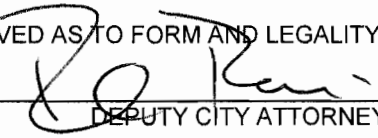


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APPROVED AS TO FORM AND LEGALITY:

BY: 
DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

RESOLUTION No. 84518 C.M.S.

A RESOLUTION AUTHORIZING A LOAN TO OAKLAND RENAISSANCE NMTC, INC., IN THE AMOUNT OF \$125,000 FOR A TERM OF UP TO TWELVE MONTHS WITH AN INTEREST RATE OF 3.5 PERCENT FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND TO COVER OAKLAND RENAISSANCE NMTC, INC.'S ORGANIZATIONAL START-UP EXPENSES REQUIRED TO INITIATE THE ALLOCATION OF NEW MARKET TAX CREDITS

WHEREAS, Oakland Renaissance NMTC, Inc., an affiliate of the City of Oakland, is a California nonprofit public benefit corporation, which was established by the City in August of 2004, and whose mission is to serve low-income communities and low-income persons in the City of Oakland; and

WHEREAS, Oakland Renaissance NMTC, Inc., received CDE certification from the Community Development Financial Institutions ("CDFI") Fund of the U.S. Department of the Treasury in 2005; and

WHEREAS, on September 14, 2012, Oakland Renaissance NMTC, Inc., applied for tax credit authority under the New Markets Tax Credit Program (the "NMTC Program") to provide primarily real estate financing necessary to support retail business attraction and retention in Oakland; and

WHEREAS, on April 24, 2013, Oakland Renaissance NMTC, Inc., was notified by the CDFI Fund that it received an allocation of tax credit authority in an amount of \$20 million; and

WHEREAS, Oakland Renaissance NMTC, Inc., must hire various consultants, including corporate and transaction legal, accounting and financial services and application writing, to begin operations and make its first round of tax credit sub-allocations; and

WHEREAS, Oakland Renaissance NMTC, Inc., needs funding to hire these consultants and has requested a short-term loan in the amount of \$125,000 from the City for a term of up to six months with an interest rate of 3.5 percent from the Community Development Block Grant (CDBG) Fund; and

WHEREAS, Oakland Renaissance NMTC, Inc. will repay the loan from placement fees chargeable to developers on its proposed sub-allocations of NMTCs to real estate projects; and

WHEREAS, funds in the amount of \$53,141.67 and \$71,858.33 for the proposed loan are available from HUD – CDBG Fund (2108), CDBG Coordination Organization (#89949), Code Enforcement Relocation Program (P423110) and CDBG Coordination Organization (#89949), Project Reconnect (H08600), respectively, that will each be transferred to a new Project, to be created; now, therefore, be it

RESOLVED: That the City Council hereby authorizes a loan in the amount of \$125,000 from the City to Oakland Renaissance NMTC, Inc., for a term of up to twelve (12) months with an interest rate of 3.5 percent, to cover Oakland Renaissance NMTC, Inc.'s organizational start-up expenses required to initiate the allocation of New Market Tax Credits; and be it further

RESOLVED: That the City Council hereby authorizes the City Administrator to negotiate and enter into a loan agreement and other agreements with Oakland Renaissance NMTC, Inc., for the loan; and be it further

RESOLVED: That funds in the amount of \$53,141.67 and \$71,858.33 for the proposed loan in a total amount of \$125,000 to Oakland Renaissance NMTC, Inc. are available from HUD – CDBG Fund (2108), CDBG Coordination Organization (#89949), Code Enforcement Relocation Program (P423110) and CDBG Coordination Organization (#89949), Project Reconnect (H08600), respectively, that will each be transferred to a new Project, to be created; and be it further

RESOLVED: That the City Council hereby authorizes the City Administrator to take whatever action is necessary with respect to the loan to Oakland Renaissance NMTC, Inc., consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 16 2013, 2013

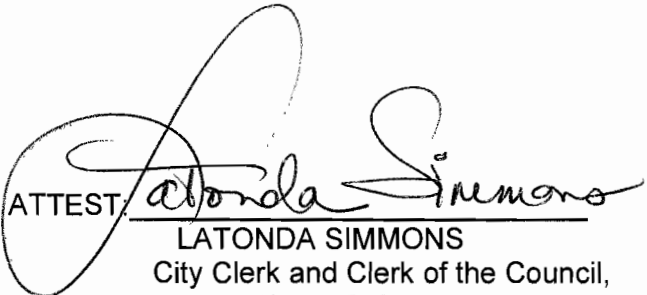
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF
AND PRESIDENT KERNIGHAN - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST 
LATONDA SIMMONS
City Clerk and Clerk of the Council,
City of Oakland