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OAKLAND

2012 MAY 30 AM 10:41

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Michele Byrd

SUBJECT: Affordable Housing NOFA Funds      DATE: May 16, 2012

City Administrator  
Approval

Date

5/27/12

COUNCIL DISTRICT: City-Wide

## RECOMMENDATION

Staff recommends that five existing affordable housing projects receive commitments of City funding for rehabilitation. Staff requests that the City Council approve the following resolutions:

A Resolution Authorizing A Preservation and Rehabilitation Loan In An Amount Not To Exceed \$1,200,000 To Chelsea Investment Corporation For The C.L. Dellums Project Located At 644 14<sup>th</sup> Street, Oakland And Authorizing Loan Extensions And/Or Changes In Terms For Existing Loans For The Project.

A Resolution Authorizing A Preservation And Rehabilitation Loan In An Amount Not To Exceed \$989,000 To East Bay Asian Local Development Corporation For The Madrone Hotel Project Located At 477 8<sup>th</sup> Street, And Authorizing Loan Extensions And/Or Changes In Terms For Existing Loans For The Project.

A Resolution Amending Resolution No. 2011-0020 C.M.S. To Increase The Amount Of An Affordable Housing And Preservation and Rehabilitation Loan To Dignity Housing West, Inc. For The James Lee Court Project Located At 690 15<sup>th</sup> Street By \$1,105,000 For A Total Loan Amount of \$3,501,000, And Authorizing Loan Extensions And/Or Changes In Terms For Existing Loans For The Project.

A Resolution Authorizing A Preservation and Rehabilitation Loan In An Amount Not To Exceed \$382,000 To East Bay Asian Local Development Corporation For The Marcus Garvey Commons Project Located At 1769 Goss Street and 1766 7<sup>th</sup> Street And Authorizing Loan Extensions And/Or Changes In Terms Existing Loans For The Project.

A Resolution Authorizing A Preservation And Rehabilitation Loan In An Amount Not To Exceed \$669,000 To East Bay Asian Local Development Corporation For The Slim Jenkins Project Located At 700 Willow Street, And Authorizing Loan Extensions And/Or Changes In Terms For Existing Loans For The Project.

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## **EXECUTIVE SUMMARY**

The Department of Housing and Community Development (HCD) is recommending funding awards for five affordable housing development projects (totaling \$4,345,000) that applied for funds in response to the City's 2011-2012 Notice of Funding Availability (NOFA) for Affordable Rental and Ownership Housing (the "Original NOFA") and the City's 2011-2012 NOFA for the 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 fourteen applications were received; seven for the Original NOFA and seven for the Rehabilitation NOFA. The total amount requested was \$34,055,964.

Rehabilitation of existing affordable housing was considered as the highest priority for NOFA funds this year. All of the five projects recommended for funding fall into this category. Funding will be from the City's federal HOME Investment Partnership Program grant. HOME funds are annual entitlement funds that come directly to the City of Oakland from the Department of Housing and Urban Development (HUD). These funds are not impacted in any way by the state budget process. None of the funding recommended in this report are former Redevelopment Agency Low/Mod Housing funds that might be impacted by legislative efforts at the state level.

## **OUTCOME**

The proposed funds will be used to rehabilitate 185 units of existing affordable housing designated for low and very low-income households, in order to preserve the physical condition, livability, safety, and financial feasibility of the developments.

## **BACKGROUND/LEGISLATIVE HISTORY**

HCD issued both the Original NOFA and the Rehabilitation NOFA on September 6, 2011. The two NOFAs required different application materials and included their own threshold requirements and ranking criteria appropriate for each program.

In addition to the scoring and ranking process set forth in each NOFA, funding recommendations this year were guided by the following priorities: 1) existing affordable housing in need of rehabilitation; 2) properties previously funded by the City/Agency that need additional financing; 3) the highest ranking new affordable homeownership developments projects; and 4) the highest ranking new affordable rental housing developments.

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For the Original NOFA, eligible activities include new construction and substantial rehabilitation of ownership, rental, supportive, or transitional 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 targeting units to lower income households, exceeding minimum developer experience requirements, project location, revitalization potential, targeting to households with special needs, energy efficiency, percentage of City/Agency subsidy, 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

The total amount requested under both NOFAs was \$34,055,964; of which \$21,949,000 is requested under the Original NOFA and \$12,106,964 is requested under the Rehabilitation NOFA. A total of fourteen applications were received; seven for the Original NOFA and seven for the Rehabilitation NOFA. Applications received under the NOFAs were reviewed first for completeness and second to determine whether the City's minimum standards for project and developer qualifications had been met. The applications were then evaluated and ranked according to prepared criteria outlined in each NOFA.

As in past NOFAs, there is a high level of demand for the City's housing funds this year; however, there is a significant shortage of funds primarily due to AB 1x 26, the bill which eliminated Redevelopment Agencies statewide. Foreseeing the reduced funds available, staff limited the number of NOFA applications that could be submitted by each developer, but still received many more applications than there are funds available.

With these constraints in mind, staff is recommending that awards be allocated to the City's highest priority, which is rehabilitation of the existing affordable housing portfolio. Many older existing affordable housing developments are experiencing urgent rehabilitation needs. Over the years, the cost of utilities, insurance, labor and materials, and other costs for these projects have increased more rapidly than their rental incomes have increased. For these projects, rental income (which is restricted by regulatory agreements) has become insufficient to fund ongoing replacement reserves. In addition, some existing buildings may not have been fully rehabilitated when originally funded, due to lack of available funds at that time, and now require additional subsidy to complete the rehabilitation. There are few funding sources available for rehabilitation of these developments. They are not competitive for the state and federal funding sources typically used for new affordable housing projects, and they lack the cash flow to leverage

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additional private debt. The following is a Project Recommendation Table for each NOFA, listed in order of ranking.

**Project Recommendation Table – Rehabilitation NOFA**

Rec. for Funding	Rank	Project Name/Developer	Council District	Requested Amount
X	1	C.L. Dellums ( <i>Chelsea Investment Corporation</i> )	3	\$1,200,000*
	2	Sojourner Truth ( <i>Landis Development Corporation</i> )	1	\$2,508,000
X	3	Madrone Hotel ( <i>EBALDC</i> )	3	\$989,000*
X	4	James Lee Court ( <i>Dignity Housing West, Inc</i> )	2	\$1,105,000*
X	5	Slim Jenkins ( <i>EBALDC</i> )	3	\$669,000
X	6	Marcus Garvey Commons ( <i>EBALDC</i> )	3	\$382,000
	7	Harp Plaza ( <i>Dignity Housing West, Inc</i> )	3	\$1,519,000

\* The amount has been reduced from the initial request and includes the urgent rehabilitation scope of work items, reduced administrative fees, and reduced capitalized reserve requests.

**Project Recommendation Table – Original NOFA**

Rec for Funding	Rank	Project Name/Developer	Project Type	Council District	Requested Amount
	1	Lion Creek Phase V ( <i>EBALDC/Related California</i> )	Rental -- Senior, New Construction	6	\$5,000,000
	2	1701 Martin Luther King, Jr. Way ( <i>RCD</i> )	Rental -- Special Needs, New Construction	3	\$2,669,000
	3	Lakeside Senior Apartments ( <i>Satellite Housing</i> )	Rental -- Senior, New Construction	3	\$2,260,000
	4	Medici ( <i>Bridge Housing</i> )	Rental -- Families, New Construction	3	\$4,527,000
	5	Redwood Hill ( <i>Affordable Housing Associates</i> )	Rental – Family, New Construction	4	\$2,923,000
	6	Commodore ( <i>AMCAL Multi-Housing</i> )	Rental -- Families, New Construction	7	\$3,490,000
	N/A	Habitat Renovation Program** ( <i>Habitat for Humanity</i> )	Ownership -- Family, Rehabilitation	5	\$1,080,000

\*\* This application could not be adequately scored based on the standard NOFA criteria because the homes for rehabilitation have not yet been identified.

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Please see *Attachment A* to this report for detailed information on all submitted Rehabilitation NOFA projects, and *Attachment B* for this information on all submitted Original NOFA projects.

### Summary of Funding Recommendations

Guided by the NOFA priorities, funding for rehabilitation of existing affordable housing was considered first for funding. The Rehabilitation NOFA initially received \$12,106,964 in total requests. After multiple detailed staff reviews, consultation with the City's construction monitors, and discussions with project sponsors, the projects' budgets and scopes of work were revised to reflect the most critical and urgent items, resulting in total reduced requests of \$8,372,000. Five of the seven projects requesting funds under the Rehabilitation NOFA are recommended for funding, three of which had received funding in previous NOFA rounds, and required additional funds to complete needed repairs.

Sojourner Truth Manor is not recommended because the project is not currently eligible for HOME funds. The project received HOME funds in 2006 for elevator rehabilitation work, which was completed in late 2007. While the property could have been eligible for Redevelopment funds under this NOFA for the new scope of work, according to HOME regulations a project cannot receive additional HOME funds during the current HOME affordability term. Since Redevelopment funding is no longer available for this NOFA, the project cannot be recommended for funding.

Harp Plaza ranked last among the seven projects, and the amount requested to rehabilitate the project exceeds the amount of funds available. Therefore, it was not recommended for funding.

There are also not sufficient funds remaining for any of the projects submitted under the Original NOFA.

If the recommended projects are approved for funding, the rehabilitation of 185 existing units of affordable housing will move forward. These projects will create jobs in the construction and professional services trades, having a positive ripple effect on Oakland's economy. They will also improve and protect important affordable housing assets for residents of the City of Oakland.

### PUBLIC OUTREACH/INTEREST

Staff held a NOFA pre-application meeting on September 16, 2011 to explain the NOFA application process, CEQA requirements, and the City's required employment and contracting programs. Staff was available to answer any NOFA-related questions; the responses were

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posted on the HDS website one week following the meeting. There were twenty-three potential applicants who attended the meeting.

Prior to application submission, Rehabilitation NOFA applicants were required to hold at least one meeting with tenants describing the proposed rehabilitation and any possible disruptions with regard to tenant units and common spaces and to receive input on rehabilitation plans. Applicants were required to submit a tenant outreach plan to notify residents of the planned rehabilitation work and any temporary relocation or inconveniences that may result. Permanent relocation of tenants is not an eligible use of City funds under the Rehabilitation NOFA.

Original NOFA applicants were required to hold at least one meeting with an established neighborhood organization prior to application submission. Applicants also prepared a community outreach plan with evidence of outreach. Each applicant was required to contact neighborhood organizations in the vicinity of the proposed development prior to applying for financing.

Proposed projects located in a redevelopment project area with a Project Area Committee (PAC) are required to give a presentation to the relevant PAC so the PAC can provide their recommendations to Council. There are PACs for three redevelopment project areas: Central City East (CCE), West Oakland, and Broadway/MacArthur/San Pablo. All projects recommended for funding in this report that are located in one of these redevelopment areas received PAC support.

Three applications were submitted for the West Oakland redevelopment project area: James Lee Court, Marcus Garvey and Slim Jenkins. The West Oakland PAC gave its support to all of these projects.

Two applications were submitted for the CCE redevelopment project area: Lakeside Senior Apartments and Commodore Apartments. The CCE PAC voted to support only Lakeside Senior Apartments.

One application was located in the Broadway/MacArthur/San Pablo redevelopment project area: Harp Plaza. The Broadway/MacArthur/SanPablo PAC voted to support the project.

## COORDINATION

Housing staff consulted with Planning staff to coordinate CEQA determinations, planning and zoning conformity and to identify possible barriers to development. Housing staff also worked alongside Redevelopment staff to coordinate the PAC review process. Legal staff was consulted to ensure legality of funding commitment resolutions and budget staff was consulted to confirm funding amounts.

**COST SUMMARY/IMPLICATIONS**

Funding for the proposed projects will come from the City's federal HOME Investment Partnership Program grant (Fund 2109) as follows: FY 2011-12 HOME funds already budgeted and available, an advance commitment of a portion of the City's HOME grant for FY 2012-13, and reallocation of HOME funds previously committed to the California Hotel project (which were replaced with Neighborhood Stabilization Program funds).

Funds Currently Available

FY 2011-12 HOME	\$821,534
FY 2012-13 HOME	\$1,700,000
Cal Hotel reallocation	\$1,851,250
<b>TOTAL</b>	<b>\$4,372,784</b>

Advance award of the HOME funds is needed to meet critical funding commitment and expenditure requirements from HUD. The City has provided advance commitments of HOME funds in each of the last three NOFAs. 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 twenty-four months for new projects, and for twelve months for projects returning for additional funds, to allow each developer to successfully obtain commitments for the balance of needed funding.

The City 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, income and occupancy restrictions, and the rent structure. 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 deed of trust on a case-by-case basis, but not to subordinate the City regulatory agreement to private financing.

All of the Rehabilitation NOFA projects have existing loan and regulatory agreements with the City of Oakland or the former Redevelopment Agency. The 55-year affordability term will be reset when the new loan is closed, and previous City loans may be combined with new loans to simplify the financing structure.

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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 strengthen and preserve the affordable housing inventory in Oakland and generate construction and professional services jobs. Providing families with affordable housing will free up household disposable income to be spent on other goods and services in Oakland.

***Environmental:*** Each of these proposals will rehabilitate existing housing, and all are near public transit. By developing in already built-up areas, these infill projects reduce the pressure to build on agricultural and other undeveloped land. Sites near mass transit enable residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development.

***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.

C.L. Dellums, Madrone Hotel, James Lee Court, Marcus Garvey and Slim Jenkins, as projects considered for the Rehabilitation NOFA, are existing buildings, and have therefore been determined to be exempt per Section 15301 of the CEQA Guidelines (existing facilities being repaired, altered, or reconstructed).

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For questions regarding this report, please contact Norma Thompson, Housing Manager, at 510-238-7137.

Respectfully submitted,



Fred Blackwell  
Assistant City Administrator

Reviewed by:  
Michele Byrd, Deputy Director,  
Department of Housing and Community Development

Norma Thompson  
Manager, Housing Development

Prepared by: Leslie Mullins  
Housing Development Coordinator  
Housing Development Services

Attachments (2)

-- *Attachment A – Detailed Description of Rehabilitation NOFA projects*

-- *Attachment B - Detailed Description of Original NOFA projects*

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**ATTACHMENT A: REHAB NOFA 2011-12**

**Project Summary Table**

	New Projects				Returning Projects		
	C.L. Bellums	Madrone Hotel	Sojourner Truth	Harp Plaza	James Lee Court	Marcus Garvey Commons	Slim Jenkins
Address	644 14th Street	477 8th Street	6015 Martin Luther King Jr. Way	430 28th Street	690 15th Street	1769 Goss Street & 1766 7th Street	700 Willow Street
Redevelopment Area	Central	N/A	N/A	Bdwy/ MacArthur/ San Pablo	West Oakland	West Oakland	West Oakland
Council Uistrict	3	3	1	3	2	3	3
Developer	Chelsea Investment Corporation	EBALDC	LANDIS DEVELOPMEN T, LLC	Dignity Housing West, Inc.	Dignity Housing West, Inc	EBALDC	SLIM JENKINS COURT LLC
OCHII Property	No	No	No	No	No	No	OCHI
Tenure	99yrs	100yrs	36 yrs	16 yrs	19yrs	19yrs	20yrs
Units (incl. manager's unit)	73	32	87	20	26	22	32
Bedrooms (incl. manager's unit)	73	32	87	49	26	52	64
Total Rehabilitation Cost	\$ 13,437,291	\$ 1,775,370	\$ 4,404,709	\$ 1,518,611	\$ 1,254,274	\$ 382,000	\$ 1,920,000
Cost per Unit	\$ 179,783	\$ 55,480	\$ 50,054	\$ 7,593,054	\$ 48,241	\$ 17,364	\$ 270,401
Cost per Bedroom	\$ 184,072	\$ 55,480	\$ 50,629	\$ 30,992	\$ 48,241	\$ 7,346	\$ 30,000
Local Funds Requested This NOFA	\$ 4,000,000	\$ 1,775,370	\$ 2,507,709	\$ 1,518,611	\$ 1,254,274	\$ 382,000	\$ 669,000
Local Funds per Unit	\$ 54,794	\$ 54,794	\$ 28,496	\$ 75,931	\$ 92,154	\$ 33,364	\$ 20,906
Local Funds per Bedroom	\$ 54,794	\$ 54,794	\$ 28,824	\$ 30,992	\$ 36,862	\$ 14,115	\$ 10,453
% Local Funds to Total Dev Cost	29.8%	100.0%	56.9%	100.0%	100.0%	100.0%	34.8%

Total Request \$ 12,106,964

**ATTACHMENT A: Rehabilitation NOFA ("REHAB NOFA") 2011-12  
Summaries of Submitted Projects**

**Slim Jenkins Court**

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Developer: East Bay Asian Local Development Corp. (EBALDC)	Address: 700 Willow Street
This Request: \$669,000 (Rehab NOFA)	Council District: 3
Previous Award: \$1,920,000 (3/17/09)	Redevelopment Area: West Oakland
Total City/Agency Funds: \$2,589,000	

**PROJECT SUMMARY:**

- Slim Jenkins is a three-story building with ground floor retail/ office space, covered parking, and a residential lobby. Four residential buildings sit on top of a concrete podium slab next to a community room with a manager’s office, a laundry facility, and a tot lot for children. The residential portion consists of 32 (including a manager’s unit) multi-family units, which are all two bedrooms. Around 2006, the previous owner secured a rehabilitation loan in response to resident complaints that conditions were inhabitable. Some rehabilitation work was performed by the previous owner, but it is not clear to the current owner what repairs were made. A City of Oakland Preservation and Rehabilitation loan that was made in 2009 enabled the current owner to dramatically improve the condition of the property, but there are still substantial repairs needed. The owner is approaching the City for a second Preservation and Rehabilitation loan because AHP financing was not obtained and additional money is needed, because the owner is finding additional deteriorating conditions as the rehabilitation process proceeds.
- The building was constructed in 1991.
- The requested NOFA funding would be applied to the following rehabilitation scope of work, which has been completed: repair damaged gypcrete topping and add blocking to floor joists; install heating furnaces with flue connection; replace plastic laminate panels inside elevator cab; gap financing for existing rehab work included in 2009 NOFA Lite financing round. Additional soft funds are needed for construction loan interest and other project carrying costs.

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

UNIT SIZES:

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
		32			32

**OTHER PROPOSED PERMANENT FINANCING SOURCES:** City of Oakland (Previously awarded Preservation and Rehabilitation funds); Oakland Housing Authority grant; 501(c)3 portfolio bond, alternatively, pennanent loan from US Bank.

## **MARCUS GARVEY COMMONS**

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Developer: East Bay Asian Local  
Development Corp. (EBALDC)  
This Request: \$382,000 (Rehab NOFA)  
Previous Award: \$352,000  
Total City/Agency Funds: \$734,000

Address: 1769 Goss Street & 1766 7<sup>th</sup>  
Street  
Council District: 3  
Redevelopment Area: West Oakland

### **PROJECT SUMMARY:**

- Marcus Garvey Commons is a 22-unit (including a manager's unit), occupied townhouse-style affordable housing development at the intersection of Wood Street and Gross Street in West Oakland. The property was developed in 1992. CalTrans dedicated an adjacent parcel to the property in 2006, and EBALDC then took action to re-landscape the parcel as a play area, barbeque grills, and a picnic area.
- EBALDC has made several major repairs to the property in the past ten years, including: installing new windows in many units; replacement of many unit smoke detectors; waterproofing exterior deck and stairway areas; and energy-efficiency improvements such as installation of CFL light bulbs and installation of programmable thermostats in all units. Today, the property is primarily in need of capital for air and noise mitigation measures that are required for the project to obtain a NEPA clearance, which is required for PBS8.
- The requested funding would be applied to the following rehabilitation items: additional security lighting in the parking area and security screen doors on all back doors of the property; a new HVAC system to address air quality issues; new doors and windows to mitigate noise.

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: City of Oakland (Previously awarded Preservation and Rehabilitation funds).

## **HARP PLAZA APARTMENTS**

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Developer: Dignity Housing West, Inc.  
This Request: \$1,518,611 (Rehab NOFA)  
Previous Award: \$0

Address: 430 28<sup>th</sup> Street  
Council District: 3  
Redevelopment Area: Bway/ MacArthur/  
San Pablo

Total City/Agency Funds: \$1,518,611

### **PROJECT SUMMARY:**

- Rehabilitation of existing occupied buildings containing 20 family units (including a manager's unit) in two buildings. The units are a mixture of townhomes and flats. The property was constructed in 1995.

- Rehabilitation will include: cosmetic rehabilitation of the units (replacing kitchen cabinets, kitchen countertops, carpet, vinyl kitchen flooring, kitchen sink, stove, refrigerator, kitchen hood, bathroom vanity cabinet and sink); replacing the HVAC system; and upgrading the electronic surveillance system to a digital system.

AFFORDABILITY LEVELS: 60% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
			11	9		20

OTHER PROPOSED PERMANENT FINANCING SOURCES: Grant funds (many possible sources, but none are confirmed).

### **SOJOURNER TRUTH MANOR**

Developer: Landis Development	Address: 6015 Martin Luther King Jr. Way
This Request: \$2,507,709 (Rehab NOFA)	Council District: 1
Previous Award: \$157,120 (2003 Rehab NOFA)	Redevelopment Area: N/A
Total City/Agency Funds: \$2,664,829	

**PROJECT SUMMARY:**

- Rehabilitation of existing 88-unit (including a manager's unit) senior housing complex consisting of three buildings. The complex contains a mixture of studio and one bedroom units. The complex was built in 1975.
- A \$157,120 City of Oakland Preservation and Rehabilitation loan was made in 2003 that enabled the owner to upgrade the elevators, entryway doors, and smoke/ fire detectors.
- Rehabilitation will include: ADA accessibility improvements in units and common areas, ground floor common area remodeling in Building C (including offices, new toilet facilities, kitchen, laundry, conference, and computer training room), entry and common area improvements, exterior façade improvements, and site improvements such as parking security and improved landscaping.

AFFORDABILITY LEVELS: 30% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	76	12				88

OTHER PROPOSED PERMANENT FINANCING SOURCES: Private mortgage financing (not confirmed) and replacement reserves.

## **C.L. DELLUMS APARTMENTS**

Developer: Alpha Project for the Homeless  
This Request: \$4,000,000 (Rehab NOFA)  
Previous Award: \$0  
Total City/Agency Funds: \$4,000,000

Address: 644 14<sup>th</sup> Street  
Council District: 3  
Redevelopment Area: Central

### **PROJECT SUMMARY:**

- Rehabilitation of existing 73-unit (including a manager's unit) SRO supportive housing building. The building was built in 1912, and underwent substantial rehabilitation in 1995.
- Seven of the units target individuals with impaired mobility, and two of the units target individuals with hearing or visual impairments.
- Rehabilitation will include: health/ safety/ code conformance such as fire escape repairs, installing a closed circuit TV system, installing a rooftop perimeter guardrail, trash chute installation, modernization of the elevator, roof replacement, boiler replacement, structural repairs to the foundation, modernization of the fire alarm system, creating a public bathroom for the common area, common area and unit interior updates (including energy efficiency/ water conservation upgrades through window, toilet, and shower replacements), new building signage, and new exterior paint.
- Tenants will not have to relocate during construction, and all will be income qualified to remain at the project.

AFFORDABILITY LEVELS: 40% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	73					73

OTHER PROPOSED PERMANENT FINANCING SOURCES: Deferred developer fee (50%) and Low Income Housing Tax Credit equity.

## **MADRONE HOTEL**

Developer: East Bay Asian Development Corp.  
(EBALDC)  
This Request: \$1,775,370 (Rehab NOFA)  
Previous Award: \$0  
Total City/Agency Funds: \$1,775,370

Address: 477 8<sup>th</sup> Street  
Council District: 3  
Redevelopment Area: N/A

### **PROJECT SUMMARY:**

- Rehabilitation of existing 32-unit (including a manager's unit) SRO supportive housing building with ground floor retail. The building was built in 1911, and underwent substantial rehabilitation in 1988 when it was acquired by EBALDC. EBALDC has also made subsequent repairs to maintain a quality living environment for residents.
- The building is eligible for the National Register of Historic Buildings, and it is on the California and Local Registers of Historical Resources.

- Rehabilitation will include: extensive rehabilitation of unit interiors and common areas such as repainting walls and replacing windows, floors, cabinets, and kitchenettes. The shower rooms and kitchen facilities will also be substantially rehabilitated in the common areas; major building systems will be upgraded. This will include replacing baseboard heaters, the sump pump, the trash conveyor, the trash compactor, and aging structural wood; installing energy- and water-saving measures on building components that are in need of replacement such as windows, installing new high-efficiency lighting fixtures, adding additional insulation to the water pipes, installing a graywater system for rainwater reuse in the laundry room and toilets and to treat shower water for use in toilet flushing; installing a new emergency egress; repainting portions of the exterior; and installing a new fire alarm panel.

AFFORDABILITY LEVELS: 50% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	32					32

OTHER PROPOSED PERMANENT FINANCING SOURCES: none

### **JAMES LEE COURT**

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Developer: Dignity Housing West and Community Housing Development Corporation of North Richmond	Address: 690 15 <sup>th</sup> Street
This Request: \$1,254,274 (Rehab NOFA)	Council District: 2
Previous Award: \$2,396,000	Redevelopment Area: West Oakland
Total City/Agency Funds: \$3,650,274	

**PROJECT SUMMARY:**

- Rehabilitation of existing 26-unit (including a manager's unit) 4-story building for formerly homeless persons and families. The building was built in 1992, and has not had any substantial rehabilitation.
- Rehabilitation will include: unit rehabilitation (replacing the kitchen cabinet, carpet, vinyl flooring, kitchen sink, stove, refrigerator, hood, and vanity cabinet/ sink); replacing the roof; installing an electronic surveillance system; refurbishing the elevator; upgrading the fire system and sprinklers; waterproofing the deck; replacing the HVAC system; refurbishing flooring; improving drainage; exterior painting; implementing energy conservation and weatherization improvements; landscape maintenance; and security-related improvements to the fence near the entrance gate.

AFFORDABILITY LEVELS: 25% to 70% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
		5	7	10 includes market-rate unit	4	26

OTHER PROPOSED PERMANENT FINANCING SOURCES: none

## ATTACHMENT B: New Construction/Substantial Rehabilitation NOFA ("Original NOFA") 2011-12 Project Summary Table

	Rehab Ownership	New Construction Rental Projects					
	Oakland Home Renovation Program	1701 Martin Luther King Jr. Way	Lion Creek V Senior	Lakeside Senior Apartments	The Medici	Commodore Apartments	Redwood Hill Townhomes
Address	Scattered Sites in San Antonio, Fruitvale, Central East Oakland	1701 Martin Luther King Jr. Way	6710 - 6760 Lion Way	1507-1517, 1521-1529 2nd Avenue, 131-137 E. 16th St, & 116 E. 15th St	460 Grand Avenue	10058 MacArthur Blvd. & 10150 Foothill Blvd.	4856-68 Calaveras Avenue
Redevelopment Area	Coliseum	Central District	Coliseum	Central City East	N/A	Central City East	NA
Council District	2,4,5,6	3	6	3	3	7	4
Developer	Habitat for Humanity	RCD	EBALDC/Related California	Satellite Housing	BRIDGE Housing	Amcal Multi-Housing	AHA
Tenure	Ownership	Rental	Rental	Rental	Rental	Rental	Rental
Household Type	Families	Special Needs/ Homeless	Seniors	Seniors	Families	Families	Families
Units (incl. manager's unit)	10	26	128	92	68	65	28
New Units	0	26	128	92	68	65	28
Bedrooms (incl. manager's unit)	30	27	137	93	124	140	72
Total Development Cost (Residential)	\$ 2,830,000	\$ 11,824,535	\$ 35,310,801	\$ 31,125,029	\$ 29,361,261	\$ 19,578,000	\$ 14,222,563
Cost per Unit	\$ 283,000	\$ 454,790	\$ 275,866	\$ 338,316	\$ 431,783	\$ 301,200	\$ 507,949
Cost per Bedroom	\$ 94,333	\$ 437,946	\$ 257,743	\$ 334,678	\$ 236,784	\$ 139,843	\$ 197,536
Total Local Funds	\$ 1,080,000	\$ 2,668,149	\$ 5,000,000	\$ 2,260,000	\$ 4,527,000	\$ 3,490,000	\$ 5,173,055
Local Funds Requested This NOFA	\$ 1,080,000	\$ 2,668,149	\$ 5,000,000	\$ 2,260,000	\$ 4,527,000	\$ 3,490,000	\$ 2,923,000
Other Local Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250,055
Local Funds per Unit	\$ 108,000	\$ 102,621	\$ 39,063	\$ 24,565	\$ 66,574	\$ 53,692	\$ 184,752
Local Funds per Bedroom	\$ 36,000	\$ 98,820	\$ 36,496	\$ 24,301	\$ 36,508	\$ 24,929	\$ 71,848
% Local Funds to Total Dev Cost	38.2%	22.6%	14.2%	7.3%	15.4%	17.8%	36.4%



**ATTACHMENT B: New Construction/Substantial Rehabilitation NOFA ("Original NOFA") 2011-12**  
**Summaries of Submitted Projects**

**1701 MARTIN LUTHER KING JR. WAY**

Developer: Resources for Community Development (RCD)	Address: 1701 Martin Luther King Jr. Way
This Request: \$2,668,149	Council District: 3
Previous Award: N/A	Redevelopment Area: Central District
Total City/Agency Funds: \$2,668,149	

**PROJECT SUMMARY:**

- New construction of a five-story, 26-unit (including a manager’s unit) special needs residential development. Two units would be set aside for individuals disabled by HIV/AIDS under the Housing Opportunities for Persons with AIDS program (HOPWA). Seven units in total would be set aside for homeless persons and those who are at risk of becoming homeless. The project includes five parking spaces, including a handicapped van space.
- The project site currently contains two small, single-story commercial structures used for storage and a personal office. The site was previously entitled in 2007 for a 12-unit condo development that didn’t move forward because of the financial crisis and collapse of the housing market.
- Building amenities will include: a multipurpose community room, computer lab, roof terrace, and central laundry facilities.
- The project will incorporate green design features, including: a solar-powered hydronic and space heating system, carpet made with recycled materials, EnergyStar appliances and fixtures, formaldehyde-free insulation and cabinet products, and low-VOC paints.
- Supportive services for all residents will include computer access and training, workforce skills development, and financial literacy training. Additional services would be available for MHSA and HOPWA units. LifeLong Medical Care (LMC) will provide direct services to residents, and will coordinate services between providers. Goodwill will take the lead on helping residents find and retain employment, and Oakland PATH will assist residents with housing retention issues.

**AFFORDABILITY LEVELS:** 20 to 50% AMI

**UNIT SIZES:**

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
5	20	1			26

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Low Income Housing Tax Credit equity; Affordable Housing Program (AHP); Mental Health Services Act (MHSA); Housing Opportunities for People with AIDS (HOPWA).

## **COMMODORE APARTMENTS**

Developer: AMCAL Multi-Housing

Address: 10058 MacArthur Blvd. &  
10150 Foothill Blvd.

This Request: \$3,490,000

Council District: 7

Previous Award: \$0

Redevelopment Area: Central City East

Total City/Agency Funds: \$3,490,000

### **PROJECT SUMMARY:**

- New construction of a 4-5 story affordable family housing development with a 5<sup>th</sup> level stepback (plus one level containing a subterranean parking garage). The sloped site and setback results in 4 stories above grade, both in front and in back. The project will contain 65 units (including a manager's unit).
- The project site is at the corner of Foothill and MacArthur Boulevards., and is currently used as a motel, which would be demolished as part of the project.
- Site amenities will include a community room with dedicated tutoring space, a lounge, social services offices, and a computer room with free high-speed internet access on 4-6 computers (with printers).
- Residential services will be provided regularly free of charge to all residents, and will include the following services for children: after school educational programs, computer classes, and homework help. For adult residents, the following services will be available: computer training, job skills training, English as a Second Language, parenting skills, health/ nutrition, case management to obtain financial and healthcare assistance, and financial literacy programs.

AFFORDABILITY LEVELS: 30% to 60% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
		11	33	21		65

### **OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Low Income Housing Tax Credit equity and Union Bank permanent loan

## **LAKESIDE SENIOR APARTMENTS**

Developer: Satellite Housing

Address: 1507-1517 & 1521-1529 2<sup>nd</sup> Ave,  
131-137 E 16<sup>th</sup> St, & 116 E 15<sup>th</sup> St

This Request: \$2,260,000

Council District: 3

Previous Award: N/A

Redevelopment Area: Central City East

Total City/Agency Funds: \$2,260,000

### **PROJECT SUMMARY:**

- New construction of two 5-story buildings containing 92 affordable senior units (including a manager's unit). The two buildings will be connected by a pedestrian bridge on floors 2 through 5. The community, property management, and supportive services spaces will be contained on the ground floor of one building with four stories of residential housing over the office and community spaces. The basement will

- contain 59 structured parking spaces. Other site amenities will include a non-commercial kitchen, a computer room, an intergenerational tutoring room on the ground floor, and laundry rooms on each floor
- Two of the four assembled parcels are vacant land, one parcel is underutilized parking, and the other is a two-story occupied mixed-use building which is planned to be demolished.
  - The Oakland Housing Authority has or will acquire the land for the project and lease it back to the project sponsor. OHA will also provide predevelopment funding.
  - Includes 32 units for seniors who are homeless or at-risk of homelessness and who have a chronic mental or physical health condition.
  - Satellite has established partnerships with the Center for Elders Independence, St. Mary's Center, and LifeLong Medical Care to provide services for residents. A service coordinator will provide one-on-one case management and referrals for residents.

AFFORDABILITY LEVELS: 30% to 50% AMI

UNIT SIZES:

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	91	1			92

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Affordable Housing Program (AHP); CA Housing and Community Development Multifamily Housing Program (MHP); Oakland Housing Authority; California Community Reinvestment Corporation; Wells Fargo permanent loan; and Low Income Housing Tax Credit equity.

**LION CREEK CROSSINGS PHASE V SENIOR**

Developer: East Bay Asian Local Development Corporation (EBALDC)	Address: 6710-6760 Lion Way
This Request: \$5,000,000	Council District: 6
Previous Award: \$0	Redevelopment Area: Coliseum
Total City/Agency Funds: \$5,000,000	

**PROJECT SUMMARY:**

- New construction of a four story, 128-unit (including a manager's unit) senior housing and mixed-use structure with a social service and community space. Center for Elders' Independence (CEI) will provide Program of All-inclusive Care for Elderly (PACE) services to anyone who is eligible in the building.
- Building amenities will include: 2,662 of social service and community space for onsite residential services coordinators and a partner social service agency; a multi-use community room; and a secured central courtyard;
- The 64,298 square foot project site is currently vacant. The property is bounded by the channelized Lion Creek to the North, Acts Christian Academy to the East, Lion

- Creek Crossings Phase I to the South, and Lion Way and a newly improved park to the South.
- Social service and community space will primarily be geared towards seniors, but programmed to complement the 17,000 SF of social service space that has already been built in the first four phases. CEI will provide PACE services to anyone who is eligible in the building, and there will be space in the building for active seniors to volunteer as tutors for neighborhood youth.
  - EBALDC will execute a long term ground lease with the Oakland Housing Authority, which will own the land.

AFFORDABILITY LEVELS: 30% to 50% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	2	117	9			128

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Low Income Housing Tax Credit equity; Oakland Housing Authority (OHA) funds; City of Oakland HOME funds; Union Bank permanent loan; Affordable Housing Program (AHP) (AHP is not included in current underwriting).

**THE MEDICI**

Developer: BRIDGE Housing/ Oakland Housing Authority	Address: 460 Grand Ave.
This Request: \$4,527,000	Council District: 3
Previous Award: \$0	Redevelopment Area: N/A
Total City/Agency Funds: \$4,527,000	

**PROJECT SUMMARY:**

- New construction of a mixed-use 68-unit family apartment building (including a manager's unit). The building will contain 5 stories with a level of below grade parking and one level of parking at grade. The project will contain 98 parking spaces. The ground floor will include 4,000 square feet of neighborhood serving commercial/retail space.
- The project site is located across from the northeast portion of Lake Merritt and Lakeside Park, between Bellevue Ave. and Euclid Ave. It is currently a vacant lot with surface parking on a portion of the site.
- Site amenities will include a large open courtyard and a community room, which will have English language courses, technology courses, tutoring opportunities, and career readiness training.

AFFORDABILITY LEVELS: 30% to 60% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	14	20	12	22		68

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Affordable Housing Program (AHP); US Bank permanent loan; Oakland Housing Authority; and Low Income Housing Tax Credit equity.

**OAKLAND HOME RENOVATION PROGRAM**

Developer: Habitat for Humanity East Bay	Address: Scattered sites
This Request: \$1,080,000	Council District: 2, 4, 5, 6
Previous Award: \$0	Redevelopment Area: Central City East, Coliseum
Total City/Agency Funds: \$1,080,000	

**PROJECT SUMMARY:**

- Rehabilitation of 10 vacant, abandoned, or foreclosed single-family homes. Exact properties can't be identified until closer to acquisition due to the purchase process for foreclosed homes. Homes will be 2, 3, and 4 bedrooms in size, with the final mix depending on market availability and demand.
- Target neighborhoods include the San Antonio, Fruitvale, and other areas in central east Oakland. Habitat will target neighborhoods most highly impacted by foreclosures.
- 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; landscaping. Whenever possible, green rehab materials and techniques will be utilized.

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

<b>UNIT SIZES:</b>	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
(estimated)			2	6	2	10

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

**REDWOOD HILL TOWNHOMES**

Developer: Affordable Housing Associates	Address: 4856-68 Calaveras Ave.
This Request: \$2,923,000	Council District: 4
Previous Award: \$2,250,055	Redevelopment Area: N/A
Total City/Agency Funds: \$5,173,055	

**PROJECT SUMMARY:**

- New construction of an affordable family housing development in three residential buildings, each three or four stories, oriented around a large interior courtyard

complete with landscaped seating areas and a tot lot playground. The westernmost building will include 28 parking spaces in a ground-floor podium garage. The project will contain 28 units (including a manager's unit).

- 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 site is less than a half mile from the neighborhood's commercial district. Residents of Redwood Hill Townhomes will have access to a number of goods and services, including childcare, parks, public transportation, retail, and schools.

AFFORDABILITY LEVELS: 30% to 50% AMI

UNIT SIZES:

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 Multifamily Housing Program (MHP); Affordable Housing Program (AHP); New Solar Homes Partnership solar rebate; deferred developer fee; Bank of the West permanent loan; and Low Income Housing Tax Credit equity.

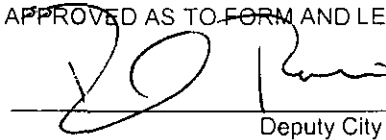
## ATTACHMENT B: New Construction/Substantial Rehabilitation NOFA ("Original NOFA") 2011-12

Project Scoring Table	RENTAL Potential Points	New Construction Rental Projects					
		1701 Martin Luther King Jr. Way	Lion Creek Phase V Senior	Lakeside Senior Apartments	The Medici	Commodore Apartments	Redwood Hill Townhomes
		74.4%	78.3%	73.0%	72.0%	59.6%	66.5%
		2	1	3	4	7	5
<b>I. Financial Characteristics</b>	<b>20</b>	<b>17.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>17.0</b>	<b>12.0</b>
A. Leveraging	12	12.0	12.0	12.0	12.0	12.0	4.0
B. Funding Commitments	8	5.0	8.0	8.0	8.0	5.0	8.0
<b>II. Location</b>	<b>23</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>13.0</b>	<b>15.0</b>
A. Geographic Equity	6	3.0	0.0	3.0	3.0	3.0	6.0
B. Neighborhood Revitalization	10	5.0	8.0	6.0	6.0	7.0	5.0
C. Proximity to Public Transit	5	5.0	5.0	3.0	3.0	3.0	3.0
D. Proximity to Grocery or Drug Store	2	1.0	1.0	2.0	2.0	0.0	1.0
<b>III. Target Population</b>	<b>35</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>21</b>	<b>13.5</b>	<b>21.5</b>
A. Income Targeting	20	20.0	20.0	10.0	17.5	10.0	16.5
B. Unit Size	5	0.0	n/a	n/a	3.5	3.5	5.0
C. Units for People with Special Needs	5	5.0	5.0	5.0	0.0	0.0	0.0
D. Homeless - Permanent Supportive Housing Units	5	5.0	0.0	5.0	0.0	0.0	0.0
<b>IV. Developer Experience and Capacity</b>	<b>27</b>	<b>22.0</b>	<b>25.0</b>	<b>23.6</b>	<b>25.0</b>	<b>27.0</b>	<b>24.6</b>
A. Developer Experience Exceeds Minimum	10	10.0	10.0	10.0	10.0	10.0	10.0
B. Developer Capacity	8	7.0	7.0	6.0	8.0	8.0	8.0
C. Developer Financial Strength	6	2.0	5.0	4.6	4.0	6.0	3.6
D. Strength of the Development Team	3	3.0	3.0	3.0	3.0	3.0	3.0
<b>V. Readiness - Planning Approvals</b>	<b>6</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>	<b>6.0</b>
<b>VI. Preserves and Improves Existing Affordable Housing</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>VII. Sustainability</b>	<b>4</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</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>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Points</b>	<b>125.0</b>	<b>93.0</b>	<b>94.0</b>	<b>87.6</b>	<b>90.0</b>	<b>74.5</b>	<b>83.1</b>

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

APPROVED AS TO FORM AND LEGALITY:

2012 MAY 30 AM 10:41

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

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

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A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$1,200,000 TO CHELSEA INVESTMENT CORPORATION FOR THE C.L. DELLUMS PROJECT LOCATED AT 644 14<sup>th</sup> STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT

**WHEREAS**, on September 6, 2011, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Chelsea Investment Corporation ("Developer"), a developer of affordable housing, submitted a proposal in response to the NOFA to rehabilitate the C.L.Dellums affordable rental project at 644 14<sup>th</sup> Street in the City of Oakland (the "Property") to continue to provide 73 rental units of affordable housing to serve families and individuals (the "Project"); and

**WHEREAS**, all 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 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**, per the CEQA Guidelines, this Project is exempt from environmental review; and



**WHEREAS**, funds will be available from the HUD HOME Investment Partnership Program in fiscal year 2012-13 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 a loan in an amount not to exceed \$1,200,000 to Chelsea Investment 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 \$1,200,000 will be allocated from the 2010-11 HUD-HOME Fund (2109), Housing Development Organization (88929), HOME Housing Development Program project (G172111) for this loan after the 2012-13 fiscal year funds are available; 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 \$1,200,000; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and the City finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) 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 the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or his or her designee deems sufficient within his or her discretion, within this 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 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 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, \_\_\_\_\_, 2012

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND PRESIDENT REID

NOES-

ABSENT-

ABSTENTION-

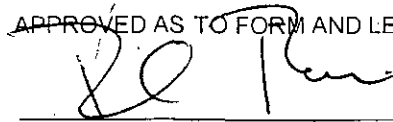
ATTEST: \_\_\_\_\_

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

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2012 MAY 30 AM 10:41

APPROVED AS TO FORM AND LEGALITY:



Deputy City Attorney

## OAKLAND CITY COUNCIL

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

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A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$989,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE MADRONE HOTEL PROJECT LOCATED AT 477 8<sup>th</sup> STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT

**WHEREAS**, on September 6, 2011, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the NOFA to rehabilitate the Madrone Hotel affordable rental project at 477 8<sup>th</sup> Street in the City of Oakland (the "Property") to continue to provide 32 rental units of affordable housing to serve families (the "Project"); and

**WHEREAS**, all 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 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**, per the CEQA Guidelines, this Project is exempt from environmental review; and

**WHEREAS**, funds will be available from the HUD HOME Investment Partnership Program in fiscal year 2012-13 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 a loan in an amount not to exceed \$989,000 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 \$989,000 will be allocated from the 2010-11 HUD-HOME Fund (2109), Housing Development Organization (88929), HOME Housing Development Program project (G172111) for this loan after the 2012-13 fiscal year funds are available; 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 \$989,000; and be it

**FURTHER RESOLVED**: That the City has independently reviewed and considered this environmental determination, and the City finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) 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 the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or his or her designee deems sufficient within his or her discretion, within this 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 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 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, \_\_\_\_\_, 2012

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND PRESIDENT REID

NOES-

ABSENT-

ABSTENTION-

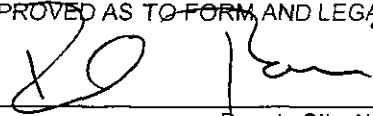
ATTEST: \_\_\_\_\_

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

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2012 MAY 30 AM 10:41

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 DIGNITY HOUSING WEST, INC. FOR THE JAMES LEE COURT AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 690 15<sup>TH</sup> STREET BY \$1,105,000 FOR A TOTAL LOAN AMOUNT OF \$3,501,000, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT**

**WHEREAS**, Redevelopment Agency Resolution No. 2010-0032 C.M.S. dated March 16, 2010 authorized an affordable housing development loan from the Redevelopment Agency of the City of Oakland (the "Redevelopment Agency") to Dignity Housing West, Inc. ("Developer"), a nonprofit developer of affordable housing, in the amount of \$867,000 for the rehabilitation of the James Lee Court Apartments affordable rental project at 690 15<sup>th</sup> Street in the City of Oakland (the "Property"); and

**WHEREAS**, Redevelopment Agency Resolution No. 2011-0020 C.M.S., dated March 3, 2011 authorized an increase to this loan by \$1,529,000 for a total loan amount of \$2,396,000; and

**WHEREAS**, the Redevelopment Agency entered into a commitment with Developer to make this loan; and

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

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

**WHEREAS**, the \$2,396,000 loan to Developer was a housing obligation of the Redevelopment Agency retained and assumed by the City; and

**WHEREAS**, on September 6, 2011, 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 to complete Phase II of the rehabilitation of James Lee Court Apartments to continue to provide 26 rental units of affordable housing to serve families (the "Project"); and

**WHEREAS**, all 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 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**, per the CEQA Guidelines, this Project is exempt from environmental review; and

**WHEREAS**, funds will be available from the HUD HOME Investment Partnership Program in fiscal year 2012-13 to assist the Project with additional funding; now, therefore, be it

**RESOLVED:** That the City Council hereby increases the loan amount previously authorized and committed by the Redevelopment Agency to Dignity Housing West, Inc., or to an affiliated entity approved by the City Administrator or his or her designee, for the Project by \$1,105,000, for a total loan in an amount not to exceed \$3,501,000, to be used for the Project; and be it

**FURTHER RESOLVED:** That the additional \$1,105,000 will be allocated from the 2010-11 HUD-HOME Fund (2109), Housing Development Organization (88929), HOME Housing Development Program project (G172111) after the 2012-13 fiscal year funds are available; and be it

**FURTHER RESOLVED:** That the additional loan amount shall be contingent on the availability of sufficient funds in the HOME Program Development Fund to cover the additional City loan amount of \$1,105,000; and be it

**FURTHER RESOLVED:** That the City has independently reviewed and considered this environmental determination, and the City finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) 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 additional loan amount 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 additional 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 additional loan amount 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 additional 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 additional loan funds shall be reserved for a period of no more than twelve months from the date of this Resolution, and the making of the additional loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it

**FURTHER RESOLVED:** That the making of the additional loan amount 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 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 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 additional loan, extend or modify the repayment terms, and take any other action with respect to the additional loan amount and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2012

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND PRESIDENT REID

NOES-

ABSENT-


ABSTENTION-

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

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2012 MAY 30 AM 10:14

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

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

---

A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$382,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE MARCUS GARVEY COMMONS PROJECT LOCATED AT 1769 GOSS STREET AND 1766 7<sup>th</sup> STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT

**WHEREAS**, on September 6, 2011, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the NOFA to rehabilitate 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**, all 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 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**, per the CEQA Guidelines, this Project is exempt from environmental review; and

**WHEREAS**, funds will be available from the **HUD HOME** Investment Partnership Program in fiscal year 2012-13 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 a loan in an amount not to exceed \$382,000 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 \$382,000 will be allocated from the 2010-11 **HUD-HOME** Fund (2109), Housing Development Organization (88929), **HOME** Housing Development Program project (G172111) for this loan after the 2012-13 fiscal year funds are available; 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 \$382,000; and be it

**FURTHER RESOLVED**: That the City has independently reviewed and considered this environmental determination, and the City finds and determines, based on the information provided in the staff report accompanying this **Resolution**, that this action complies with **CEQA** because the Project is exempt from **CEQA** pursuant to **Section 15301 (Existing Facilities)** and **15183 (Projects Consistent with Zoning and General Plan)** 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 the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or his or her designee deems sufficient within his or her discretion, within this 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 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 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, \_\_\_\_\_, 2012

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND PRESIDENT REID

NOES-

ABSENT-

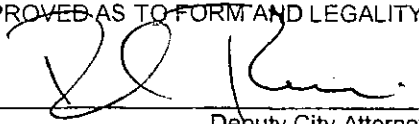
ABSTENTION-

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

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2012 MAY 30 AM 10:41

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

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

---

**A RESOLUTION AUTHORIZING A PRESERVATION AND REHABILITATION LOAN IN AN AMOUNT NOT TO EXCEED \$669,000 TO EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION FOR THE SLIM JENKINS COURT PROJECT LOCATED AT 700 WILLOW STREET, AND AUTHORIZING LOAN EXTENSIONS AND/OR CHANGES IN TERMS FOR EXISTING LOANS FOR THE PROJECT**

**WHEREAS**, on September 6, 2011, the City issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, East Bay Asian Local Development Corporation ("Developer"), a non-profit developer of affordable housing, submitted a proposal in response to the Rehabilitation NOFA to continue rehabilitation work on the Slim Jenkins Court affordable rental project located at 700 Willow Street in the City of Oakland (the "Property") to continue to provide 32 rental units of housing to serve families (the "Project"); and

**WHEREAS**, 27 units at the Property are rented at prices affordable to households earning no more than 50% of area median income ("AMI"), three units are rented at prices affordable to households earning no more than 80% of AMI, and one unit is rented at a price affordable to households earning no more than 100% of AMI; 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 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**, per the CEQA Guidelines, this Project is exempt from environmental review; and

**WHEREAS**, funds are available from the HOME Investment Partnership Program in fiscal year 2010-11 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 a loan in an amount not to exceed \$669,000 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 \$669,000 will be allocated from the 2010-11 HUD-HOME Fund (2109), Housing Development Organization (88929), HOME Housing Development Program project (G172111) for this loan after the 2010-11 fiscal year funds are available; and be it

**FURTHER RESOLVED**: That the loan shall be contingent on the availability of sufficient funds in the HOME Program Development Fund and the Agency's Low and Moderate Income Housing Fund to cover the City loan of \$669,000; and be it

**FURTHER RESOLVED**: That the City has independently reviewed and considered this environmental determination, and the City finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15301 (Existing Facilities) and 15183 (Projects Consistent with Zoning and General Plan) 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 the making of the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or his or her designee deems sufficient within his or her discretion, within this 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 NEPA, as certified by the City Administrator or his or her designee; and be it

**FURTHER RESOLVED:** That the City Council 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 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, \_\_\_\_\_, 2012

PASSED BY THE FOLLOWING VOTE:

AYES- : BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, REID,  
SCHAAF AND PRESIDENT REID

NOES-

ABSENT-

ABSTENTION-

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

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