authorizing The Removal Of Affordability Restrictions Upon Repayment In Full Of Principal And Interest On Four Site Acquisition Loans Previously Made To Oakland Community Housing, Inc., Located At 1662-1664 7th Street, 1666 7th Street, 1672 7th Street And 715 Campbell Street**

SUMMARY

Oakland Community Housing, Inc. (OCHI), a nonprofit affordable housing developer in Oakland, is in fiscal crisis and at this point in time is unable to manage its affordable housing portfolio. Immediate measures must be taken by the City and Redevelopment Agency to protect loans made on a number of rental properties owned and operated by OCHI and/or related entities. Additionally, OCHI owns properties in West Oakland that are partially developed or are awaiting residential development. This report contains a number of recommendations that are meant to (1) protect City /Agency outstanding investments in excess of \$20 million of affordable housing funds made to the organization over the last 20 years; (2) protect 637 units of affordable housing in Oakland and the households living in these units; and (3) provide regulatory relief on OCHI-owned properties currently in development or awaiting development.

Staff has prepared resolutions that authorize three actions related to property owned by OCHI and/or its affiliates:

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1. Recommend secured loans to OCHI affiliates for up to \$1,000,000 to cover operating deficits at the 11 OCHI-related rental properties. Over the next year the appropriate ownership structure of each building will be developed, the capital needs assessment of the level of rehabilitation on the properties will be ongoing and a plan to secure *appropriate social services at particular sites will be developed with local social service agencies.*
2. Recommend the removal of affordability restrictions at 2007 Linden Street.
3. Recommend the removal of affordability restrictions upon repayment in full of the Redevelopment Agency loans on properties owned by OCHI collectively known as 7th and Campbell.

FISCAL IMPACT

Funds in the amount of \$1,000,000 are available from the 2006 Housing Bond Proceeds, Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Project (L290410) to cover the operating subsidies to the affordable housing units.

Upon sale of the properties in West Oakland, four loans made under the Site Acquisition Loan Program will be repaid to the Redevelopment Agency Low and Moderate Income Housing Fund. The total principal owed to the Agency is \$689,598 and the accrued interest as of March is \$190,742, for a total repayment of approximately \$880,340.

BACKGROUND

Oakland Community Housing, Inc. (OCHI) is a local nonprofit affordable housing development organization with over 35 years of history working in the Oakland community. OCHI, through its affiliates, has developed 14 buildings of affordable rental housing with a total of 637 housing units in Oakland. OCHI's management company, Oakland Community Housing Management (OCHM), manages nine of these buildings which include two single room occupancy (SRO) residential hotels and numerous family rental housing developments. The City and the Redevelopment Agency have provided deferred loans of over \$22.5 million to OCHI and its affiliates. **Attachment A** contains a list of the loans that the City of Oakland or Redevelopment Agency has made to these rental developments.

Over the last few years, both OCHI and OCHM have provided funds to the operation of many of their rental developments. This has caused a financial crisis for both OCHI and OCHM. OCHM

is no longer able to pay for staff to adequately manage these buildings. Both OCHI and OCHM have exhausted all financial reserves. As a result, new management is being brought in, but large operating deficits remain in a number of the buildings.

KEY ISSUES AND IMPACTS

During the last 20 years three other organizations in the Bay Area have faced the severe challenges that OCHI is facing today. The cities of San Francisco, Santa Cruz and San Jose have also stepped in to ensure that the affordable housing units remained secure and operational.

The portfolio of affordable rental housing that OCHI has developed in Oakland is among the oldest affordable housing in the City. Since the time these first nonprofit privately owned affordable housing units were built, the affordable housing industry has learned valuable lessons. The City now requires significant operating and replacement reserves on all rental properties. The City has also tightened its development criteria to ensure strong experienced organizations are developers of affordable housing units in Oakland. The City requires rent increases that are in line with the annual published federal government's affordable rental rates so that the properties have the funds needed to take care of necessary repairs and adequately fund operating and replacement reserves.

OCHI has struggled financially over the past few years, in a dilemma familiar to many non-profit housing organizations. Rents are set to be affordable to low-income households, but expenses have had steep increases particularly in the areas of utilities, insurance and the cost of repairs. In 2006, the average cost to manage an affordable housing unit in the OCHI portfolio was \$8,600 per year.

The income from some OCHI buildings has not kept pace with the costs required to effectively operate and manage them. This situation is particularly critical for the properties that serve the lowest income individuals and families. In addition, lack of strong management at the organizational level has contributed to the dire financial situation for the organization.

For the past few years, OCHI has obtained management and operations income by severely drawing down their letters of credit, receiving developer fees from ownership units constructed in Oakland and Richmond, and from private foundations. One result of this practice is that their overall capacity as a non-profit developer has diminished with no new projects in the pipeline. As a result, developer fees that were once counted on to pay expenses have since been exhausted. OCHI now finds itself in deep fiscal trouble; creditors are owed hundreds of thousands of dollars and there are no other sources of funding to adequately keep staffing and management afloat.

The most immediate issue is that OCHI and OCHM do not have the financial or organizational capacity to manage their current housing portfolio. The situation has become so problematic that the OCHI board has discussed the possibility of vacating the 150 unit SRO California Hotel. Notices of Default from creditors are imminent.

The board of directors of OCHI is currently in discussion with the board of directors of Community Housing Development Corporation (CHDC), a Richmond nonprofit affordable housing development group, about a possible merger. The boards of directors of both organizations have voted to execute a letter of intent regarding a merger. CHDC is a member of NeighborWorks America, a national nonprofit organization created by Congress to provide financial support, technical assistance, and training for community-based revitalization efforts. NeighborWorks is assisting CHDC as it determines if the merger is in the best interest of both organizations. Regardless of the outcome of these negotiations, the City and other lenders have determined that at this time, OCHI's Oakland portfolio is best served being managed by a new, strong management company with the organizational and financial capacity to take on these buildings.

Rental Units

Attachment B contains tables of the 14 rental properties in the OCHI portfolio with information such as lenders, the management companies, immediate issues, etc.

Each building in the OCHI portfolio has a unique set of issues and a variety of lenders. The common thread is that the City/Redevelopment Agency is a lender in all 14 buildings, and all the tenants in the buildings are very low or low income households. Each building has a separate owner-entity related to but legally separate from OCHI. This is common in affordable housing so that no one property legally or financially impacts another. City staff is continuously meeting with the lenders on each property. The City's financial and political support is critical to ensure that the state and federal agencies and the private lenders and investors stay actively involved in solutions. Any support that is provided by the City, whether it is additional financial support or regulatory relief, must be matched by other lenders. The negotiations are being carried out on a case-by-case basis for each property in the portfolio.

Only three of the 14 rental buildings owned by an OCHI affiliate have a positive cash flow. Due to lack of operating reserves, replacement reserves and poor management practices, some of the portfolio suffers from significant deferred maintenance. Nearly the entire portfolio is dependent upon OCHI and OCHM to provide money for operations. Neither OCHI nor OCHM are able to provide any more funds. Furthermore, under present conditions, it does not seem feasible that the projects will generate funds to repay OCHI or OCHM for money provided to the non-performing properties or to undertake necessary repairs. At the California Hotel alone, OCHI and OCHM are owed \$400,000 that they have loaned to Cahon Associates, the legal entity, an

affiliate of OCHI's that owns the California Hotel. This is the most extreme case, but the poor management at many of the buildings has drained the organization. OCHI has four properties in need of immediate repairs and the entire portfolio needs to be evaluated.

At this time, five (5) of the buildings are considered "troubled projects". In all cases other public agencies (the federal government and the state) in addition to the City/Agency have provided development funds for the development of these units. While most of the public debt is deferred for a period of 30 to 55 years, there are two buildings (San Antonio Terrace and Foothill Plaza) that are behind in their monthly payments to CalHFA, a state agency. While public lenders on affordable housing are reluctant to file notices of default or to foreclose on these buildings, these are the legal avenues available to them to protect their investments. Of the 14 buildings in the portfolio, seven (7) of the buildings have private lender mortgages. All loan payments to private lenders are current, there are no delinquencies.

City staff and other public and private lenders have concluded that at this time OCHM is not in a position to continue to manage its Oakland portfolio. The loan documents entered into between the property owners and the City/Redevelopment Agency give authority to the City Administrator to approve and/or remove existing management companies. On the advice of lenders, OCHI sought management proposals for the Oakland portfolio. OCHI is negotiating with the John Stewart Company (JSCO) to take over the management of much of OCHI's Oakland portfolio (11 of the 14 buildings). JSCO comes with years of experience and financial resources necessary to manage these troubled residential buildings.

Two (2) senior buildings, Sylvester Rutledge and Bishop Nichols are managed by Christian Church Homes (CCH), an expert in the development and management of senior housing. One residential building, Coolidge Court, for households with disabilities is being managed by the co-venture partner Fred Finch. At this time there is no need to make a change in the management of these buildings.

In order to assist the rental buildings owned and operated by OCHI affiliates in Oakland, staff is recommending operating support of up to \$1,000,000 to support the operations of 11 buildings on an as-needed basis for one year. The loans will be secured by deeds of trust and funds will be released under strict conditions (two-party checks, etc). The funds will be used only to support the operations of the buildings; they will not be used to pay any expenses related to OCHI or OCHM. Proceeds will only be disbursed after other lenders have agreed to financial assistance and/or regulatory relief. Over the next year, plans for the ownership, management and rehabilitation of each property will be developed.

Absent operating support the California Hotel and possibly one or two other buildings will close. A new management entity will focus on management systems and filling vacancies at the

California Hotel; it is anticipated with the new management entity, social service providers will recommend that their clients move to the California Hotel, something they had stopped suggesting a couple of years ago. During the next year, a plan will be put into place for a new sponsor, and a new long-term plan for the California Hotel.

Operating support will go to subsidizing the operating deficits at the California Hotel and 10 other properties that currently have severe cash flow issues. **Attachment B** provides information on each of these buildings. They are Drasnin Manor; Eldridge Gonaway Commons; Foothill Plaza; James Lee Court; Kenneth Henry Court; Marin Way Court; Nueva Vista; the Oaks Hotel; San Antonio Terrace; and Slim Jenkins Court. Many of the deficits come from high occupancy rates and deferred maintenance. It is anticipated that the new management entity will assist in filling the vacancies at these properties. Payment to cover these operating deficits will be negotiated with the lenders on each building to insure that the Redevelopment Agency is sharing in the responsibility with other lenders in keeping these units available to low income households. As will be the case of the California Hotel, these monies will be used only to assist with the operations of the residential units. The funds will not be used to provide operating support to OCHI or OCHM.

Other properties owned by OCHI

OCHI, in partnership with Community Development Corporation of Oakland (CDCO) has nearly completed the construction of eight homes at 2001-2007 Linden Street. In May 2001, CDCO received a loan under the Site Acquisition Loan Program in the amount of \$148,500 to acquire a property located at 2001-2007 Linden Street in West Oakland. Over time, \$140,929 was disbursed to cover acquisition and subsequent carrying costs. In March 2005, CDCO, in joint venture with OCHI, repaid the Agency the principal and accrued interest of \$29,186, for a total repayment of \$170,114. Under the existing Affordability Agreement two of the units must be affordable to families earning 80% of area median income for 45 years and six may be sold at market rate prices. However, as with many homeownership developments, particularly small scale developments, the project has incurred cost overruns. As a result, CDCO and OCHI requested that the Agency remove the affordability restrictions in order for all units to be sold at market rate in order to repay all the construction debt. Given the importance of developing affordable homeownership units, staff made a different recommendation to Council – to re-loan the original loan in exchange for the two units being kept affordable. On March 20, 2007, the Redevelopment Agency adopted Resolution No 2007-0033 C.M.S. authorizing the re-loan of the previously repaid Site Acquisition loan. However, with the crisis at hand and the lenders are preparing to issue letters of default, the only way for the lenders to be repaid is to allow for the removal of the affordability restrictions in order for all the units to be sold at market value. Absent lenders being repaid, the homeowners will not get clear title to their homes. It is estimated that the difference between selling the two units at market rate versus selling the two

units at restricted sales prices will generate an additional \$450,000, which the developers will use to pay off the construction debt.

Finally, under the Agency's Site Acquisition Loan Program, OCHI purchased four contiguous sites that are near 7th and Campbell Streets in West Oakland. At this time the organization is not in a position to develop the sites, and is requesting that the Agency remove its affordability restrictions upon repayment of the loans. While the Redevelopment Agency is in first lien position, there are other lenders behind the Agency. The market rate sale of the vacant properties will allow the Redevelopment Agency to be repaid with market rate interest in full and will allow for the repayment to the other lenders. The use of any excess funds by OCHI that are generated by the sale of these properties must be approved by the Redevelopment Agency. Removing the affordability restrictions and allowing for market rate sales will prevent default and foreclosure. The four properties are listed below:

Address	Loan	Int Rate	Loan Date
1662-64 7 th St.	\$276,000	6.19%	2/15/2001
1672 7 th St.	\$168,440	5.89%	12/10/2001
715 Campbell St.	\$75,920	5.12%	6/25/2002
1666 7 th St.	\$69,238	4.00%	2/28/2003

The total principal owed to the Agency is \$689,598 and the accrued interest as of March is \$190,742. Upon sale of the properties at market rate, the Agency's Low and Moderate Income Housing Fund will receive repayment of more than \$880,340, making the Fund whole on these loans.

SUSTAINABLE OPPORTUNITIES

The housing development projects under discussion in this report address the "3 E's" of sustainability in the following ways:

Economic: These projects maintain the affordable housing inventory in Oakland.

Environmental: Each of the buildings in the OCHI portfolio met standards in existence at the time they were built. Also, each of these proposals will provide housing on vacant or underutilized sites or will rehabilitate existing housing and all are near public transit. By developing in already built-up areas, these projects reduce the pressure to build on agricultural and other undeveloped land. Sites near mass transit enable residents to reduce dependency on automobiles and further reduce adverse environmental impacts.

Social Equity: Affordable housing is a means of achieving greater social equity. Oakland's neighborhood-level environment will be improved by replacing underused and sometimes

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blighted buildings and lots with new homes and residents. The proposed developments will provide affordable rental housing for low and very low-income senior citizens and families. Social services, such as computer centers for residents, are a component of each rental development, and further build social equity.

DISABILITY AND SENIOR CITIZEN ACCESS

All housing development projects receiving federal funds are required to construct and set aside units to be occupied by persons with disabilities (Federal Section 504 regulation). In the last 20 years, OCHI has developed 637 residential units using local and federal funds. They have been in compliance with local state and federal regulations including having developed at least five percent of newly constructed units that have been available to persons with physical disabilities and two percent of units to persons with auditory or visual disabilities. The State's Title 24 and the Americans with Disabilities Act require consideration of persons with disabilities in design and construction of housing. In all rental units and some ownership housing types, those requirements include accessible units and facilities. Furthermore, developers (in this case OCHI in particular) are required to effectively market housing units to the disabled community and OCHI presented this strategy in their Affirmative Fair Housing Marketing Plan. City funds have long supported housing development for seniors.

RECOMMENDATION(S) AND RATIONALE

In order to protect low-income tenants, and the City/Agency investment, staff recommends three actions related to property owned by OCHI and/or its affiliates:

1. Recommend secured loans to OCHI affiliates for up to \$1,000,000 to cover operating deficits at the 11 OCHI-related rental properties. Over the next year the appropriate ownership structure of each building will be developed, the capital needs assessment of the level of rehabilitation on the properties will be ongoing and a plan to secure appropriate social services at particular sites will be developed with local social service agencies.
2. Recommend the removal of affordability restrictions at 2007 Linden Street.
3. Recommend the removal of affordability restrictions upon repayment in full of the Redevelopment Agency loans on four properties owned by OCHI collectively known as 7th and Campbell.

If Council decides not to approve the first recommendation, which would provide operating support for the non-performing properties, a number of properties will be shut down and the City/Agency would be at risk of losing its investment.

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ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

The following three recommendations are made to the Redevelopment Agency:

1. Recommend secured loans of up to \$1,000,000 to cover the operating deficits at OCHI-related rental properties in Oakland located at: The California Hotel (3501 San Pablo Avenue); Drasin Manor (2530 International Boulevard); Eldridge Gonaway Commons (115 3rd Avenue); Foothill Plaza (6311 Foothill Boulevard); James Lee Court (690 15th Street); Kenneth Henry Court (6455 Foothill Boulevard); Marin Way Court (2000 International Boulevard); Nueva Vista (3700 International Boulevard); The Oaks Hotel (587 15th Street); San Antonio Terrace (1485 E 22nd Street); Slim Jenkins Court (700 Willow Street).
2. Recommend the removal of affordability restrictions at 2007 Linden Street.
3. Recommend the removal of affordability restrictions upon repayment in full of the Redevelopment Agency loans on four properties owned by OCHI collectively known as 7th and Campbell.

Respectfully submitted,



GREGORY HUNTER

Interim Director of Redevelopment, Economic
Development, Housing and Community
Development

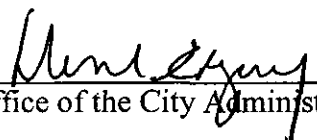
Reviewed by:

Sean Rogan, Deputy Director

Prepared by:

Janet Howley, Special Projects
Housing & Community Development

APPROVED AND FORWARDED TO THE COMMUNITY
AND ECONOMIC DEVELOPMENT COMMITTEE:


Office of the City Administrator

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Attachment A

OCHI Loan Portfolio
March 31, 2007

LOANS	source	amount	date	term	int rate	balance	loan status
Cahon Associates	HDG	1,100,000	04/22/1997	30 years	3%	1,085,284	Deferred for 30 years.
	ORA	2,660,000	04/20/1989	30 years	3%	2,691,568	Deferred for 30 years.
	ORA	1,100,000	06/01/1990	79 mos	6%	408,685	Partial payoff on 01/22/2004.
Coolidge Court/ OCHI	HOME	550,000	08/06/1996	40 years	6%	768,647	Deferred for 40 years.
Dignity Housing	ORA	810,000	03/13/1991	30 years	6%	1,562,443	Deferred for 30 years.
2530 Associates	ORA	150,000	01/26/1993	30 years	6%	589,095	Deferred for 30 years.
	ORA	650,000	02/13/1991	30 years	6%	1,281,642	Deferred for 30 years.
Downs Memorial Senior	HOME	1,308,800	02/13/2002	30 years	3%	1,490,558	Deferred for 30 years.
E. Gonaway/OCHI	ORA	1,185,280	10/23/1981	50 years	3%	820,962	Deferred for 50 years.
Foothill Plaza	HDG	1,350,000	07/24/1986	30 years	3%	1,008,910	Assumed by FHP Housing Ass.
Marin Way Court	ORA	840,500	07/09/1986	50 years	3%	1,002,199	Deferred for 50 years.
	CDBG	400,000	03/26/1987	10 years	3%	263,659	Loan payment on 01/28/2004
	HDG	400,000	05/19/1993	30 years	3%	394,649	Deferred for 30 years.
Sylvestor Rutledge		2,551,750	01/04/2002	30 years	3%	2,928,380	Deferred for 30 years.
Nueva Vista Association	ORA	1,250,000	12/10/1984	30 years	3%	2,043,950	Deferred for 30 years.
	HDG	600,000	04/04/1987	20 years	3%	450,973	Deferred for 20 years.
Kenneth Henry Court	ORA	449,581	12/27/1989	30 years	6%	458,873	Deferred for 30 years.
	CDBG	400,419	12/27/1989	30 years	6%	815,297	Deferred for 30 years.
Oaks Associates	ORA	1,301,263	06/18/1985	50 years	3%	2,111,861	Deferred for 50 years.
	ORA	242,000	07/24/1986	50 years	3%	377,879	Deferred for 50 years.
	CDBG	312,000	06/18/1985	30 years	6%	687,442	Deferred for 30 years.
	HDG	405,000	06/18/1985	30 years	6%	819,807	Deferred for 30 years.
	ORA	202,500	06/18/1985	50 years	3%	328,497	Deferred for 50 years.
San Antonio Terrace	ORA	650,000	08/11/1989	89 mos	0%	107,224	Accrued interest after loan payoff.
	ORA	407,000	08/11/1989	30 years	6%	839,706	Deferred for 30 years.
	CDBG	140,000	08/11/1989	30 years	6%	288,231	Deferred for 30 years.
Slim Jenkins Court	ORA	3,262,415	06/03/1993	25 years	6%	6,112,182	Deferred for 25 years.
	HDG	950,000	7/29/1994	30 years	3%	1,034,391	Deferred for 30 years.
Total Local Loans		20,768,508				28,587,453	

Attachment B

Bishop Roy C. Nichols Senior Housing

Bishop Roy C. Nichols Senior Housing (Downs Senior Housing)	1027 62 nd St. District 1 Opened in 2003
Type/# of units	17 senior units
Owner/Manager	Owner: Downs Senior Housing Associates Management: Christian Church Homes
Funding sources	City of Oakland HOME funds \$1,308,799 Citibank \$111,388 Far East National Bank \$85,000 Long term debt \$1,505,187
Tax credit period	U.S. Bancorp is tax investor in until 2018
Rehab needs	This is a relatively new senior housing building – no rehab needs
Immediate Plans	Keep CCH as management entity
Long term Plans	No changes recommended at this time

Issues:

The building has a positive cash flow (\$23,378)

Operating Reserves: \$52,722

Replacement Reserves: \$47,884

Attachment B

California Hotel

California Hotel	3501 San Pablo Avenue District 3 West Oakland Redevelopment Area Opened in 1991
Type/# of units	150 units: 16 studios; 58 SRO with kitchens; 75 SRO (shared kitchen)
Owner/Manager	Owner: Cahon Associates Management: OCHM
Funding sources	City/Agency \$4,181,000 (includes HUD's HDG) State of CA HCD SHURP Program \$1.6 M Long term debt: \$5.8 million
Tax credit period	Ended December, 2006
Current vacancies	43 vacancies/107 occupied (40% current with rent)
Rental Subsidies	5 Section 8 vouchers; 3 Shelter Plus Care
Rehab needs	The hotel's immediate capital needs are assessed at \$870,000 as of November 2006.
Immediate Plans	California Hotel to move forward with evictions of non paying tenants New Management Company to come in ASAP. City providing financial support with management moving toward full rent up Social Services agree to work with Ca Hotel with new management. Management company completes construction work meeting immediate health & safety requirements for tenants
Long term Plans	Over 2-4 years identify appropriate ownership, capital funds and service providers. Partners assemble financing of capital investment into long term physical needs, based on plan for future use.

Issues

- Operating Deficit: \$340,000.
- The average monthly deficit in 2006 was \$28,300; higher now with larger vacancies.
- The only source of income for the hotel is rent, which is kept at levels complying with regional affordability guidelines. The building needs to acquire rent subsidies and operating subsidies for the tenants.
- New lawsuit filed on February 7, 2007 on behalf of 40 tenants for \$2 million covered by insurance.

Attachment B

Coolidge Court

Coolidge Court	3800 Coolidge .Avenue District 4 Opened in 1998
Type/# of units	18 studio units:
Owner/Manager	Owner: Coolidge Court Associates Management: Fred Finch
Funding sources	HUD 811: \$1,433,838 City of Oakland: \$550,000 Long term debt: \$1,983,838
Tax Credit Investor	N/A
Rehab needs	None
Immediate and Long term Plans	Keep the structure as is. No changed needed

Issues:

None

Attachment B

Drasnin Manor

Drasnin Manor	2530 International Blvd. District 5 Coliseum Redevelopment Area Opened in 1994
Type/# of units	26 units: 3 one-bedroom; five two bedroom; 18 three-bedroom
Owner/Manager	Owner:2530 Associates Management: OCHM
Funding sources	Washington Mutual mortgage \$561,200 State of CA HCD RHCP \$1,053,677 Oakland Redevelopment Agency \$344,953 Long term debt: \$1,960,000
Tax Credit Investor	NEF through 2007
Rehab needs	The buildings immediate capital needs are assessed at \$350,000 as of November 2006.
Immediate Plans	Change in management. Negotiate with lenders to keep the building stable <ul style="list-style-type: none"> • private mortgage payments are current • discuss emergency funds with State • discuss emergency funds with Investor • Identify funds for immediate repairs
Long term Plans	Determine Equity Over 2-4 years determine appropriate ownership structure capital funds and service providers. Partners assemble financing of capital investment into long term physical needs, based on plan for future use.

Issues:

Negative cash flow of -\$91,000
Operating reserves \$10,433
Replacement Reserves \$13,519
Immediate repairs @ \$350,000

Attachment B

Eldridge Gonaway Commons

Eldridge Gonaway Commons	1165 3 rd Avenue; District 2 Central Cities East Redevelopment Area Opened in 1984
Type/# of units	40 family units: 10 one-bedroom; 15 two bedroom; 13 three-bedroom; 2 four bedroom
Owner/Manager	Owner: Eldridge Gonaway Commons Associates Management: OCHM
Funding sources	CalHFA \$810,827 Redevelopment Agency \$1,185,280 Long term debt: \$1,996,017
Tax credit period	No tax credit investor
Rehab needs	Capital needs are minimal.
Immediate Plans	The building has a positive cash flow. Need a change in management
Long term Plans	The building is the oldest in the portfolio. Over 2-4 years determine restructuring as appropriate.

Issues:

Positive cash flow \$25,393

Operating reserves \$1,658

Replacement reserves \$35,919

Attachment B

Foothill Plaza

Foothill Plaza	6311 Foothill Blvd. District 6 Central City East Redevelopment Area Completed in 1988 purchased in 2005 by FHP Housing Associates
Type/# of units	54 unit multi-family: 18 ones and 36 twos
Owner/Manager	Owner: FHP Housing Associates Management: AF Evans Company
Funding sources	City/Redevelopment Agency \$1,037,800 CalHFA Acquisition/Rehabilitation: \$4,510,000 Long term debt 5,547,800 NOFA commitment \$1.6 million in March 06 (no funds drawn)
Tax credit period	No tax credits
Rental Subsidies	None
Rehab needs	Capital Needs Analysis estimates \$ 2million in immediate repairs
Immediate Plans	Change to John Stewart Management Immediately identify new owner and funds for immediate repairs
Long term Plans	Identify new owner, capital funds for long-term rehab needs

Issues:

- Owner is behind to loan payment to the City and to CalHFA
- CalHFA sent pre-default letter first week of April.
- Management Company has been AF Evans who had provided a 60 day notice to vacate management.
- John Stewart to become management agent.
- Recent request for funding from State MHP denied
- Need to start over with new owner identification of capital funds

Attachment B

James Lee Court

James Lee Court	690 15 th Street District 3 Central District Redevelopment Area Opened in 1987
Type/# of units	26 unit family: 4 one bedroom; 7 two bedroom 10 three bedroom and 4 four bedroom
Owner/Manager	Owner: Dignity Housing West Associates Management: OCHM
Funding sources	City/Agency \$810,000 State of CA HCD RHCP \$1,023,590 Long term debt: \$1,824,000
Tax credit Investor	NEF through 12/07
Rehab needs	The building has minimal capital needs.
Immediate Plans	Need a change in management
Long term Plans	Determine Equity Over 2-4 years identify new owner, capital

Issues:

Cash Flow: -\$28,837

Operating reserves \$80,664

Replacement reserves \$42,023

Attachment B

Kenneth Henry Court,

Kenneth Henry Court	6455 Foothill Blvd. District 6 Central Cities Redevelopment Area Opened in 1992
Type/# of units	51 family units: 8 one bedroom; 29 two bedroom 12 three bedroom and 2 four bedroom
Owner/Manager	Owner: 6455 Foothill Associates Management: OCHM
Funding sources	Citibank mortgage \$446,820 State of CA RHCP \$1,859,275 Oakland Redevelopment Agency \$449,581 City of Oakland \$ \$400,419 long term debt: \$3,156,095
Tax credit Investor	NEF through December 2007
Rehab needs	The building has minimal capital needs.
Immediate Plans	Need a change in management.
Long term Plans	Building is stable; minor repairs needed

Issues:

Cash flow: -\$74,768

Operating reserves: \$70,032

Replacement reserves: \$64,843

Attachment B

Marin Way Court

Marin Way Court,	2000 International Blvd. District 2 Redevelopment Area Opened in 1987
Type/# of units	20 unit two-bedroom family units
Owner/Manager	Owner: San Antonio Commons, Inc. Manager: OCHM
Funding sources	Savings and Loan: \$208,053 Oakland Redevelopment Agency: \$617,737 City of Oakland \$500,511 Long term debt: \$1,326,301
Tax credit investor period	N/A
Rehab needs	Minimal needs.
Immediate Plans	The building has a positive cash flow. It is old and is in need of repairs. Need a change in management Negotiate with lenders to keep the building stable
Long term Plans	Over 2-4 years identify proper ownership structure and capital funds for rehab.

Attachment B

Nueva Vista

Nueva Vista	3700 International Blvd. District 5 Coliseum Redevelopment Area Opened in 1986
Type/# of units	30 unit family: 8 one bedroom; 15 two-bedroom and 7 three bedroom
Owner/Manager	Owner: Nueva Vista Associates Management: OCHM
Funding sources	City \$311,258 Agency \$1,249,900 Citibank \$343,467 Long term Debt \$1,882,925
Tax credit Investor	N/A
Rehab needs	
Immediate Plans	Need a change in management Nueva Vista is one of the oldest buildings in the portfolio.
Long term Plans	Determine Equity Over 2-4 years identify appropriate ownership, capital funds

As of May, 2007

Financial Statement not available

Capital Needs analysis not available

Attachment B

Oaks Hotel

Oaks Hotel	587 15 th Street District 3 Central District Redevelopment Area Opened in 1985
Type/# of units	85 SRO units
Owner/Manager	Owner: Oaks Associates Management: OCHM
Funding sources	City of Oakland \$308,053 Redevelopment Agency \$1,644,612 Alameda County HCD \$144,135 State of CA HCD 1,780,824 OCHI \$222,400 Long term debt: \$4,463,200
Tax credit period	Tax credit investor
Current vacancies	High vacancies
Rehab needs	Recently rehab
Immediate Plans	New management entity for day to day operations Identify social services and new tenants
Long term Plans	Over 2-4 years identify appropriate ownership structure

Issues:

Cash Flow: -\$318,067
 Operating Reserves:\$33,248
 Replacement Reserves: \$34,896

Attachment B

San Antonio Terrace

San Antonio Terrace	1485 East 22nd St District 2 Central City East Redevelopment Area Completed in 1989
Type/# of units	23 unit multi-family: 12 two-bedroom 11; three-bedroom
Owner/Manager	Owner: San Antonio Terrace Associate Management: OCHM
Funding sources	City/Redevelopment Agency \$1,074,500 CalHFA \$934,972 CalHFA \$132, 250 Long term Debt: \$2,222,700
Tax credit period	Complete
Rehab needs	Substantial
Immediate Plans	New Management Company Capital Needs Analysis estimates
Long term Plans	Identify new ownership structure Potential CalHFA Acquisition/Rehabilitation and re-syndication

Challenges:

- Past due in monthly payments to CalHFA (3months);
- CalHFA sent pre-default letter first week of April
- Immediate rehab needs

Attachment B

Slim Jenkins Court

San Antonio Terrace	700 Willow Street District 3 West Oakland Redevelopment Area Completed in 1991
Type/# of units	32 unit multi-family: 12 two-bedroom 11; three-bedroom
Owner/Manager	Owner: Slim Jenkins Court Associates Management: OCHM
Funding sources	City/Redevelopment Agency 3,166,500 City \$950,000 Private mortgage \$1,760,000 Long Term Debt \$5,800,000
Tax credit Investor	N/A
Operating Deficit	In 2006: -\$542,408 (includes interest of \$415,500)
Rehab needs	Recent Rehabilitation completed
Immediate Plans	New management company Determine equity Mortgage due 9/30/07
Long term Plans	Identify appropriate ownership structure ID new financing to repay mortgage

Challenges:

Operating deficit

Mortgage (with principal of \$1,760,000) due 9/30/07

Attachment B

Sylvester Rutledge Manor

Sylvester Rutledge Manor	3255 San Pablo Ave District 3 West Oakland Redevelopment Area Completed in 2003
Type/# of units	65 senior units
Owner/Manager	Owner: North Oakland Senior Housing Associates Management : Christian Church Homes
Funding sources	City/Redevelopment Agency \$2,551,750 Citibank \$922,142 Far East (AHP) \$320,000 Long Term Debt: \$3,794,000
Tax credit period	U.S. Bancorp CDC, limited partners through 2018
Rehab needs	Recently constructed Senior housing; no rehab needed
Immediate Plans	Keep CCH as management entity
Long term Plans	None

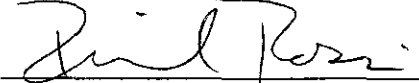
Issues:

Positive Cash Flow \$145,412

Operating reserves of \$115,000

Replacement reserves \$140,614

2007 MAY 10 PM 3:40


Agency Counsel**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND****RESOLUTION No. _____ C.M.S.**

AN AGENCY RESOLUTION AUTHORIZING UP TO \$1 MILLION IN OPERATING LOANS TO OAKLAND COMMUNITY HOUSING, INC., OR ITS AFFILIATES, FOR THE FOLLOWING AFFORDABLE RENTAL PROJECTS: THE CALIFORNIA HOTEL (3501 SAN PABLO AVENUE); DRASNIN MANOR (2530 INTERNATIONAL BOULEVARD); ELDRIDGE GONAWAY COMMONS (115 3RD AVENUE); FOOTHILL PLAZA (6311 FOOTHILL BOULEVARD); JAMES LEE COURT (690 15TH STREET); KENNETH HENRY COURT (6455 FOOTHILL BOULEVARD); MARIN WAY COURT (2000 INTERNATIONAL BOULEVARD); NUEVA VISTA (3700 INTERNATIONAL BOULEVARD); THE OAKS HOTEL (587 15TH STREET); SAN ANTONIO TERRACE (1485 E 22ND STREET); SLIM JENKINS COURT (700 WILLOW STREET)

WHEREAS, in 1989 and 1990 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$4,860,000 to Cahon Associates, an affiliate of Oakland Community Housing, Inc. (OCHI), for the substantial rehabilitation of the California Hotel, a 150 unit residential hotel located at 3501 San Pablo Avenue; and

WHEREAS, in 1991 and 1993 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$800,000 to 2530 Associates, an affiliate of OCHI, for the development of Drasnin Manor, a 26 unit residential development located at 2530 International Blvd.; and

WHEREAS, in 1981 the Redevelopment Agency provided a deferred loan in the amount of \$1,185,280 to Eldridge Gonaway Commons Associates, an affiliate of OCHI, for the development of Eldridge Gonaway Commons, a 40 unit residential development located at 1165 3rd Avenue; and

WHEREAS, in 1991 the Redevelopment Agency provided a deferred loan in the amount of \$810,000 to Dignity Housing West Associates, an affiliate of OCHI, for the development of James Lee Court, a 26 unit residential development located at 690 15th Street; and

WHEREAS, in 1989 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$850,000 to OCHI and 6455 Foothill Associates, an affiliate of OCHI, for development of Kenneth Henry Court, a 51 unit residential development located at 6455 Foothill Blvd.; and

WHEREAS, in 1986, 1987 and 1993 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$1,640,500 to San Antonio Commons, Inc., an affiliate of OCHI, for the development of Marin Way Court, a 20 unit residential development located at 2000 International Blvd.; and

WHEREAS, in 1984 and 1987 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$1,850,000 to Nueva Vista Associates, an affiliate of OCHI, for the development of Nueva Vista, a 30 unit residential development located at 3700 International Blvd.; and

WHEREAS, in 1985 and 1986 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$2,462,763 to Oaks Associates, an affiliate of OCHI, for the substantial rehabilitation of the Oaks Hotel, a 85 unit residential hotel located at 587 15th Street; and

WHEREAS, in 1989 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$1,197,000 to San Antonio Terrace Associates, an affiliate of OCHI, for the development of San Antonio Terrace, a 23 unit residential development located at 1485 East 22nd Street; and

WHEREAS, in 1989, 1993 and 1994 the Redevelopment Agency and the City of Oakland jointly provided deferred loans in the amount of \$5,762,415 to Slim Jenkins Court Associates, an affiliate of OCHI, for the development of Slim Jenkins Court, a 32 unit residential development located at 700 Willow Street; and

WHEREAS, in 2005 FHP Housing Associates, an affiliate of OCHI, acquired the property at 6311 Foothill Blvd and assumed the City of Oakland loan in the amount of \$1,054,053 for ownership of Foothill Plaza, a 54 unit residential development at 6311 Foothill Blvd.; and

WHEREAS, in 2006 the City of Oakland approved the restructuring of the loan to FHP Housing Associates from an amortizing loan to a residual receipts loan; and

WHEREAS, the OCHI affiliates contracted with Oakland Community Housing Management (OCHM) to manage the day to day operation of ten of these properties; and

WHEREAS, FHP Housing Associates, an OCHI affiliate contracted with A.F. Evans to manage the day to day operation of Foothill Plaza; and

WHEREAS, the majority of the properties have operated at a deficit for the last few years with the deficit being subsidized with funds from OCHM and OCHI; and

WHEREAS, both OCHI and OCHM are in a financial crisis due to the continued subsidy to the affordable housing rental buildings owned and operated by OCHI, its affiliates, and OCHM.; and

WHEREAS, the units in these projects are rented at prices affordable to households earning no more than 80% of area median income; and

WHEREAS, the 637 residential units provided by these projects are an important source of residential units housing for the low and very low income residents who would otherwise be homeless; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need to preserve affordable rental housing, and has identified this activity as a priority; and

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.3, authorize a redevelopment agency to use its low and moderate income housing funds to preserve housing affordable to very low income households and to provide subsidies for the benefit of such households; and

WHEREAS, funds are available from the Agency's 2006 Housing Bond Proceeds, Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Project (L290410) to make operating loans to these projects; 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

WHEREAS, this action is exempt from CEQA per Section 15301 of the CEQA guidelines (continuing operation of existing facilities); now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or her designee to provide loans in an aggregate amount not to exceed \$1,000,000 to OCHI, or affiliates of OCHI, to be used for operating support for the rental housing projects listed above; and be it

FURTHER RESOLVED: That \$1,000,000 shall be allocated from the 2006 Housing Bond Proceeds, Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Project (L290410) to cover the operating subsidies to the affordable housing units ; and be it

FURTHER RESOLVED: That each loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the project and other available funds during the term of the loan with the balance due at the end of the term, or on such other repayment terms and schedule as the Agency Administrator or his or her designee determines are in the best interests of the Agency and the operations of the project; and be it

FURTHER RESOLVED: That as a condition of each loan, the Agency will require that appropriate restrictions on project occupancy, rents and operations be recorded against the property; and be it

FURTHER RESOLVED: That each loan shall be secured by a deed of trust on the project land and/or improvements; and be it

FURTHER RESOLVED: That the making of these loans 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 and/or affordability restrictions to a lien or encumbrance 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 project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it

FURTHER RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, allocate the loans to projects, administer the loans, extend or modify the repayment terms, and take any other action with respect to the loans and the projects consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2007

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

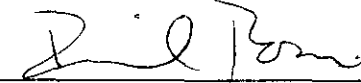
ATTEST: _____

LaTonda Simmons
Secretary of the Redevelopment Agency
of the City of Oakland

OFFICE OF THE CITY CLERK

2007 MAY 18 PM 3:40

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING THE REMOVAL OF AFFORDABILITY RESTRICTIONS ON THE 2001-2007 LINDEN STREET RESIDENTIAL PROJECT, AND RESCINDING RESOLUTION NO. 2007-0033 C.M.S. AUTHORIZING A RELOAN OF FUNDS TO THE PROJECT

WHEREAS, Resolution No. 2000-0013, which authorized issuance of tax allocation bonds for affordable housing (the "Affordable Housing Bond"), required that Affordable Housing Bond proceeds be used to develop housing for households at or below 80% of area median income; and

WHEREAS, on July 25, 2000, the Redevelopment Agency adopted Resolution No. 2000-0055 C.M.S. establishing the Affordable Housing Site Acquisition Program and authorizing a \$10 million allocation from Affordable Housing Bond Proceeds to fund site acquisition loans under the Program; and

WHEREAS, the Site Acquisition Program rules require that affordability restrictions be recorded on properties acquired with Agency funds; and

WHEREAS, in 2001 the Redevelopment Agency authorized a site acquisition loan under the Program in the amount up to \$148,500 to the Community Development Corporation of Oakland ("CDCO") to purchase parcels located at 2001-2007 Linden Street (the "Property"); and

WHEREAS, CDCO entered into a partnership with Oakland Community Housing, Inc. ("OCHI") to develop the Property as an eight unit homeownership development (the "Project") of which two units must be affordable to households at or below 80% of Area Median Income, and \$140,929 was disbursed from the authorized loan amount to cover site acquisition and carrying costs; and

WHEREAS, CDCO and OCHI repaid in full the Agency loan principal balance of \$140,929 and accrued interest of \$29,185 in March 2005 and proceeded with construction of the Project; and

WHEREAS, the Project is nearly completed, but has experienced significant construction cost overruns; and

WHEREAS, Resolution No. 2007-0033 C.M.S. authorized the reloan of the funds with and the requirement that two units be sold to household at or below 80% of Area Median Income; and

WHEREAS, the Project is still not financially feasible with the reloan; and

WHEREAS, since the Agency loan has been repaid in full and the Low and Moderate Income Housing Fund has been made whole, the Agency wishes to remove the affordability restrictions on the Project in order to make the Project financially feasible; now, therefore be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator to release the affordability restrictions from 2001-2007 Linden; and be it

FURTHER RESOLVED: That with the removal of the restrictions, all eight units at the ownership development located at 2001-2007 Linden may be sold without any affordability restrictions; and be it

FURTHER RESOLVED: That Resolution No. 2007-0033 C.M.S. is hereby rescinded; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee is hereby authorized to negotiate and execute documents and take other action with respect to the removal of the affordability restrictions consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2007

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

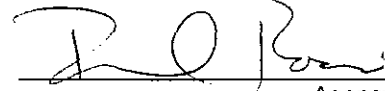
ABSTENTION-

ATTEST: _____

LaTonda Simmons
Secretary of the Redevelopment Agency
of the City of Oakland, California

2007 MAY 10 PM 3:41

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING THE REMOVAL OF AFFORDABILITY RESTRICTIONS UPON REPAYMENT IN FULL OF FOUR SITE ACQUISITION LOANS PREVIOUSLY MADE TO OAKLAND COMMUNITY HOUSING, INC., ON PROPERTIES LOCATED AT 1662-1664 7th STREET, 1666 7th STREET, 1672 7th STREET AND 715 CAMPBELL STREET

WHEREAS, Resolution No. 2000-0013, which authorized issuance of tax allocation bonds for affordable housing (the "Affordable Housing Bond"), required that Affordable Housing Bond proceeds be used to develop housing for households at or below 80% of area median income; and

WHEREAS, on July 25, 2000, the Redevelopment Agency adopted Resolution No. 2000-0055 C.M.S. establishing the Affordable Housing Site Acquisition Program and authorizing a \$10 million allocation from Affordable Housing Bond Proceeds to fund site acquisition loans under the Program; and

WHEREAS, in 2001 the Redevelopment Agency made a site acquisition loan under the Program in the amount up to \$276,000 with an interest rate of 6.19% to Oakland Community Housing, Inc., for the purchase of 1662-64 7th Street; and

WHEREAS, in 2001 the Redevelopment Agency made a site acquisition loan under the Program in the amount up to \$168,440 with an interest rate of 5.89% to Oakland Community Housing, Inc., for the purchase of 1672 7th Street; and

WHEREAS, in 2002 the Redevelopment Agency made a site acquisition loan under the Program in the amount up to \$75,920 with an interest rate of 5.12% to Oakland Community Housing, Inc., for the purchase of 715 Campbell Street; and

WHEREAS, in 2003 the Redevelopment Agency made a site acquisition loan under the Program in the amount up to \$69,238 with an interest rate of 4% to Oakland Community Housing, Inc., for the purchase of 1666 7th Street; and

WHEREAS, the four parcels became collectively known as the "7th and Campbell" development (the "Project"); and

WHEREAS, under the terms of the Site Acquisition Loan Program, an Affordability Agreement was recorded on each of the properties requiring that at least 25% of the residential units in the Project be affordable to household at 80% of area median income or less; and

WHEREAS, OCHI is in a financial crisis and can no longer develop the Project; and

WHEREAS, OCHI has debt subordinate to the Redevelopment Agency loans on the Project that must be repaid; and

WHEREAS, contingent on the Agency loans being repaid in full and the Low and Moderate Income Housing Fund being made whole, the Agency wishes to remove the affordability restrictions on the Project in order to make the Project financially feasible; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator to release the affordability restrictions on each of the properties in the Project upon OCHI's full repayment of principal and interest on the site acquisition loan on the property; and be it

FURTHER RESOLVED: That with the removal of the restrictions, all of the units developed on the property may be sold without any affordability restrictions; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee is hereby authorized to negotiate and execute documents and take other action with respect to the removal of the affordability restrictions consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2007

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