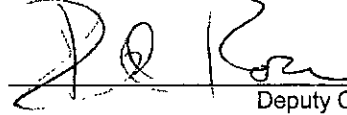


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2014 FEB 27 PM 1:44

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION INCREASING THE AMOUNT OF AN AFFORDABLE HOUSING LOAN TO RELATED COMPANIES OF CALIFORNIA AND ACTS COMMUNITY DEVELOPMENT CORPORATION FOR THE 94TH AND INTERNATIONAL AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 94TH AVENUE AND INTERNATIONAL BOULEVARD BY \$2,150,000 FOR A TOTAL LOAN AMOUNT OF \$7,747,000

WHEREAS, Redevelopment Agency Resolution No. 2010-0079 C.M.S., dated July 6, 2010, authorized an affordable housing development loan of \$5,597,000 to Related Companies of California and Acts Community Development Corporation (jointly, the "Developer") for the development of the 94th and International project (the "Project"), a 59 unit rental housing development to be located at 94th Avenue and International Boulevard in Oakland; and

WHEREAS, the City as successor to the housing functions of the former Redevelopment Agency under California Health and Safety Code Section 34176 has succeeded to the loan authorized by the Redevelopment Agency under Resolution No. 2010-0079 C.M.S.; and

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

WHEREAS, on September 10, 2013, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

WHEREAS, Developer submitted a proposal in response to the NOFA for additional funds; and

WHEREAS, 58 units at the Property will be 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 affordable rental housing, and has identified this activity as a priority; and

WHEREAS, the Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

WHEREAS, the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, the requirements of 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, previously reserved loan funds of \$2,489,700 are available in the Low and Moderate Income Housing Fund (1880) Housing Development Organization (89929), 94th and International Project (L413810) to assist the Project; and

WHEREAS, previously reserved loan funds of \$3,107,300 are available in the 2000 Housing Bond Fund (1883) Housing Development Organization (89929), 94th and International Project (P151796) to assist the Project; and

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

RESOLVED: That the City Council hereby authorizes the City Administrator or his or her designee to provide an additional loan in an amount not to exceed \$2,150,000, for a total loan in an amount not to exceed \$7,747,000, to Related Companies of California and Acts Community Development Corporation, or to an entity affiliated with Related Companies of California and/or Acts Community Development Corporation approved by the City Administrator or his or her designee, to be used for the Project; and be it

FURTHER RESOLVED: That additional funding of \$1,022,517 will be allocated from the General Purpose Fund (1010), Housing and Community Development Organization (88919), Contract Contingencies – Affordable Housing Program project (A468540) for this loan; and be it

FURTHER RESOLVED: That total additional funding of \$1,127,483 will be allocated from the Low and Moderate Income Housing Asset Fund (2830), Housing Development Organization (88929), Housing Development Program project (tbd); and \$49,000 from the MAP Repayment Fund (2185), Housing Development Organization (88929), FTHB MAP Repayments project (P41710) for this loan; and be it

FURTHER RESOLVED: That the loan shall be contingent on the availability of sufficient funds in the Low and Moderate Income Housing Asset Fund and the General Purpose Fund to cover the City loan of \$7,747,000; and be it

FURTHER RESOLVED: That the City has independently reviewed and considered this environmental determination, and based on the February 2, 2012 Planning Commission finding, has found and determined that the Project meets criteria for exemption under Section 15332 (infill projects) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the City 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 City Administrator in his or her discretion, with repayment to the City 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 City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

FURTHER RESOLVED: That as a condition of the loan, the City 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 City Administrator is authorized to extend the term of any existing City 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 City 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 City loans; and be it

FURTHER RESOLVED: That the loan funds shall be reserved for a period of no more than twelve months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

FURTHER RESOLVED: That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

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

FURTHER RESOLVED: That the City Council hereby appoints the City Administrator and his or her designee as agent of the City to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and
PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California