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Approved as to form and legality

  
Agency Counsel

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND

Resolution No. 2007-0034 C.M.S.

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**A RESOLUTION AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH THE FIRST AFRICAN METHODIST EPISCOPAL CHURCH FOR DEVELOPING A MIXED USE PROJECT AT 5803-5833 FOOTHILL BOULEVARD IN THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA, AND AUTHORIZING A PREDEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$175,000 TO THE PROJECT**

**WHEREAS**, the First African Methodist Episcopal Church (“FAME”) currently owns a vacant lot consisting of four parcels located at 5803-5833 Foothill Boulevard (the “Site”); and

**WHEREAS**, the Site is located within the boundaries of the Central City East Project Area, and its development will help meet the goals and objectives of the Central City East Redevelopment Plan; and

**WHEREAS**, FAME must repay \$1,130,000 in Site acquisition loans currently outstanding; and

**WHEREAS**, FAME has requested from the Redevelopment Agency a loan of \$100,000 to be used for assistance in the payment of their original Site acquisition loans; and

**WHEREAS**, FAME has requested from the Redevelopment Agency a loan of up to \$75,000 to be used for a market and feasibility analysis of the Site to facilitate development of the Site in a way in which would help meet the goals and objectives of the Central City East Redevelopment Plan; and

**WHEREAS**, funds are available from the Agency’s Central City East Redevelopment Project Area; now therefore be it

**RESOLVED:** That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to negotiate and execute an Owner Participation Agreement (“OPA”) with FAME providing for redevelopment of the Site; and be it

**FURTHER RESOLVED:** That the OPA shall provide for a predevelopment loan from the Agency in an amount not to exceed \$175,000 to FAME, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for assistance in the payment of their Site acquisition loans and a market and feasibility analysis of the Site to facilitate development of the Site; and be it

**FURTHER RESOLVED:** That a total of up to \$175,000 will be allocated from the Redevelopment Agency’s Central City East Operations Fund (9450), Central City East Organization (88699), and Central City East Public/Private Development Project (S233360); and be it

**FURTHER RESOLVED:** That the loan shall be for a term of 12 months, with an option of 12 additional months at the discretion of the Agency Administrator, with no interest, with repayment to the Agency 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 shall require that covenants be recorded on the Site as part of the OPA restricting the use of the Site to a mixed-use residential and commercial development; and be it

**FURTHER RESOLVED:** That the loan shall be secured by a deed of trust on the Site land and improvements; 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 the Agency 's deed of trust to liens or encumbrances 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

**FURTHER RESOLVED:** That the OPA and 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 authorizes the Agency Administrator or his or her designee to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the OPA, the loan, and the Site consistent with this Resolution and its basic purpose,

IN AGENCY, OAKLAND, CALIFORNIA, APR 3 2007, 2007

**PASSED BY THE FOLLOWING VOTE:**

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


NOES - 0

ABSENT - 0

ABSTENTION - 0

Excused - Nadel - 1

ATTEST:

  
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LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland, California