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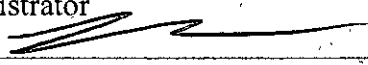
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## AGENDA REPORT

**TO:** DEANNA J. SANTANA  
CITY ADMINISTRATOR

**FROM:** Michele Byrd

**SUBJECT:** Affordable Housing NOFA Funds      **DATE:** February 3, 2014

City Administrator  
Approval 

Date

2/10/14

**COUNCIL DISTRICT:** City-Wide

### RECOMMENDATION

Staff requests that the City Council adopt the following resolutions:

**A Resolution Appropriating \$1,078,483 From Fund Balance In The Low And Moderate Income Housing Asset Fund For Housing Development Activities.**

**A Resolution Increasing The Amount Of An Affordable Housing Preservation And Rehabilitation Loan To East Bay Asian Local Development Corporation For The Marcus Garvey Commons Affordable Housing Development Located At 1769 Goss Street and 1766 7<sup>th</sup> Street By \$200,000 For A Total Loan Amount of \$934,000 And Authorizing Loan Extensions And/Or Changes In Terms For Existing Loans For The Project.**

**A Resolution Authorizing An Affordable Housing Development Loan In An Amount Not To Exceed \$1,575,000 To Meta Housing Corporation For The Civic Center 14 TOD Rental Project Located At 632 14<sup>th</sup> Street.**

**A Resolution Authorizing An Affordable Housing Development Loan In An Amount Not To Exceed \$2,750,000 To East Bay Asian Local Development Corporation For The 11<sup>th</sup> And Jackson Apartments Rental Project Located At 1110 Jackson Street.**

**A Resolution Increasing The Amount Of An Affordable Housing Loan To Related Companies Of California And Acts Community Development Corporation For the 94<sup>th</sup> And International Affordable Housing Development Located At 94<sup>th</sup> Avenue And International Boulevard By \$2,150,000 For A Total Loan Amount Of \$7,747,000.**

**A Resolution Authorizing An Affordable Housing Development Loan In An Amount Not To Exceed \$750,000 To Habitat For Humanity East Bay/Silicon Valley For The Oakland Home Renovation Program.**

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**A Resolution Increasing The Amount Of An Affordable Housing Loan To California Hotel Oakland, L.P. For The California Hotel Affordable Housing Development Located At 3501 San Pablo Avenue By \$210,000 For A Total Loan Amount Of \$8,631,000.**

**EXECUTIVE SUMMARY**

The Department of Housing and Community Development (HCD) is recommending funding awards for five affordable housing development projects that applied for funds in response to the City's 2013-14 Notice of Funding Availability for Affordable Rental and Ownership Housing (the "Original NOFA") and the Notice of Funding Availability for Preservation and Rehabilitation of Existing Affordable Housing (the "Rehabilitation NOFA"). The Original NOFA targets the new construction and substantial rehabilitation of affordable housing, while the Rehabilitation NOFA targets existing affordable housing projects with urgent capital needs. A total of eleven applications were received: seven under the Original NOFA, and four under the Rehabilitation NOFA. Upon initial review, three projects submitted under the Rehabilitation NOFA were found to be ineligible, leaving eight total eligible applications. The total amount requested was \$16,237,000. The total amount recommended for these five projects is \$7,425,000.

Funds not to exceed \$210,000 are also recommended to pay unanticipated real estate transfer taxes that were incurred through the foreclosure and acquisition of the California Hotel affordable housing project.

There is funding in the total amount of \$7,635,000 available from five sources: 1) the City's federal HOME Investment Partnership Program grant, which are annual entitlement funds that come directly to the City of Oakland from the Department of Housing and Urban Development (HUD); 2) the Affordable Housing Trust Fund, using funds generated from Oakland's Jobs/Housing Impact Fee; 3) Low and Moderate Income Housing Asset Funds, which are funds generated by housing assets that were transferred to the City from the former Redevelopment Agency; 4) Community Development Block Grant (CDBG) funds; and 5) City General Funds appropriated in the FY 2013-15 budget for affordable housing activities.

**OUTCOME**

The proposed funds will be used to: 1) develop 170 new affordable rental apartments in three projects; 2) rehabilitate five units of new affordable ownership scattered site housing; and 3) rehabilitate 22 units of existing affordable rental housing.

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## BACKGROUND/LEGISLATIVE HISTORY

HCD annually issues the NOFA to award funds for the new construction and rehabilitation of new or existing affordable housing. This year both affordable housing NOFAs were issued on September 10, 2013. The two NOFAs include their own application and threshold requirements and ranking criteria appropriate for each program.

Eligible activities under the Original NOFA include new construction and substantial rehabilitation of new ownership, rental, supportive, or transitional affordable housing. Projects must meet basic standards regarding developer experience, income targeting, site control, and other requirements. The Original NOFA also sets forth criteria by which projects will be scored and ranked including income targeting, developer experience, location near transit and amenities or in a higher income neighborhood, revitalization potential, targeting to households with special needs or who are homeless, energy efficiency, financing commitments, percentage of City subsidy, readiness, and other criteria.

For the Rehabilitation NOFA, eligible activities include the rehabilitation of existing affordable housing. The Rehabilitation NOFA prioritizes projects that meet certain urgency of need criteria: major building or structural components in critical condition, code violations, fire, health, and safety hazards, or other building deficiencies that create safety threats, insufficient operating and replacement reserves, or ongoing operating deficits which threaten the long-term financial viability of the property. Applications are also evaluated based on development team experience and attributes such as the age of the property, reserves requested, and outside funding leveraged.

## ANALYSIS

Applications were reviewed first for completeness and second to determine whether the City's minimum standards for project and developer qualifications had been met. The eligible applications were then evaluated and ranked according to prepared criteria outlined in the NOFAs.

Of the eleven total applications received, seven were submitted under the Original NOFA and four under the Rehabilitation NOFA. Three applications submitted under the Rehabilitation NOFA were deemed ineligible because they were incomplete or did not meet threshold criteria. Therefore, a total of eight NOFA applications were evaluated, totaling requests of \$16,237,000.

During the project underwriting review, staff determined that some projects could receive a lower amount of City funding and would likely remain feasible. These reductions resulted in the total recommended funding of \$7,425,000 for five projects.

The following is a **Project Recommendations Table**, listed in order of ranking.

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**Project Recommendations****Rehabilitation NOFA**

Rec for Funding	Rank	Project Name/Developer	Project Type	Cncl District	Requested Amount	Award Amount
X	1	Marcus Garvey (EBALDC)	Existing Affordable Rental -- Family, Rehabilitation	3	\$411,000	\$200,000

**Original NOFA**

Rec for Funding	Rank	Project Name/Developer	Project Type	Cncl District	Requested Amount	Award Amount
X	1	Civic Center 14 TOD (Meta Housing)	Rental -- Family, New Construction	3	\$1,575,000	\$1,575,000
X	2	Oakland Home Renovation Program (Habitat)	Ownership -- Family, Rehabilitation	Various	\$1,571,000	\$750,000
X	3	11th and Jackson (EBALDC)	Rental -- Family, New Construction	2	\$3,000,000	\$2,750,000
X	4	94th & International (Related & Acts CDC)	Rental -- Family, New Construction (additional funds)	7	\$2,500,000	\$2,150,000
	5	Adcock-Joyner Apartments (RCD)	Rental -- Family, Rehabilitation	3	\$2,500,000	\$0
	6	3706 San Pablo Ave (EAH)	Rental -- Family, New Construction	1	\$3,000,000	\$0
	7	Redwood Hill Townhomes (SAHA)	Rental -- Family, New Construction (additional funds)	4	\$1,680,000	\$0
Total					\$7,425,000	

Below is a brief description of the projects recommended for funding. Please see **Attachment A** to this report for detailed information on all reviewed NOFA projects and the scoring breakdown for the Original NOFA projects.

**Summary of NOFA Funding Recommendations****Rehabilitation NOFA:**

**Marcus Garvey Commons:** This 22-unit existing apartment building in West Oakland is recommended for additional funding for rehabilitation to supplement the \$734,000 previously committed. Environmental review triggered by the previously awarded City funds revealed air quality and noise concerns (due to proximity to the freeway) that must be addressed to protect

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the health and safety of residents and in order for the rest of the rehabilitation work to move forward.

Original NOFA:

Civic Center 14 Transit Oriented Development (TOD): This 40-unit new construction project in downtown Oakland is targeted to families and to households with special needs and who are formerly homeless. The property will be located at 632 14<sup>th</sup> Street on a currently vacant parcel. It will include a small commercial space on the ground floor.

Oakland Home Renovation Program: Habitat for Humanity East Bay/Silicon Valley requested funding to acquire and rehabilitate ten scattered site vacant and foreclosed homes. Staff is recommending that the project be funded for only five homes at this time. Unlike the proposed rental developments, the size of this program can be adjusted, and its success can be tested and potentially scaled up in the future as additional funding becomes available.

11<sup>th</sup> and Jackson: This is a 71-unit new construction project targeted to families and including eight units for households with HIV/AIDS. The project will be constructed on a currently vacant parcel in downtown Oakland. It also includes construction of 5,000 square feet of commercial space on the ground floor.

94<sup>th</sup> & International Apartments: This is a 59-unit new construction project targeted to families and to households with special needs and who are formerly homeless. The project received a previous award of Redevelopment Agency funds, but has not been able to compete successfully for Low Income Housing Tax Credits. An award of additional City funds will increase the competitiveness of the project.

*Attachment A* provides more detailed information about all reviewed NOFA projects.

**California Hotel Transfer Taxes**

Funding in the amount of up to \$210,000 is also recommended to cover unanticipated real estate transfer taxes incurred during the foreclosure and acquisition of the California Hotel affordable housing project. California Hotel Oakland LP, an affiliate of East Bay Asian Local Development Corporation (EBALDC), acquired and substantially rehabilitated the California Hotel at the City's request after the previous owner, Oakland Community Housing, Inc. (OCHI), walked away from its ownership responsibilities in 2007. The substantial rehabilitation was completed in December 2013 and the City provided loans totaling \$8,821,000 which leveraged over \$24,000,000 in other private and public funding for the project.

EBALDC through its affiliate acquired the property through the foreclosure process in March, 2012. In order to preserve the existing City and Redevelopment Agency debt and affordability restrictions on the property, the City and EBALDC agreed that EBALDC would acquire and

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foreclose on a junior Redevelopment Agency loan, keeping the other existing senior loans and regulatory restrictions in place. Unknown to City housing staff or EBALDC at that time, Oakland's transfer tax provisions require that transfer tax be paid on property transferred at a foreclosure sale based on the amount of senior debt remaining on a property after the foreclosure of a junior deed of trust. Therefore, the City charged a transfer tax to EBALDC, calculating the "purchase price" based on the amount of the remaining City/Agency debt on the property.

Because of the unique circumstances of this project, EBALDC requested an administrative hearing before the City of Oakland Revenue Division to request a waiver of the tax, and a hearing was held in May, 2013. The waiver request was denied in October, 2013, and the final transfer tax, plus penalties and interest, due to the City's Revenue Division was determined to be \$209,539 based on the amount of City/Agency debt remaining on the property after the foreclosure sale, along with interest accrued during the waiver review period.

The California Hotel's project budget cannot support this unexpected cost, and the developer of the project was not at fault. Therefore staff is recommending that additional City loan funds of up to \$210,000 be provided to cover the cost of the real estate transfer taxes, along with accrued interest and penalties, incurred during the foreclosure and acquisition process. This amount would be reduced if the City's Revenue Division agrees to waive any portion of the transfer tax bill.

### **PUBLIC OUTREACH/INTEREST**

A NOFA pre-application meeting was held on September 18, 2013 to explain the NOFA application process, CEQA and NEPA requirements, and the City's required employment and contracting programs. Staff was available to answer any NOFA-related questions and the responses were posted on the website one week following the meeting. There were twenty-five participants who attended the meeting.

Applicants for the Original NOFA are required to hold at least one meeting with an established neighborhood organization prior to application submission. Applicants must prepare a community outreach plan with evidence of outreach. Each applicant is required to contact neighborhood organizations in the vicinity of the proposed development prior to applying for financing. Applicants for the Rehabilitation NOFA are required to hold at least one meeting with existing tenants prior to application submission, to inform them of the potential rehabilitation work and receive input.

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## COORDINATION

Housing staff consulted with Planning staff to coordinate CEQA determinations, planning and zoning conformity and to identify possible barriers to development. Legal staff was consulted to ensure legality of funding commitment resolutions. Budget staff was consulted to confirm funding amounts.

## COST SUMMARY/IMPLICATIONS

Funding for the proposed projects will come from five sources:

- 1) Previous year HOME funds already budgeted and available, and an advance commitment of a portion of the City's HOME grant for FY 2014-15 (Fund 2109). Previous year HOME funds include uncommitted funds from FY 2012-13 and 2013-14 as well as funds that had been set aside for operating assistance to Community Housing Development Organization (CHDOs) which has accumulated in previous years and is underspent.
- 2) Low and Moderate Income Housing Asset Fund Balance (Funds 1880, 1883, 1884, and 2185). The Low and Moderate Income Housing Asset Fund is a fund required under the redevelopment dissolution law to hold funds generated from housing assets (such as land or loan receivables) transferred to the City from the former Redevelopment Agency when the Agency dissolved. The fund balance currently in this Fund is from loan repayments received by the City from existing rental or ownership properties and from the expiration of the reserve account agreement for the Martin Luther King, Jr. Plaza Homes project. A resolution is included for the City Council to appropriate available amounts from this Fund Balance.
- 3) Community Development Block Grant (CDBG) program grant funds for FY 14-15 (Fund 2108), specifically to fund Habitat for Humanity's Oakland Home Renovation program. This activity would be included in the FY 2014-15 Consolidated Plan.
- 4) General Purpose Funds (Fund 1010) set-aside for affordable housing activities in the adopted FY 2013-15 policy budget.
- 5) Affordable Housing Trust Funds (Fund 7450). This Fund holds \$966,709 generated in FY 2011-12, and \$118,800 in FY 2012-13 from Jobs/Housing Impact Fees that are available for affordable housing development activities. The Jobs/Housing Impact Fee is assessed on construction of buildings for office and warehouse/distribution uses per Ordinance No. 12242 now codified as Chapter 15.68 of the Oakland Municipal Code.

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Summary of Funds Currently Available

Previous FY HOME Funds (2109)	\$1,160,000
FY 2014-15 HOME Funds (2109)	\$2,000,000
Low Mod Housing Asset Funds (1880, 1883, 1884, 2185)	\$1,127,483
FY2014-15 CDBG Funds (2108)	\$ 750,000
General Purpose Funds (1010)	\$1,512,008
Affordable Housing Trust Fund (7450)	\$1,085,509
<u>TOTAL</u>	<u>\$7,635,000</u>

Advance award of the HOME funds is needed to meet critical funding commitment and expenditure requirements from HUD. This corresponds to a long-standing practice for the City's CDBG grant where those funds are appropriated in May of each year, through the adoption of the Consolidated Plan, in advance of the beginning of the grant year. Advance awards of these funds (which will not be legally committed nor expended until the grant agreement with HUD is executed) will ensure that the City meets its obligations for timely commitment and expenditure of HOME funds. Failure to meet these deadlines could result in HUD recapturing grant funds from the City.

If approved, funding will be reserved for a maximum of 24 months for new projects (12 months for returning projects) to allow each developer to successfully obtain commitments for the balance of needed funding. The City's standard loan terms for rental projects are a simple interest rate, set at the discretion of the City Administrator (typically at 3%), and a term of up to 55 years. Annual payments are deferred unless funds are available from project cash flow after paying other approved expenses, fees, reserves, and senior debt service. All City loans will be secured by a deed of trust, and a regulatory agreement will be recorded that sets the period of affordability (typically 55 years), income and occupancy restrictions, and the rent structure.

The proposed loan terms for the recommended ownership rehabilitation project are a simple interest rate set at the discretion of the City Administrator, and a maximum term of four years. Upon completion of the project and sales of the units, the loan may convert to a grant at an amount equal to the difference between the net sales proceeds at the affordable prices and the total development cost of the project (in most cases, this is the entire City loan amount). Upon the initial sale of each unit a declaration of resale and occupancy restrictions is executed and recorded against the property. This declaration remains an encumbrance against the property for at least 45 years. Each homebuyer executes an assumption agreement in which they agree to comply with all of the affordability requirements in the declaration.

The City Administrator is given authority in each project funding resolution to subordinate the deed of trust if necessary to obtain other financing for the project. Current policy is to subordinate the City deed of trust on a case-by-case basis, but not to subordinate the City regulatory agreement or affordability agreement to private financing.

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## **SUSTAINABLE OPPORTUNITIES**

The housing development projects recommended for funding will address the “3 E’s” of sustainability in the following ways:

***Economic:*** These projects will generate construction, professional services, and ongoing property management jobs in Oakland. Providing families with affordable housing will stabilize low-income residents and free up household disposable income to be spent on other goods and services in Oakland. These properties will create activity on underutilized parcels, stimulating demand for goods and services in Oakland.

***Environmental:*** By developing in already built-up areas, infill projects reduce the pressure to build on agricultural and other undeveloped land. Proposed projects are near to public transit, and sites near mass transit enable residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development. Projects are selected for funding partially based on their ability to achieve high scores using LEED or Alameda County’s GreenPoint Rating system.

***Social Equity:*** Affordable housing is a means of achieving greater social equity. Oakland’s neighborhood-level environment will be improved by replacing underused and sometimes blighted buildings and lots with new homes and residents. The proposed developments will provide affordable rental and ownership housing for low and very low-income residents. Social services, such as computer centers for residents, are a component of each rental development, and further build social equity.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT**

Under the California Environmental Quality Act (CEQA), the City is required to review possible environmental impacts of all projects prior to a definitive commitment of funding, unless the project is exempt from CEQA review.

Civic Center 14 TOD was found to be in compliance with CEQA through the August 4, 2006 Planning Commission approval of case DV06-285. This project meets criteria for exemption per Section 15332 of the CEQA Guidelines for infill projects.

94<sup>th</sup> and International was found to be in compliance with CEQA through the February 2, 2012 Planning Commission approval of case DV11-008 & TPM-10018. The project meets criteria for exemption per Section 15332 of the CEQA Guidelines for infill projects.

11<sup>th</sup> and Jackson was found to meet criteria for exemption from CEQA per Section 15332 of the CEQA Guidelines for infill projects.

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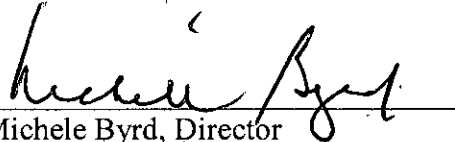
The Habitat for Humanity Home Renovation Program was found to meet criteria for exemption from CEQA per Sections 15301, for existing facilities being repaired, altered, or reconstructed, 15310, for mortgages for the purchase of existing structures, and 15183 of the CEQA Guidelines, for projects consistent with current zoning and the general plan.

Marcus Garvey Commons is an existing building, and has therefore been determined to be exempt per Section 15301 of the CEQA Guidelines for existing facilities being repaired, altered, or reconstructed.

The California Hotel is an existing building, and has therefore been determined to be exempt per Section 15301 of the CEQA Guidelines for existing facilities being repaired, altered, or reconstructed.

For questions regarding this report, please contact Norma Thompson, Housing Manager, at 510-238-7137 or Diana Downton, Housing Development Coordinator, at 510-238-6923.

Respectfully submitted,



Michele Byrd, Director  
Department of Housing and Community  
Development

Reviewed by:  
Norma Thompson  
Manager, Housing Development

Prepared by: Diana Downton  
Housing Development Coordinator  
Housing Development Services

**Attachment A: *NOFA Project Summary, Scoring, and Descriptions***

**ATTACHMENT: New Construction/Substantial Rehabilitation NOFA ("Original NOFA") 2013-14  
Project Summary Table**

	Rehabilitation Ownership	Rental New Construction			Rental New Construction - Returning		Rehabilitation Rental
	Oakland Home Renovation Program*	Civic Center 14 TOD	11th and Jackson	3706 San Pablo Ave.	94th and International	Redwood Hill Townhomes	Adcock-Joyner Apartments
Address	Scattered Sites	632 14th St.	1110 Jackson St.	3706 San Pablo Ave. (partially located in Emeryville)	94th and International (various addresses)	4856-68 Calaveras Avenue	532 16th St.
Council District	All	3	2	1	7	4	3
Developer	Habitat for Humanity	Meta Housing Corporation	East Bay Asian Local Development Corp. (EBALDC)	EAH, Inc.	Related and Acts CDC	Satellite Affordable Housing Associates (SAHA)	Resources for Community Development (RCD)
Tenure	Ownership	Rental	Rental	Rental	Rental	Rental	Rental
Household Type	Families	Family/Homeless	Families	Family/Special Needs	Family/Homeless	Families	Small Families
Units (incl. manager's unit)	10	40	71	86	59	28	50
New Units	0	40	71	86	59	28	0
Bedrooms (incl. manager's unit)	30	72	150	194	118	72	50
Total Development Cost (Residential)	\$ 4,134,900	\$ 18,629,692	\$ 38,528,312	\$ 39,152,624	\$ 27,995,084	\$ 16,982,417	\$ 15,527,376
Cost per Unit	\$ 413,490	\$ 465,742	\$ 542,652	\$ 455,263	\$ 474,493	\$ 606,515	\$ 310,548
Cost per Bedroom	\$ 137,830	\$ 258,746	\$ 256,855	\$ 201,818	\$ 237,246	\$ 235,867	\$ 310,548
Total Local Funds	\$ 1,571,000	\$ 1,575,000	\$ 3,000,000	\$ 3,000,000	\$ 8,097,000	\$ 3,922,600	\$ 2,500,000
City Funds Requested This NOFA**	\$ 1,571,000	\$ 1,575,000	\$ 3,000,000	\$ 3,000,000	\$ 2,500,000	\$ 1,680,000	\$ 2,500,000
Previous City Funds	\$ -	\$ -	\$ -	\$ -	\$ 5,597,000	\$ 2,242,600	\$ -
City Funds per Unit	\$ 157,100	\$ 39,375	\$ 42,254	\$ 34,884	\$ 137,237	\$ 140,093	\$ 50,000
City Funds per Bedroom	\$ 52,367	\$ 21,875	\$ 20,000	\$ 15,464	\$ 68,619	\$ 54,481	\$ 50,000
% City Funds to Total Dev Cost	38.0%	8.5%	7.8%	7.7%	28.9%	23.1%	16.1%

\* This information is based on Habitat's submitted proposal for 10 units. Staff is recommending funding for only 5 units, with the equivalent reduction in project costs.

\*\* Some projects received funding awards for a lower amount than requested based on City staff underwriting and feasibility analysis. See the Report for recommended amounts.

**ATTACHMENT: New Construction/Substantial Rehabilitation NOFA 2013-14  
Project Scoring Table**

		Ownership Rehab		Rental New Construction			Rental New Construction - Returning		Rental Rehab
	OWNERSHIP Potential Points	Oakland Home Renovation Program	RENTAL Potential Points	Civic Center 14 TOD	11th & Jackson	3706 San Pablo Ave.	94th & Int'l	Redwood Hill	Adcock Joyner Rehabilitation
	% Score	77.3%		79.0%	75.4%	62.6%	74.6%	59.9%	69.7%
	Ranking	2		1	3	6	4	7	5
<b>I. Financial Characteristics</b>	<b>20</b>	<b>20.0</b>	<b>20</b>	<b>17.0</b>	<b>20.0</b>	<b>15.5</b>	<b>13.0</b>	<b>11.0</b>	<b>15.0</b>
A. Leveraging	12	12.0	12	12.0	12.00	10.50	5.0	8.00	12.0
B. Funding Commitments	8	8.0	8	5.0	8.00	5.00	8.0	3.00	3.0
<b>II. Location</b>	<b>24</b>	<b>12.0</b>	<b>24</b>	<b>12.0</b>	<b>14.00</b>	<b>13.0</b>	<b>12.0</b>	<b>18.00</b>	<b>11.0</b>
A. Geographic Equity	7	7.0	7	0.0	0.00	0.00	0.0	7.00	0.0
B. Educational Quality	2	0.0	2	0.0	2.00	2.00	0.0	2.00	0.0
C. Neighborhood Revitalization	8	5.0	8	5.0	5.00	7.00	8.0	6.00	4.0
D. Proximity to Public Transit	5	0.0	5	5.0	5.00	2.00	2.0	2.00	5.0
E. Proximity to Grocery or Drug Store	2	0.0	2	2.0	2.00	2.00	2.0	1.00	2.0
<b>III. Target Population</b>	<b>24</b>	<b>14.0</b>	<b>33</b>	<b>32.0</b>	<b>25.00</b>	<b>22.5</b>	<b>31.0</b>	<b>8.00</b>	<b>17</b>
A. Income Targeting	12	12.0	15	15.0	15.00	15.00	15.0	3.00	15.0
B. Unit Size	9	0.0	5	5.0	5.00	5.00	4.0	5.00	0.0
C. Units for People with Special Needs	n/a	n/a	5	5.0	2.00	1.50	4.5	0.00	0.0
D. Homeless - Permanent Supportive Housing Units	n/a	n/a	5	5.0	0.00	0.00	4.5	0.00	0.0
E. Community Development Innovation	3	2.0	3	2.0	3.00	1.00	3.0	0.00	2.0
<b>IV. Developer Experience and Capacity</b>	<b>26</b>	<b>25.8</b>	<b>27</b>	<b>26.8</b>	<b>26.25</b>	<b>25.3</b>	<b>26.3</b>	<b>26.88</b>	<b>25.3</b>
A. Developer Experience Exceeds Minimum	10	10.0	10	10.0	10.00	10.00	10.0	10.00	10.0
B. Developer Capacity	8	8.0	8	8.0	8.00	8.00	8.0	8.00	8.0
C. Developer Financial Strength	6	5.75	6	5.75	5.25	4.25	5.25	5.88	4.25
D. Strength of the Development Team	2	2.0	3	3.0	3.00	3.00	3.0	3.00	3.0
<b>V. Readiness - Planning Approvals</b>	<b>7</b>	<b>n/a</b>	<b>7</b>	<b>7.0</b>	<b>5.0</b>	<b>0.0</b>	<b>7.0</b>	<b>7.0</b>	<b>n/a</b>
<b>VI. Preserves and Improves Existing Affordable Housing</b>	<b>N/A</b>	<b>n/a</b>	<b>10</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>10.0</b>
<b>VII. Sustainability</b>	<b>4</b>	<b>4.0</b>	<b>4</b>	<b>4.0</b>	<b>4.0</b>	<b>2.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>
<b>VIII. Penalty for Nonperforming Projects</b>	<b>-10</b>	<b>0.0</b>	<b>-10</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Points</b>	<b>105.0</b>	<b>75.8</b>	<b>125.0</b>	<b>98.8</b>	<b>94.3</b>	<b>78.3</b>	<b>93.3</b>	<b>74.9</b>	<b>82.3</b>

**ATTACHMENT:**

**New Construction/Substantial Rehabilitation NOFA 2013-14  
Descriptions of Submitted Projects**

**11<sup>TH</sup> & JACKSON**

Developer: East Bay Asian Local Development Corp. (EBALDC) Address: 1110 Jackson St.  
This Request: \$3,000,000 Council District: 2  
Recommended Amount: \$2,750,000  
Previous Award: \$0  
Total City/Agency Funds: \$2,750,000

**PROJECT SUMMARY:**

- New construction of a five-story mixed-use 71-unit (including a manager's unit) affordable family housing development that includes 5,000 square feet of retail/commercial space on the ground floor.
- The property is currently a vacant lot.
- Eight units will be reserved for families with a household member with HIV/AIDS.
- The building will include social services on site, including after school programming with East Bay Asian Youth Center, and will include a community room, outdoor common space, and a computer room.
- The property is located close to amenities including Lake Merritt BART, multiple AC Transit lines, Chinatown, Lincoln Elementary, and downtown Oakland.

**AFFORDABILITY LEVELS:** 30 to 60% AMI

**UNIT SIZES:**

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	17	29	25		71

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

CA Housing and Community Development Infill Infrastructure Grant (IIG); permanent loan; Low Income Housing Tax Credit equity; Oakland Housing Authority land donation; Affordable Housing Program (AHP); and Section 8 rental subsidies.

**94<sup>TH</sup> & INTERNATIONAL BLVD. APARTMENTS**

Developer: Related Companies and Acts CDC Address: 9400-9500 International Blvd.  
This Request: \$2,500,000 Council District: 7  
Recommended Amount: \$2,150,000  
Previous Award: \$5,597,000  
Total City/Agency Funds: \$7,747,000

**PROJECT SUMMARY:**

- New construction of a four-story mixed-use 59-unit (including a manager’s unit) affordable family housing development that includes 3,500 square feet of retail/commercial space on the ground floor.
- Fourteen units would be set aside for persons who are homeless or at risk of homelessness.
- The project site currently contains six existing buildings which would be demolished for construction of the new building.
- Building amenities will include: 59 on-grade parking spaces, laundry facilities, a community room with kitchen, a computer learning center, and outdoor play area.
- Related California will serve as the lead developer and property manager, with Acts Community Development Corporation providing supportive services to residents.
- The project received a previous award of Redevelopment Agency funds and has applied for Low Income Housing Tax Credits, but has not been competitive. An award of additional City funds would increase the competitiveness of the project for tax credits.
- If this project does not move forward and its existing funding award is cancelled, the redevelopment dissolution law may prevent \$2,469,700 of non-bond funds currently committed to the project to be awarded to another housing project, since these are funds held by the Oakland Redevelopment Successor Agency and excess non-bond funds held by a successor agency are subject to possible remittance to the taxing entities. However, committed housing bond funds in the amount of \$3,107,300 could be kept and re-committed to another affordable housing project, since the redevelopment dissolution law permits a successor agency to use bond proceeds for any bond-eligible uses.

**AFFORDABILITY LEVELS:** 30 to 50% AMI

**UNIT SIZES:**

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	18	23	18		59

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Low Income Housing Tax Credit equity; permanent loan; and Section 8 rental subsidies.

**3706 SAN PABLO AVENUE**

Developer: EAH, Inc.  
This Request: \$3,000,000

Address: 3706 San Pablo Avenue  
Council District: 1 (located on the Emeryville/Oakland border)

Previous Award: \$0  
Total City/Agency Funds: \$3,000,000

**PROJECT SUMMARY:**

- Located on the Emeryville/Oakland border, approximately 38% of the property is in Oakland. The project site is a vacant lot owned by the City of Emeryville. EAH was selected by the City of Emeryville through an RFP to develop the site.

- New construction of a five-story mixed-use 86-unit (including a manager's unit) affordable family housing development. Thirty-three of the units are anticipated to be located in Oakland.
- The property includes 7,000 square feet of retail/commercial space on the ground floor on the Emeryville frontage of the property.
- Four units are set aside for persons with developmental disabilities and five units for people with HIV/AIDS. Services will be provided to residents.
- The property will include a community room with computer lab, exercise room and homework study room, landscaped courtyard, and 129 parking spaces (some assigned to the commercial portion of the project).

AFFORDABILITY LEVELS: 30 to 60% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
		7	51	24	4	86

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

City of Emeryville land donation; Low Income Housing Tax Credit equity; permanent loan; Housing Opportunities for Persons with AIDS (HOPWA); Affordable Housing Program (AHP); and Section 8 rental subsidies.

**ADCOCK-JOYNER APARTMENTS (REHAB)**

Developer: Resources for Community                      Address: 532 16<sup>th</sup> St.  
 Development (RCD) and 532 16<sup>th</sup> St. Inc.  
 This Request: \$2,500,000                                      Council District: 3  
 Previous Award: \$0 (property has old Agency  
 and CDBG loans of \$1,542,239)  
 Total City/Agency Funds: \$2,500,000

**PROJECT SUMMARY:**

- Rehabilitation of an existing affordable housing development, which includes 50 units (including a manager's unit) and a retail/commercial space on the ground floor currently occupied by Goodwill's One Stop Homeless Employment Center.
- The building was built in 1906, with the top two floors added in 1918, and is recognized as a contributing property to the Downtown Oakland Historic District by the local, state, and federal historical registers. The rehabilitation would respect the historic nature of the building.
- Planned rehabilitation includes roof replacement, fire safety upgrades, window replacement, upgrades of apartment finishes and appliances, and creation of a new basement community space.
- The existing property has no parking, although night and weekend parking is available in 10 spaces in the neighboring parking lot.
- The property has existing Redevelopment Agency and CDBG loans totaling \$1,542,239 which would remain in place.

AFFORDABILITY LEVELS: 30 to 50% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	25	25				50

OTHER PROPOSED PERMANENT FINANCING SOURCES:

Low Income Housing Tax Credit equity; and Affordable Housing Program (AHP).

### **CIVIC CENTER 14 TOD**

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Developer: Meta Housing

Address: 632 14<sup>th</sup> St.

This Request: \$1,575,000

Council District: 3

Previous Award: \$0

Total City/Agency Funds: \$1,575,000

PROJECT SUMMARY:

- New construction of an eight-story 40-unit (including a manager's unit) affordable family housing development that includes 600 square feet of retail/commercial space on the ground floor.
- The property is currently a vacant lot.
- Ten units will be set aside for households who are formerly homeless and have special needs.
- The property will include a computer lab, community room, 42 parking spaces, and discounted transit passes for all residents.

AFFORDABILITY LEVELS: 30 to 60% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	12	12	0	16		40

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA Housing and Community Development Infill Infrastructure Grant (IIG) and Transit Oriented Development (TOD); permanent loan; Low Income Housing Tax Credit equity; and Affordable Housing Program (AHP).

### **OAKLAND HOME RENOVATION PROGRAM**

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Developer: Habitat for Humanity East  
Bay/Silicon Valley

Address: Scattered sites

This Request: \$1,571,000

Council District: Not yet identified

Recommended Amount: \$750,000

Previous Award: \$0

Total City/Agency Funds: \$750,000



**PROJECT SUMMARY:**

- Rehabilitation of 5 vacant, abandoned, or foreclosed single-family homes. Exact properties can't be identified until closer to acquisition due to the purchase process and timeline for foreclosed homes. Homes will be 2, 3, and 4 bedrooms in size, with the final mix depending on market availability and demand.
- The number of homes to be rehabilitated could be scaled up or down based on the amount of funding available.
- The rehabilitation scope will be determined based on particular needs of the homes acquired, but will generally include items such as: abatement of lead, asbestos, and pests; demolition of illegal additions; roof replacement; energy-efficient windows; new mechanical systems; insulation; new flooring and finishes; and landscaping. Whenever possible, green rehab materials and techniques will be utilized.

**AFFORDABILITY LEVELS:** 60% to 80% AMI

<b>UNIT SIZES:</b> (undetermined)	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
						5

**OTHER PROPOSED PERMANENT FINANCING SOURCES:** Affordable Housing Program (AHP); CalHome; fundraising and developer equity.

**REDWOOD HILL TOWNHOMES**

Developer: Satellite Affordable Housing Associates

Address: 4856-68 Calaveras Ave.

This Request: \$1,680,000

Council District: 4

Previous Award: 2,242,600

Total City/Agency Funds: \$3,922,600

- New construction of a 28-unit (including a manager's unit) affordable family housing development in three residential buildings of three or four stories, oriented around a large interior courtyard. The westernmost building will include 28 parking spaces in a ground-floor podium garage.
- The project site is just north of the intersection with MacArthur Blvd., and is currently a vacant lot.
- Site amenities will include a community building housing an on-site property management office, a laundry room, and a computer lab. There will also be a small maintenance workshop located towards the rear of the site.
- The project previously received City funding as a homeownership site, but was later reconfigured as a rental project due to the collapse in the housing market. Additional funds are required to be competitive for tax credit financing.

**AFFORDABILITY LEVELS:** 30% to 50% AMI

<b>UNIT SIZES:</b>	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
			12	16		28

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

CA Housing and Community Development Infill Infrastructure Grant (IIG); permanent loan; and Low Income Housing Tax Credit equity.

**Preservation and Rehabilitation NOFA 2013-14  
Descriptions of Submitted Projects**

**MARCUS GARVEY APARTMENTS (REHAB)**

Developer: East Bay Asian Local Development Corp. (EBALDC) Address: 721A Wood St.  
This Request: \$411,000 Council District: 3  
Recommended Amount: \$200,000  
Previous Award: \$734,000  
Total City/Agency Funds: \$934,000

**PROJECT SUMMARY:**

- Rehabilitation of an existing 22 unit affordable family rental property in West Oakland.
- The additional request for funding was triggered by noise and air quality concerns identified during the National Environmental Policy Act (NEPA) review of the property, due to its location at the intersection of two freeways. Mitigating the air quality issues required window and siding replacement, and a heating and ventilation system with special air filtration.
- In addition to measures to address air quality, the rehabilitation includes roof replacement, accessibility upgrades, water heaters, security upgrades, and painting.

**AFFORDABILITY LEVELS: 35 to 60% AMI**

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
		4	8	8	2	22

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

EBALDC portfolio replacement reserve fund; Section 8 rental subsidies.

2014 FEB 13 PM 1:45

# OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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## RESOLUTION APPROPRIATING \$1,078,483 FROM FUND BALANCE IN THE LOW AND MODERATE INCOME HOUSING ASSET FUND FOR HOUSING DEVELOPMENT ACTIVITIES.

**WHEREAS**, in 2000 the Redevelopment Agency of the City of Oakland issued \$39.5 million in Subordinated Affordable Housing Bonds to address the housing needs of low and moderate income persons, a portion of which was loaned by the Redevelopment Agency for affordable housing development purposes; and

**WHEREAS**, in 2006 the Redevelopment Agency issued \$55 million in new Affordable Housing Bonds to further address the housing needs of low and moderate income persons, a portion of which was loaned by the Redevelopment Agency for affordable housing development purposes; and

**WHEREAS**, the Oakland City Council adopted Resolution No. 83680 C.M.S. on January 10, 2012, electing for the City to retain and assume the housing assets and functions of the Redevelopment Agency pursuant to Health & Safety Code Section 34176 upon Redevelopment Agency dissolution; and

**WHEREAS**, the Redevelopment Agency dissolved on February 1, 2012; and

**WHEREAS**, loans made by the Redevelopment Agency for affordable housing purposes are housing assets retained and assumed by the City of Oakland; and

**WHEREAS**, funds generated from housing assets, including repayments on loan receivables transferred to the City as housing successor, must be deposited into a separate Low and Moderate Income Housing Asset Fund under Health & Safety Code Section 34176(d); and

**WHEREAS**, the Redevelopment Agency set aside a reserve of housing bond funds in the Low and Moderate Income Housing Fund in the amount of \$219,783 to cover any claims for defective construction with respect to the MLK Jr. Plaza Homes ownership project for a ten-year latent defect period; and

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FEB 25 2014

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**WHEREAS**, the reserve for the MLK Jr. Plaza Homes ownership project is no longer needed because the ten year reserve period has expired; and

**WHEREAS**, these reserve funds are excess bond proceeds held by the Oakland Redevelopment Successor Agency, and as such will be transferred to the City under the Bond Expenditure Agreement for use by the City consistent with the original bond covenants, and will be deposited into the City's Low and Moderate Income Housing Asset Fund; and

**WHEREAS**, the City of Oakland desires to maximize the use of housing funds by using all available sources of funds as soon as they become available; and

**WHEREAS**, actual revenues in the Low and Moderate Income Housing Asset Fund (18XX TBE) exceeded the amount budgeted by \$1,078,483 due to loan repayments and expiration of the reserve agreement for the MLK Jr. Plaza project; and

**WHEREAS**, those funds were not previously appropriated; now, therefore, be it

**RESOLVED:** That the City of Oakland hereby appropriates the sum of \$1,078,483 from the fund balance in the Low and Moderate Income Housing Asset Fund (18XX TBE) to the Housing Development Project (Project TBD), Housing Development Organization (89929).

IN COUNCIL, OAKLAND, CALIFORNIA,

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT **3-1** HAN

NOES-

ABSENT-

ABSTENTION-

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DEVELOPMENT CMTE.**

**FEB 25 2014**

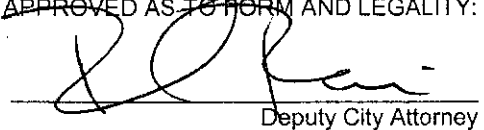
ATTEST: \_\_\_\_\_

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

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PM 1:45

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

**A RESOLUTION INCREASING THE AMOUNT OF AN AFFORDABLE HOUSING PRESERVATION AND REHABILITATION LOAN TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE MARCUS GARVEY COMMONS AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 1769 GOSS STREET AND 1766 7<sup>TH</sup> STREET BY \$200,000 FOR A TOTAL LOAN AMOUNT OF \$934,000, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT**

**WHEREAS**, Redevelopment Agency Resolution No. 2011-0017 C.M.S., dated March 3, 2011, authorized an affordable housing development loan of \$352,000 and City Resolution No. 83921 C.M.S. dated June 19, 2012 authorized an additional affordable housing development loan of \$382,000 for a total loan amount of \$734,000 to East Bay Asian Local Development Corporation ("Developer"), a nonprofit developer of affordable housing, for the rehabilitation of Marcus Garvey Commons; and

**WHEREAS**, the City as successor to the housing functions of the former Redevelopment Agency under California Health and Safety Code Section 34176 has succeeded to the loan authorized by the Redevelopment Agency under Resolution No. 2011-0017 C.M.S.; and

**WHEREAS**, on September 10, 2013, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, the Developer submitted a proposal in response to the NOFA to complete rehabilitation of the Marcus Garvey Commons affordable rental project at 1769 Goss Street and 1766 7<sup>th</sup> Street in the City of Oakland (the "Property") to continue to provide 22 rental units of affordable housing to serve families (the "Project"); and

**WHEREAS**, 21 units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and

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DEVELOPMENT CMTE.**

FEB 25 2014

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maintaining decent, safe and habitable affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, the Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

**WHEREAS**, the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

**WHEREAS**, previously reserved loan funds of \$382,000 are available in the HUD-HOME Fund (2109) Housing Development Organization (89929), Marcus Garvey Commons Project (G460410) to assist the Project; and

**WHEREAS**, previously reserved loan funds of \$352,000 are available in the Low and Moderate Income Housing Fund (1880) Housing Development Organization (89929), Marcus Garvey Commons Project (L438310) to assist the Project; and

**WHEREAS**, funds are available from the HUD-HOME Fund to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or his or her designee to provide an additional loan in an amount not to exceed \$200,000, for a total loan in an amount not to exceed \$934,000, to East Bay Asian Local Development Corporation or to an affiliated entity approved by the City Administrator or his or her designee, to be used for the Project; and be it

**FURTHER RESOLVED:** That the \$200,000 additional funding will be allocated from the HUD-HOME Fund (2109), Municipal Lending Organization (89939), HMIP-Homeowner Rehab project (G155810); and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the HUD-HOME Fund and the Low and Moderate Income Housing Fund to cover the City loan of \$934,000; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and the City finds and determines that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (existing facilities) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

**FURTHER RESOLVED:** That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her

discretion, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

**FURTHER RESOLVED:** That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

**FURTHER RESOLVED:** That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to extend the term of any existing City loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing City loans; and be it

**FURTHER RESOLVED:** That the loan funds shall be reserved for a period of no more than twelve months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

**FURTHER RESOLVED:** That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of the National Environmental Protection Act, as certified by the City Administrator or his or her designee; and be it

**FURTHER RESOLVED:** That all loan documents shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution, and copies will be placed on file with the City Clerk; and be it

**FURTHER RESOLVED:** That the City Council hereby appoints the City Administrator and his or her designee as agent of the City to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and  
PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

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

**3-2**

**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.**

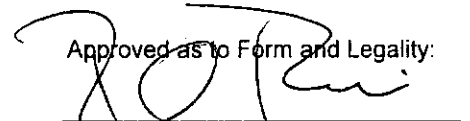
FEB 25 2014



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PM 1:45

Approved as to Form and Legality:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,575,000 TO META HOUSING CORPORATION FOR THE CIVIC CENTER 14 TOD RENTAL PROJECT LOCATED AT 632 14<sup>TH</sup> STREET**

**WHEREAS**, on September 10, 2013, the City of Oakland issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Meta Housing Corporation (the "Developer") submitted a proposal in response to the NOFA; and

**WHEREAS**, the Developer proposes to develop a 40-unit rental housing project at 632 14<sup>th</sup> Street in the City of Oakland (the "City") known as Civic Center 14 TOD (the "Project"); and

**WHEREAS**, the City's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, at least 39 Project units will be rented at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, the Project is consistent with the City's Project Development Guidelines, and the Developer meets the City's Threshold Developer Criteria; and

**WHEREAS**, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

**3-3**  
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DEVELOPMENT CMTE.  
FEB 25 2014

**WHEREAS**, funds are available from the Affordable Housing Trust Fund and the General Purpose Fund to assist the Project; now, therefore, be it

**RESOLVED**: That the City hereby authorizes the City Administrator or his or her designee to provide a loan in an amount not to exceed \$1,575,000 to Meta Housing Corporation, or to an affiliated entity approved by the City Administrator or his or her designee, to be used for development of the Project; and be it

**FURTHER RESOLVED**: That \$1,085,509 will be allocated from the Affordable Housing Trust Fund (7450/1870), Housing Development Organization (89929), Housing Trust Fund Housing Development Project (P435210) for this loan; and be it

**FURTHER RESOLVED**: That \$489,491 will be allocated from the General Purpose Fund (1010), Housing and Community Development Organization (89919), Contract Contingencies – Affordable Housing Program Project (A468540) for this loan; and be it

**FURTHER RESOLVED**: That the loan shall be contingent on the availability of sufficient funds in the Affordable Housing Trust Fund and the General Purpose Fund to cover the City loan of \$1,575,000; and be it

**FURTHER RESOLVED**: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her discretion, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

**FURTHER RESOLVED**: That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

**FURTHER RESOLVED**: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED**: That the loan funds shall be reserved for a period of no more than twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

**FURTHER RESOLVED**: That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED**: That the City hereby authorizes the City Administrator

or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City Administrator or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and based on the August 4, 2006 Planning Commission finding, has found and determined that the Project meets criteria for exemption under Section 15332 (infill projects) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator or her designee shall file a Notice of Exemption, and an Environmental Declaration under the California Fish and Game Code (Section 711.4) with the County of Alameda; and be it

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

**FURTHER RESOLVED:** That the City hereby authorizes the City Administrator or his or her designee to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

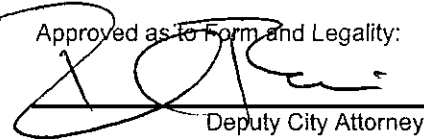
**3-3**

ATTEST: \_\_\_\_\_  
**COMMUNITY & ECONOMIC DEVELOPMENT CMTE.**  
City Clerk and Clerk of the Council  
of the City of Oakland, California  
FEB 25 2014

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PM 1:45

Approved as to Form and Legality:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,750,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE 11TH AND JACKSON APARTMENTS RENTAL PROJECT LOCATED AT 1110 JACKSON STREET**

**WHEREAS**, on September 10, 2013, the City of Oakland issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, East Bay Asian Local Development Corporation (the "Developer") submitted a proposal in response to the NOFA; and

**WHEREAS**, the Developer proposes to develop a 71-unit rental housing project at 1110 Jackson Street in the City of Oakland (the "City") known as 11th and Jackson Apartments (the "Project"); and

**WHEREAS**, the City's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, at least 70 Project units will be rented at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, the Project is consistent with the City's Project Development Guidelines, and the Developer meets the City's Threshold Developer Criteria; and

**WHEREAS**, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

**3-4**  
COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.

FEB 25 2014

**WHEREAS**, funds are available or will be available in fiscal year 2014-15 from the HUD HOME Investment Partnership Program to assist the Project; now, therefore, be it

**RESOLVED**: That the City hereby authorizes the City Administrator or his or her designee to provide a loan in an amount not to exceed \$2,750,000 to East Bay Asian Local Development Corporation, or to an affiliated entity approved by the City Administrator or his or her designee, to be used for development of the Project; and be it

**FURTHER RESOLVED**: That the following will be allocated from the HUD-HOME Fund (2109) for this loan: \$2,000,000 from Housing Development Organization (89929), HOME Housing Development Program project (G172111) after the 2014-15 fiscal year HOME funds are available; \$626,000 from Housing Development Organization (89929), HOME Housing Development Program project (G172111); and \$124,000 from Housing and Community Development Organization (89919), CHDO Operating project (G172121); and be it

**FURTHER RESOLVED**: That the loan shall be contingent on the availability of sufficient funds in the HOME Program Development Fund to cover the City loan of \$2,750,000; and be it

**FURTHER RESOLVED**: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her discretion, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

**FURTHER RESOLVED**: That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

**FURTHER RESOLVED**: That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED**: That the loan funds shall be reserved for a period of no more than twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

**FURTHER RESOLVED**: That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That the City hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City Administrator or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and has found and determined that the Project meets criteria for exemption under Section 15332 (infill projects) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator or her designee shall file a Notice of Exemption, and an Environmental Declaration under the California Fish and Game Code (Section 711.4) with the County of Alameda; and be it

**FURTHER RESOLVED:** That execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of the National Environmental Protection Act ("NEPA"), as certified by the City Administrator or his or her designee; and be it

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

**FURTHER RESOLVED:** That the City hereby authorizes the City Administrator or his or her designee to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

3-4

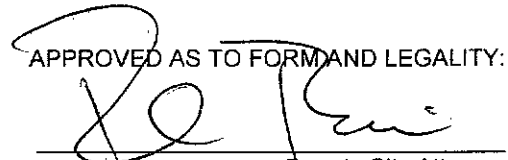
ATTEST: **COMMUNITY & ECONOMIC DEVELOPMENT CMTE.**

LaTonda Simmons  
City Clerk and Clerk of the Board  
of the City of Oakland, California  
FEB 25 2014

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PM 1:45

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

**A RESOLUTION INCREASING THE AMOUNT OF AN AFFORDABLE HOUSING LOAN TO RELATED COMPANIES OF CALIFORNIA AND ACTS COMMUNITY DEVELOPMENT CORPORATION FOR THE 94<sup>TH</sup> AND INTERNATIONAL AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 94<sup>TH</sup> AVENUE AND INTERNATIONAL BOULEVARD BY \$2,150,000 FOR A TOTAL LOAN AMOUNT OF \$7,747,000**

**WHEREAS**, Redevelopment Agency Resolution No. 2010-0079 C.M.S., dated July 6, 2010, authorized an affordable housing development loan of \$5,597,000 to Related Companies of California and Acts Community Development Corporation (jointly, the "Developer") for the development of the 94<sup>th</sup> and International project (the "Project"), a 59 unit rental housing development to be located at 94<sup>th</sup> Avenue and International Boulevard in Oakland; and

**WHEREAS**, the City as successor to the housing functions of the former Redevelopment Agency under California Health and Safety Code Section 34176 has succeeded to the loan authorized by the Redevelopment Agency under Resolution No. 2010-0079 C.M.S.; and

**WHEREAS**, Developer has substantially completed design and planning work for the Project, but did not achieve an award of Low Income Housing Tax Credits due to the highly competitive nature of the funding, and requires additional gap funding to be financially feasible; and

**WHEREAS**, on September 10, 2013, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Developer submitted a proposal in response to the NOFA for additional funds; and

**WHEREAS**, 58 units at the Property will be rented at prices affordable to households earning no more than 60% of area median income; and

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COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.

FEB 25 2014

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, the Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

**WHEREAS**, the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

**WHEREAS**, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

**WHEREAS**, previously reserved loan funds of \$2,489,700 are available in the Low and Moderate Income Housing Fund (1880) Housing Development Organization (89929), 94<sup>th</sup> and International Project (L413810) to assist the Project; and

**WHEREAS**, previously reserved loan funds of \$3,107,300 are available in the 2000 Housing Bond Fund (1883) Housing Development Organization (89929), 94<sup>th</sup> and International Project (P151796) to assist the Project; and

**WHEREAS**, additional funds are available from the Low and Moderate Income Housing Asset Fund and the General Purpose Fund to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or his or her designee to provide an additional loan in an amount not to exceed \$2,150,000, for a total loan in an amount not to exceed \$7,747,000, to Related Companies of California and Acts Community Development Corporation, or to an entity affiliated with Related Companies of California and/or Acts Community Development Corporation approved by the City Administrator or his or her designee, to be used for the Project; and be it

**FURTHER RESOLVED:** That additional funding of \$1,022,517 will be allocated from the General Purpose Fund (1010), Housing and Community Development Organization (88919), Contract Contingencies – Affordable Housing Program project (A468540) for this loan; and be it

**FURTHER RESOLVED:** That total additional funding of \$1,127,483 will be allocated from the Low and Moderate Income Housing Asset Fund (18XX tbe), Housing Development Organization (88929), Housing Development Program project (tbd); and \$49,000 from the MAP Repayment Fund (2185), Housing Development Organization (88929), FTHB MAP Repayments project (P41710) for this loan; and be it



**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the Low and Moderate Income Housing Asset Fund and the General Purpose Fund to cover the City loan of \$7,747,000; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and based on the February 2, 2012 Planning Commission finding, has found and determined that the Project meets criteria for exemption under Section 15332 (infill projects) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

**FURTHER RESOLVED:** That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her discretion, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

**FURTHER RESOLVED:** That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

**FURTHER RESOLVED:** That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to extend the term of any existing City loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing City loans; and be it

**FURTHER RESOLVED:** That the loan funds shall be reserved for a period of no more than twelve months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

**FURTHER RESOLVED:** That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That all loan documents shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution, and copies will be placed on file with the City Clerk; and be it

**FURTHER RESOLVED:** That the City Council hereby appoints the City Administrator and his or her designee as agent of the City to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

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

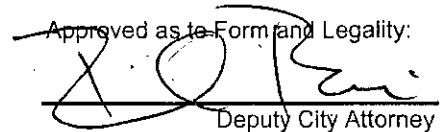
**3-5**

**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.  
FEB 25 2014**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PM 1:45

Approved as to Form and Legality:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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### A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$750,000 TO HABITAT FOR HUMANITY EAST BAY/SILICON VALLEY FOR THE OAKLAND HOME RENOVATION PROGRAM

**WHEREAS**, on September 10, 2013, the City of Oakland issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Habitat for Humanity East Bay/Silicon Valley (the "Developer") submitted a proposal in response to the NOFA; and

**WHEREAS**, the Developer proposes to acquire and rehabilitate 5 foreclosed single family homes located at scattered sites in the City of Oakland (the "Project"); and

**WHEREAS**, the City's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable homeownership housing, and has identified this activity as a priority; and

**WHEREAS**, the Project units will achieve an average income targeting of up to 100% of area median income and will not exceed income targeting of 120% of area median income; and

**WHEREAS**, the Project is consistent with the City's Project Development Guidelines, and the Developer meets the City's Threshold Developer Criteria; and

**WHEREAS**, per the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

**WHEREAS**, funds will be available in fiscal year 2014-15 from the Community Development Block Grant Program Fund to assist the Project; now, therefore, be it

**3-6**  
**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.**  
FEB 25 2014

**RESOLVED:** That the City hereby authorizes the City Administrator or his or her designee to provide a loan in an amount not to exceed \$750,000 to Habitat for Humanity East Bay/Silicon Valley, or to an affiliated entity approved by the City Administrator or his or her designee, to be used for development of the Project; and be it

**FURTHER RESOLVED:** That \$750,000 will be allocated from the Community Development Block Grant Fund (2108), Community Development Block Grant Organization (89949), Project to be determined for this loan after the 2014-15 fiscal year CDBG funds are available; and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the Community Development Block Grant Fund to cover the City loan of \$750,000; and be it

**FURTHER RESOLVED:** That the loan shall be for a maximum term of four years, with an interest rate to be determined by the City Administrator or his or her designee in his or her discretion, with repayment to the City upon the initial sale of Project units to eligible homebuyers, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interest of the City and the Project; and be it

**FURTHER RESOLVED:** That, in the event the Project's development cost exceeds its total net sales proceeds, the City Administrator or his or her designee is authorized, upon the initial sale of Project units, to convert a portion of the loan, represented by the difference between the development cost of the Project unit or units and the total net sales proceeds from Project unit or units, into a grant; and be it

**FURTHER RESOLVED:** That as a condition of the loan, the City will require that appropriate restrictions on the sale and resale of Project units be recorded against Project improvements; and be it

**FURTHER RESOLVED:** That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED:** That the loan funds shall be reserved for a period of no more than twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

**FURTHER RESOLVED:** That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That the City hereby authorizes the City Administrator or his or her designee in his or her discretion to subordinate the priority of any of the City's recorded interests in the Project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City Administrator or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and has found and determined that the Project meets criteria for exemption under Section 15304 (rehabilitation of existing facilities), 15310 (mortgages for the purchase of existing structures), and 15183 (projects consistent with zoning and general plan) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator or her designee shall file a Notice of Exemption, and an Environmental Declaration under the California Fish and Game Code (Section 711.4) with the County of Alameda; and be it

**FURTHER RESOLVED:** That execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of the National Environmental Protection Act ("NEPA"), as certified by the City Administrator or his or her designee; and be it

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

**FURTHER RESOLVED:** That the City hereby authorizes the City Administrator or his or her designee to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT  
KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

**3-6**


ATTEST: \_\_\_\_\_  
**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.**

LaTonda Simmons  
City Clerk and Clerk of the Court  
of the City of Oakland, California **FEB 25 2014**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 FEB 13 PH 1:46

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

**A RESOLUTION INCREASING THE AMOUNT OF AN AFFORDABLE HOUSING LOAN TO CALIFORNIA HOTEL OAKLAND, LP, FOR THE CALIFORNIA HOTEL AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 3501 SAN PABLO BOULEVARD BY \$210,000 FOR A TOTAL LOAN AMOUNT OF \$8,631,000**

**WHEREAS**, Redevelopment Agency Resolution No. 2011-0010 C.M.S., dated March 3, 2011, and City Resolution No. 83252 C.M.S. dated March 3, 2011, and amended through Resolution 83641 C.M.S. dated December 6, 2011, authorized a total affordable housing development loan of \$8,421,000 to East Bay Asian Local Development Corporation ("EBALDC") or its affiliate for the acquisition and rehabilitation of the California Hotel project (the "Project"), a 137 unit existing rental housing development at 3501 San Pablo Boulevard in Oakland; and

**WHEREAS**, the City as successor to the housing functions of the former Redevelopment Agency under California Health and Safety Code Section 34176 has succeeded to the loan authorized by the Redevelopment Agency under Resolution No. 2011-0010 C.M.S.; and

**WHEREAS**, EBALDC's affiliate, California Hotel Oakland, LP (the "Developer") has completed rehabilitation of the Project, but incurred unexpected real estate transfer taxes when acquiring the Project; and

**WHEREAS**, 136 units at the Property are rented at prices affordable to households earning no more than 60% of area median income; and

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for creating, preserving and maintaining decent, safe and habitable affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

**3-7**  
COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.  
FEB 25 2014

**WHEREAS**, additional funds are available from the HUD-HOME Fund to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or his or her designee to provide an additional loan in an amount not to exceed \$210,000, for a total loan in an amount not to exceed \$8,631,000, to California Hotel Oakland, LP, to be used for the Project; and be it

**FURTHER RESOLVED:** That additional funding of \$210,000 will be allocated from the HUD-HOME Fund (2109), Housing Development Organization (88929), CHDO Operating project (G172121) for this loan; and be it

**FURTHER RESOLVED:** That the loan shall be contingent on the availability of sufficient funds in the HUD-HOME Fund; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and the City finds and determines that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (existing facilities) of the CEQA Guidelines; and be it

**FURTHER RESOLVED:** That the City Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

**FURTHER RESOLVED:** That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator in his or her discretion, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his or her designee determines are in the best interests of the City and the Project; and be it

**FURTHER RESOLVED:** That as a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it

**FURTHER RESOLVED:** That the loan shall be secured by a deed of trust on the Project land and/or improvements; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to extend the term of any existing City loans on the Property up to 55 years, consolidate the existing loans with the new loan authorized by this Resolution, modify other terms and conditions of the existing City loans to be consistent with the terms and conditions of any new funding for the Project, and negotiate and execute loan documents with respect to existing City loans; and be it

**FURTHER RESOLVED:** That the loan funds shall be reserved for a period of no more than twelve months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provided other assurances of adequate Project funding that the City Administrator or his or her designee deems sufficient within his or her discretion, within the reservation period; and be it

**FURTHER RESOLVED:** That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

**FURTHER RESOLVED:** That execution of loan documents or other documents legally committing the City to fund this Project are expressly conditioned on compliance with the requirements of the National Environmental Protection Act, as certified by the City Administrator or his or her designee; and be it

**FURTHER RESOLVED:** That all loan documents shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution, and copies will be placed on file with the City Clerk; and be it

**FURTHER RESOLVED:** That the City Council hereby appoints the City Administrator and his or her designee as agent of the City to conduct negotiations, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

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**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE.**

FEB 25 2014