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OFFICE OF THE CITY CLERK  
OAKLAND  
2016 MAR 10 PM 6:03

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 86093 C.M.S.

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**RESOLUTION AMENDING EXISTING AFFORDABLE HOUSING LOANS TO THE MADRONE HOTEL PROJECT AT 477 8<sup>TH</sup> STREET TO EXTEND THE LOAN MATURITY DATES TO MARCH 1, 2071, AND REDUCE THE INTEREST RATE TO THREE PERCENT**

**WHEREAS**, in 1987, the City of Oakland loaned \$100,000 to East Bay Asian Local Development Corporation for the 32-unit Madrone Hotel affordable rental project at 477 8<sup>th</sup> Street in the City of Oakland (the "project") at an interest rate of three percent, which will come due on December 15, 2017; and

**WHEREAS**, in 1988, the City approved the assignment of the loan by East Bay Asian Local Development Corporation to Madrone Hotel Associates; and

**WHEREAS**, in 1988, the Redevelopment Agency of the City of Oakland loaned \$380,000 to Madrone Hotel Associates for the project at an interest rate of six percent, which will come due on May 20, 2018; and

**WHEREAS**, in 1996, the Redevelopment Agency of the City of Oakland loaned \$339,349 to Madrone Hotel Associates for the project at an interest rate of three percent, which will come due on November 1, 2026; and

**WHEREAS**, the Oakland City Council adopted Resolution No. 83680 C.M.S. on January 10, 2012, electing to retain and assume the housing assets and functions of the Redevelopment Agency pursuant to Health & Safety Code Section 34176 upon Redevelopment Agency dissolution; and

**WHEREAS**, the Redevelopment Agency dissolved on February 1, 2012;  
and

**WHEREAS**, the Redevelopment Agency loans to the project are housing assets that were retained and assumed by the City; and

**WHEREAS**, in 2014, the City of Oakland loaned \$989,000 to Madrone Hotel Associates for the project at an interest rate of three percent, which will come due on July 18, 2069; and

**WHEREAS**, the City recognizes that extending the loan maturity dates and reducing the interest rates going forward will ensure the long term financial health and preservation of the Madrone Hotel; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes amendments to the existing affordable housing loans to the Madrone Hotel affordable housing project to reduce the interest rate to three percent simple interest going forward and to extend the loan maturity dates to March 1, 2071; and be it

**FURTHER RESOLVED:** That the City Administrator and/or his or her designee is authorized to negotiate and enter into amendments to the loan documents and to take any other actions with respect to the existing loans to the Madrone Hotel Associates affordable housing project consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, APR 05 2016

**PASSED BY THE FOLLOWING VOTE:**

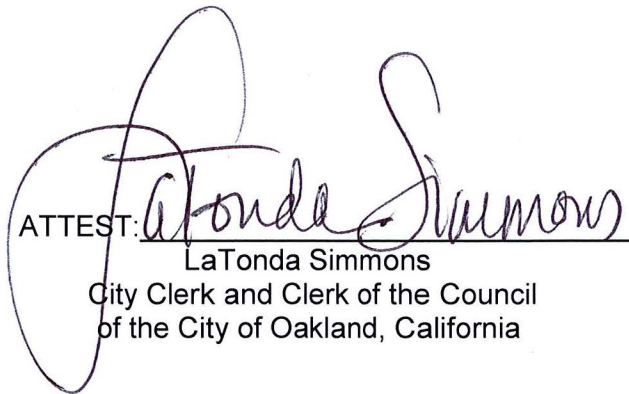
AYES- ~~BROOKS~~, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON MCELHANEY - 7

NOES- 0

ABSENT- 0

ABSTENTION- 0

Excused- Brooks - 1

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