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OAKLAND

2017 SEP 29 AM 9:27

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Mark Sawicki  
Director, EWD

**SUBJECT:** Fox Theater Loan Assignment

**DATE:** September 14, 2017

City Administrator Approval

Date:

9/28/17

## RECOMMENDATION

**Staff Recommends That The City Council/Oakland Redevelopment Successor Agency Adopt:**

- 1) An Oakland Redevelopment Successor Agency ("ORSA") Resolution Authorizing The Assignment To The City Of Oakland Of Approximately \$47.5 Million In Loans Made To Fox Oakland Theater, Inc., For Renovation Of The Fox Theater, Contingent On The City Agreeing To Pay 30% Of The Loan Repayments To ORSA; and**
- 2) A City Council Resolution Authorizing The Assumption From the Oakland Redevelopment Successor Agency ("ORSA") Of Approximately \$47.5 Million In Loans Made by ORSA To Fox Oakland Theater, Inc., For The Renovation Of The Fox Theater, And Authorizing A Compensation Agreement With ORSA To Pay 30% Of Loan Repayments.**

## EXECUTIVE SUMMARY

The former Oakland Redevelopment Agency made several loans totaling \$47.5 million to Fox Oakland Theater, Inc. ("FOT"), a nonprofit affiliate of the City, for the 2006-08 renovation of the theater. The Fox Theater property will be transferred to the City by ORSA (the successor to the assets of the Redevelopment Agency, including the loans) pursuant to the approved Long Range Property Management Plan. The purpose of the loan assignment proposed here is to transfer the remaining duties and functions associated with the Fox Theater, including responsibilities over staffing the administration of the loans, from ORSA to the City, in order to complete an unwind of any remaining long-term redevelopment activities of ORSA related to the Fox Theater. The assignment of the loans is contingent on the City entering into a compensation agreement with ORSA to transfer 30% of the loan repayments it receives to ORSA for the terms of the loans which extend to 2036. This represents a return on the portion of investment that came from tax increment revenue, versus from redevelopment bond funds.

Item: \_\_\_\_\_  
CED Committee  
October 10, 2017

## **BACKGROUND / LEGISLATIVE HISTORY**

### **2005-06 Approval and Agreement**

On July 19, 2005, the Redevelopment Agency Board and City Council approved resolutions authorizing the DDA between the Redevelopment Agency and Oakland Renaissance NMTC, Inc. ("ORNMTC"), a non-profit corporation, for the renovation of the Fox Theater (Agency Resolution No. 2006-0046 C.M.S. and City Resolution No 79382 C.M.S).

On July 18, 2006, the Redevelopment Agency and City approved resolutions authorizing an Amended and Restated DDA between the Redevelopment Agency and ORNMTC, which was later assigned to FOT, a newly-created single-purpose non-profit corporation. FOT was established specifically to manage the project and to own and manage the other financial entities created to generate equity from Historic and New Markets Tax Credits (Agency Resolution No. 2006-0057 C.M.S. and City Resolution No. 80057 C.M.S). The Redevelopment Agency ground leased the property to FOT for 60 years pursuant to the DDA on September 20, 2006.

### **2008 Amendment**

On July 15, 2008, the Redevelopment Agency approved resolutions authorizing the Agency Administrator to: (1) amend the DDA to provide for an additional loan to FOT for \$7,450,000 to pay for increased project costs; (2) enter into a Tenant Improvement Grant Agreement with GASS Entertainment Inc., the selected theater operator, for \$2,000,000 to pay for theater tenant improvements; (3) enter into a loan agreement with Fox Theater Master Tenant, LLC ("FTMT"), which is controlled by FOT via the ground lease and DDA, for \$2,700,000 to pay for additional theater tenant improvements and restaurant tenant improvements; (4) enter into a loan agreement with Oakland School for the Arts for \$2,300,000 to fund the school's tenant improvements (Resolution Nos. 2008-0075 C.M.S. through 2008-0080 C.M.S.).

### **2009 Amendment**

On May 19, 2009, the Redevelopment Agency approved a resolution authorizing an amendment to Resolution No. 2008-0077 C.M.S. to divide the \$2.7 million loan to FTMT into two loans: (1) a \$1.4 million loan to FTMT for restaurant tenant improvements, and (2) a \$1.3 million loan to Friends of the Oakland Fox ("FOOF") (Redevelopment Agency Resolution No. 2009-0061 C.M.S.)

### **2010 Amendment**

On January 5, 2010, the Redevelopment Agency approved a resolution authorizing the Agency Administrator to amend the DDA to provide for an additional loan to FOT for \$2,000,000 to pay for increased project costs. (Agency Resolution No. 2009-0061 C.M.S.)

### **Dissolution of Redevelopment Agency**

On February 1, 2012, the Redevelopment Agency was dissolved by operation of law. On July 17, 2012, the City Council approved a resolution establishing the Oakland Redevelopment

Successor Agency ("ORSA") as the successor to the Redevelopment Agency. Under the dissolution law, ORSA became the owner of all the assets and liabilities of the Redevelopment Agency, including the Redevelopment Agency's interest in the property and the loans made by the Redevelopment Agency to the project.

#### Long Range Property Management Plan

In 2013, pursuant to the dissolution law, a Long Range Property Management Plan ("LRPMP") for the disposition of former Redevelopment Agency property was approved. The Fox Theater property is listed in the LRPMP as a property held by ORSA to fulfill existing obligations. At the time, the enforceable obligations included various contingent commitments to the tax credit investors such as buyouts, guaranties, and indemnities. The LRPMP provides that, once the enforceable obligations are satisfied and/or the terms of the various contingent obligations run out, the property will be transferred to the City and be retained by the City for future development.

#### 2016 Loan Assignment

On October 4, 2016, the ORSA Board approved a resolution authorizing the assignment of the \$1.4 million FTMT loan to FOT to eliminate the tax credit structure that had been required to finance the renovation of the Fox Theater, ORSA Resolution No. 2016-008 C.M.S.

### **ANALYSIS AND POLICY ALTERNATIVES**

#### **REVIEW OF EXISTING FINANCIAL STRUCTURE AND NEED TO MODIFY LOANS AND DEBT**

The intent at project inception was that the loans would all be invested in the Fox Theater as long-term subsidies; the Fox Theater would still be owned by the Redevelopment Agency, and the Redevelopment Agency would at least get the benefit of the improvements, so repayment of the loans was never the objective. The loans were an additional layer of Redevelopment Agency control when the property was leased to FOT. The primary issue in front of the Council concerns management of the financial obligations related to the Fox Theater. Following the dissolution of the Redevelopment Agency and the wind-down of the tax credit syndication structure that financed the theater renovation, the City is expected to assume ownership and direct control of the Fox Theater assets and liabilities. Since the various contingent commitments to the tax credit investors will run out by late 2018, including the compliance period and the IRS review period for NMTC transactions, the LRPMP will permit the City to acquire the property, subject to the ground lease. However, the loans made to the project by the Redevelopment Agency are now ORSA assets, and should also be assigned to the City along with the property, in order to fully wind down ORSA's continuing involvement in redevelopment activities.

The renovation of the Fox Theater required large subsidies by the Redevelopment Agency to make the project financially feasible. The Redevelopment Agency used FOT to create the tax credit structure and leverage its subsidies, in the form of loans, to bring additional equity to the

project. The syndication of tax credits generated over \$26 million towards the renovation of the Fox Theater that would have otherwise needed to be funded by the Redevelopment Agency.

The Redevelopment Agency initially loaned FOT \$32 million for the project in two loans issued in 2006. Four additional loans totaling \$14.4 million were made to FOT or assigned to FOT over the following nine years. These were mostly soft loans with no required debt service payments, although the \$1,400,000 tenant improvement loan to FTMT which was assigned to FOT and has approximately \$1,250,000 in outstanding principal is being repaid to ORSA. It was always anticipated that most of the debt would never need to be repaid.

With the elimination of the tax credit structure and the anticipated property transfer, there is a substantial amount of debt owed to ORSA from the Fox Theater that needs to be addressed, including \$47,534,470 in principal and approximately \$27,420,975 in accrued interest. These loans are expected to total approximately \$129,144,741 by September 20, 2036 when the loans become due and payable.

Rather than wait until the end of the loan terms, staff proposes to transfer to the City the loans made by the Redevelopment Agency for the project, along with the transfer of the property and all other responsibilities for managing the project. The proposed transaction will eliminate substantial staffing costs now being paid by ORSA and increase payments to ORSA over the next 19 years, which will result in additional funds distributed to the taxing entities from the Redevelopment Property Tax Trust Fund ("RPTTF").

The debt for the Fox Theater was in the form of unsecured loans that had no clear source of repayment. Once the other tax credit and construction debt was eliminated, at the end of the tax credit period, there is no way that the ORSA debt was ever expected to be fully repaid. In fact, most of these loans have never received any debt service payments, and all the other debt service from the project have been under \$1 million per year.

Transferring the Fox Theater loans from ORSA to the City, along with the property transfer, will substantially reduce ORSA's staffing costs for the project. Approximately 2 FTEs or \$444,000 in staffing costs for the Fox Theater were included in the FY 2017-18 ROPS. The staffing tasks include: (1) managing the ground lease and DDA; (2) managing the various entities -- a non-profit corporation, a for-profit corporation and two limited liability companies -- established as part of the Fox Theater syndication, which requires staff to oversee two boards, two annual audits, four sets of annual tax returns, four tax credit investments, five bank accounts, and manage several legal, accounting and property management contracts; (3) overseeing maintenance, improvements and other tenant issues; and (4) making sure the Fox Theater entities comply with the various compliance and reporting requirements to insure there are no claims on the tax credit guaranties by ORSA.

Most of the Fox Theater debt, approximately 70%, is bond funded, and, under the Bond Expenditure Agreement and bond covenants, any revenue from loan payments on bond-funded debt must be transferred to the City to be used for bond-eligible purposes. These loans have terms of 30 years or less. In 2036, when the loans are due, FOT will still have 30 years on the lease for the Fox Theater, but not any other significant assets. The outstanding ORSA debt will be \$108,244,741 after paying \$1.1 million per year in interest payments for the next 19 years. Most of the ORSA loans will therefore need to be written off at some point, and in recognition of

this fact, most of this debt is listed as 'Doubtful Accounts' in ORSA's Listing of Notes and Loans Receivable. By 2036, the Fox Theater will likely need substantial capital improvements, which will require FOT to borrow new funds to finance capital projects such as a new roof, exterior painting and repair, mechanical, electrical and plumbing upgrades and replacement and other major improvements. This new financing would need to be secured in front of the existing loans, so even if the terms of the ORSA loans are extended, there might not be significant revenue at the end of the term to fully repay the loans.

In the interest of unwinding ORSA from its remaining long-term redevelopment activities, staff proposes to: (1) transfer the \$46,286,831 in project-related loan assets from ORSA to the City; (2) enter into a compensation agreement between the City and ORSA in connection with the assignment of the loans, under which the City will be obligated to compensate ORSA for 30% of loan repayments received by the City over the terms of the loans (representing the share of tax increment revenue invested in the project); and (3) eliminate the Fox Theater from future ROPS, reducing annual staffing costs to ORSA by \$444,000 compared to the FY 2017-18 ROPS. Termination of the tax credit structure and completion of debt payments on the conventional loan will allow FOT to accelerate the repayment of the ORSA loans. It is estimated that FOT should be able to pay \$1.1 million per year in debt service repayments on the ORSA loans. Of this, 30% of the total debt service is attributable to the unrestricted (non-bond-funded) portion of the loans. In other words, this is the amount attributable to tax increment revenue invested, which therefore should be repaid to ORSA, increasing the funds to be distributed to the taxing entities.

These actions will reduce ORSA's obligations, increase ORSA's revenue, and thus benefit the taxing entities. The savings in staffing for transferring the property and the associated loans will reduce staffing costs by over **\$10,780,000** through 2066 (based on reduced staffing of \$220,000 per year for 49 years). In addition, 30% of the debt service repayments will be paid to ORSA; approximately **\$6,270,000** in revenue for the benefit of the taxing entities through 2036 ( $0.30 * \$1.1 \text{ million per year} * 19 \text{ years}$ ). The reduction in costs and increase in revenue will result in **\$17,050,000** in additional funds being distributed to the taxing entities from RPTTF. FOT should also be able to reimburse the City for its \$220,000 per year in staff costs from the savings in administrative costs and fees from the elimination of the tax credit structure used to finance the project.

#### POLICY ALTERNATIVES

Retention of the loans by ORSA is an alternative not recommended. There is no conceivable way that FOT will be able to fully repay all the ORSA loans. If ORSA does not assign the loans to the City, at some time ORSA will need to write off the debt. While FOT invested all the ORSA loan funds in the Fox Theater - as well as tax credit equity, grants and other funds - the Fox Theater value, based on an income approach, is not worth the cost of the renovations. The projected future rent from the Fox Theater is not enough to make full interest payments on the ORSA loans, or repay the principal, and the liabilities are growing. The Fox Theater is the only asset that FOT has. There are no other sources of funds to repay FOT's loans from ORSA. This situation will not significantly change over the course of the lease. Even if the Fox Theater were to become more lucrative through more intense use or by charging higher rents, the total revenue would not be enough to cover the annual interest payment.

### **FISCAL IMPACT**

The reduction in staffing costs on the ROPS and increase in debt service payments to ORSA will reduce the need for RPTTF by ORSA, increasing the payments of residual RPTTF made to the taxing entities, 29% of which goes to the City's General Purpose Fund. The increased distributions from RPTTF to the taxing entities will be approximately \$748,947 per year for 19 years, or \$14,230,000, of which \$217,195 per year or \$4,126,700 total will go to the City's General Purpose Fund. The City has allocated 25% of the RPTTF "boomerang" funds to the Affordable Housing Trust Fund.

Under the Compensation Agreement, approximately \$330,000 per year will be paid to the City, to be deposited in Central District Projects Fund (5610), in a project to be determined, and then paid to ORSA. The City will also receive approximately \$770,000 per year in restricted bond related debt service payments that will be deposited in Central District: TA Bonds Series 2006T Fund (5614), in a project to be determined, and later added to the Bond Spending Plan. The use of these funds will be restricted to redevelopment-related activities in the Central District.

### **PUBLIC OUTREACH / INTEREST**

No public outreach or coordination is required for this legislation further than the posting on the City's website.

### **COORDINATION**

The following City departments were consulted during the preparation of this report:

- Office of the City Attorney
- Finance Department including Treasury and Controller's Bureaus

### **SUSTAINABLE OPPORTUNITIES**

The proposed actions are only financial and legal in nature and there are no new sustainable - ***Economic, Environmental or Social Equity*** - opportunities from assigning of the DDA and loan agreements. Any sustainable opportunities were from the renovation of the Fox Theater in 2006.

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

Since the Fox Project was completed in 2009 and the proposed legislation only modifies certain financial and legal documents, no changes to the physical project would be triggered, there will be no effect on the environment by this new action and it is therefore exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), which states that "CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it

can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA".

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that the following action be taken by the City Council as the Council and as the ORSA Board:


Authorize the assignment to the City of Oakland of Approximately \$47.5 Million In Loans Made to Fox Oakland Theater, Inc., for Renovation of the Fox Theater, contingent on the City agreeing to pay 30% of the loan repayments to ORSA.

Staff also requests that the following actions be taken by the City Council:

Authorize the assumption from ORSA of approximately \$47.5 million in loans made by ORSA to Fox Oakland Theater, Inc., for the renovation of the Fox Theater, and authorizing a compensation agreement with ORSA to pay 30% of loan repayments.

For questions regarding this report, please contact Patrick Lane, Office of Economic and Workforce Development at (510) 238-7362.

Respectfully submitted,

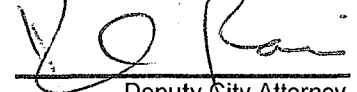


Mark Sawicki  
Director, Office of Economic and  
Workforce Development

Prepared by:  
Patrick Lane  
Manager, Public Private Development

2011 SEP 29 AM 9:27

Approved as to Form and Legality

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

**RESOLUTION AUTHORIZING THE ASSUMPTION FROM THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY ("ORSA") OF APPROXIMATELY \$47.5 MILLION IN LOANS MADE BY ORSA TO FOX OAKLAND THEATER, INC., FOR THE RENOVATION OF THE FOX THEATER, AND AUTHORIZING A COMPENSATION AGREEMENT WITH ORSA TO PAY 30% OF LOAN REPAYMENTS**

**WHEREAS**, the Redevelopment Agency of the City of Oakland (the "Redevelopment Agency") entered into an Amended and Restated Fox Theater Disposition and Development Agreement ("DDA") on December 15, 2006 with Fox Oakland Theater, Inc. ("FOT") to ground lease the Fox Theater at 1807 Telegraph Avenue for 60 years and undertake the restoration of the property, and for the Redevelopment Agency to provide loans to carry out the restoration; and

**WHEREAS**, renovation of the Fox Theater required numerous funding sources including Redevelopment Agency loans, New Markets Tax Credits, Historic Tax Credits, governmental and private grants, and a commercial loan; and

**WHEREAS**, with the dissolution of redevelopment agencies, the Fox Theater loans, as Redevelopment Agency assets, were transferred under the dissolution law to the Oakland Redevelopment Successor Agency ("ORSA") as the successor agency to the Redevelopment Agency; and

**WHEREAS**, the Fox Theater loan assets have a current value of \$47,534,470 in principal and approximately \$27,420,975 in accrued interest; and

**WHEREAS**, the Fox Theater property is listed on ORSA's Long Range Property Management Plan as a property held to fulfill existing obligations, i.e., the tax credit investor buy out, loan repayment guaranty (both completed) and various contingent commitments to the tax credit investors; and after these obligations are fulfilled, the Fox Theater property will be transferred to the City pursuant to the Long Range Property Management Plan to be retained for future development; and

**WHEREAS**, the City has proposed that ORSA assign the Fox Theater loan assets to the



City, contingent on the City agreeing to pay 30% of the loan repayments received by the City to ORSA for the terms of the loans; and

**WHEREAS**, as part of the transaction, the City is willing to take over financial responsibility for staffing costs associated with the Fox Theater and associated project loans from ORSA; now, therefore, be it

**RESOLVED**: That the City Council hereby authorizes the City Administrator to accept assignment and assume the Fox Theater loan assets from ORSA; and be it

**FURTHER RESOLVED**: That the City Council authorizes the City Administrator to enter into a compensation agreement with ORSA obligating the City to pay 30% of loan repayments to ORSA for the terms of the assumed loans; and be it

**FURTHER RESOLVED**: That 30% of the loan payments from FOT will be deposited in Central District Projects Fund (5610) in a project to be determined and these funds will be authorized to be appropriated and then paid the Oakland Redevelopment Successor Agency, and the remaining 70% will be deposited in Central District: TA Bonds Series 2006T Fund (5614) in a project to be determined for addition to the City's Bond Spending Plan; and be it

**FURTHER RESOLVED**: That the City Administrator is authorized to negotiate, approve, and execute loan assignment agreements, the compensation agreement, and all other related documents necessary to transfer the Fox Theater project loans to the City; and be it

**FURTHER RESOLVED**: That all documents related to this transaction shall be approved for form and legality by the City Attorney, and a copy shall be kept on file with the City Clerk; and be it

**FURTHER RESOLVED**: That the City Administrator or her designees are authorized negotiate and execute documents, administer the loans, make payments, provide staffing, and take other actions with respect to the transaction consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2017

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON McELHANEY, GUILLEN, KALB, KAPLAN, AND PRESIDENT REID,

NOES -

ABSENT -

ABSTENTION -

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

2017 SEP 29 AM 9:27

APPROVED AS TO FORM AND LEGALITY:

BY:

ORSA COUNSEL

## OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

RESOLUTION No. 2017- \_\_\_\_\_

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**RESOLUTION AUTHORIZING THE ASSIGNMENT TO THE CITY OF OAKLAND OF APPROXIMATELY \$47.5 MILLION IN LOANS MADE TO FOX OAKLAND THEATER, INC., FOR RENOVATION OF THE FOX THEATER, CONTINGENT ON THE CITY AGREEING TO PAY 30% OF THE LOAN REPAYMENTS TO THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY**

**WHEREAS**, the Redevelopment Agency of the City of Oakland (the "Redevelopment Agency") entered into an Amended and Restated Fox Theater Disposition and Development Agreement ("DDA") on December 15, 2006, with Fox Oakland Theater, Inc. ("FOT") for FOT to ground lease the Fox Theater at 1807 Telegraph Avenue for 60 years and undertake the restoration of the property, and for the Redevelopment Agency to provide loans to carry out the restoration; and

**WHEREAS**, renovation of the Fox Theater required numerous funding sources including Redevelopment Agency loans, New Markets Tax Credits, Historic Tax Credits, governmental and private grants, and a commercial loan; and

**WHEREAS**, with the dissolution of redevelopment agencies, the Fox Theater loans, as Redevelopment Agency assets, were transferred under the dissolution law to the Oakland Redevelopment Successor Agency as the successor agency to the Redevelopment Agency; and

**WHEREAS**, the Fox Theater loan assets have a current value of \$47,534,470 in principal and approximately \$27,420,975 in accrued interest; and

**WHEREAS**, the Fox Theater property is listed on ORSA's Long Range Property Management Plan as a property held to fulfill existing obligations, i.e., the tax credit investor buy out, loan repayment guaranty (both completed) and various contingent commitments to the tax credit investors; and, after these obligations are fulfilled, the Fox

Theater property will be transferred to the City pursuant to the Long Range Property Management Plan to be retained for future development; and

**WHEREAS**, staffing costs to manage the Fox Theater are currently included as ORSA costs on the Recognized Obligations Payment Schedules ("ROPS"); and

**WHEREAS**, if ORSA retains the Fox Theater and associated loans, ORSA will have to provide staffing to manage the property and loans for another 49 years at a conservative estimate of \$10,780,000 in costs over the term, based on \$220,000 per year with no inflator; and

**WHEREAS**, the ORSA loans require FOT to repay the loans in full by September 20, 2036, which will total \$129,144,741 if no payments are made; and

**WHEREAS**, FOT can pay no more than approximately \$1.1 million per year on these loans, which will leave an outstanding balance of \$108,244,741 when the loans become due and payable; and

**WHEREAS**, FOT has no other assets and no way of ever fully repaying the ORSA loans; and

**WHEREAS**, the City has proposed that ORSA assign the Fox Theater loan assets to the City, contingent on the City agreeing to pay 30% of the loan repayments received by the City to ORSA for the terms of the loans; and

**WHEREAS**, as part of the transaction, the City has proposed to take over financial responsibility for staffing costs associated with the Fox Theater and associated project loans from ORSA;

**WHEREAS**, the transfer and assignment of the Fox Theater and associated project loans will reduce ORSA ROPS obligations related to project staffing by \$10,780,000, and the payments from the City will increase ORSA revenues by approximately \$6,270,000 (i.e., 30% of \$20,900,000); and

**WHEREAS**, the transfer and assignment of the Fox Theater and associated project loans will therefore benefit the affected taxing entities by reducing current ORSA enforceable obligations and increasing current ORSA revenues; now, therefore, be it

**RESOLVED:** That the ORSA Board hereby authorizes the ORSA Administrator to assign the Fox Theater loan assets to the City of Oakland, contingent on the City entering into a compensation agreement with ORSA obligating the City to pay 30% of loan repayments to ORSA for the terms of the assigned loans; and be it

**FURTHER RESOLVED:** That ORSA hereby finds and determines that assigning the Fox Theater loan assets to the City will reduce the immediate liabilities of the affected taxing entities related to Fox Theater staffing costs listed on the ROPS, increase net

revenues to the taxing entities from City payments to ORSA that will reduce ORSA's need for Redevelopment Property Tax Trust Fund money, and otherwise be in the best interests of the affected taxing entities; and be it

**FURTHER RESOLVED:** That the ORSA Administrator is authorized to negotiate, approve, and execute loan assignment agreements, the compensation agreement, and all other related documents necessary to transfer the Fox Theater project loans to the City; and be it

**FURTHER RESOLVED:** That all documents related to these actions shall be reviewed and approved by ORSA Counsel prior to execution, and copies will be placed on file with the ORSA Secretary; and be it

**FURTHER RESOLVED:** That the ORSA Administrator or her designees are authorized negotiate and execute documents, accept payments, and take other actions with respect to the transaction consistent with this Resolution and its basic purposes.

BY SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2017

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON McELHANEY, GUILLEN, KALB, KAPLAN, and CHAIRPERSON REID

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

LATONDA SIMMONS

Secretary of the Oakland Redevelopment Successor  
Agency