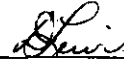


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Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. 2003-59 C.M.S.

A RESOLUTION AMENDING RESOLUTION NO. 2003-11 C.M.S. PASSED FEBRUARY 25, 2003, WHICH AUTHORIZED AN \$855,400 AFFORDABLE HOUSING DEVELOPMENT LOAN TO EAST BAY HABITAT FOR HUMANITY FOR THE PALM COURT PROJECT AT 902 UNION STREET, TO ALLOW RESALE OF THE UNITS TO HOUSEHOLDS EARNING UP TO 90%, RATHER THAN 60%, OF THE AREA MEDIAN INCOME; AND TO EXTEND THE AFFORDABILITY PERIOD TO PERPETUITY

WHEREAS, the Redevelopment Agency passed Resolution No. 2003-11 C.M.S. on February 25, 2003 authorizing a development loan in an amount not to exceed \$855,400 to East Bay Habitat for Humanity (the "Developer") for developing a twelve unit housing project at 902 Union Street (the "Project"); and

WHEREAS, the Developer is completing the predevelopment phase and hopes to begin the grading for the Project in August; and

WHEREAS, the Developer is a non-profit organization devoted to the provision of affordable housing with an unique program that reduces the percentage of Redevelopment Agency contributions, provides for purchasers to substitute sweat equity for a down payment, and provides purchasers with a zero interest loan, thereby resulting in houses being sold to low income households; and

WHEREAS, the Developer has requested that the \$855,400 development loan be a forgivable loan to assist the Developer in completing the Project and in providing zero interest loans to initial purchasers; and

WHEREAS, all Project units will be sold to the initial purchasers at prices affordable to low-income households earning no more than 60% of area median income; and

WHEREAS, for sales subsequent to the initial sale, the Developer will have the right of first refusal to purchase individual Project units and then to sell at prices affordable to low-income households earning no more than 60% of area median income; and

WHEREAS, if Developer does not exercise its right to purchase a Project unit, then the owner can sell at prices affordable to moderate-income households earning no more than 90% of area median income, now, therefore, be it

RESOLVED: That Developer will have the right of first refusal to purchase individual Project units and then to sell at prices affordable to low-income households earning no more than 60% of area median income; and be it further

RESOLVED: That if Developer does not exercise its right to purchase a Project unit, then the owner can sell at prices affordable to moderate-income households earning no more than 90% of area median income as a condition of the loan; and be it further

RESOLVED: That as a condition of the loan, the Agency will require that appropriate restrictions on Project sales and resales be recorded against Project improvements; and be it further

RESOLVED: That all loan documents shall be reviewed and approved by the 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 or his designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, modify 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, JUL 29 2003, 2003

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: 

CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland