

RESOLUTION NO. 19-____

Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Execute A Pre-Development Loan Agreement And An Affordable Housing Agreement With Resources For Community Development In The Amount Of \$2,000,000 For The Acquisition Of 3600, 3610 And 3620 San Pablo Avenue, For The Development Of Affordable Housing (CEQA Determination: Exempt Pursuant To California Government Code Section 8693.4(a)(4) And State CEQA Guidelines Sections 15269(c), 15332, And 15061(b)(3))

WHEREAS, on November 18, 2014, by Resolution No. 14-152, the City Council unanimously adopted the Emeryville Housing Element 2015-2023, which includes goals to encourage the development of housing affordable to extremely low-, very low-, and low-income households and to promote the development of affordable housing for persons with special needs; and

WHEREAS, on May 2, 2017, the City Council held a study session to consider the financial feasibility of redevelopment alternatives for the properties at 3600, 3610 and 3620 San Pablo Avenue (collectively, the “Site”) and endorsed an alternative that included 39 units of permanent supportive housing and ground floor space for the Emeryville Citizens Assistance Program (“ECAP”); and

WHEREAS, on October 30, 2018, the City Council adopted Resolution No. 18-156, declaring that a shelter crisis exists within the City; and

WHEREAS, on June 4, 2019, by Resolution No. 19-65, the City Council approved the 2019-20 through 2023-24 Capital Improvement Program, which identifies \$2.1 million in Affordable Housing funds (Fund 299) for acquisition of the Site for development of the 3600 San Pablo Avenue Housing Project (Project H-07); and

WHEREAS, on August 1, 2019, Resources for Community Development (“RCD”) entered into an agreement with the owner of the Site to purchase the Site out of bankruptcy; and

WHEREAS, on September 12, 2019, the United States Bankruptcy Court, Northern District of California approved RCD as the buyer of the Site; and

WHEREAS, on September 17, 2019, the City Council directed staff to draft loan and regulatory documents for a \$2,000,000 loan to RCD to acquire the Site to facilitate development of affordable housing with a portion of the units to be set-aside for permanent supportive housing and a portion of the site to be set-aside for ECAP; now, therefore, be it

RESOLVED, that the City Council of the City of Emeryville hereby finds that the execution of a pre-development loan agreement and affordable housing agreement for the development of affordable housing at 3600, 3610 and 3620 San Pablo Avenue is exempt from environmental review under California Government Code Section 8698.4(a)(4), which applies to actions taken by a City that has declared a shelter crisis to provide financial assistance to a homeless shelter; State CEQA Guidelines Section 15269(c), which applies to specific actions necessary to prevent or mitigate an emergency; State CEQA Guidelines

Section 15332, which applies to in-fill development projects; and the “general rule” at State CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the proposal may have a significant effect on the environment; and be it further

RESOLVED, that the City Council of the City of Emeryville hereby authorizes the City Manager to execute the Pre-Development Loan Agreement by and between the City of Emeryville and Resources for Community Development or by and between an affiliated entity approved by the City Manager, in an amount not to exceed \$2,000,000, for acquisition of the Site, in substantial form as attached to this Resolution as Exhibit A together with such further revisions as may be agreed to by the City Manager and City Attorney which do not materially increase the obligations of the City thereunder; and be it further

RESOLVED, that the City Manager is hereby authorized to extend the term of the Pre-Development Loan Agreement term for up to five years from closing, and if the borrower meets the development milestones and obtains additional financing to proceed with the development of the project, the City Manager is authorized to extend the loan term, upon closing of all construction financing, to a maximum term of 75 years, and be it further

RESOLVED, that the City Council of the City of Emeryville hereby authorizes the City Manager to execute the Affordable Housing Agreement by and between the City of Emeryville and Resources for Community Development or by and between an affiliated entity approved by the City Manager in the form attached hereto as Exhibit B together with such further revisions as may be agreed to by the City Manager and City Attorney which do not materially increase the obligations of the City thereunder.

ADOPTED by the City Council of the City of Emeryville at a regular meeting held on Tuesday, November 5, 2019 by the following vote:

AYES: _____
NOES: _____
ABSTAIN: _____
ABSENT: _____

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:



CITY ATTORNEY