

**RESOLUTION NO. 24-10**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT AND A BRIDGE LOAN TO ROSIE THE RIVETER TRUST OR AN AFFILIATED WHOLLY OWNED FOR PROFIT ENTITY FOR THE RENOVATION OF THE MARITIME CENTER**

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**WHEREAS**, Rosie the Riveter Trust (RTRT) is a California nonprofit public benefit corporation that has been in existence and active in Contra Costa County since 1999, and is the official non-profit partner of the Rosie the Riveter WWII Home Front National Historical Park; and

**WHEREAS**, RTRT intends to rehabilitate and renovate the Maritime Day Care Center (Maritime Center) using green building techniques prescribed by City policy in a manner that will preserve the Center's eligibility for the National Register of Historic Places (Project), and the Project will qualify for a Silver LEED rating; and

**WHEREAS**, upon Project completion, the Maritime Center will be leased by Richmond Elementary Schools, Inc., the National Park Service and the Richmond Children's Foundation with lease terms equal to or less than 10 years, renewable at fair market value; and

**WHEREAS**, the Project has been identified as one of the five key projects determined by the Nystrom United Re-Vitalization Effort (NURVE) to address community concerns in the Nystrom neighborhood; and

**WHEREAS**, the City of Richmond (City) has determined the Project will reinstate a historical resource, will allow the West Contra Costa Unified School District a resource to address the socio-economic challenges affecting Richmond schools, will assist with the elimination of blight and is strategically important as it is located within the Central Richmond Redevelopment Project Area; and

**WHEREAS**, on July, 11, 2006, the City Council adopted, along with other partners, Resolution 68-06 committing to work with Contra Costa County, the West Contra Costa Unified School District, the National Park Service and the Richmond Children's Foundation to provide local matching funds necessary to meet the requirements for receiving a funding grant from the California and Cultural Endowment (CCHE) for the Project; and

**WHEREAS**, the majority of funding for the Project has already been committed, but bridge financing in an amount not to exceed \$2 million is required to start construction of the Project and to enable the use of New Markets Tax Credits (NMTC) and Historic Rehabilitation Tax Credits (HRTC) financing for the Project; and

**WHEREAS**, to facilitate NMTC and HRTC financing, RTRT will create an affiliated wholly owned for profit entity controlled by RTRT which is expected to qualify as a Qualified Active Low Income Community Business (QALICB) for Internal Revenue Service tax purposes and will hold RTRT's real property interest in the Project; and

**WHEREAS**, the City is willing to provide the bridge loan to the RTRT to be used by RTRT as part of its NMTC leverage loan; and

**WHEREAS**, it is anticipated that RTRT will repay the bridge loan upon full receipt of the CCHE grant funds or within 12 months of delivery of the loan, whichever is sooner; and

**WHEREAS**, the City solicited competitive bids for the Project and opened the bids on February 2, 2010, with Alten Construction being the lowest responsive responsible bidder, taking into account local hiring policies pursuant to Richmond Municipal Code Chapter 2.50 (Business Opportunity Ordinance); and

**WHEREAS**, by the agenda report accompanying this Resolution and incorporated into this Resolution by this reference (Agenda Report), the City Council has been provided with additional information upon which the findings and actions set forth in this Resolution are based.

**NOW THEREFORE, BE IT RESOLVED** that the City Council hereby accepts that the above recitals are accurate and have served together with the Agenda Report as the basis for the findings and approvals set forth in this Resolution.

**BE IT FURTHER RESOLVED** that the City Council affirms that the Project is a matter of public purpose, benefits the health and welfare of the community, and advances the elimination of blight while assisting in community revitalization.

**BE IT FURTHER RESOLVED** that the City Council hereby appropriates the sum of \$2 million from the general fund of the City for the purpose of advancing said funds to the RTRT to be used by RTRT as part of its NMTC leverage loan thereby providing bridge financing to allow for the start of construction of the Project and to enable the use of New Market Tax Credits and Historic Rehabilitation Tax Credits for the Project.

**BE IT FURTHER RESOLVED** that the City Council hereby authorizes and directs the City Manager and the Finance Director to do any and all things and to execute and deliver to the RTRT, any and all documents which the City deems necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution, including, but not limited to, the execution and delivery of a loan agreement, promissory note or pledge agreement evidencing the advance of general fund revenues as described above.

**BE IT FURTHER RESOLVED** that the City Council hereby authorizes the City Manager to enter into a construction contract with Alten Construction for the Project, or to assign such right to the QALICB, as required to secure New Market Tax Credits and Historic Rehabilitation Tax Credits.

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I certify that the foregoing Resolution was passed and adopted by the City Council of the City of Richmond at a regular meeting of the City Council held on February 16, 2010, by the following vote:

AYES: Councilmembers Bates, Butt, Lopez, Rogers, Viramontes, Vice Mayor Ritterman, and Mayor McLaughlin

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

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DIANE HOLMES  
Clerk of the City of Richmond

(SEAL)

Approved:

GAYLE MCLAUGHLIN  
Mayor

Approved as to form:

RANDY RIDDLE  
City Attorney

State of California            }  
County of Contra Costa        } : ss.  
City of Richmond               }

I certify that the foregoing is a true copy of **Resolution No. 24-10**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on February 16, 2010.