REDEVELOPMENT AGENCY OAKLAND

AND THE CITY OF OAKLANDO9 FEB 26 PM 3: 06

AGENDA REPORT

TO: .

Office of the City/Agency Administrator

ATTN:

Dan Lindheim

FROM:

Community and Economic Development Agency

DATE:

March 10, 2009

RE:

A Total of Thirteen (13) Resolutions and One (1) City Ordinance Regarding Affordable Housing Rehabilitation Activities: Eight (8) Agency Resolutions Authorizing Rehabilitation Loans in an Aggregate Amount Not to Exceed \$9,544,000 for Eight Existing Affordable Housing Projects; Four (4) City Resolutions Authorizing Extensions or Changes to Existing City Loans; And One City Ordinance and One Agency Resolution Authorizing Actions To Facilitate The Transfer Of Affordable Housing Properties Owned By Oakland Community Housing, Inc. ("OCHI") or OCHI Affiliates To New Ownership

SUMMARY

This year the Community and Economic Development Agency (CEDA) issued two Notices of Funding Availability (NOFA) for affordable housing-related activities. First, the traditional housing NOFA was released, focusing on new construction and substantial rehabilitation of new affordable rental or ownership housing (those funding recommendations are presented concurrently in a separate report). Second, a new Notice of Funding Availability for the Preservation and Rehabilitation of Existing Affordable Housing (Rehabilitation NOFA) was released, focusing exclusively on the rehabilitation of existing affordable housing with critical capital needs affecting their operations. This Report makes recommendations regarding the Rehabilitation NOFA.

At the February 26, 2008, City Council meeting, staff first introduced the concept of a Rehabilitation NOFA during the presentation of the traditional NOFA staff report and recommendations. The Rehabilitation NOFA was created to help preserve at-risk City-assisted affordable rental housing projects that were completed at least ten years ago. Several are much older properties that were not completely rehabilitated at the time they were purchased by affordable housing developers due to lack of sufficient funds at the time. Over the years, the cost of utilities, insurance, labor and materials, and other costs for these projects have increased more rapidly than their rental incomes (at the required restricted rates) have increased. Many are now experiencing a growing number of operating and maintenance problems, yet lack sufficient income to correct those problems or sufficient reserves to pay for necessary upgrades to major building systems. This NOFA provides funding to rehabilitate these properties and to re-capitalize their reserves.

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The need for this type of assistance has been well documented over the last two years as staff has dealt with the physical and financial problems at the older affordable rental properties developed by Oakland Community Housing, Inc. (OCHI). A key goal of the Rehabilitation NOFA is to help preserve as many of these OCHI properties as possible by funding much needed rehabilitation as part of their transfer to stronger, more stable affordable housing developers. More information on the status of the OCHI properties and the impact of this NOFA on those properties is provided in the Project Description section.

There are other older projects, owned by various affordable housing developers, which also have deferred maintenance and need rehabilitation and capitalized reserve funds. Fortunately, these projects are not in as dire shape as those in the OCHI portfolio. However, the gap between rental income and operating costs continues to grow, making it almost impossible for projects to have enough cash flow to cover monthly expenses, fund reserves, and maintain the properties, as well as to finance any additional debt for these needed repairs for these projects.

The Rehabilitation NOFA differs from the traditional NOFA because it focuses on protecting and preserving older existing affordable housing developments rather than on the production of new affordable housing. The ranking and selection criteria, and other requirements and guidelines such as per unit subsidy, developer fees, urgency of need, etc. are also different for each NOFA. Eligible Rehabilitation NOFA projects must have existing City/Agency loans and be restricted by City/Agency Regulatory Agreements. Additionally, these projects are already providing housing to lower income households despite their conditions. Without assistance, the properties will continue to decline and the existing tenants will suffer worsening living conditions.

FISCAL IMPACTS

Funding for this NOFA will come from already budgeted housing funds. Some of the funds are being appropriated through the concurrent staff report and actions for the traditional housing development NOFA. The sources shown in the below table as well as the remaining balance of funds correspond with those set forth in the fiscal impacts section of the traditional housing NOFA.

Staff recommends that the funds be allocated for the rehabilitation of the eight (8) eligible existing affordable housing developments listed below:

		Geographically Unrestricted				Geographically Restricted		
								West
<u> </u>			City-v	vide		Central City East		Oakland
		City	Agency	Agency	Agency	Agency	Agency	Agency
	i	HOME	Low Mod	2000 Bond	2006 Bond	Low Mod	2006 Bond	Low Mod
	ı	2109	9580	9583	9584	9580	9584	9580
	Total	G172111	P209310	P151710	L290410	P209310	L290410	P209310_
	Proposed	SC14	H236510			SC18	SC18	
TOTAL SOURCES	,							Į.
Already budgeted funds	\$11,962,676	\$3,850,344	\$3,237,498		\$610,336	\$3,110,253		\$1,154,245
2. Reprogrammed funds	\$4,398,500		\$4,398,500					
3. Low Mod excess revenue	\$3,147,773		\$3,147,773					
4. 2000 Bond excess revenue	\$464,467			\$464,467				
5. 2006 Bond excess revenue	\$2,564,240				\$2,256,531		\$307,709	
6. HOME advance appropriation	\$3,850,344	\$3,850,344						
Total Sources	\$26,388,000	\$7,700,688	\$10,783,771	\$4 64,467	\$2,866,867	\$3,110,253	\$307,709	\$1,154,245
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USES (REHABILITATION NO						A. A		
Effie's House (I vy Hill)	\$1,257,000					\$1,257,000		
Marin Way	\$1,200,000					\$1,200,000		
Oaks Hotel	\$1,100,000		\$1,100,000		i			
Hugh Taylor	\$1,122,000	i	\$161,038			\$653,253	\$307,709	
Slim Jenkins	\$1,920,000		\$765,755					\$1,154,245
Eldridge Gonaway	\$1,655,000		\$1,655,000					
Posada de Colores	\$450,000		\$450,000				i	
Drachma	\$840,000		\$840,000					
Total Commitments	\$9,544,000	\$0	\$4,971,793	\$0	\$0	\$3,110,253	\$307,709	\$1,154,245
Remaining funds for traditional								
housing NOFA	\$16,844,000	\$7,700,688	\$5,811,978	\$464,467	\$2,866,867	\$0	<u>\$</u> 0	\$0

Key to Fund and Project Numbers:

Fund 2109: HUD – HOME Fund Fund 9580: Low Mod Operations Fund

 $Fund\ 9583{:}\ 2000\ Subordinated\ Housing\ Set-Aside\ Revenue\ Projects\ Fund$

Fund 9584: 2006 Subordinated Housing Set-Aside Revenue Bonds Fund

Project G172111: HOME Housing Development Program
Project P209310: Low/Mod Housing Development Program

Project H236510: Housing Development - HOME Match Repayments

Project P151710: 2000 Housing Bond Funds Project L290410: 2006 Housing Bond Funds

BACKGROUND

CEDA issued the Rehabilitation NOFA on October 7, 2008. Applications for funds were due to the City by November 14, 2008. Eligible activities include: repairs or replacements of existing mechanical, plumbing, or electrical equipment to the extent that those repairs are necessary for health and safety reasons, and architectural and engineering expenses, temporary relocation expenses, administrative fees and other necessary soft costs associated with the rehabilitation work. Replacement reserves and operating reserves are eligible costs if necessary to ensure the adequacy

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of such reserves to meet anticipated capital improvement needs or required operating and replacement reserve levels.

The Rehabilitation NOFA requires that projects meet urgency of need criteria. This includes major building or structural components in critical condition (e.g. fire risk, failure of elevators, sewer back-ups, broken water pipes, lack of heat, water intrusion, broken-down boilers, etc), code violations, fire, health, and safety hazards, or other building deficiencies that create safety threats, insufficient operating and replacement reserves, or substantial ongoing operating deficits which threaten the long-term physical or financial health of the property.

Additionally, the City coordinated this Rehabilitation NOFA with the Oakland Housing Authority (OHA) to make Project Based Section 8 (PBS8) vouchers available to eligible projects. The PBS8 vouchers, previously not available to existing projects, will bring in additional rental income for these projects, making them more viable and able to better fund maintenance and rehabilitation needs.

KEY ISSUES AND IMPACTS

Affordable Housing Needs

In the 2005-2010 Consolidated Plan, the City identified an extreme shortage of affordable housing in the City, especially for households with very low-, low- and moderate-incomes. According to the 2000 Census, 22.8 percent of Oakland's households are extremely low income (earning 30% of median income or less), 14.6 percent are very low income (incomes between 31% and 50% of the area median), 14.9 percent are low income (between 51% and 80% of area median) and 47.6 percent are middle income (above 80% of area median). Among very low- and low-income households, 76% of renters pay more than 30% of income for housing. Based on the need for affordable housing, the Consolidated Plan identifies "**preservation** and expansion of the supply of affordable housing" as a high priority.

If the recommended projects are approved for funding, 354 units of affordable housing will be rehabilitated and preserved. Funding of these projects through the Rehabilitation NOFA will make substantial headway in preserving affordable housing for low income individuals and families in the City.

Rehabilitation Needs of Existing Affordable Housing

As noted earlier, many older existing affordable housing developments are experiencing urgent rehabilitation needs that will continue to worsen over time. For these projects, rental income (which is restricted by regulatory agreements) has become insufficient to fund ongoing replacement reserves that normally would be sufficient to address these needs. In addition, some buildings may not have been fully rehabilitated when originally funded, due to lack of available funds at that time, and now require additional subsidy to complete the rehabilitation.

Although, applicants are asked to leverage as much funds as possible from other private or public funds or to make use of existing replacement and operating reserves, it is extremely difficult for these rehabilitation projects to leverage other public or private funds. They are not competitive for the state and federal funding sources typically used for new affordable housing projects, and they lack the cash flow to leverage additional private debt. Under the traditional NOFA, projects are underwritten based on sufficient replacement and operating reserves. Many older projects were not underwritten with sufficient reserve deposits and have already used most of those reserves to address earlier problems. Essentially there are no other sources for the needed rehabilitation work except Redevelopment Agency funding. Under these circumstances, applicants are permitted to requests up to 100% of the total development costs from the Agency to address their urgent needs. Applicants are, therefore, required to show that other sources of funds are insufficient or unavailable for use on the project. If for lack of other sources, more than 50% of the total development cost is to be funded by the Agency's Low and Moderate Income Housing Fund to make the project feasible, state redevelopment law requires that a finding be made that no other feasible source is available. The funding resolutions for these projects include such a finding.

PROJECT DESCRIPTION

Staff Review Process

Applications were reviewed first for completeness and second to determine whether the City's minimum standards for project and developer qualifications had been met. The applications were then reviewed to determine if they met all of the minimum threshold requirements. A total of eleven applications were submitted, eight of which met the minimum threshold and eligibility requirements. Staff is recommending funding for all eight eligible projects, for a total of \$9,544,000 in funding commitments. Because of the limited funding available this round, staff anticipates that some projects will need to return for additional funds for more rehabilitation in upcoming Rehabilitation NOFA rounds.

Following is a table of the projects with their City funds request. The total amount requested was \$12,379,000. Attachment A provides more information on each project.

Project Table

Project Recommended for Funding	Project Name / Developer	Number of Units	Council District	Amount Requested	Cumulative Funds Requested
	Oaks Hotel / AHA *	85	3	1,100,000	1,100,000
	Drachma / RCD	14	3	840,000	1,940,000
	Slim Jenkins / EBALDC *	32	3	1,920,000	3,860,000
√	Effie's House / EBALDC	21	2	1,257,000	5,117,000
1	Marin Way Court / RCD *	20	2	1,200,000	6,317,000
	Hugh Taylor / EBALDC	42	6	1,222,000	7,539,000
	Eldridge Gonaway / RCD *	40	2	1,655,000	9,194,000
	Posada de Colores / Unity Council	100	5	450,000	9,644,000
	Casa Velasco / Unity Council	20	5	280,000	9,924,000
	James Lee Court/ Dignity Housing *	_ 26	2	595,000	10,519,000
	Oakland Point Limited Partners (OPLP) / EBALDC	31	3	1,820,000	12,339,000

^{*} The developers of these OCHI properties anticipate taking over managing general partner or ownership roles as part of the work being funded by this Rehabilitation NOFA.

Three of the submitted projects did not meet the minimum threshold requirements. The James Lee Court application did not meet the minimum developer experience qualification. Staff has recommended that the applicant joint venture with a strong developer partner to ensure that the developer experience requirement can be met when they reapply for the next NOFA round. The Oakland Point Limited Partnership (OPLP) application was not submitted by the deadline required by the OHA for commitment of Project Based Section 8 Vouchers (a part of this NOFA application), and the deficit in the operational budget led to the application being financially infeasible without a very large capitalized operating reserve. The Casa Velasco application lacked sufficient urgent or critical items, as specified in the NOFA guidelines. In addition, the developer had just completed a \$4,300,000 rehabilitation, including a \$1,350,000 City subsidy, in 2003.

Foreclosure Procedures For OCHI Properties

OCHI is no longer managing, nor does it intend to manage in the future, its Oakland affordable housing portfolio. This is due to massive financial liabilities and the collapse of their financial and organizational structure.

The City maintains a regulatory and financial interest in the outcome of the portfolio. The City is attempting, to the greatest extent feasible, to bring about the preservation of 14 projects with over 637 units of affordable housing, to protect the individuals and families living in these units. In addition, it is important to protect the City and Redevelopment Agency's financial investment of in excess of \$25 million in deferred loans and grants made to the organization and its affiliates over the last 20 years.

Since 2007, the City has been ardently working to keep as many OCHI properties open as possible, while coordinating the transfer of ownership of these properties to new entities that will rehabilitate and preserve them as affordable rental housing. For some of the properties, efforts to transfer them from OCHI and related affiliates to the new nonprofits are already underway. Based on capital needs assessments (CNA) conducted by Elizabeth McLachlan Consulting, a number of properties are in poor condition and require immediate, substantial repairs. These conditions, due to years of deferred maintenance and severe neglect, must be corrected to ensure continuous compliance with the state and local health and safety code requirements for habitability. That work would need to be done as the transfers are completed and a new entity takes ownership.

To ensure an effective transfer of each property to new ownership entities, ownership of the property must be delivered with free and clear title. Since OCHI is not a functioning entity, it is unable to transfer ownership to a new entity. At this point, the most viable way to attain a transfer is through a nonjudicial foreclosure of a deed of trust held by one of the secured lenders on the property. The City/Agency, as one of those lenders, is likely to initiate the foreclosure process on several of the properties as new ownership entities are identified. At the same time, the new entity will need a commitment of funds, primarily through this NOFA, to conduct immediate repairs recommended in the CNA reports. Staff has included a City ordinance and an Agency resolution authorizing the City/Agency Administrator or his designated staff to proceed with the foreclosure process, assign City/Agency loans and lien rights, acquire and transfer any of the OCHI properties,

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and take other actions necessary to effectuate the transfer of the OCHI properties to new ownership for continued use as affordable housing.

Several established nonprofit developers have expressed interest in taking on the managing general partner or ownership roles for these properties and have been working on the transfer process with Housing Development staff over the last six months. Of these, East Bay Asian Local Development Corporation (EBALDC), Affordable Housing Associates (AHA), Resources for Community Development (RCD) and Dignity Housing West (DHW) have submitted applications in this first round of the Rehabilitation NOFA as listed below:

	OCHI Project	Property Address	Number of Units	Interested Non-Profit
				Resources for Community
1	Eldridge Gonaway Commons	1165 3rd Ave.	40	Development
		2000 International		Resources for Community
2	Marin Way Court	Blvd	20	Development
				East Bay Asian Local
3	Slim Jenkins Court	700 Willow Street	32	Development Corporation
4	James Lee Court	690 15th Street	26	Dignity Housing West
5_	Oaks Hotel	587 15th Street	. 85	Affordable Housing Associates

Four of these five projects are recommended for funding in this round. In addition to these properties, there are several other OCHI projects which will require a transfer of ownership and substantial rehabilitation. Unfortunately, there is an insufficient amount of funds available in this NOFA round to provide for all of these OCHI projects. It is expected that in the next Rehabilitation NOFA round, DHW and other non-profit developers who have been working with staff on the transfers will submit applications for the remaining projects in the OCHI portfolio.

Project Financing

The Agency standard loan terms for rental projects are a simple interest rate, to be set at the discretion of the Agency Administrator, and a term of up to 55 years, with annual payments deferred unless funds are available from project cash flow after paying other approved expenses, fees, reserves, and debt service. All Agency loans from this NOFA will be secured by a deed of trust recorded on the property. A regulatory agreement will also be recorded against the property, setting the period of affordability, occupancy restrictions and the rent restrictions. State law requires 55-year affordability terms for Agency-funded rental projects. All of the projects have previous loans from the City of Oakland or the Redevelopment Agency, and when possible, the previous loans will be consolidated with the new Agency loan and the loan terms will be extended up to 55 years.

Funding Set-Asides for Redevelopment Areas and Project Area Committee Recommendations

As with the traditional NOFA, proposed projects located within a redevelopment project area with a project area committee (PAC) are required to give a presentation to the relevant PAC so the PAC can provide their recommendations to Council. There are PACs for three redevelopment project areas: Central City East (CCE), West Oakland, and Broadway/MacArthur/San Pablo. In addition, the redevelopment plans for CCE and West Oakland require that affordable housing funds generated from that area must be spent only on projects within each respective project area. The Implementation Plans set forth how funds for the area will be spent on various housing programs, including funds for rehabilitation of affordable rental housing. Housing funds generated by the other redevelopment project areas are not geographically restricted by redevelopment law or the redevelopment plan, and may be used City-wide.

No applications were received from the Broadway/MacArthur/San Pablo redevelopment project area. Three applications were submitted for projects in the West Oakland project area. Six applications were submitted for projects in the CCE redevelopment project area. The PAC recommendations are provided below.

Central City East

Of this year's applications, six projects are located in the CCE Project Area and were presented to the CCE PAC in October and November 2008: Effie's House (Ivy House), Hugh Taylor Apartments, Marin Way Court Apartments, Eldridge Gonaway Commons, Posada de Colores and Casa Velasco. The PAC voted to support all six of these projects and also supported the use of CCE affordable housing funds designated for rental rehabilitation, administered through this NOFA, to help fund these projects. Staff is recommending that Effie's House, Hugh Taylor Apartments, Marin Way Court Apartments, Eldridge Gonaway Commons, and Posada de Colores be funded. As described previously in the section titled Staff Review Process, the scope of work proposed for Casa Velasco did not rise to the same level of urgency that was specified in the NOFA guidelines. Because the work proposed was less urgent and funding was quite limited, staff is not recommending it for funding under this round.

West Oakland

Of this year's applications, three projects are located in the West Oakland Project Area and were presented to the West Oakland PAC in October and November 2008: Drachma Housing, Slim Jenkins Court Apartments, and Oakland Point Limited Partnership (OPLP). The PAC voted to support all three of these projects and also supported the use of West Oakland affordable housing funds designated for rental rehabilitation, administered through this NOFA, to help fund these projects. Staff is recommending that Drachma Housing and Slim Jenkins Court Apartments be funded. The Oakland Point Limited Partnership was determined to be financially infeasible without Project Based Section 8 (PBS8) vouchers, as described in the section titled Staff Review Process. Staff is, therefore, not recommending it for funding this time.

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California Environmental Quality Act Review

Under the California Environmental Quality Act (CEQA), the City and Agency are required to review possible environmental impacts of all projects prior to an allocation of funding. Those reviews were completed for all of the projects recommended here.

Because projects considered for this NOFA are necessarily existing buildings, all have been determined to be exempt per CEQA guidelines (Section 15301) as existing facilities being repaired, altered, or reconstructed.

SUSTAINABLE OPPORTUNITIES

The housing development projects recommended for funding will address the "3 E's" of sustainability in the following ways:

Economic: These projects will preserve 354 affordable housing units in Oakland and generate construction and professional services contracts.

Environmental: Rehabilitating these existing developments stops the blighting effect these properties are having on their neighborhoods. Preserving sites near mass transit enable residents to reduce dependency on automobiles and further reduce adverse environmental impacts. When appropriate, old systems will be replaced with energy efficient equipment.

Social Equity: Providing affordable housing is a means of achieving greater social equity. Oakland's neighborhood-level environment will be improved by restoring blighted buildings with updated units, improved security, fire and safety systems, freshly painted exteriors, and overall improvement to the quality of life for residents. The proposed developments will preserve 354 affordable rental units for low and very low-income senior citizens and families. Without this funding to rehabilitate these units, these families could be at risk of being displaced from their homes.

DISABILITY AND SENIOR CITIZEN ACCESS

The State's Title 24 and the Americans with Disabilities Act require consideration of persons with disabilities in design and construction of housing. Furthermore, developers will be required to devise a strategy to effectively market housing units to the disabled community and present this strategy in their Affirmative Fair Housing Marketing Plan.

City funds have long supported housing development for seniors. The funding recommendations contained in this report provide approximately \$450,000 to help fund the rehabilitation of a total of 100 units of senior housing.

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RECOMMENDATION AND RATIONALE

Staff recommends that the proposed eight affordable housing projects receive commitments for Agency funding to preserve and rehabilitate their existing rental housing units. Funding from the Rehabilitation NOFA will help assure that these properties are kept affordable to very low income households, have sufficient funds to maintain habitable conditions, and address needed capital improvements. If the recommended projects are not funded, the existing tenants will suffer worsening living conditions as the projects continue to decline.

Staff also recommends that Council/Agency authorize the City/Agency Administrator to take actions to facilitate the transfer of affordable housing properties owned by OCHI, including foreclosing on City and Agency loans, acquiring properties at foreclosure sale, transferring properties to affordable housing entities, and assigning City /Agency loans or lien rights to affordable housing entities to rehabilitate and preserve those affordable rental housing units.

The respective City and Agency resolutions and ordinances are described below.

ACTIONS REQUESTED OF THE REDEVELOPMENT AGENCY

Staff recommends that the Agency approve the following nine (9) Agency resolutions:

- A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$840,000 To Resources for Community Development For The **Drachma Housing** Project Located At 1428 8th Street; 1510 9th Street; 1711 Goss Street; 1030 Wood Street; 1479 12th Street; 1107 Center Street; 1503 12th Street, And Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project.
- A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$1,257,000 To
 East Bay Asian Local Development Corporation For The Effie's House (Ivy Hill) Project Located
 At 829 East 19th Avenue, And Authorizing Loan Extensions And/Or Changes In The Terms For
 Existing Agency Loans For The Project.
- 3. A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$1,655,000 To Resources for Community Development For The **Eldridge Gonaway Commons** Project Located At 1165 Third Avenue, And Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project
- 4. A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$1,200,000 To Resources for Community Development For The **Marin Way Court Apartments** Project Located At 2000 International Boulevard, And Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project.
- 5. A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$1,100,000 To Affordable Housing Associates For The **Oaks Hotel** Project Located At 587 15th Avenue, And

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Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project.

- 6. A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$1,122,000 To East Bay Asian Local Development Corporation For The **Hugh Taylor Apartments** Project Located At 1935 Seminary Avenue, And Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project
- 7. A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$1,920,000 To East Bay Asian Local Development Corporation For The **Slim Jenkins Court Apartments**Project Located At 700 Willow Court, And Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project
- 8. A Resolution Authorizing A Rehabilitation Loan In An Amount Not To Exceed \$450,000 To The Unity Council For The **Posada De Colores Apartments** Project Located At 2221 Fruitvale Avenue, And Authorizing Loan Extensions And/Or Changes In The Terms For Existing Agency Loans For The Project
- 9. An Agency Resolution Authorizing the Agency Administrator To Take Actions To Facilitate The Transfer Of Affordable Housing Properties Owned By Oakland Community Housing, Inc. ("OCHI") or OCHI Affiliates To New Ownership, Including Foreclosing On Agency Loans, Acquiring Properties At Foreclosure Sale, Transferring Properties Affordable Housing Entities, And Assigning Agency Loans Or Lien Rights To Affordable Housing Entities.

ACTIONS REQUESTED OF THE CITY COUNCIL

Staff recommends that the Council approve the following four (4) City resolutions and one (1) City ordinance:

- A Resolution Authorizing Loan Extensions And/Or Changes In Terms of Existing City Loans For The Effie's House (Ivy Hill) Apartments Project Located At 829 East 19th Avenue.
- 2. A Resolution Authorizing Loan Extensions And/Or Changes In Terms of Existing City Loans For The Marin Way Court Apartments Project Located At 2000 International Boulevard.
- 3. A Resolution Authorizing Loan Extensions And/Or Changes In Terms of Existing City Loans For The **Oaks Hotel** Project Located At 587 15th Avenue.
- 4. A Resolution Authorizing Loan Extensions And/Or Changes In Terms of Existing City Loans For The **Slim Jenkins Court Apartments** Project Located At 700 Willow Court.
- 5. An Ordinance Authorizing the City Administrator To Take Actions To Facilitate The Transfer Of Affordable Housing Properties Owned By Oakland Community

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Housing, Inc. ("OCHI") or OCHI Affiliates To New Ownership, Including Foreclosing On City Loans, Acquiring Properties At Foreclosure Sale, Transferring Properties To Affordable Housing Entities, And Assigning City Loans Or Lien Rights To Affordable Housing Entities.

Respectfully submitted,

Walter S. Cohen, Director

Community and Economic Development

Agency

Reviewed by: Sean Rogan, Deputy Director Housing & Community Development

Prepared by: Marge L. Gladman, Housing Development Manager, and Housing Development Staff

APPROVED AND FORWARDED TO THE COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:

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Attachment A

Summary of Rehabilitation NOFA Applications

Project	Total Cost of Rehabilitation	Amount Requested	# of Units	Major Building and Structural Items	Current or Imminent Conditions that pose threats to health, safety, or security	Code Violations	Reserves Requested (Type)
Oaks Hotel	10,072,368	1,100,000	84	Hazardous material abatement, removal of rotten material, replace roof, repair parapet wall and drainage, replace sump pump, replace bathroom exhaust, structural steel seismic upgrades, elevator system repairs	Fire alarm Upgrades, Security camera installation, smoke detector upgrades, fire escape replacement	N/A	Capitalized Operating Reserve (211,274) and Replacement Reserve (275,000)
Drachma	2,679,677	840,000	14	Replace roof, replace sump pumps, remove dry rot, conduct termite and pest reports, allowance for pest control issues, waterproofing improvements	Smoke detector upgrades, fire extinguishers/signage	Yes (Fire)	Capitalized Operating Reserve (27,306) and Replacement Reserve (14,000)
lvy Hill-Effie's House	1,256,736	1,256,736	21	Replace trash chutes, repair foundation bolting, repair exteriors, replace stairwells, and upgrade handicap accessible units	Repair fire hazards	Yes (Fire)	Capitalized Operating Reserve (65,000) and Replacement Reserve (490,000)
Marin Way Court	2,978,351	1,200,000	20	Life safety Improvements (smoke detector upgrades, fire extinguishers, signage), Waterproofing improvements (siding, exterior painting, roofing and gutters), dry rot repairs	Life safety improvements (smoke detector upgrades, fire extinguishers, signage), Waterproofing improvements (siding, exterior painting, roofing and gutters), dry rot repairs, strap existing water heaters and gutters and down spouts	N/A	Capitalized Operating Reserve (49,080) and Replacement Reserve (100,000)
Hugh Taylor	1,121,623	1,121,623	42	Replace roof, flashing, downspouts; boiler; GFCl outlets; replace sanitary sewer; bathroom ventilation fans	Repair/replace intercom system; fire sprinkler repairs; fire alarm repairs; additional security cameras	Yes (Fire)	Capitalized Operating Reserve (130,873) and Replacement Reserve (100,000)
Eldridge Gonaway Commons	4,258,747	1,654,805	40	Life safety Improvements (smoke detector upgrades, fire extinguishers, signage), Extensive dry rot repairs at exterior balconies, walkway railings, stairs and stair landings and fencing, Waterproofing improvements (wood trim/flashings at siding glass doors and balconies, stucco repairs, exterior painting)	Dry rot repair, life safety improvements, waterproofing, window replacement, ranges/hoods, faucets and shower valves	N/A	Capitalized Operating Reserve (105,658) and Replacement Reserve (80,000)
Slim Jenkins	1,920,000	1,920,000	32	Waterproofing improvements, ADA/accessibility improvements, conduct termite and pest reports, allowance for pest control issues	N/A	N/A	Capitalized Operating Reserve (62,500) and Replacement Reserve (242,911)
Posada de Colores	700,000	450,000	100	Replace boilers, replace building sanitary waste and ventilation system	N/A	N/A	N/A
Casa Velasco	300,000	280,000	20	Waterproofing and drainage repairs at exterior foundation; repair roof and buckling roof deck; repair roof drainage system	Provide security camera system, install emergency power generator	N/A	N/A
James Lee Court	595,000	595,000	26	Replace roof, conduct termite and pest reports, allowance for pest control issues, waterproofing improvements, accessibility improvements	Repair security cameras	N/A	N/A
OPLP	1,834,912	1,819,412	31	Roofs, dry rot repairs, GFCI outlets, exhaust fan replacements, exterior paint (where urgent), waterproofing deck repairs, drainage repair, electrical repairs, heater repairs/replacement, ADA work, railing and column repair, tub surround replace	Repair/replace fencing, gates, front doors; replace smoke detectors	N/A	Capitalized Operating Reserve (650,000) and Replacement Reserve (395,000)
Total	27,717,414	12,237,576	430		· · · · · · · · · · · · · · · · · · ·		

OFFICE OF THE CITY CLERN

OFFICE OF THE CITY

APPROVED AS TO FOR	RM AND LEGALITY:
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	-22
	Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No.	C.M.	.S
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A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$840,000 TO RESOURCES FOR COMMUNITY DEVELOPMENT FOR THE DRACHMA HOUSING PROJECT LOCATED AT 1428 8TH STREET, 1510 9TH STREET, 1711 GOSS STREET, 1030 WOOD STREET, 1479 12TH STREET, 1107 CENTER STREET, AND 1503 12TH STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Resources for Community Development ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate the Drachma Housing affordable rental project at 1428 8th Street, 1510 9th Street, 1711 Goss Street, 1030 Wood Street, 1479 12th Street, 1107 Center Street, and 1503 12th Street in the City of Oakland (the "Property") to continue to provide 14 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$840,000 to Resources for Community Development or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$840,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$840,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; and be it

Administrator or his or her designee in his or her discretion to subordinate the priority of any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,, , 2009
PASSED BY T	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON BRUNNER
NOES-	
ABSENT-	
ABSTENTION-	
	ATTEST:

OFFICE OF THE CITY CLERY APPROVED AS TO EORM AND LEGALITY:

2009 FEB 26 PM 3: 06

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION	No.	C.N	1.S

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$1,257,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE EFFIE'S HOUSE (IVY HILL) PROJECT LOCATED AT 829 EAST 19TH AVENUE, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate the Effie's House (Ivy Hill) affordable rental project at 829 East 19th Avenue in the City of Oakland (the "Property") to continue to provide 21 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,257,000 to East Bay Asian Local Development Corporation or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$1,257,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$1,257,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,	, 2009
PASSED BY T	HE FOLLOWING VOTE:	
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KER CHAIRPERSON BRUNNER	NIGHAN, NADEL, QUAN, REID, AND
NOES-		·
ABSENT-	· ·	
ABSTENT!ON-	.*	
	ATTES	ST:
		LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERY APPROVED AS TO FORM AND LEGALITY:

2009 FEB 26 PM 3: 06

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO.	C.M.S.

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED **RESOURCES** \$1.655,000 TO FOR COMMUNITY DEVELOPMENT THE **ELDRIDGE GONAWAY** FOR COMMONS PROJECT LOCATED AT 1165 THIRD AVENUE. **AUTHORIZING** LOAN **EXTENSIONS** CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Resources for Community Development ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to acquire and rehabilitate the Eldridge Gonaway Commons affordable rental project at 1165 Third Avenue in the City of Oakland (the "Property") to continue to provide 40 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,655,000 to Resources for Community Development or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$1,655,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$1,655,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,, 2009
PASSED BY TI	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON BRUNNER
NOES-	· ,
ABSENT-	
ABSTENTION-	
	ATTEST:
	LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERA OAKLAND 2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO.	C.N	I.S	ì

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$1,200,000 TO RESOURCES FOR COMMUNITY DEVELOPMENT FOR THE MARIN WAY COURT **PROJECT** APARTMENTS LOCATED AT 2000 INTERNATIONAL BOULEVARD, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Resources for Community Development ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to acquire and rehabilitate the Marin Way Court Apartments affordable rental project at 2000 International Boulevard in the City of Oakland (the "Property") to continue to provide 20 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,200,000 to Resources for Community Development or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$1,200,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$1,200,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,	, 2009
PASSED BY T	HE FOLLOWING VOTE:	
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERN CHAIRPERSON BRUNNER	IGHAN, NADEL, QUAN, REID, AND
NOES-		
ABSENT-		
ABSTENTION-		
	ATTES	, ,
		LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERA OFFICE OF THE CITY CLERA OAKLAND 2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO.	C.	M.	.S

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$1,100,000 TO AFFORDABLE HOUSING ASSOCIATES FOR THE OAKS HOTEL PROJECT LOCATED AT 587 15TH STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Affordable Housing Associates("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to acquire and rehabilitate the Oaks Hotel affordable rental project at 587 15th Street in the City of Oakland (the "Property") to continue to provide 84 rental units of housing to serve families and special needs households (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for the development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,100,000 to Affordable Housing Associates or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$1,100,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$1,100,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; and be it

Administrator or his or her designee in his or her discretion to subordinate the priority of any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,	, 2009
PASSED BY T	HE FOLLOWING VOTE:	
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERN CHAIRPERSON BRUNNER	IIGHAN, NADEL, QUAN, REID, AND
NOES-		
ABSENT-		
ABSTENTION-		
	ATTEST	Γ:
		LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERA 2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION	No.	C.M.S.

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$1,122,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE HUGH TAYLOR HOUSE PROJECT LOCATED AT 1935 SEMINARY AVENUE, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on ,October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate Hugh Taylor House, a property at 1935 Seminary Avenue in the City of Oakland (the "Property"), to continue to provide 43 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans to Developer for the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines this Project is exempt from environmental review; and

WHEREAS, funds are available from the Agency's Low and Moderate Income Housing Fund and the 2006 Affordable Housing Set-Aside Bond Fund to assist the Project; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,122,000 to East Bay Asian Local Development Corporation or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That \$814,291 shall be allocated from the Low Mod Operations Fund (9580), Housing Development Organization (88929), Housing Development Program project (P209310) for this loan; and be it

FURTHER RESOLVED: That \$307,709 shall be allocated from the 2006 Affordable Housing Set-Aside Bond Fund (9584), Housing Development Organization (88929), 2006 Housing Bond Program project (L290410) for this loan; and be it

FURTHER RESOLVED: That the loan shall be contingent on the availability of sufficient funds in the Agency's Low and Moderate Income Housing Fund and 2006 Affordable Housing Set-Aside Bond Fund to cover the Agency loan of \$1,122,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Sections 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,	, 2009
PASSED BY T	HE FOLLOWING VOTE:	
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIG CHAIRPERSON BRUNNER	GHAN, NADEL, QUAN, REID, AND
NOES-		
ABSENT-		
ABSTENTION-		
	ATTEST:_	
		LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERK

2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No.	C.	.M	.S

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$1,920,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE SLIM JENKINS COURT PROJECT LOCATED AT 700 WILLOW STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to acquire and rehabilitate the Slim Jenkins Court affordable rental project at 700 Willow Street in the City of Oakland (the "Property") to continue to provide 84 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,920,000 to East Bay Asian Local Development Corporation or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$1,920,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$1,920,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,	, 2009
PASSED BY T	HE FOLLOWING VOTE:	
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERN CHAIRPERSON BRUNNER	NIGHAN, NADEL, QUAN, REID, AND
NOES-		
ABSENT-		
ABSTENTION-		
	ATTES	
•		LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERA

2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO.	C.	Μ.	S

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$450,000 TO THE UNITY COUNCIL FOR THE POSADA DE COLORES APARTMENTS PROJECT LOCATED AT 2221 FRUITVALE AVENUE, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING AGENCY LOANS FOR THE PROJECT

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, the Unity Council ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate the Posada De Colores Apartments affordable rental project at 2221 Fruitvale Avenue in the City of Oakland (the "Property") to continue to provide 100 rental units of housing to serve families (the "Project"); and

WHEREAS, the Redevelopment Agency has made previous affordable housing development loans for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency; and

WHEREAS, all units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

WHEREAS, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable 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 ensure the protection and preservation of the supply of existing 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 continue to benefit the redevelopment project areas in the City of Oakland by maintaining affordable housing within the community which will continue to enhance the economic viability and redevelopment potential of the project areas; and

WHEREAS, according to the findings set forth in the report, 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 by agreement with 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, per the CEQA Guidelines, this Project is exempt from environmental review; and

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

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$450,000 to the Unity Council or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That the loan is contingent upon the transfer of ownership of the Property to Developer or to an affiliated entity approved by the Agency Administrator or his or her designee; and be it

FURTHER RESOLVED: That \$450,000 shall be allocated from the Low Mod Operations 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 Agency's Low and Moderate Income Housing Fund to cover the Agency loan of \$450,000; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the Agency Administrator in his or her discretion, with repayment to the Agency from surplus cash flow from the Project and other available funds during the term of the loan with the balance 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 will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

FURTHER RESOLVED: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

FURTHER RESOLVED: That the new loan funds shall be reserved for a period of no more than eighteen months from the date of this Resolution, and the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

FURTHER RESOLVED: That the making of the new 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 Administrator is authorized to extend the term of any existing Agency loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing Agency loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing Agency loans; 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 any of the Agency's recorded interests in the Project property to a lien or encumbrance 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 RESOLVED: That 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 appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the new loan, the existing loans, and the Project consistent with this Resolution and its basic purpose.

IN AGENCY, C	DAKLAND, CALIFORNIA,	, 2009
PASSED BY T	HE FOLLOWING VOTE:	
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERN CHAIRPERSON BRUNNER	IIGHAN, NADEL, QUAN, REID, AND
NOES-		
ABSENT-	•	
ABSTENTION-	-	
	ATTES	Г:
		LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland, California

OFFICE OF THE CITY CLERA

2009 FEB 26 PM 3: 07

APPROVED AS TO FORM AND LEGALITY:

gency Counsel

OF THE CITY OF OAKLAND

AGENCY RESOLUTION AUTHORIZING THE AN **AGENCY** ADMINISTRATOR TO TAKE ACTIONS TO FACILITATE THE TRANSFER OF AFFORDABLE HOUSING PROPERTIES OWNED BY OAKLAND COMMUNITY HOUSING, INC., ("OCHI") OR OCHI AFFILIATES TO NEW OWNERSHIP, INCLUDING FORECLOSING ON AGENCY LOANS, ACQUIRING **PROPERTIES FORECLOSURE** SALE. TRANSFERRING **PROPERTIES** TO AFFORDABLE HOUSING ENTITIES, AND ASSIGNING AGENCY LOANS OR LIEN RIGHTS TO AFFORDABLE HOUSING ENTITIES

WHEREAS, Oakland Community Housing, Inc. (OCHI) is a nonprofit housing development corporation; and

WHEREAS, OCHI and OCHI affiliates own 14 affordable rental housing projects in Oakland; and

WHEREAS, the Redevelopment Agency has made affordable housing development loans to OCHI and/or its affiliates for each of these projects; and

WHEREAS, each of these projects is subject to recorded long-term rent and occupancy restrictions enforceable by the Agency and/or other funding agencies; and

WHEREAS, OCHI and its affiliates have ceased to exist as functioning entities; and

WHEREAS, other affordable housing development and management entities have expressed interest in taking over, improving, and managing the OCHI properties, and have applied to the Agency and City for funding to rehabilitate those properties; and

WHEREAS, the Agency wishes to facilitate the transfer of ownership and management of these properties to new affordable housing entities or affiliates of such entities in order to preserve and improve the affordable housing units; and

WHEREAS, the Agency may need to pursue foreclosure actions under the deeds of trust securing the Agency's development loans in order to effectuate such transfers; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("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, this action is exempt from CEQA per Section 15301 of the CEQA guidelines (continuing operation of existing facilities); now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to take any of the following actions with respect to any of the affordable rental properties owned by OCHI or an OCHI affiliate in Oakland: (1) initiate and pursue foreclosure actions under any or all of the Agency's deeds of trust encumbering the property; (2) credit bid any or all of the Agency loans at the foreclosure sale; (3) acquire title to the property at the foreclosure sale; (4) transfer the property to an affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing; and/or (6) assign any or all of the Agency loans or lien rights to an affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing; and/or (6) assign any or all of the Agency loans or lien rights to an affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing; and be it

FURTHER RESOLVED: That the Agency Administrator or his or her designee is authorized to set terms for any such transfer or assignment, and to negotiate with other lienholders on the property, as needed to preserve and improve the properties as affordable housing; and be it

FURTHER RESOLVED: That Agency rent and occupancy restrictions on these properties shall be maintained following any transfer; and be it

FURTHER RESOLVED: That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency to conduct negotiations, execute documents, and take any other action with respect to the Agency loans and the transfer of these properties consistent with this Resolution and its basic purpose.

IN AGENCY, O	AKLAND, CALIFORNIA,, 2009
PASSED BY T	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON BRUNNER
NOES-	
ABSENT-	•
ABSTENTION-	·
	ATTEST:
	LaTonda Simmons Secretary of the Redevelopment Agency of the City of Oakland

APPROVED AS TO FORMAND LEGALITY:

Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION NO	 C.	Μ.	S	

A RESOLUTION AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS OF EXISTING CITY LOANS FOR THE EFFIE'S HOUSE (IVY HILL) APARTMENT PROJECT LOCATED AT 829 E. 19th AVENUE

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate Effie's House, a property at 829 E. 19th Avenue in the City of Oakland (the "Property"), to continue to provide 21 rental units of housing to serve families and special needs households (the "Project"); and

WHEREAS, a request to provide a Redevelopment Agency loan to fund the Project is being recommended for approval to the Redevelopment Agency; and

WHEREAS, the City of Oakland has made affordable housing development loans previously to Developer for the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the City; and

WHEREAS, the City desires to conform the terms of the existing City loans to the terms of the new Agency loan; now therefore be it

RESOLVED: That the City Administrator is authorized to extend the term of existing City loans for the Property up to 55 years, consolidate the existing loans with the new loan authorized by the Redevelopment Agency, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, negotiate and execute loan documents, and take any other action with respect to the existing City loans consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City 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 City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

FURTHER RESOLVED: That all loan documents shall be reviewed and approved by the City Attorney for form and legality prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, C	AKLAND, CALIFORNIA,, , 2009
PASSED BY TH	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT BRUNNER
NOES-	
ABSENT-	
ABSTENTION-	
	ATTEST:
	LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California

OFFICE OF THE CITY GLERA

2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Deputy City Attorney

OAKLAND CITY COUNCIL

A RESOLUTION AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS OF EXISTING CITY LOANS FOR THE MARIN WAY COURT APARTMENTS PROJECT LOCATED AT 2000 INTERNATIONAL BOULEVARD

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Resources for Community Development ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate Marin Way Court Apartments, a property at 2000 International Boulevard in the City of Oakland (the "Property"), to continue to provide 20 rental units of housing to serve families (the "Project"); and

WHEREAS, a request to provide a Redevelopment Agency loan to fund the Project is being recommended for approval to the Redevelopment Agency; and

WHEREAS, the City of Oakland has made affordable housing development loans previously for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the City; and

WHEREAS, the City desires to conform the terms of the existing City loans to the terms of the new Agency loan; now therefore be it

RESOLVED: That the City Administrator is authorized to extend the term of existing City loans for the Property up to 55 years, consolidate the existing loans with the new loan authorized by the Redevelopment Agency, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, negotiate and execute loan documents, and take any other action with respect to the existing City loans consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City 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 City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

FURTHER RESOLVED: That all loan documents shall be reviewed and approved by the City Attorney for form and legality prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, C	DAKLAND, CALIFORNIA,, 2009
PASSED BY T	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT BRUNNER
NOES-	
ABSENT-	
ABSTENTION-	
	ATTEST:
	LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California

OFFICE OF THE CITY CLERN

2009 FEB 26 PM 3: 06

APPROVED AS TO FORM AND LEGALITY:

Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No.	C.M	I.S.

A RESOLUTION AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS OF EXISTING CITY LOANS FOR THE OAKS HOTEL PROJECT LOCATED AT 587 15th STREET

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, Affordable Housing Associates ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate the Oaks Hotel, a property at 587 15th Street in the City of Oakland (the "Property"), to continue to provide 84 rental units of housing to serve families and special needs households (the "Project"); and

WHEREAS, a request to provide a Redevelopment Agency loan to fund the Project is being recommended for approval to the Redevelopment Agency; and

WHEREAS, the City of Oakland has made affordable housing development loans previously for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the City; and

WHEREAS, the City desires to conform the terms of the existing City loans to the terms of the new Agency loan; now therefore be it

RESOLVED: That the City Administrator is authorized to extend the term of existing City loans for the Property up to 55 years, consolidate the existing loans with the new loan authorized by the Redevelopment Agency, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, negotiate and execute loan documents, and take any other action with respect to the existing City loans consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City 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 City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

FURTHER RESOLVED: That all loan documents shall be reviewed and approved by the City Attorney for form and legality prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, C	OAKLAND, CALIFORNIA,, 2009
PASSED BY TI	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT BRUNNER
NOES-	
ABSENT-	
ABSTENTION-	
	,
	ATTEST:
•	LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California

OFFICE OF THE CITY CLERK OAKLAND 2009 FEB 26 PM 3: 07

APPROVED AS TO #4	DRM AND LEGALITY:
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	Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No.	 C.	M	.S	;

A RESOLUTION AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS OF EXISTING CITY LOANS FOR THE SLIM JENKINS COURT APARTMENTS PROJECT LOCATED AT 700 WILLOW STREET

WHEREAS, on October 7, 2008, the Redevelopment Agency and the City of Oakland jointly issued a Notice of Funding Availability ("Rehabilitation NOFA") soliciting applications for funding the preservation and rehabilitation of existing affordable rental housing; and

WHEREAS, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to rehabilitate Slim Jenkins Court Apartments, a property at 700 Willow Street in the City of Oakland (the "Property"), to continue to provide 32 rental units of housing to serve families (the "Project"); and

WHEREAS, a request to provide a Redevelopment Agency loan to fund the Project is being recommended for approval to the Redevelopment Agency; and

WHEREAS, the City of Oakland has made affordable housing development loans previously for development of the Property, and the Property is subject to recorded long-term rent and occupancy restrictions enforceable by the City; and

WHEREAS, the City desires to conform the terms of the existing City loans to the terms of the new Agency loan; now therefore be it

RESOLVED: That the City Administrator is authorized to extend the term of existing City loans for the Property up to 55 years, consolidate the existing loans with the new loan authorized by the Redevelopment Agency, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, negotiate and execute loan documents, and take any other action with respect to the existing City loans consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City 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 City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

FURTHER RESOLVED: That all loan documents shall be reviewed and approved by the City Attorney for form and legality prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, C	OAKLAND, CALIFORNIA,, 2009
PASSED BY T	HE FOLLOWING VOTE:
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT BRUNNER
NOES-	
ABSENT-	·
ABSTENTION-	
	ATTEST:LaTonda Simmons
	City Clerk and Clerk of the Council



APPROVED AS TO FORM AND LEGALITY:

OAKLAND CITY COUNCIL

ORDINANCE	NO.	C. M. S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO TAKE ACTIONS TO FACILITATE THE TRANSFER OF AFFORDABLE HOUSING PROPERTIES OWNED BY OAKLAND COMMUNITY HOUSING, INC., ("OCHI") OR OCHI AFFILIATES TO NEW OWNERSHIP, INCLUDING FORECLOSING ON CITY LOANS, ACQUIRING PROPERTIES AT FORECLOSURE SALE, TRANSFERRING PROPERTIES TO AFFORDABLE HOUSING ENTITIES, AND ASSIGNING CITY LOANS OR LIEN RIGHTS TO AFFORDABLE HOUSING ENTITIES

WHEREAS, Oakland Community Housing, Inc. (OCHI) is a nonprofit housing development corporation; and

WHEREAS, OCHI and OCHI affiliates own 14 affordable rental housing projects in Oakland; and

WHEREAS, the City of Oakland and/or the Redevelopment Agency has made affordable housing development loans to OCHI and/or its affiliates for each of these projects; and

WHEREAS, each of these projects is subject to recorded long-term rent and occupancy restrictions enforceable by the City, the Redevelopment Agency, and/or other funding agencies; and

WHEREAS, OCHI and its affiliates have ceased to exist as functioning entities; and

WHEREAS, other affordable housing development and management entities have expressed interest in taking over, improving, and managing the OCHI properties, and have applied to the City and Agency for funding to rehabilitate those properties; and

WHEREAS, the City wishes to facilitate the transfer of ownership and management of these properties to new affordable housing entities or affiliates of such entities in order to preserve and improve the affordable housing units; and

WHEREAS, the City may need to pursue foreclosure actions under the deeds of trust securing the City's development loans in order to effectuate such transfers; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("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, this action is exempt from CEQA per Section 15301 of the CEQA guidelines (continuing operation of existing facilities); now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The City Council hereby authorizes the City Administrator or his or her designee to take any of the following actions with respect to any of the affordable rental properties owned by OCHI or an OCHI affiliate in Oakland: (1) initiate and pursue foreclosure actions under any or all of the City's deeds of trust encumbering the property; (2) credit bid any or all of the City loans at the foreclosure sale; (3) acquire title to the property at the foreclosure sale; (4) transfer the property to an affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing; (5) consent to a transfer of the property to and/or assumption of City loans by an affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing; and/or (6) assign any or all of the City loans or lien rights to an affordable housing entity or an affiliate of such entity that intends to acquire and maintain the property as affordable housing.

- **Section 2.** The City Administrator or his or her designee is authorized to set terms for any such transfer or assignment, and to negotiate with other lienholders on the property, as needed to preserve and improve the properties as affordable housing.
- **Section 3.** City rent and occupancy restrictions on these properties shall be maintained following any transfer.
- **Section 4.** The City Council hereby appoints the City Administrator and his or her designee as agent of the City to conduct negotiations, execute documents, and take any other action with respect to the City loans and the transfer of these properties consistent with this Ordinance and its basic purpose.

Section 5. This Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise, it shall become effective upon the seventh day after final adoption.

IN COUNCIL,	OAKLAND, CALIFORNIA,	, 2009	
PASSED BY	THE FOLLOWING VOTE:		
AYES	BROOKS, DE LA FUENTE, K PRESIDENT BRUNNER	APLAN, KERNIGHAN, NADEL, REID, QUA	N, AND
NOES-			
ABSENT-			
ABSTENTION	-		
		ATTEST: LA TONDA SIMMONS City Clerk and Clerk of the Coun- of the City of Oakland, Californi	
		DATE OF ATTESTATION:	_

D

THE AN **ORDINANCE AUTHORIZING** ADMINISTRATOR TO TAKE ACTIONS TO FACILITATE THE TRANSFER OF AFFORDABLE HOUSING PROPERTIES OWNED BY OAKLAND COMMUNITY HOUSING, INC., ("OCHI") OR OCHI AFFILIATES TO NEW OWNERSHIP, INCLUDING FORECLOSING ON CITY LOANS, ACQUIRING **PROPERTIES** FORECLOSURE SALE, TRANSFERRING PROPERTIES AFFORDABLE HOUSING ENTITIES. AND ASSIGNING CITY LOANS OR LIEN RIGHTS TO AFFORDABLE HOUSING ENTITIES

NOTICE AND DIGEST

This ordinance authorizes the City Administrator to take a variety of actions as necessary to facilitate the transfer of existing affordable housing properties owned by Oakland Community Housing, Inc., ("OCHI") or OCHI affiliates to new ownership, including foreclosing on City affordable housing development loans, acquiring properties at foreclosure sale, transferring properties to affordable housing entities, and assigning City loans or lien rights to affordable housing entities.