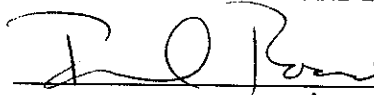


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APPROVED AS TO FORM AND LEGALITY:

  
Agency Counsel

**REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND**

RESOLUTION NO. 2007-0046 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 7<sup>th</sup> STREET, 1666 7<sup>th</sup> STREET, 1672 7<sup>th</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> 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 7<sup>th</sup> Street; and

**WHEREAS**, the four parcels became collectively known as the "7<sup>th</sup> 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, JUN 5 2007, 2007

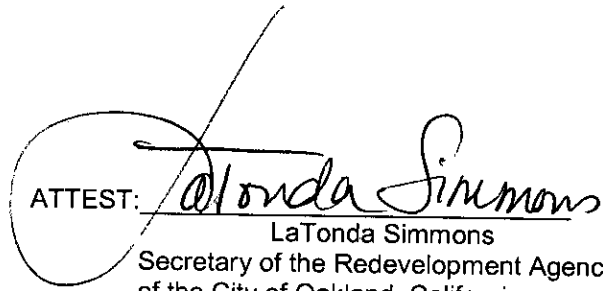
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID AND CHAIRPERSON DE LA FUENTE - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

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