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APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
2007-0022
RESOLUTION NO. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING
DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED
\$3,789,000 TO BRIDGE HOUSING, INC., FOR THE ST.
JOSEPH'S SENIOR APARTMENTS PROJECT LOCATED AT
2647 INTERNATIONAL BOULEVARD

WHEREAS, on September 5, 2006, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

WHEREAS, BRIDGE Housing, Inc. ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

WHEREAS, Developer proposes to develop a 73-unit senior rental housing project at 2647 International Boulevard in the City of Oakland (the "Project") known as St. Joseph's Senior Apartments; and

WHEREAS, Project units will be rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, Developer is also requesting additional funds from the City of Oakland in the amount of \$3,789,000 to come from the HOME Investment Partnership Program for development of the Project; and

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

WHEREAS, the Project is consistent with the Agency's Project Development Guidelines, and Developer meets the Agency's Threshold Developer Criteria; and

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, is an eligible use of the

Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3, and will benefit the redevelopment project areas in the City of Oakland by providing affordable housing opportunities within the community that will enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; and

WHEREAS, the Agency is a Responsible Agency and the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, environmental review is underway to assess the environmental impacts of the Project under CEQA; and

WHEREAS, funds are available from the Agency's Low and Moderate Income Housing Fund (HOME Match) and the 2006T Affordable Housing Set-Aside Bond to assist the Project; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or her designee to provide a loan in an amount not to exceed \$3,789,000 to BRIDGE Housing, Inc., or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it

FURTHER RESOLVED: That \$723,536 shall be allocated from the Low Mod Operations Fund (9580), Housing Development Organization (88929), Housing Development Program (HOME Match) project (H236510) for this loan; and be it

FURTHER RESOLVED: That \$3,065,464 shall be allocated from the 2006T Affordable Housing Set-Aside Bond Fund (9584), 2006 Housing Bond Project (L290410) for this loan; and be it

FURTHER RESOLVED: That the loan shall be contingent on the availability of sufficient funds in the Agency's Low and Moderate Income Housing Fund, the 2006T Affordable Housing Set-Aside Bond funds and the HOME Investment Partnership Program to cover both the Agency loan of \$3,789,000 and the City development loan of \$3,991,000; and be it

FURTHER RESOLVED: That this action shall not be effective, and the funding authorized by this Resolution shall not be disbursed, unless and until appropriate CEQA review has been completed and approved/adopted by the City in full compliance with CEQA and CEQA regulations; and be it

FURTHER RESOLVED: That the City shall retain all discretionary authority over the Project under CEQA, including approval, denial or modification of the Project; and be it

FURTHER RESOLVED: That if the Project as described in this Resolution changes as a result of CEQA review, the loan authorized by this Resolution must return to the Agency/Council for reconsideration based on those changes; and be it

FURTHER RESOLVED: That the 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 Project; and be it

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

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

FURTHER RESOLVED: That the loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the 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, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, MAR 20 2007, 2007


PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, ~~WASS~~, QUAN, REID, AND
CHAIRPERSON DE LA FUENTE - 7

NOES- 0

ABSENT- 0

ABSTENTION- Nadel - 1

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