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Agency Counsel

**REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND**

RESOLUTION NO. 2011-0018 C.M.S.

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**AN AGENCY RESOLUTION AMENDING RESOLUTION NO.  
2010-0078 C.M.S. TO INCREASE THE AMOUNT OF AN  
AFFORDABLE HOUSING DEVELOPMENT LOAN TO EAH  
INC. FOR THE CATHEDRAL GARDENS PROJECT AT 668  
21<sup>ST</sup> STREET BY \$5,840,000 FOR A TOTAL AGENCY LOAN  
AMOUNT OF \$9,840,000**

**WHEREAS**, Resolution No. 2010-0078 C.M.S. dated July 6, 2010, authorized an affordable housing development loan in an amount not to exceed \$4,000,000 to EAH, Inc. (the "Developer"), a nonprofit organization devoted to the provision of affordable housing, for development of the Cathedral Gardens project (the "Project"), a 100-unit housing project located at 668 21<sup>st</sup> Street in the City of Oakland; and

**WHEREAS**, the Project is located in the Central District Redevelopment Project Area; and

**WHEREAS**, on September 3, 2010, 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**, Developer has substantially completed design and planning work for the Project and has received other commitments of funding, but did not achieve an award of Low Income Housing Tax Credits due to the highly competitive nature of the funding, and requires additional gap funding to be financially feasible; and

**WHEREAS**, Developer submitted a proposal in response to the NOFA for additional funds; 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 the 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**, the requirements of 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**, none of the circumstances necessitating additional CEQA review of the Project are present; and

**WHEREAS**, previously reserved loan funds of \$2,297,876 are available in the 2006 Affordable Housing Set-Aside Bond Fund (9584), Housing Development Organization (88929), Cathedral Gardens project (L413610); and

**WHEREAS**, previously reserved loan funds of \$718,785 are available in the 2000 Affordable Housing Set-Aside Bond Fund (9583), Housing Development Organization (88929), Cathedral Gardens project (P151795); and

**WHEREAS**, previously reserved loan funds of \$983,339 are available in the Low Mod Operations Fund (9580), Housing Development Organization (88929), Cathedral Gardens project (L413620); and

**WHEREAS**, funds are available from the Low and Moderate Income Housing Fund to assist the Project; now, therefore, be it

**RESOLVED:** That Redevelopment Agency Resolution No. 2010-0078 C.M.S. is hereby amended to increase the amount of the Agency loan by \$5,840,000 for a total loan amount not to exceed \$9,840,000; and be it

**FURTHER RESOLVED:** That the additional funding shall be allocated from the Low and Moderate Income Housing Fund (9580), Housing Development

Organization (88929), Housing Development Program project (P209310) for this loan; and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund, the 2006 Affordable Housing Set-Aside Bond funds, and the 2000 Affordable Housing Set-Aside Bond Program to cover the total Agency loan of \$9,840,000; and be it

**FURTHER RESOLVED:** That the Redevelopment 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 securing the loan to the liens or encumbrances of other private or governmental entities providing financial assistance to the Project; provided, however, that the Agency's affordability restrictions shall not be subordinated in priority to other liens or encumbrances with the exception of preexisting liens or encumbrances, refinancings of preexisting liens, or the liens or encumbrances of other governmental entities providing affordable housing assistance to the Project; and be it

**FURTHER RESOLVED:** That the loan as increased shall be subject to the same terms and conditions as those set forth in the original authorizing resolution as amended.

IN AGENCY, OAKLAND, CALIFORNIA, MAR 3 2011, 2011

**PASSED BY THE FOLLOWING VOTE:**

AYES- ~~BRUNNER, DE LA FUENTE~~, BRUNNER, ~~DE LA FUENTE~~, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND CHAIRPERSON REID - 6

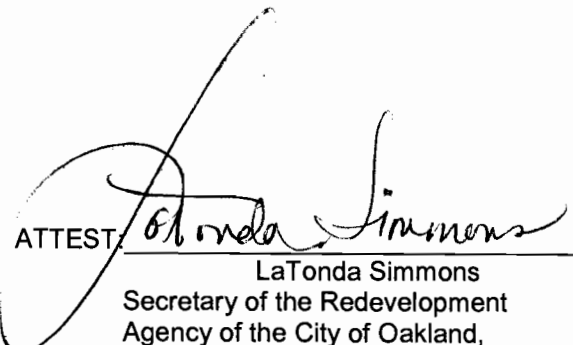
NOES- 0

ABSENT- 0

ABSTENTION- 0

Excused- Brooks, De La Fuente - 2

ATTEST

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