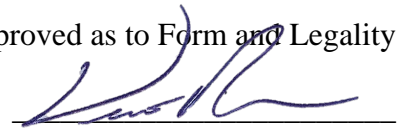


Approved as to Form and Legality


City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AMENDING CITY COUNCIL RESOLUTION NO. 83369 C.M.S. AND OAKLAND REDEVELOPMENT AGENCY RESOLUTIONS 88-68B C.M.S. AND 88-68C C.M.S. TO AUTHORIZE THE CITY ADMINISTRATOR, OR HIS OR HER DESIGNEE, TO MODIFY LOANS FOR THE FRANK G MAR APARTMENTS BY: (1) EXTENDING THE MATURITY DATES; (2) REDUCING THE INTEREST RATES TO THE LONG-TERM COMPOUNDING APPLICABLE FEDERAL RATE; AND (3) CONSOLIDATING AND AMENDING THE LOANS AND UPDATING OTHER TERMS OF THE LOAN DOCUMENTS TO REFLECT CURRENT CITY FORM DOCUMENTS AND TERMS

WHEREAS, East Bay Asian Local Development Corporation (“EBALDC”), a nonprofit developer of affordable housing, is preparing to rehabilitate the Frank G Mar Apartments affordable, rental community located at 283 13th Street in the City of Oakland (the “Project”), in order to preserve and deepen the affordability of one hundred nineteen (119) units serving low-income families; and

WHEREAS, the City of Oakland (“City”) previously issued a construction loan for the development of the Project pursuant to Resolution No. 66603 C.M.S., adopted on September 19, 1989, as amended by Resolution No. 83369 C.M.S., adopted May 17, 2011; and

WHEREAS, the former Redevelopment Agency of the City of Oakland (the “Former Agency”) also previously issued two loans for the development of the Project (the “Form Agency Loans”) pursuant to Resolutions 88-68B C.M.S. and 88-68C C.M.S., both adopted on September 7th, 1988; and

WHEREAS, the City adopted Resolution No. 83680 C.M.S. on January 10, 2012, electing to retain and assume the housing assets and functions of the Former Agency upon dissolution pursuant to California Health and Safety Code Section 34176. The Former Agency dissolved on February 1, 2012, and the Former Agency Loans to the Project are assets of the Former Agency; and

WHEREAS, an extension of the maturity date of the loans to a new fifty-five (55) year term will help ensure the financial feasibility of the rehabilitation of the Project; and

WHEREAS, reducing the interest rates of the existing loans to the Applicable Federal Rate, as published by the Internal Revenue Service (“IRS”) for the month that the amended and consolidated loan documents are executed will allow the Project to receive its full allocation of Low Income Housing Tax Credit proceeds; and

WHEREAS, on August 19, 2019, the City issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding the acquisition, preservation and rehabilitation of multifamily affordable housing; and

WHEREAS, EBALDC submitted a NOFA application for the rehabilitation of the Project, and was awarded \$5,000,000 pursuant to Resolution No. 87995 C.M.S., passed on January 21, 2020; and

WHEREAS, to simplify the administration and regulation of the loans, the City and EBALDC desire to terminate the existing agreements and amend and restate the loan terms in a consolidated set of loan documents, to include the new loan, reflecting current City terms; and

WHEREAS, this action is exempt from the California Environmental Quality Act (“CEQA”) under the following, each as a separate and independent basis, including, but not limited to, the following: CEQA Guidelines: Section 15378 (regulatory actions), Section 15061(b)(3) (no significant environmental impact), and Section 15183 (actions consistent with the general plan and zoning); now, therefore, be it

RESOLVED: That the City hereby authorizes the City Administrator, or designee, to reset the maturity date of the existing loans to a new fifty-five (55) year term; and be it

FURTHER RESOLVED: That the City hereby authorizes the City Administrator, or designee, to reduce the interest rate on the existing loans to the Applicable Federal Rate; and be it

FURTHER RESOLVED: That the City hereby authorizes the City Administrator, or designee, to consolidate the existing loans together with the new loan, amend any other loan terms as necessary to reflect current City form documents and terms; and be it

FURTHER RESOLVED: That said documents shall be reviewed and approved by the City Attorney’s Office for form and legality prior to execution by the City; and be it

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FURTHER RESOLVED: That this action is exempt from the CEQA under the following, each as a separate and independent basis, including, but not limited to, the following: CEQA Guidelines: Section 15378 (regulatory actions), Section 15061(b)(3) (no significant environmental impact), and Section 15183 (actions consistent with the general plan and zoning); and be it

FURTHER RESOLVED: That the City Administrator, or his or her designee is hereby authorized to take any other action with respect to the loans and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR,
THAO AND PRESIDENT KAPLAN

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
Acting City Clerk and Clerk of the
Council of the City of Oakland, California