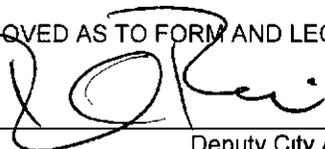


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APPROVED AS TO FORM AND LEGALITY

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 84861 C.M.S.

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**A RESOLUTION INCREASING THE AMOUNT OF AN AFFORDABLE HOUSING LOAN TO CALIFORNIA HOTEL OAKLAND, LP, FOR THE CALIFORNIA HOTEL AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 3501 SAN PABLO BOULEVARD BY \$210,000 FOR A TOTAL LOAN AMOUNT OF \$8,631,000**

**WHEREAS**, Redevelopment Agency Resolution No. 2011-0010 C.M.S., dated March 3, 2011, and City Resolution No. 83252 C.M.S. dated March 3, 2011, and amended through Resolution 83641 C.M.S. dated December 6, 2011, authorized a total affordable housing development loan of \$8,421,000 to East Bay Asian Local Development Corporation ("EBALDC") or its affiliate for the acquisition and rehabilitation of the California Hotel project (the "Project"), a 137 unit existing rental housing development at 3501 San Pablo 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. 2011-0010 C.M.S.; and

**WHEREAS**, EBALDC's affiliate, California Hotel Oakland, LP (the "Developer") has completed rehabilitation of the Project, but incurred unexpected real estate transfer taxes when acquiring the Project; and

**WHEREAS**, 136 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 City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

**WHEREAS**, additional funds are available from the HUD-HOME 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 \$210,000, for a total loan in an amount not to exceed \$8,631,000, to California Hotel Oakland, LP, to be used for the Project; and be it

**FURTHER RESOLVED:** That additional funding of \$210,000 will be allocated from the HUD-HOME Fund (2109), Housing Development Organization (88929), CHDO Operating project (G172121) for this loan; and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the HUD-HOME Fund; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and the City finds and determines that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (existing facilities) 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 execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of the National Environmental Protection Act, as certified by the City Administrator or his or her designee; 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, MAR 04 2014

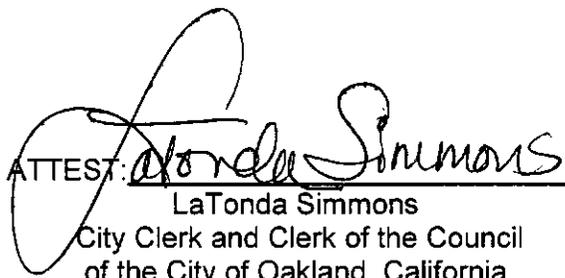
**PASSED BY THE FOLLOWING VOTE:**

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

NOES- Ø

ABSENT- Ø

ABSTENTION- Ø

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