



Legislation Text

File #: 13-570, **Version:** 2

RESOLUTION Authorizing the Execution of the First Amendment to the Owner Participation and Loan Agreement (OPLA) and Regulatory Agreement with Alameda Housing Associates, L.P. Amending the OPLA for Affordable Rental Housing Located at 1400 San Leandro Boulevard

WHEREAS, pursuant to Resolution No. 2012-001 adopted by the City Council on January 9, 2012, the City of San Leandro ("City"): (i) agreed to serve as the Successor Agency to the Redevelopment Agency of the City of San Leandro (the "Agency") commencing upon the dissolution of the Agency on February 1, 2012 pursuant to Assembly Bill x1 26, and (ii) agreed, pursuant to Health and Safety Code Section 34176(a), to assume the housing rights, duties, powers, assets and obligations associated with the housing activities of the Agency by operation of law upon dissolution of the Agency; and

WHEREAS, pursuant to the foregoing Resolution No. 2012-001, as of February 1, 2012, the City, by operation of law, assumed all rights and obligations of the Agency pertaining to the Agency's housing assets, including without limitation, the rights of the Agency set forth in that certain Owner Participation and Loan Agreement (the "OPLA") dated as of April 6, 2009 and executed by and between the Agency and Alameda Housing Associates, L.P., a California limited partnership ("Developer") pursuant to which Developer agreed to develop an affordable multi-family rental development (the "Project"); and

WHEREAS, pursuant to the OPLA, the Agency agreed to provide a loan to Developer in the amount of Nine Million, One Hundred Thousand Dollars (\$9,100,000) (the "Loan"), of which approximately Two Million, Two Hundred Thousand Dollars (\$2,200,000) has been disbursed for predevelopment activities associated with the development of the Project; and

WHEREAS, the remaining balance of the Loan is listed on the Recognized Obligation Payment Schedule ("ROPS") prepared by the Successor Agency to the Agency and approved by the Oversight Board for the Successor Agency; and

WHEREAS, the remaining balance of the Loan will be funded with a combination of funds on hand in the Agency's Low- and Moderate-Income Housing Fund and property tax revenue allocated by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund established to pay obligations on the ROPS; and

WHEREAS, the Developer has proposed to expand the scope of the Project, which requires certain modifications to the OPLA to reflect changed circumstances, including but not limited to the site for the Project; and

WHEREAS, City staff and the Developer have negotiated a First Amendment to Owner Participation and Loan Agreement (the "Amendment") substantially in the form on file with the City Clerk; and

WHEREAS, the Project and related improvements will be partially financed with the proceeds of a Transit Oriented Development grant (“TOD Grant”) and an Infill Infrastructure Grant (“IIG Grant”) provided by the California Department of Housing and Community Development (“HCD”); and

WHEREAS, in connection with the TOD Grant and the IIG Grant, HCD will require the City, Developer or BRIDGE Housing Corporation, a California nonprofit public benefit corporation affiliated with Developer (“BRIDGE”) to execute one or more documents, including but not limited to HCD standard agreements, disbursement agreements, and related documents (collectively, the “HCD Documents”).

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. The above recitals are true and correct and incorporated into this Resolution.
2. The City Council acknowledges, ratifies, and accepts the assumption of the Agency’s certain rights under the OPLA, as transferred from the Agency to the City by operation of law, effective as of February 1, 2012 and as set forth in the Amendment.
3. The City Council approves the Amendment, and authorizes the City Manager to execute the Amendment substantially in the form on file with the City Clerk and provided to the City Council with such modifications as may be approved by the City Manager in consultation with the City Attorney.
4. The City Council directs the City Manager to negotiate a Memorandum of Understanding (“Memorandum”) that will describe the respective rights and responsibilities of City, BRIDGE and Developer pursuant to the HCD Documents, and authorizes the City Manager to execute such Memorandum in form approved by the City Manager in consultation with the City Attorney.
5. The City Council directs the City Manager to negotiate an Indemnity Agreement pursuant to which BRIDGE will indemnify the City against liability arising in connection with any default by BRIDGE or Developer in connection with the Memorandum or the HCD Documents, and authorizes the City Manager to execute such Indemnity Agreement in form approved by the City Manager in consultation with the City Attorney.
6. The City Council authorizes the City Manager to take all actions and execute and deliver such other documents with such modifications as may be approved by the City Manager in consultation with the City Attorney, and to take such other actions as necessary to carry out the intent of this Resolution.