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OFFICE OF THE CITY CLERK
OAKLAND

Approved as to form and legality:

2005 JAN 27 PM 4:01

By: *[Signature]*
Deputy City Attorney

OAKLAND CITY COUNCIL
RESOLUTION No. 79070 C.M.S.

**A RESOLUTION AUTHORIZING AN AMENDMENT TO
RESOLUTION NO. 77657 C.M.S. TO ALLOW AN
EXTENSION OF TIME FOR AN AFFORDABLE
HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT
TO EXCEED \$771,300 TO BRIDGE HOUSING FOR THE
MANDELA GATEWAY OWNERSHIP PROJECT
LOCATED AT 1431 8TH STREET**

WHEREAS, Resolution No. 77657 C.M.S. dated February 25, 2003 (the "Resolution") authorized an affordable housing development loan in an amount not to exceed \$771,300 to Bridge Housing, Inc. (the "Developer"), a nonprofit organization devoted to the provision of affordable housing, for the Mandela Gateway Ownership project (the "Project"), a fourteen unit housing project located at 1431 8th Street in the City of Oakland; and

WHEREAS, the Resolution states that the loan is contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or her or his designee deems sufficient, within twelve months from the date of the Resolution; and

WHEREAS, the Developer secured development funds within twelve months of the date of the Resolution and began predevelopment work; and

WHEREAS, subsequently, primarily due to tremendous increase in insurance costs, there has been a significant increase in development costs, which created a funding gap, and

WHEREAS, the Developer is in the process of obtaining funding to cover the funding gap from non-City/Agency sources to move forward with construction of the Project; and

WHEREAS, the Developer submitted a request to the City to extend its funding commitment until February 25, 2006, while the Developer seeks funding to close the gap; and

WHEREAS, the Development loan funds in the amount of \$771,300 were allocated from HUD-HOME Fund (2109), Housing Development Org (88929), HOME Housing Development Project (G172111); now, therefore, be it

RESOLVED: That the City Council hereby authorizes an amendment to Resolution No. 77657 C.M.S., allowing an extension of time until February 25, 2006 for its loan commitment to the Developer in an amount not to exceed \$771,300.

IN COUNCIL, OAKLAND, CALIFORNIA, FEB 15 2005, 2005

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, AND CHAIRPERSON DE LA FUENTE, 7

NOES- 0

ABSENT- 0

ABSTENTION 0

ATTEST: LaTonda Simmons
LA TONDA SIMMONS
Interim City Clerk and Clerk of the Council
of the City of Oakland