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APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION No. 88693 C.M.S.

RESOLUTION AMENDING OAKLAND REDEVELOPMENT AGENCY RESOLUTIONS NO. 89-87 C.M.S., AND RESOLUTION NO. 93.29 C.M.S., TO AUTHORIZE THE CITY ADMINISTRATOR TO MODIFY THE LOANS TO UNITED TOGETHER, INC., FOR THE UNITED TOGETHER MANOR PROJECT BY: (1) EXTENDING THE MATURITY DATE FROM JANUARY 2025 TO JANUARY 2054; AND (2) REDUCING THE INTEREST RATE FROM SIX PERCENT PER ANNUM TO THREE PERCENT PER ANNUM, AND ADOPTING APPROPRIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FINDINGS

WHEREAS, the former Redevelopment Agency of the City of Oakland (the "Former Agency") adopted Resolution No. 89-87 C.M.S. on September 26, 1989 to approve a loan in the amount of \$738,660 to United Together, Inc., a California nonprofit public benefit corporation ("United Together") for the partial funding of the acquisition and rehabilitation of the Suncrest Motel, an eighteen (18) unit rental housing development that is now commonly known as United Together Manor (the "Project"); and

WHEREAS, the Former Agency adopted Resolution No. 90-93 C.M.S. on October 16, 1990, to authorize a construction loan in the amount of \$122,000 to United Together, for necessary code-compliance related construction at the Project; and

WHEREAS, the Former Agency adopted Resolution No. 93-29 C.M.S. on May 18, 1993, to approve a loan to United Together in the amount of \$543,681 to be used to repay the \$122,000 loan from the Former Agency and to repay a separate, private construction loan that had been obtained by United Together for the Project; and

WHEREAS, on January 26, 1995, United Together entered into an Amended and Restated Loan Agreement with the Former Agency and executed a promissory note in the amount of \$1,506,500 (the "Former Agency Loan") to consolidate the principal and accrued interest on all previous loans from the Former Agency, at the interest rate of six percent (6%) per annum and with a maturity date of January 26, 2025; 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 Former Agency upon dissolution pursuant to California Health and Safety Code Section 34176; and

WHEREAS, the Former Agency dissolved on February 1, 2012, and the Former Agency Loan is an asset of the Former Agency; and

WHEREAS, the Project is in need of a loan extension to extend the term of the loan by twenty-nine (29) years from January 26, 2025 to January 26, 2054, and an interest rate reduction to reduce the interest rate from six percent (6%) interest per annum to three percent (3%) simple interest per annum to ensure the continued, long-term viability of the Project as housing affordable to very low and low-income households; and

WHEREAS, the City Council wishes to extend the maturity date and reduce the interest rate of the Former Agency Loan as set forth herein to enable United Together to ensure the continued, long-term viability and preservation of housing at the Project that is affordable to very low and low-income households; and

WHEREAS, this action is exempt from the California Environmental Quality Act ("CEQA") under the following provisions of the CEQA Guidelines, each as a separate and independent basis: 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 Council authorizes the amendment of Resolution Nos. 93-29 C.M.S., and 89-87 C.M.S. and authorizes the City Administrator to extend the maturity date of the Former Agency Loan by twenty-nine (29) years such that the Former Agency Loan will mature on January 26, 2054; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator to reduce the existing interest rate of the Former Agency Loan from six percent (6%) per annum to three percent (3%) simple interest per annum; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to negotiate and execute amendments, restatements, modifications and any other agreement for the Former Agency Loan documents consistent with this Resolution; and be it;

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

FURTHER RESOLVED: That this action is exempt from CEQA under the following, provisions of the CEQA Guidelines, each as a separate and independent basis: 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

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FURTHER RESOLVED: That the City Administrator is hereby authorized to take any other action with respect to the Former Agency Loan and the Project consistent with this Resolution and its basic purpose.


IN COUNCIL, OAKLAND, CALIFORNIA,


JUN 15 2021

PASSED BY THE FOLLOWING VOTE:

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

NOES - 

ABSENT - 

ABSTENTION - 

ATTEST:



ASHA REED

City Clerk and Clerk of the Council of the
City of Oakland, California

