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FILED
OFFICE OF THE CITY CLERK
OAKLAND



CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

ORDINANCE NO. 13810 C.M.S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT (LONGFELLOW CORNER PROJECT) BETWEEN THE CITY OF OAKLAND AND LONGFELLOW CORNER, L.P., AT 3801-3807 AND 3823-3829 MARTIN LUTHER KING JR. WAY, TO EXTEND THE OUTSIDE CONSTRUCTION COMPLETION DATE BY SIX MONTHS TO SEPTEMBER 1, 2026; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

WHEREAS, the City and Developer entered into that certain Disposition and Development Agreement (Longfellow Corner Project) dated as of July 31, 2023, recorded in the Official Records of Alameda County, California ("Official Records") on April 9, 2024 as Instrument No. 2024046462 (the "Original DDA"); and

WHEREAS, the Original DDA relates to certain real properties commonly known as 3801-3807 and 3823-3829 Martin Luther King Jr. Way, City of Oakland, California, which were subsequently merged (the "Property") to develop a mixed-use affordable housing project commonly known as "Longfellow Corner" (the "Project"); and

WHEREAS, the Original DDA was amended by that certain First (Administrative) Amendment to Disposition and Development Agreement (Longfellow Corner Project) dated as of May 16, 2024, recorded in the Official Records on May 17, 2024 as Instrument No. 2024062030 (the "First Amendment"); and

WHEREAS, the financing for development of the Project closed on May 16, 2024 and construction is underway, which includes loans from the City for the Project; and

WHEREAS, the Original DDA, as amended by the First Amendment, and this Second Amendment, shall hereinafter collectively be referred to as the "DDA" or the "Agreement"; and

WHEREAS, as a condition of a construction loan of up to Fifty-One Million Seventy-Four Thousand Six Hundred Forty-Nine Dollars (\$51,074,649), U.S. Bank National Association, a national banking association ("Construction Lender"), has required that the completion of construction date under the DDA correspond with the Construction Lender's projected construction completion date of September 1, 2026; and

WHEREAS, pursuant to Section 3.1(c) of the DDA, only the City Council, in its sole and absolute discretion, may extend the Outside Completion Date (identified in the Schedule of Performance as February 28, 2026); and

WHEREAS, the City and the Developer desire to amend the Schedule of Performance to revise the construction completion date per the Construction Lender's request; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby authorizes the City Administrator to (a) execute a Second Amendment to the DDA to extend the Outside Completion Date by six (6) months from February 28, 2026 to September 1, 2026; and (b) negotiate and execute such other additions, amendments or other modifications to the foregoing document that the City Administrator, in consultation with the City Attorney's Office, determines are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transaction contemplated by this Ordinance; and (c) to negotiate and execute such other documents as necessary or appropriate, in consultation with the City Attorney's Office, to implement the DDA and development of the Property in order to consummate the transaction in accordance with this Ordinance, or to otherwise effectuate the purpose of this Ordinance and its basic purposes.

SECTION 2. The City Council hereby finds that this action is exempt under California Environmental Quality Act ("CEQA") Guidelines section 15063(b)(3) (common sense exemption) since the action under consideration is limited to the Second Amendment to the DDA, an extension of an existing real estate contract, which has no reasonable possibility of an effect on the environment.

SECTION 3. All agreements associated with the Property and the Project shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution by the City and shall be placed on file with the City Clerk.

SECTION 4. The recitals contained in this Ordinance are true and correct and are an integral part of the City Council's decision.

SECTION 5. The record before this Council relating to this Ordinance, includes without limitation, the Agenda Report for this item and the attachments thereto.

SECTION 6. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 7. Effective Date. This Ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 30 2024

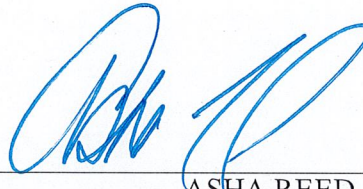
PASSED BY THE FOLLOWING VOTE:

AYES - ~~FIFE~~, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, ~~REID~~, AND
PRESIDENT FORTUNATO BAS - 6

NOES - 0
ABSENT - 0
ABSTENTION - 0

2 Excused - Fife, Reid

ATTEST:



ASHA REED

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

Date of Attestation:

July 31, 2024

Introduction Date

JUL 16 2024

NOTICE AND DIGEST

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT (LONGFELLOW CORNER PROJECT) BETWEEN THE CITY OF OAKLAND AND LONGFELLOW CORNER, L.P., AT 3801-3807 AND 3823-3829 MARTIN LUTHER KING JR. WAY, TO EXTEND THE OUTSIDE CONSTRUCTION COMPLETION DATE BY SIX MONTHS TO SEPTEMBER 1, 2026; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

This Ordinance authorizes a second amendment to the Disposition and Development Agreement (Longfellow Corner Project) between the City of Oakland and Longfellow Corner, L.P., for development of a mixed-use affordable housing project at 3801-3807 and 3823-3829 Martin Luther King Jr. Way, City of Oakland, California, to extend the outside construction completion date by six (6) months from February 28, 2026 to September 1, 2026; and adopting California Environmental Quality Act findings.