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OAKLAND

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# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Maraskeshia Smith  
Acting Director, HCDD

**SUBJECT:** NOFA Affordable Housing Funding

**DATE:** December 23, 2019

City Administrator Approval

Date:

1/2/2020

## RECOMMENDATION

**Staff Recommends That The City Council:**

**Receive A Report And Adopt Resolutions Pertaining To The Following Affordable Housing Loans And Activities:**

- 1. A Resolution Authorizing Affordable Housing Development Loans In A Total Amount Not To Exceed \$14,683,000, For The Following Affordable Housing New Construction Projects: West Grand & Brush Phase I, 7<sup>th</sup> & Campbell, Longfellow Corner, And Ancora Place.**
- 2. A Resolution Authorizing Affordable Housing Development Loans In A Total Amount Not To Exceed \$10,970,000, For The Following Affordable Housing Acquisition, Rehabilitation And Preservation Projects: Fruitvale Studios, Frank G Mar Apartments, And Hamilton Apartments.**

## EXECUTIVE SUMMARY

This staff report presents the results of the City's Affordable Housing Notice of Funding Availability (NOFA) process pertaining to affordable housing development loans. As a brief background, each year the City has federal, state and local funding sources to allocate to affordable housing programs and projects. The City solicits applications for project funding on a competitive basis, prioritizing projects that serve extremely low income households and those experiencing homelessness, that are leveraging outside resources, that are ready to start construction, that are sustainable, and that are in communities of opportunity, near transit and amenities, among other criteria. The resolutions included in this staff report will increase the supply of affordable housing through construction, rehabilitation and preservation activities. Specifically, the recommended resolutions include the following:

- 1) Authorization for affordable housing development loans for new construction for up to four projects in a total amount not to exceed \$14,683,000.

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- 2) Authorization for affordable housing development loans for the rehabilitation and preservation of existing housing for up to three projects in a total amount not to exceed \$10,970,000 from Measure KK Affordable Housing and Infrastructure Bond funds.

## **BACKGROUND / LEGISLATIVE HISTORY**

### ***Measure KK Affordable Housing and Infrastructure Bond***

In November 2016, voters passed Measure KK, the Affordable Housing and Infrastructure Bond Law, authorizing the City to issue \$600 million in general obligation bonds to fund various City infrastructure and affordable housing projects.

On November 29, 2016, the City Council approved Ordinance No. 13403 C.M.S. enacting the City of Oakland Affordable Housing and Infrastructure Bond Law (chapter 4.54, Article IV, Oakland Municipal Code). One-hundred million dollars (\$100,000,000) was set aside for development activity related to anti-displacement and affordable housing preservation where funds may be spent on the acquisition, rehabilitation, or new construction of affordable housing, as set forth in the Affordable Housing and Infrastructure Bond Law.

On June 19, 2017, the City Council approved Resolution No. 86774 C.M.S. identifying the programs that are authorized for funding with proceeds from the first \$55 million tranche of Measure KK Bond funds. These programs included the NOFA for New Construction of Affordable Rental and Ownership Housing and the NOFA for Multifamily Housing Rehabilitation and Preservation, with funding allocations of \$2 million and \$10 million, respectively. Subsequently, on June 29, 2017, the City Council approved Resolution No. 86814 C.M.S. increasing the allocation for the NOFA for New Construction of Affordable Rental and Ownership Housing to a total of \$7 million. Additional first tranche programs included a Site Acquisition Program, Acquisition of Transitional Housing Facilities, and One-to-Four Unit Housing Programs.

On August 1, 2017, the City issued its first tranche of general obligation bonds for Measure KK wherein a total of \$55 million was allocated to affordable housing. As of December 2019, \$28,754,603 of the first tranche has been expended, and an additional \$13,451,288 is committed to projects. The remaining \$12,794,109 in first tranche Measure KK funds will be deployed through current NOFA processes, specifically the subject Acquisition, Rehabilitation and Preservation NOFA and the new Acquisition and Conversion to Affordable Housing (ACAH) NOFA which was released in December 2019, and includes the Permanent Affordability Program targeting community land trusts and limited equity cooperatives. Additional uses of these remaining first tranche funds will go toward a pilot ADU program, and program administration.

The City plans to issue its second tranche of general obligation bonds in Fiscal Year 2019-2020 when the remaining \$45 million of Measure KK Bond funds will be allocated to affordable housing projects prioritizing anti-displacement, the preservation of existing affordable housing, and the conversion of unregulated housing to long-term regulated affordable housing.

***Additional City of Oakland Housing Funding (non-KK funds)***

The City has funding from the following additional sources that will be deployed through the NOFA awards proposed in this Agenda Report:

- Affordable Housing Trust Fund:
  - Affordable Housing Impact Fees
  - Jobs/Housing Impact Fees
  - Boomerang Funds
- Low and Moderate Income Housing Asset Fund
- HOME Funds (U.S. Department of Housing and Urban Development (HUD))
- Excess Redevelopment Bond Funds

The Fiscal Impact section below provides additional detail on these sources of funds.

***Notice of Funding Availability***

The City's Housing and Community Development Department (HCDD) has issued the Notice of Funding Availability (NOFA) on a biennial basis in recent years and will seek to transition to a yearly issuance as funding becomes available and the capacity of staff increases. The NOFA awards funding for new construction projects, the acquisition, rehabilitation, and preservation of existing affordable housing, and the conversion of unregulated housing to restricted affordable housing.

Projects must meet basic threshold standards to become eligible for funding, including the engagement of community constituents, providing evidence of site control, evidence of planning approvals, and having a viable financial plan in place with committed funds and City funds used to leverage other yet-to-be-committed County, State, and Federal funds, conventional private financing and grant funds. Each project that applies under the NOFA for New Construction of Multifamily Affordable Housing is required to provide a minimum of 20 percent of the units targeted to households with incomes at or below 30 percent of the area median income (AMI), and is awarded points for exceeding this threshold. For projects providing units targeting homeless households, the owner/property manager must agree to incorporate the *EveryOne Home Property Management Guidelines* into their marketing and management plans to reduce barriers for individuals who are homeless, at-risk of homelessness, or formerly incarcerated. Projects that submit applications under the NOFA for the Acquisition, Rehabilitation, & Preservation of Multifamily Affordable Housing are evaluated based on the ability to prevent displacement or preserve the existence of affordable housing.

The NOFA also sets forth criteria by which projects will be scored and ranked including the following:

- project readiness to begin construction,
- proximity to local resources such as nearby schools, transit, and grocery stores,
- the ability to prevent displacement,
- low-income populations with extra points awarded for projects serving extremely low-income populations, those experiencing homelessness, and people with special needs, and
- developer experience & overall capacity to facilitate the work.

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Affordable housing programs under the Measure KK Affordable Housing Bond Law also prioritize strategies, programs and projects that increase the supply of affordable housing for those who are homeless and households most vulnerable to displacement, including extremely low income renters, limited income seniors, veterans, and people with disabilities. The first priority for Measure KK bond financing is the acquisition, preservation, and/or rehabilitation of existing affordable housing. The next priority is for the construction of new affordable housing projects. For the first three years from the date of the bond measure passage (November 2016 – November 2019), Measure KK funds were only to be used for the acquisition, preservation, and/or rehabilitation of affordable housing projects, or for new construction only if used as matching funds for Alameda County Measure A1 bond funds. Thereafter, the City's Measure KK affordable housing bond funds may be used for new construction activity with no matching fund requirement. However, the first priority shall remain the acquisition, preservation, and/or rehabilitation of affordable housing pursuant to Oakland Municipal Code, Section 4.54.510 Prioritization of Program Funding. Measure KK bond financing programs seek to preserve Oakland's diverse communities and address the destabilizing displacement effects resulting from substantial rent increases, family incomes not keeping pace with housing costs, and housing supply not meeting current and projected demand.

## **ANALYSIS AND POLICY ALTERNATIVES**

### ***Notice of Funding Availability Recommendations***

HCDD published two NOFAs on August 9, 2019: the NOFA for New Construction of Multifamily Affordable Housing and the NOFA for the Acquisition, Rehabilitation, and Preservation of Multifamily Affordable Housing. Applications were reviewed for completeness and to determine whether the City's minimum standards for project and developer qualifications had been met. The eligible applications were then evaluated and ranked per prepared criteria outlined in the NOFA solicitations.

#### ***NOFA for New Construction of Multifamily Affordable Housing***

To advance the development schedule for projects in the City's affordable housing development pipeline, the 2019-20 NOFA for new construction was restricted to existing pipeline projects with a funding gap. Existing pipeline projects are defined as City of Oakland affordable housing projects that applied for and requested funding through an established HCDD funding program (not including Predevelopment and Health & Safety Loan Programs), in the 2017-2019 funding cycle, regardless of whether they received funding. Pipeline projects also include proposals to be built on City owned land. Priority was given to projects capable of showing progress moving the project forward to a construction loan closing and start of construction within the next year or two (2020-2021). Applications for new project proposals were not accepted, however staff hopes to release another NOFA in 2020 to accommodate new projects as additional funds become available and as staff capacity permits.

Requests for Oakland funds totaled \$62,679,878 while the anticipated funding available during the current budget cycle totals \$19,033,959. **Table 1** below is the list of the twelve (12) NOFA applications for new construction projects which were all evaluated. Projects are listed in order of their ranking. Please see **Attachment A** for detailed information on all reviewed NOFA new construction projects, along with the scoring and funding breakdown.

**Table 1: New Construction NOFA 2019-20 Applications**

Rank <sup>1</sup>	Project/Developer	Project Type	Council District	Affordable Units	City Funding Requested
1	W. Grand and Brush, Phase I (East Bay Asian Local Development Corporation)	Rental – Family, Homeless	3	58	\$3,965,000
2	7th & Campbell (Oakland & the World Enterprises Inc. & McCormack Baron Salazar)	Rental -- Homeless	3	78	\$1,613,000
3	Longfellow Corner (Resources for Community Development)	Rental- Family, Homeless	1	76	\$4,264,000
4	Friendship Senior Housing (Community Housing Development Corporation of North Richmond dba CHDC)	Rental – Senior, Homeless	3	49	\$4,000,000
5	Ancora Place (Satellite Affordable Housing Associates)	Rental – Family, Special Needs, Homeless	2	76	\$4,841,000
6	Fruitvale Transit Village II-B (Bridge Housing Corporation & the Spanish Speaking Unity Council)	Rental--Family Homeless	5	179	\$6,621,575
7	3050 International (Satellite Affordable Housing Associates)	Rental – Family, Special Needs	5	75	\$4,526,000

<sup>1</sup> Rank is based on total "Percentage of Points" received which is based on total potential points available. Senior projects do not compete in the "educational quality" point category and thus their total "Percentage of Points" is based on a lower total potential points available than non-senior projects.

8	Mac Arthur Project (Community Housing Development Corporation of North Richmond dba CHDC & Construction Resource Center)	Rental—Family, Special Needs, Homeless	6	19	\$3,990,303
9	The Phoenix (East Bay Asian Local Development Corporation)	Rental-Family, Homeless	3	100	\$5,936,000
10	Dr. Kenneth Anderson Senior Housing (Eden Development Inc.)	Rental-Seniors, Homeless	2	64	\$7,000,000
11	Agnes Memorial Senior Housing (Related Companies of California)	Rental-Senior, Homeless	5	59	\$13,800,000
12	Filbert Promise (Filbert West Oakland LLC)	Homeownership-Family	3	7	\$2,123,000
<b>Total</b>			<b>840</b>	<b>840</b>	<b>\$62,679,878</b>

**Table 2** provides an assessment of the average total development cost (TDC) for all twelve projects, including the average cost per unit and average cost per square foot.

**Table 2: New Construction NOFA 2019-20 Pipeline – Average Costs**

Average Total Development Costs	Average Cost Per Unit	Average Cost Per Square Foot
\$51,376,535	\$759,936	\$722

*Projects Proposing to Serve People Experiencing Homelessness and Households With Special Needs*

To further the creation of housing opportunities for extremely low-income populations, those with special needs (living with developmental disabilities, serious mental illness or substance abuse disorders), and those who are homeless (living in a place not meant for human habitation) or at risk of homelessness (having an income below 30 percent of the median family income for the area) HCDD has partnered with the Oakland Housing Authority (OHA) and the Alameda County Health Care Services Agency (HCSA) to harness long-term operating rental

assistance and funding for supportive and other social services. This assistance is available for NOFA projects committing to new set-aside of units for people with special needs and for homeless individuals and families, including permanent supportive housing.

The NOFA requires that if a project reserves units for special needs or homeless populations, the resident and supportive services plan must clearly state the number of special needs and/or homeless set-aside units and the exact population that will be targeted. It must demonstrate that the essential social and supportive service needs of the population will be met and include individual case management services. Developers are encouraged to follow the State of California's Housing First Principles and will receive bonus points if they use the Alameda County's Home Stretch Coordinated Entry System in their tenant selection processes to fill designated permanent supportive housing units for homeless individuals with disabilities. Assistance from OHA and HCSA is critical in the financial underwriting support of each set-aside unit to ensure the building can support extremely low incomes and individuals and families can live independently in housing that is permanent, safe, and secure coupled with specialized services that promote health, well-being, stability, and housing retention.

#### *OHA Assistance*

OHA uses the City of Oakland NOFA as the competitive selection process required to award Project Based Section 8 Vouchers (PBV). The vouchers are used as operating rental assistance providing income equivalent to the market rental rate while the tenant pays 30 percent of their income on rent. Projects selected for NOFA funding must be located within the OHA's jurisdiction, and the units must be subject to City of Oakland oversight and regulation to be eligible to request assistance from OHA. Eligible projects must be new construction projects currently in the City's affordable housing pipeline. Vouchers are first targeted to units designated for 20-30 percent AMI and below and those providing service enriched housing for special needs populations. If awarded a City funding commitment, the project will be issued a Letter of Invitation to request Section 8 Project Based Vouchers from the OHA. Projects completing all applicable OHA and HUD reviews may then execute a Section 8 Project-Based Voucher Housing Assistance Payments (HAP) contract with the OHA for an initial 20-year contract term. OHA may also agree to a 20-year extension for an aggregate 40-year term. Projects that have received a previous award, however, are not eligible to apply in the current round.

#### *Alameda County Health Care Services Agency (HCSA)*

HCSA is committed to collaborating with local cities and other partners to end homelessness in Alameda County. The agency provides a range of services directly and through its network of community-based partners. Services include primary care, mental health services, addiction prevention and treatment, street outreach and engagement, crisis intervention, support services linked to housing, housing subsidies, and more. HCSA is seeking partnerships with affordable housing developers to create permanent supportive housing opportunities for those who are homeless, have chronic medical and/or behavioral health conditions, and use high levels of acute emergency care.

To create viable working partnerships to produce long-term affordable housing in the effort to end homelessness, HCSA has committed to 20 years of ongoing support service resources to permanent supportive housing projects designating units for homeless populations. Funding will

be provided annually to support direct social and supportive service provision on-site through case management and related support services. HCSA's contract for services will be subject to the developer's continuing provision of high-quality services in operation and good standing, the need for the contracted services, and approval from the Alameda County Board of Supervisors.

**Table 3** below is the list of new construction applications providing a set-aside for special needs and/or homeless households. The table also summarizes which projects are eligible to apply for a new OHA Section 8 Project Based Voucher commitment if awarded City NOFA funds and which projects have a HCSA commitment.

**Table 3: New Construction NOFA Applications – OHA PBV and HCSA Commitments**

Rank	Project/ Developer	Project Type	New Special Needs Unit Set- Aside	New Homeless Unit Set- Aside	Existing PBV	Eligible for New PBV	HCSA Commit- ments
1	W. Grand and Brush, Phase I (East Bay Asian Local Development Corporation)	Rental – Family, Homeless	0	30	Yes (28 units)	No	Yes
2	7th & Campbell (Oakland & the World Enterprises Inc. & McCormack Baron Salazar)	Rental -- Homeless	0	39	Yes (39 units)	No	No
3	Longfellow Corner (Resources for Community Development)	Rental- Family, Homeless	0	32	Yes (16 units)	No	Yes
4	Friendship Senior Housing (Community Housing Development Corporation of North Richmond dba CHDC)	Rental – Senior, Homeless	0	10	Yes (34 units)	No	No
5	Ancora Place (Satellite Affordable Housing Associates)	Rental – Family, Special Needs, Homeless	16	16	Yes (31 units)	No	No



6	Fruitvale Transit Village II-B (Bridge Housing Corporation & the Spanish Speaking Unity Council of Alameda, Inc.)	Rental-- Family Homeless	0	46	Yes (75 units)	No	No
7	3050 International (Satellite Affordable Housing Associates)	Rental – Family, Special Needs	19	0	No	Yes	No
8	MacArthur Project (Community Housing Development Corporation of North Richmond dba CHDC)	Rental – Family, Special Needs Homeless	2	2	No	Yes	No
9	The Phoenix (East Bay Asian Local Development Corporation)	Rental- Family, Homeless	0	50	No	Yes	Yes
10	Dr. Kenneth Anderson Senior Housing (Eden Development, Inc.)	Rental- Seniors, Homeless	0	14	No	Yes	Yes
11	Agnes Memorial Senior Housing (Related Companies of California)	Rental- Senior, Homeless	0	16	No	Yes	No
12	Filbert Promise (Filbert West Oakland LLC)	Ownership- Family	0	0	No	Yes	No
<b>Total</b>			<b>37</b>	<b>255</b>			

*New Construction Funding Recommendations*

Staff recommends funding the four (4) projects presented in **Table 5** below. These projects met all threshold requirements, including receiving a determination under the California Environmental Quality Act (CEQA), and are ranked in sequential order from the highest to the lowest score.

Two (2) applications referenced above in Table 4 for the New Construction NOFA submitted by Community Housing Development Corporation of North Richmond dba CHDC have since been removed from the competitive NOFA process in this round due to potential conflicts of interest that are still under investigation, as the potential conflicts were discovered late in the review process. In addition, one (1) application was deemed ineligible because it was not able to meet threshold requirements. Staff will continue to work with this developer to ensure that the project is capable of meeting threshold requirements before reapplying.

By providing 100 percent of the funds requested to these four projects, the proposed funding scenario will enable each recommended project to move forward to a construction start by securing the local gap financing needed to apply for other State funds in the year 2020 such as to the California HCD Multifamily Housing Program (MHP), the Supportive Housing Multifamily Housing Program (SH-MHP), the Infill Infrastructure Grant Program (IIG), the No Place Like Home Program (NPLH), the California Strategic Growth Council's Affordable Housing Sustainable Communities Program (AHSC) and the California Low-Income Housing 4 percent (4%) and 9 percent (9%) Tax Credit Equity Program.

**Table 5: New Construction NOFA Funding Recommendations**

Rank	Project/ Developer	Council District	Affordable Units	Previous City Funding	2019-20 City Funding	Potential Additional Funding
<b>Funds Available</b>					<b>\$19,033,958</b>	
1	W. Grand and Brush, Phase I (East Bay Asian Local Development Corporation)	3	58	\$1,700,000	\$3,965,000	CA HCD MHP/4%LIHTC Equity
2	7th & Campbell (Oakland & the World Enterprises Inc. & McCormack Baron Salazar)	3	78	\$801,900	\$1,613,000	4% LIHTC Equity
3	Longfellow Corner (Resources for Community Development)	1	76	\$3,175,000	\$4,264,000	CA HCD MHP/4%/LIHT C Equity

4	Ancora Place (Satellite Affordable Housing Associates)	2	76	\$3,500,000	\$4,841,000	4% LIHTC Equity
		<b>Total</b>	<b>516</b>	<b>\$9,176,900</b>	<b>\$14,683,000</b>	
				<b>Balance</b>	<b>\$4,350,959</b>	

*Unfunded Applications*

Not all the applications submitted under the NOFA for New Construction of Multifamily Affordable Housing were awarded funding under this NOFA. During the mid-cycle budget review, expected to commence in the coming months, staff will take the current balance of funds, along with any additional revenue identified, such as development loan payments and Affordable Housing Impact and Jobs/Housing Impact Fees, and subsequently release another NOFA.

Staff proposes to allow all 2019 unfunded projects to reapply in future rounds without submitting a full application, and instead providing updated information; however, applicants will be required to submit a written certification of no changes to their previously submitted application materials. Staff also proposes to maintain the current scoring criteria so that unfunded applicants who choose to reapply may narrow down their focus to what is necessary to increase their score. In addition, staff proposes to allow new projects to apply for new construction funds in an upcoming NOFA and potentially be awarded funds ahead of a pipeline project to the extent they can establish their project is closer to closing on development financing and starting the construction phase than an existing pipeline project.

***NOFA for Acquisition, Rehabilitation, and Preservation funding***

The 2019-20 NOFA for the Acquisition, Rehabilitation, and Preservation of Multifamily Affordable Housing was open to all project proposals. Much like the new construction NOFA, the same prioritization was given to projects with a funding gap capable of showing progress moving the project forward to a construction loan closing and start of rehab.

Requests for Oakland funds totaled \$19,147,499 while available NOFA funds consist of \$16,342,375 from the forthcoming second issuance of Measure KK bond funds. **Table 6** below is a list of the six (6) applications for acquisition, rehabilitation, and preservation projects. Projects are listed in order of their ranking. See **Attachment B** for detailed information on all reviewed NOFA rehabilitation and preservation projects, along with the scoring and funding breakdown.

**Table 6: Acquisition, Rehabilitation and Preservation NOFA Applications**

Rank <sup>2</sup>	Project/Developer	Project Type	Council District	Affordable Units	City Funding Requested
1	Fruitvale Studios (Allied Housing & Abode)	Rental - Homeless	5	23	\$1,150,000
2	Frank G Mar Apartments (East Bay Asian Local Development Corporation)	Rental - Family	2	117	\$5,000,000
3	Harp Plaza Apartments (Community Housing Development Corporation of North Richmond dba CHDC)	Rental - Family	3	19	\$846,030
4	James Lee Court (Community Housing Development Corporation of North Richmond dba CHDC)	Rental-Family	3	25	\$2,555,469
5	Hamilton Apartments (Mercy Housing)	Rental - Homeless	3	92	\$4,820,000
6	Mark Twain Homes (Oakland & The World Enterprises, Inc. & Memar Properties Inc. dba MPI Homes)	Rental - Senior, Special Needs, Homeless	4	101	\$4,776,000
<b>Total</b>				<b>377</b>	<b>\$19,147,499</b>

**Table 7** provides an assessment of the average total development cost (TDC) for all six projects (including acquisition costs) along with the average cost per unit and average cost per square foot.

**Table 7: New Construction NOFA Applications – Average Costs**

Average Total Development Costs	Average Cost Per Unit	Average Cost Per Square Foot
\$28,579,004	\$421,347	\$560

*Projects Proposing to Serve People Experiencing Homelessness and Households With Special Needs*

OHA considers 2019-20 NOFA rehabilitation projects eligible for Section 8 Project-Based Voucher assistance if the project is an acquisition and/or substantial rehabilitation project at-risk

<sup>2</sup> Rank is based on total "Percentage of Points" received which is based on total potential points available. Senior projects do not compete in the "educational quality" point category and thus their total "Percentage of Points" is based on a lower total potential points available than non-senior projects.

of losing affordability on at least 50 percent of the restricted units due to market conditions as defined by the California Tax Credit Allocation Committee (*CTCAC Regulations Section 10325(g)(4)*). The CTCAC requires a third-party legal opinion to verify at-risk status.

The projects applying for this NOFA do not appear to be "at-risk" of losing long-term affordability; though this is subject to legal opinion. All six projects summarized in **Table 6** are currently subject to a Regulatory Agreement with the City of Oakland. The first five projects are controlled by non-profit ownership, while the project ranked number 6 will soon be transferred into new non-profit ownership. By accepting City funds, each project will be subject to a new 55-year City of Oakland regulatory agreement, extending affordability over the next 55 years. Thus, it does not seem evident these projects will be eligible to apply for new Section 8 Project Based Vouchers following an application to the 2019-20 NOFA. However, most of these projects currently have an existing commitment from the OHA for project-based voucher assistance.

None of the projects received commitments from the Alameda County Health Care Services Agency for supportive services funding. However, three of the six project proposals (Fruitvale Studios, Hamilton Apartments, & Mark Twain Homes) include existing units set aside for people experiencing homelessness and/or households with special needs. Points are awarded through the NOFA for newly regulated units set-aside for special needs & homeless households and not for existing set-asides.

**Table 8** below provides the list of projects and whether they have an existing OHA Section 8 Project Based Voucher commitment or not.

**Table 8: New Construction NOFA Applications – OHA PBV Commitments**

Rank	Project/Developer	Project Type	Council District	Existing PBV Commitment
1	Fruitvale Studios (Allied Housing & Abode)	Rental - Homeless	5	Yes (12 units)
2	Frank G Mar Apartments (East Bay Asian Local Development Corporation)	Rental -Family	2	No
3	Harp Plaza Apartments (Community Housing Development Corporation of North Richmond dba CHDC)	Rental -Family	3	Yes (19 units)
4	James Lee Court (Community Housing Development Corporation of North Richmond dba CHDC)	Rental -Family	3	Yes (12 units)
5	Hamilton Apartments (Mercy Housing)	Rental - Homeless	3	Yes (92 units)

6	Mark Twain Homes (Oakland & The World Enterprises, Inc. & Memar Properties Inc. dba MPI Homes)	Rental -Senior, Special Needs, Homeless	4	No*
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\*Mark Twain Homes currently has a HUD Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) HAP Agreement in place with the Oakland Housing Authority as opposed to a Section 8 Project Based Voucher HAP agreement.

*Acquisition, Rehabilitation, & Preservation Funding Recommendations*

Staff recommends funding the three projects presented in **Table 9** below. These projects met all threshold requirements, including receiving a determination under the California Environmental Quality Act (CEQA), and are ranked in sequential order from the highest to the lowest score.

Two (2) applications referenced above in Table 6 for the Acquisition, Rehabilitation, & Preservation NOFA Funding that were submitted by Community Housing Development Corporation of North Richmond dba CHCD have since been removed from the competitive NOFA process in this round due to potential conflicts of interest that are still under investigation as the conflicts were discovered late in the review process.

By providing 100 percent of the funds requested, the proposed funding scenario will enable each recommended project to advance to a construction start by securing local gap financing needed to apply for other State funds in the year 2020 such as to the California HCD Multifamily Housing Program (MHP) and the No Place Like Home Program (NPLH), as well as Federal Home Loan Bank Affordable Housing Program (FHLB-AHP) and the California Low-Income Housing 4 percent (4%) and 9 percent (9%) Tax Credit Equity Program.

**Table 9: Acquisition, Rehabilitation, & Preservation NOFA Funding Recommendations**

Rank	Project/Developer	Council District	Affordable Units	2019-20 City Funding	Potential Additional Funding
<b>Funds Available</b>				<b>\$16,342,375</b>	
1	Fruitvale Studios (Allied Housing & Abode)	5	23	\$1,150,000	All other permanent funds secured
2	Frank G Mar Apartments (East Bay Asian Local Development Corporation)	2	117	\$5,000,000	All other permanent funds secured
3	Hamilton Apartments (Mercy Housing)	3	92	\$4,820,000	CA HCD MHP/4% LIHTC Equity
<b>Total</b>			<b>232</b>	<b>\$10,970,000</b>	
<b>Balance</b>				<b>\$5,372,375</b>	

*Unfunded Applications*

Not all the applications submitted under the NOFA for the Acquisition, Rehabilitation, & Preservation of Multifamily Affordable Housing will be funded now. During the mid-cycle budget review, expected to commence in the coming months, staff will take the current balance of funds, along with any additional revenue identified and subsequently release another NOFA.

**FISCAL IMPACT**

Funding for the proposed projects will come from six sources, detailed below and in **Table 10**:

- 1) FY 2019-20 Low and Moderate Income Housing Asset Fund Balance (Fund 2830). 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 sales or loan repayments) transferred to the City from the former Redevelopment Agency when the Agency dissolved. The current fund balance is from loan repayments received by the City from existing rental or ownership properties and from redevelopment funded Mortgage Assistance Loans. A resolution to appropriate available amounts from this fund balance accompanies this report for the City Council to approve.

- 2) Affordable Housing Trust Funds (Fund 1870). Funds deposited into the Affordable Housing Trust Fund (AHTF) and all interest and investment earnings thereon, must be used to increase, improve, and preserve the supply of affordable housing in the City, with priority given to housing for very low-income households per Chapter 15.62.040 of the Oakland Municipal Code.
- 3) Jobs/Housing Impact Fees (Fund 1870). The Jobs/Housing Impact Fee (which is a funding source of the AHTF) is assessed on construction of buildings for office and warehouse/distribution uses per Ordinance No. 12242 codified as Chapter 15.68 of the Oakland Municipal Code.
- 4) Affordable Housing Impact Fees (Fund 1870). The Affordable Housing Impact Fee (which is a funding source of the AHTF) is assessed on construction of new market-rate housing units including live/work and work/live units per Chapter 15.72 of the Oakland Municipal Code.
- 5) FY 2019-20 HOME funds (Fund 2109). FY 2019-20 HUD HOME funds are already budgeted and available, and an advance commitment of the City's HOME grant for FY 2019-20 is needed to meet critical funding commitment and expenditure requirements from HUD.
- 6) Measure KK Housing and Infrastructure Bond (Funds 5331/5333). Affordable housing programs under the Measure KK Affordable Housing Bond Law prioritize strategies to increase the supply of affordable housing for those who are homeless and households most vulnerable to displacement, including extremely low-income renters, limited income seniors, veterans, and people with disabilities. The City plans to issue its second tranche of general obligation bonds in Fiscal Year 2019-2020 where the remaining \$45 million for anti-displacement and the preservation of affordable housing will be allocated to affordable housing projects prioritizing anti-displacement, the preservation of existing affordable housing, and the conversion of unregulated housing to long-term regulated housing.
- 7) Excess Redevelopment Bond Funds (Funds 5610-5613). Per Assembly Bill 1484, the Oakland Redevelopment Successor Agency (ORSA) may spend "excess" bond proceeds (i.e. pre-2011 tax allocation bond proceeds). The spending must comply with bond covenants and be restricted to project areas for which the bonds were issued. Excess proceeds include future excess bond proceeds or income received on bond funded projects. This may include land sale proceeds, lease revenue, and loan principal and interest payments. Per the FY 2018-2019 midcycle budget, approximately \$10.8 million in one-time project funds were made available to expand funding through the City's NOFA for the construction of affordable housing and the First-Time Home Buyer Program. The balance of available funds in the amount of \$788,097 is available for the FY 2019-20 NOFA.



**Summary of Funds Available**

**Table 10: Available Funding – Sources and Uses**

	Total	Measure KK Infrastructure Bond 5331/5333	City HOME 2109	Low-mod Income Housing Asset Fund 2830	Excess Redev. Bond Fund 5610- 5613	Boomerang Funds	Jobs/Housing Impact Fee 1870	Affordable Housing Impact Fee
FY 2019-20	<b>\$35,376,333</b>	\$16,342,375	\$2,801,380	\$3,939,482	\$778,097	\$2,102,809	\$4,151,178	\$5,261,013
New Construction	<b>\$19,033,958</b>		\$2,801,380	\$3,939,482	\$778,097	\$2,102,809	\$4,151,178	\$5,261,013
Acquisition, Rehab, Preservation	<b>\$16,342,375</b>	\$16,342,375						

**Federal HOME Funds**

Through the adoption and approval of the City of Oakland Consolidated Annual Action Plan (AAP), first approved by the Oakland City Council via Resolution No. 87729 C.M.S., and by the U.S. Department of Housing & Urban Development (HUD), per the 2019 Funding Approval/Agreement of HOME funds, 2019-20 HOME funds awarded to the City are approved for HOME administrative and housing development costs.

**Financing Reservation and Loan Terms**

If approved, funding for affordable housing developments will be reserved for a maximum of 24 months for new 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 three percent (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 City Administrator is given authority in each project funding resolution to subordinate the priority of the deed of trust, if necessary, and to obtain other financing for the project; provided, that, in addition to other criteria, the City's investment in the project in the event of default is reasonably protected. The current policy is to subordinate the City's deed of trust to other financing on a case-by-case basis, but not to subordinate the City's regulatory agreement or affordability agreement to private financing.

**PUBLIC OUTREACH / INTEREST**

A NOFA pre-application meeting was held on August 22, 2019 to explain the NOFA application process, CEQA and National Environmental Policy Act (NEPA) requirements, as well as the

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City's required employment and contracting programs. Staff was available to answer any NOFA-related questions. There were 40 participants who attended the meeting.

Applicants for the 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.

### **COORDINATION**

HCDD staff consulted with Planning and Building Department staff to coordinate CEQA determinations, planning and zoning conformity, and to identify possible barriers to development. The Office of the City Attorney was consulted to ensure legality of funding commitment resolutions. The Department of Finance Budget Bureau was consulted to confirm funding amounts.

### **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 helps provide financial stability for low and very low-income households which could free some household income to be spent on other goods and services in Oakland. Also, providing viable housing creates activity on underutilized parcels which could stimulate 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 public transit which enables 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 Leadership in Energy & Environmental Design (LEED) or Alameda County's GreenPoint Rating system.

***Race and 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 residents in new homes. This is especially important for long-term Oakland 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 for some rental developments and further build social equity.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

***NOFA for New Construction of Multifamily Affordable Housing***

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. The four projects recommended for funding awards have met this threshold, as follows:

A Notice of Determination has been filed for the following projects: West Grand & Brush, Phase I and 7<sup>th</sup> & Campbell, under CEQA Guideline Sections 15164 (no further review), Section 15183(f) (projects consistent with a community plan), Section 15180 (projects within scope of a previously certified Redevelopment Plan Program EIR), and Section 15183.3 (qualified infill projects).

A Notice of Exemption has been filed for the following projects: West Grand & Brush, Phase I, 7<sup>th</sup> & Campbell, Longfellow Corner, and Ancora Place, under Section 15164 (no further review), 15332 (infill projects) and Section 15183(f) (projects consistent with a community plan).

***NOFA for the Acquisition, Rehabilitation, and Preservation of Multifamily Affordable Housing***

The three projects recommended for funding awards have completed and complied with CEQA review requirements. The City has determined that Fruitvale Studios, Frank G Mar Apartments, and Hamilton Apartments are categorically exempt from CEQA as existing apartment buildings with no expansion of existing use as the result of the renovation. Each project meets the conditions for Section 15301 (existing facilities).

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council:

Receive A Report And Adopt Resolutions Pertaining To The Following Affordable Housing Loans And Activities:

1. A Resolution Authorizing Affordable Housing Development Loans In A Total Amount Not To Exceed \$14,683,000, For The Following Affordable Housing New Construction Projects: West Grand & Brush Phase I, 7th & Campbell, Longfellow Corner, and Ancora Place.
2. A Resolution Authorizing Affordable Housing Development Loans In A Total Amount Not To Exceed \$10,970,000 For The Following Affordable Housing Rehabilitation And Preservation Projects: Fruitvale Studios, Frank G Mar, And The Hamilton.

For questions regarding this report, please contact Christia Mulvey, Housing Development Manager at 510-238-3623.

Respectfully submitted,



MARASKESHIA SMITH  
Assistant City Administrator

Reviewed by:  
Maryann Leshin, Deputy Director  
Housing and Community Development  
Department

Prepared by:  
Christia Mulvey, Manager of Housing  
Development Services  
Housing and Community Development  
Department

Attachments (2):

- A: New Construction NOFA Project Summary, Scoring, and Descriptions
- B: Rehabilitation and Preservation NOFA Project Summary, Scoring, and Descriptions

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**Attachment A**

**New Construction NOFA 2019-20**

<b>Project/Developer</b>	<b>NOFA Ranking</b>	<b>Total Score</b>	<b>City Loan Funding</b>	<b>CEQA Status</b>
West Grand & Brush, Phase I (East Bay Asian Local Development Corporation)	1	88.2% 124.40 pts	\$3,965,000	Determination <b>Section 15162 &amp; 15164-</b> CEQA analysis consistent with an approved EIR <b>Section 15183-</b> projects consistent with a community plan, general plan or zoning <b>Section 15183.3-</b> qualified infill project
7th & Campbell (Oakland & The World Enterprises, Inc. and McCormack Baron Salazar)	2	87.4% 123.25 pts	\$1,613,000	Determination <b>Section 15183-</b> projects consistent with a community plan, general plan or zoning <b>Section 15183.3-</b> qualified infill project <b>Section 15332-</b> urban infill project
Longfellow Corner (Resources for Community Development)	3	84.8% 119.50 pts	\$4,264,000	Determination <b>Section 15183-</b> projects consistent with a community plan, general plan or zoning <b>Section 15332-</b> urban infill project
Ancora Place (Satellite Affordable Housing Associates)	5	81.9% 115.50 pts	\$4,841,000	Determination <b>Section 15183-</b> projects consistent with a community plan, general plan or zoning <b>Section 15315-</b> urban infill project merging lots <b>Section 15332-</b> urban infill project

# ATTACHMENT A-1

## New Construction NOFA 2019-20 Descriptions of Submitted Projects

### 3050 INTERNATIONAL

Developer: Satellite Affordable Housing Associates (SAHA)  
This Request: \$4,526,000  
Previous Award: \$0

Address: 3050 International Blvd  
Council District: 5

#### PROJECT SUMMARY:

- New construction of a five-story 76-unit infill housing development for low-income individuals and families, including a ground floor health clinic and cultural center to be separately financed, built, and managed by the Native American Health Center. A to be formed limited partnership will own the residential space.
- The project will target families earning 20-60% of the AMI with individual case management services to nineteen (19) units set aside for households with special needs. Approved as an Alameda County Behavioral Health Care Service Provider, SAHA will provide the individual case management services.
- Building amenities will include common spaces and private offices for meetings, a community room adjacent to a podium level courtyard featuring zones for toddlers, older children, teenagers, and adults. Computers in the community room will be available for tenant use on a drop-in basis, free of charge. Amenities will also include organically designed landscaped areas to complement outdoor sitting and dining areas and secured parking.

#### AFFORDABILITY LEVELS: 20 to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	0	28	29	19	0	76

#### OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Infill Infrastructure Grant funds, CA HCD Multifamily Housing Program funds, Federal Home Loan Bank AHP funds, 4% Low-Income Housing Tax Credit Equity, General Partner Equity, Deferred Developer Fee and a Private First Mortgage.

### 7<sup>TH</sup> & CAMPBELL

Developer: Oakland & The World Enterprises, Inc. & McCormack Baron Salazar  
This Request: \$1,613,000  
Previous Award: \$801,900 (M. KK-New Construction)

Address: 7<sup>th</sup> & Campbell Street  
Council District: 3

#### PROJECT SUMMARY:

- New construction of a six-story 79-unit infill housing development for low-income individuals and families, and commercial space including space for incubator business enterprises slated for ownership by economically marginalized people, including a rooftop urban farm. The ownership of the residential and commercial spaces will be separate.
- The project will target individuals and families earning 20-60% of the AMI, with individual case management services to thirty-nine (39) units set aside for Permanent Supportive Housing for formerly homeless persons provided by Building Opportunities for Self-Sufficiency (B.O.S.S.), which has over 30 years of experience with service provision and coordination.
- Building amenities will include meeting rooms, outdoor courtyard spaces and a fitness center.

#### AFFORDABILITY LEVELS: 20 to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	23	23	33	0	0	79

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Alameda County A1 Bond funds, CA HCD Supportive Housing MHP funds, New Market Tax Credit financing, 4% Federal & State Low-Income Housing Tax Credit Equity, Deferred Developer Fee and a Private First Mortgage.

**AGNES MEMORIAL SENIOR HOUSING**

Developer: Related Companies of California LLC  
This Request: \$13,800,000  
Previous Award: \$0

Address: 2372 International Boulevard  
Council District: 5

**PROJECT SUMMARY:**

- New construction of a 60-unit low income senior housing development in a four-story podium building with approximately 2,000 square feet of ground floor community space, located on International Boulevard between 24<sup>th</sup> Avenue and Miller Avenue (Oakland, CA).
- The project will target senior households earning 30-60% of the AMI with sixteen (16) units set aside for homeless senior households. Individual and intensive case management services will be provided to the residents of units set aside for homeless households. Services will be coordinated by the Community Action Alliance and Abode Services. Abode Services will provide specialized case management for the homeless unit set aside.
- The first floor will be comprised of podium parking, leasing and community space. The second, third, and fourth floors will consist of residential dwelling units.
- Building amenities will include laundry facilities, a community room with kitchen, a computer room or lounge, outdoor courtyard, and secured parking.

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

UNIT SIZES:

Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
23	36	1	0	0	60

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

4% & 9% Low-Income Housing Tax Credit Equity; other sources TBD.

**ANCORA PLACE**

Developer: Satellite Affordable Housing Associates  
This Request: \$4,841,000  
Previous Award: \$3,500,000 (M. KK-Site Acquisition)

Address: 2227-2257 International Boulevard  
Council District: 2

**PROJECT SUMMARY:**

- New construction of a 77-unit affordable housing development in a five-story podium building for low-income individuals and families including approximately 2,500 square feet of commercial/retail space.
- Located in the Rancho San Antonio neighborhood of Oakland the project will target families earning 20-60% of the AMI with a set aside of sixteen (16) units for homeless individuals with special needs. Intensive individual case management and wrap around services will be provided to the homeless unit set aside with LifeLong Medical Care as the service provider with service funding provided by the Alameda County Behavioral Health Care Services.
- Building amenities will include a 15,000-square foot ground level courtyard with dedicated areas for toddlers, children, teenagers, and adults; a ground floor community room divisible to create two independent spaces when required; a dedicated Residential Services office; an onsite laundry and bike room, and a top floor community space. All outdoor and community spaces will be available to neighborhood organizations for meetings and special events.

AFFORDABILITY LEVELS: 20% to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	6	24	27	20	0	77

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Alameda County A1 Bond funds, CA HCD No Place Like Home funds, 4% Low-Income Housing Tax Credit Equity, General Partner Equity, Deferred Developer Fee and a Private First Mortgage.

**DR. KENNETH ANDERSON SENIOR HOUSING**

Developer: Eden Development Inc.  
This Request: \$7,000,000  
Previous Award: \$0

Address: 1003 E.15<sup>th</sup> Street  
Council District: 2

**PROJECT SUMMARY:**

- New construction of a five-story 65-unit mixed use affordable development with three stories of residential over a two-story parking podium for low-income seniors. The first floor will consist of 17 residential parking stalls, 1,000 square feet of ground floor retail, and a management and services office suite. The second floor will consist of 64 stalls of replacement parking with residential space devoted to floors three through five.
- The project will target senior households earning 30-50% of the AMI with fourteen (14) units set aside for formerly homeless households. Eden Housing Resident Services Inc. will provide on-site supportive services to all units including individualized case management for the homeless set aside. The Alameda County Health Care Services Agency will provide operating subsidies to cover the case management for the homeless set aside.
- Building amenities will include a community room, a laundry room, a computer room, and an exterior courtyard. Residents will have easy access to high quality transit near the AC Transit Bus Rapid Transit station at 10<sup>th</sup> Avenue and International Blvd. The on-site community room will be available to local service providers who wish to provide on-site training or tutoring for residents.

AFFORDABILITY LEVELS: 30 to 50% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	0	64	1	0	0	65

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

CA HCD Infill Infrastructure Grant funds, CA HCD Multifamily Housing Program funds, Federal Home Loan Bank AHP funds, 4% Low-Income Housing Tax Credit Equity, General Partner Equity, Deferred Developer Fee, Land Donation, and a Private First Mortgage.

**FILBERT PROMISE – Homeownership Project**

Developer: Filbert West Oakland LLC  
This Request: \$2,123,000  
Previous Award: \$126,890

Address: 3003-3019 Filbert Street  
Council District: 3

**PROJECT SUMMARY:**

- New construction of a 7-unit for sale affordable development located in West Oakland at the corner of Filbert and 30<sup>th</sup> Street. All units are proposed as a two-story 3-bedroom/2-bathroom single family home with an average living space of 1,463 square feet and designed with a Victorian façade blending with the existing fabric of the West Oakland neighborhood.
- The Filbert Promise will look to employ the latest technology in modular housing helping to reduce overall project costs and will target first time homebuyers with units priced between 80-120% of the AMI.



AFFORDABILITY LEVELS: 80% to 120% AMI

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

OTHER PROPOSED PERMANENT FINANCING SOURCES: Alameda County A1 Bond funds, Private First Mortgage, Developer Equity, and Home Sales Proceeds.

**FRIENDSHIP SENIOR HOUSING**

Developer: Community Housing Development Corporation and Friendship Community Development Corporation  
 Address: 1904 Adeline Street  
 This Request: \$4,000,000  
 Council District: 3  
 Previous Award: \$2,000,000 (\$1,885,000 in Aff. Hsg. Impact Fees)

**PROJECT SUMMARY:**

- New construction of a 50-unit affordable senior housing development constructed on three parcels totaling 21,346 square feet located in West Oakland. The living units will be constructed on a podium over 45 parking spaces a community room.
- The project will target senior households earning 20-40% of the AMI with ten (10) units set aside for homeless households with special needs. The North Richmond Economic Development Corporation (NREDC) dba Community Property Management Corporation (CPMC) will direct the on-site resident services program for all residents and Abode Services will provide individualized transitional/case management services for the homeless unit set aside.
- Building amenities will include a large community/activity room with a kitchen on the first floor and a spacious open courtyard at podium level over the community room. Other amenities include a computer room on the second floor and a social lounge space on each residential level promoting resident interaction. A laundry room will be located on each residential floor as well. The front façade of the community/activity room opens to the street as the primary exposure for the project and will encourage and welcome the community.

AFFORDABILITY LEVELS: 20 to 40% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	15	34	1			50

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Multifamily Housing Program funds, Federal Home Loan Bank AHP funds, General Partner Equity, Deferred Developer Fee, 4% Low-Income Housing Tax Credit Equity, and a Private First and Second Mortgage.

**FRUITVALE TRANSIT VILLAGE II-B**

Developer: Bridge Housing Corporation & The Spanish Speaking Unity Council  
 Address: 35<sup>th</sup> Avenue & E.12<sup>th</sup> Street  
 This Request: \$6,621,575  
 Council District: 5  
 Previous Award: \$5,229,000 (\$1,400,000 in M. KK-New Construction & \$1,604,123 in Aff. Hsg. Impact Fees)

**PROJECT SUMMARY:**

- New construction of a four and five-story 181-unit multifamily affordable housing development over a concrete podium adjacent to the Fruitvale BART Station. The building will feature a modern architectural style with large windows, balconies and ground floor commercial space. The podium level will include 100 parking spaces. Additional improvements will include the remainder build out of a landscaped paseo between

Fruitvale Transit Village II-A (under construction) and II-B, a bicycle track under the elevated BART tracks and, an evacuation lane adjacent to the project for access to the elevated rail lines.

- The project will target individuals and families earning 20-80% of the AMI with forty-six (46) units set aside as permanent supportive housing for chronically homeless individuals. Resident and Workforce Development services will be provided by the Unity Council and LifeLong Medical Care will provide individualized on-site case management services to the formerly homeless residents.
- Building amenities will include a large exterior courtyard and interior common room spaces.

**AFFORDABILITY LEVELS: 20 to 80% AMI**

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	28	70	55	28	0	181

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Alameda County A1 Bond funds, CA Strategic Growth Council Affordable Housing Sustainable Communities loan, Federal Home Loan Bank AHP funds, Tax Exempt Permanent loan, 4% Low-Income Housing Tax Credit Equity, Deferred Developer Fee and General Partner Equity.

**LONGFELLOW CORNER**

Developer: Resources for Community Development (RCD)      Address: 3801-3807 & 3823-3829 Martin Luther  
 This Request: \$4,264,000      King Jr. Way  
 Previous Award: \$3,175,000 (M. KK-Site Acquisition)      Council District: 1

**PROJECT SUMMARY:**

- New construction of a 77-unit multifamily affordable housing development in a six-story podium building with approximately 2,000 square feet of ground floor commercial space dedicated to a community serving non-profit. The site will be land leased by the City of Oakland and is within proximity to the MacArthur BART Station.
- The project will target individuals and families earning 20-60% of the AMI with thirty-two (32) units set aside for homeless individuals and households. Resident services will be available to all residents. Targeted services to the homeless set aside will seek to support the ability of residents to maximize their self-sufficiency. The RCD service coordinator will coordinate with LifeLong Medical Care to provide intensive case management support services with operating assistance provided by the Alameda County Health Care Services Agency.
- Building amenities will include a landscaped courtyard with a children’s play area on the podium level, two large service offices, a laundry room and a community room adjacent to the courtyard.

**AFFORDABILITY LEVELS: 20 to 60% AMI**

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	0	33	19	25	0	77

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

CA HCD Multifamily Housing Program funds, 4% Low-Income Housing Tax Credit Equity, General Partner Equity, Deferred Developer Fee, and a Private First Mortgage.

## **MAC ARTHUR PROJECT**

Developer: Community Housing Development Corporation & the Construction Resource Center  
This Request: \$3,990,303  
Previous Award: \$0

Address: 7525-7533 Mac Arthur Boulevard  
Council District: 6

### **PROJECT SUMMARY:**

- New construction of a 19-unit affordable housing complex for individuals and families representing a revitalization of a community corridor with increasingly blighted homes and lots.
- The project will target individuals and families earning 20-50% of the AMI with two (2) units set aside for households with special needs and two (2) units for homeless households with special needs. The North Richmond Economic Development Corporation (NREDC) will direct the on-site resident services program for all residents, providing information about free and low cost medical, dental, mental health, and other services available in the community. Individualized case management services for the homeless unit set aside will be administered by LifeLong Medical Care, designed to meet the specialized needs of the homeless population for creating a sustainable independent living plan.
- Building amenities will include a 2,000-square foot open space roof deck, bicycle storage space, a laundry room, and a children's play area on the ground floor.

### **AFFORDABILITY LEVELS: 20 to 60% AMI**

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	0	3	11	5	0	19

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

CA HCD Multifamily Housing Program funds, CA HCD No Place Like Home funds, 4% Low-Income Housing Tax Credit Equity, and Deferred Developer Fee.

## **THE PHOENIX**

Developer: East Bay Asian Local Development Corporation  
This Request: \$5,936,000  
Previous Award: \$600,000

Address: 801 Pine Street.  
Council District: 3

### **PROJECT SUMMARY:**

- New construction of a 101-unit affordable housing complex in West Oakland which is a one element within a mixed-income master development led by Holliday Development. The master development plan includes the redevelopment of a former Caltrans-owned site bringing a wide variety of residential and commercial opportunities to the neighborhood.
- The project will target individuals and families in the 30% - 60% AMI range, with fifty percent (50%) of the project units set aside for people experiencing homelessness and who may have special needs. EBALDC is partnering with Abode Services to deliver a full range of supportive services to residents who were formerly homeless. The Abode Services program is based on a permanent supportive housing model and services offered will focus on housing retention, health and well-being, and resident self-sufficiency.
- Building amenities will include a two-story community building with a community room, laundry room, and property management and social service offices. There will be bike parking and outdoor areas for social gatherings. The residential building will be a four-stories and modular construction.

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

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	82	3	16	0	0	101

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

CA HCD Housing for Healthy California Program funds, CA HCD Multifamily Housing Program funds, 4% Low-Income Housing Tax Credit Equity, and General Partner Equity.

**WEST GRAND & BRUSH, PHASE I**

Developer: East Bay Asian Local Development Corporation

This Request: \$3,965,000

Previous Award: \$1,700,000 (\$1,318,000 in M. KK-New Construction & \$330,000 in Aff. Hsg. Impact Fees)

Address: 760 22<sup>nd</sup> Avenue & 2201 Brush Street  
Council District: 3

**PROJECT SUMMARY:**

- New construction of a 59-unit multifamily affordable housing development in a five-story podium building with approximately 2,500 square feet of ground floor commercial space with leasable space available at below-market rates to non-profit and cultural/arts organizations.
- The project will target individuals and families earning 20-50% of the AMI with thirty (30) units set aside for homeless individuals and households. Resident services will be available to all residents. Targeted services to the homeless set aside will seek to support the ability of residents to maximize their self-sufficiency, including case management, parenting training, financial planning, job counseling/referrals, mental health counseling, and individual and group substance abuse recovery. EBALDC will partner with Abode Services to provide intensive case management support services with operating assistance provided by the Alameda County Health Care Services Agency.
- Building amenities will include common areas, a 2<sup>nd</sup> floor community room with kitchen and computer/study area.

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

UNIT SIZES:

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
24	5	15	15	0	59

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Alameda County A1 Bond funds, CA HCD Multifamily Housing Program funds, CA HCD Supportive Housing – Multifamily Housing Program funds, Federal Home Loan Bank Affordable Housing Program funds, 4% Low-Income Housing Tax Credit Equity funds, General Partner Equity, Deferred Developer Fee, and a Private First Mortgage.

2019-2020 City of Oakland NOFA Applications Submitted - New Construction

Rental												Ownership
	3050 International	7th & Campbell	Agnes Memorial Senior Housing	Ancora Place	Dr. Kenneth Anderson Senior Housing	Friendship Senior Housing	Fruitvale Transit Village II-B	Longfellow Corner	Mac Arthur Project	The Phoenix	West Grand & Brush	Filbert Promise
Address	3050 International Boulevard, Oakland CA 94601	710 Campbell Street, Oakland CA 94607	2372 International Boulevard, Oakland CA 94601	2227-2257 International Blvd, Oakland CA 94606	1003 E.15th Street, Oakland CA 94606	1904 Adeline Street, Oakland CA	35th Avenue & E.12th Street, Oakland CA 94601	3801, 3807, 3823, & 3829 Martin Luther King Jr. Way, Oakland CA 94609	7525 MacArthur Boulevard, Oakland CA 94621	801 Pine Street, Oakland CA 94607	760 22nd Street & 2201 Brush Street	3003-3019 Filbert Street, Oakland CA 94608
Council District	5	3	5	2	2	3	5	1	6	3	3	3
Type	Families/Special Needs	Formerly Homeless	Senior/Homeless	Family/Homeless/Special Needs	Senior/Homeless	Senior/Homeless	Family/Homeless	Family/Homeless	Family/Homeless/Special Needs	Family/Homeless	Family/Homeless	Family
Developer	Satellite Affordable Housing Associates	7th & Campbell, L.P.	The Related Companies of California	Satellite Affordable Housing Associates	Eden Development Inc.	CHDC/FCDC	Bridge Housing Corporation	Resources for Community Development	Construction Resource Center & Community Housing Development Corporation	EBALDC	EBALDC	Richmond Neighborhood Housing Services, Inc.
Tenure	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	For Sale/Ownership
Total Units (incl. manager's unit)	76	79	60	77	65	50	181	77	19	101	59	7
Total Affordable Units	75	78	59	76	64	49	179	76	19	100	58	7
New Units	76	79	60	77	65	50	181	77	19	101	59	7
New Homeless Units	0	39	16	16	14	10	46	32	2	50	30	0
New Special Needs Units	19	0	0	16	0	0	0	0	2	0	0	0
Bedrooms (incl. manager's unit)	143	110	61	144	66	50	290	146	40	117	104	21
Total Development Costs (Residential)	\$ 66,391,537	\$ 63,662,616	\$ 36,859,837	\$ 64,749,315	\$ 55,479,672	\$ 31,829,669	\$ 141,363,113	\$ 67,031,629	\$ 13,680,775	\$ 41,003,087	\$ 48,065,605	\$ 7,569,482
Cost per Unit	\$ 873,573	\$ 805,856	\$ 614,331	\$ 840,900	\$ 853,533	\$ 636,593	\$ 781,012	\$ 870,541	\$ 720,041	\$ 405,971	\$ 814,671	\$ 1,081,355
Cost per Bedroom	\$ 464,276	\$ 578,751	\$ 604,260	\$ 449,648	\$ 840,601	\$ 636,593	\$ 487,459	\$ 459,121	\$ 342,019	\$ 350,454	\$ 462,169	\$ 360,452
Total City Funds	\$ 4,526,000	\$ 2,415,675	\$ 13,800,000	\$ 8,341,000	\$ 7,000,000	\$ 6,000,000	\$ 11,850,575	\$ 7,439,000	\$ 3,990,303	\$ 6,536,000	\$ 5,665,000	\$ 2,299,000
City Funds Requested This NOFA	\$ 4,526,000	\$ 1,613,775	\$ 13,800,000	\$ 4,841,000	\$ 7,000,000	\$ 4,000,000	\$ 6,621,575	\$ 4,264,000	\$ 3,990,303	\$ 5,936,000	\$ 3,965,000	\$ 2,123,000
Previous City Funds	\$ -	\$ 801,900	\$ -	\$ 3,500,000	\$ -	\$ 2,000,000	\$ 5,229,000	\$ 3,175,000	\$ -	\$ 600,000	\$ 1,700,000	\$ 176,000
% City Funds to total Development Cost	6.82%	3.79%	37.44%	12.88%	12.62%	18.85%	8.38%	11.10%	29.17%	15.94%	11.79%	30.37%

# Attachment A-3

## New Construction NOFA 2019-20 Project Scoring Table

	RENTAL Potential Points	OWNERSHIP Potential Points	West Grand & Brush	7th & Campbell	Longfellow Corner	Friendship Senior Housing	Ancora Place	Fruitvale Transit Village II-B
<b>Percentage of Points</b>			<b>88.2%</b>	<b>87.4%</b>	<b>84.8%</b>	<b>82.1%</b>	<b>81.9%</b>	<b>81.6%</b>
<b>Rank</b>			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>I. Readiness</b>	<b>43</b>	<b>43</b>	<b>43.00</b>	<b>43.00</b>	<b>39.00</b>	<b>43.00</b>	<b>39.00</b>	<b>43.00</b>
A. Leveraging	8	8	8.00	8.00	4.00	8.00	4.00	8.00
B. Funding Commitments	15	15	15.00	15.00	15.00	15.00	15.00	15.00
C. Discretionary Land Use Approvals	20	20	20.00	20.00	20.00	20.00	20.00	20.00
<b>II. Location</b>	<b>25</b>	<b>25</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>15.00</b>	<b>15.00</b>	<b>18.00</b>
A. Geographic Equity	5	5	0.00	0.00	0.00	0.00	0.00	0.00
B. Educational Quality	5	5	3.00	3.00	3.00	N/A	0.00	3.00
C. Neighborhood Revitalization	5	5	5.00	5.00	5.00	5.00	5.00	5.00
D. Proximity to Public Transit	5	5	5.00	5.00	5.00	5.00	5.00	5.00
E. Proximity to Grocery or Drug Store	5	5	5.00	5.00	5.00	5.00	5.00	5.00
<b>III. Target Population and Project Attributes</b>	<b>30</b>	<b>19</b>	<b>22.50</b>	<b>20.00</b>	<b>21.50</b>	<b>14.00</b>	<b>20.50</b>	<b>15.50</b>
A. Income Targeting	10	10	10.00	10.00	10.00	10.00	10.00	10.00
B. Unit Size	5	9	2.50	0.00	3.50	0.00	2.50	0.50
C. Units for People with Special Needs	5	N/A	0.00	0.00	0.00	0.00	4.00	0.00
D. Homeless - Permanent Supportive Housing Units	10	N/A	10.00	10.00	8.00	4.00	4.00	5.00
<b>IV. Developer Experience and</b>	<b>33</b>	<b>32</b>	<b>30.9</b>	<b>32.25</b>	<b>31</b>	<b>29.6</b>	<b>31</b>	<b>28.62</b>
A. Developer Experience Exceeds Minimum	10	10	10.00	10.00	10.00	10.00	10.00	10.00
B. Developer Capacity	8	8	8.00	8.00	8.00	7.50	8.00	8.00
C. Developer Financial Strength	6	6	5.90	5.25	6.00	5.10	6.00	4.62
D. Strength of the Development Team	3	2	3.00	3.00	3.00	3.00	3.00	2.00
E. Bonus Point Category	6	6	4.00	6.00	4.00	4.00	4.00	4.00
<b>VII. Sustainability</b>	<b>10</b>	<b>10</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>
<b>VIII. Penalty for Nonperforming Previously Funded Projects</b>	<b>-10</b>	<b>-10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Points</b>	<b>141</b>	<b>129</b>	<b>124.40</b>	<b>123.25</b>	<b>119.50</b>	<b>111.60</b>	<b>115.50</b>	<b>115.12</b>

**NOTE:** Rank is based on total "Percentage of Points" received which is based on total potential points available. Senior projects do not compete in the "educational q potential points available than non-senior projects.

\*Homeownership Project

# Attachment A-3

## New Construction NOFA 2019-20 Project Scoring Table

	3050 International	Mac Arthur Project	The Phoenix	Dr. Kenneth Anderson Senior Housing	Agnes Memorial Senior Housing	Filbert Promise*
<b>Percentage of Points</b>	<b>80.5%</b>	<b>69.2%</b>	<b>67.4%</b>	<b>57.4%</b>	<b>55.6%</b>	<b>0.0%</b>
<b>Rank</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
<b>I. Readiness</b>	<b>39.00</b>	<b>38.00</b>	<b>26.00</b>	<b>10.00</b>	<b>9.00</b>	<b>0.00</b>
A. Leveraging	4.00	8.00	6.00	8.00	0.00	0.00
B. Funding Commitments	15.00	10.00	0.00	2.00	9.00	0.00
C. Discretionary Land Use Approvals	20.00	20.00	20.00	0.00	0.00	0.00
<b>II. Location</b>	<b>18.00</b>	<b>18.00</b>	<b>15.00</b>	<b>15.00</b>	<b>15.00</b>	<b>0.00</b>
A. Geographic Equity	0.00	0.00	0.00	0.00	0.00	0.00
B. Educational Quality	3.00	3.00	0.00	N/A	N/A	0.00
C. Neighborhood Revitalization	5.00	5.00	5.00	5.00	5.00	0.00
D. Proximity to Public Transit	5.00	5.00	5.00	5.00	5.00	0.00
E. Proximity to Grocery or Drug Store	5.00	5.00	5.00	5.00	5.00	0.00
<b>III. Target Population and Project Attributes</b>	<b>17.50</b>	<b>10.50</b>	<b>20.00</b>	<b>14.00</b>	<b>15.00</b>	<b>0.00</b>
A. Income Targeting	10.00	7.00	10.00	10.00	10.00	0.00
B. Unit Size	2.50	3.50	0.00	0.00	0.00	0.00
C. Units for People with Special Needs	5.00	0.00	0.00	0.00	0.00	0.00
D. Homeless - Permanent Supportive Housing Units	0.00	0.00	10.00	4.00	5.00	0.00
<b>IV. Developer Experience and</b>	<b>29</b>	<b>28.1</b>	<b>31</b>	<b>29</b>	<b>26.55</b>	<b>0</b>
A. Developer Experience Exceeds Minimum	10.00	10.00	10.00	10.00	10.00	0.00
B. Developer Capacity	8.00	8.00	8.00	8.00	8.00	0.00
C. Developer Financial Strength	6.00	5.10	6.00	6.00	5.55	0.00
D. Strength of the Development Team	3.00	3.00	3.00	3.00	3.00	0.00
E. Bonus Point Category	2.00	2.00	4.00	2.00	0.00	0.00
<b>VII. Sustainability</b>	<b>10.00</b>	<b>3.00</b>	<b>3.00</b>	<b>10.00</b>	<b>10.00</b>	<b>0.00</b>
<b>VIII. Penalty for Nonperforming Previously Funded Projects</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Points</b>	<b>113.50</b>	<b>97.60</b>	<b>95.00</b>	<b>78.00</b>	<b>75.55</b>	<b>0.00</b>

**NOTE:** Rank is based on total "Percentage" point category and thus their total "Percentage of Points" is based on a lower total potential points available than non-senior

\*Homeownership Project

**Attachment B - 3**

**Acquisition, Rehabilitation, Preservation NOFA 2019-20 Project Scoring Table**

	<b>RENTAL Potential Points</b>	<b>OWNERSHIP Potential Points</b>	<b>Fruitvale Studios</b>	<b>Frank G Mar Apartments</b>	<b>Harp Plaza Apartments</b>	<b>James Lee Court</b>	<b>Hamilton Apartments</b>	<b>Mark Twain Homes (Senior Housing)</b>
<b>Percentage of Points</b>			<b>85.3%</b>	<b>75.2%</b>	<b>65.5%</b>	<b>63.5%</b>	<b>59.5%</b>	<b>58.7%</b>
<b>Rank</b>			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>I. Readiness</b>	<b>40</b>	<b>40</b>	<b>40.00</b>	<b>35.00</b>	<b>30.00</b>	<b>30.00</b>	<b>20.00</b>	<b>14.00</b>
A. Leveraging	5	5	5.00	5.00	5.00	5.00	5.00	5.00
B. Funding Commitments	15	15	15.00	10.00	5.00	5.00	15.00	9.00
C. Discretionary Land Use Approvals	20	20	20.00	20.00	20.00	20.00	0.00	0.00
<b>II. Location</b>	<b>35</b>	<b>35</b>	<b>18.00</b>	<b>30.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>16.00</b>
A. Displacement Prevention	10	10	0.00	10.00	0.00	0.00	0.00	5.00
A. Geographic Equity	5	5	0.00	0.00	0.00	0.00	0.00	0.00
B. Educational Quality	5	5	3.00	5.00	3.00	3.00	3.00	N/A
C. Neighborhood Revitalization	5	5	5.00	5.00	5.00	5.00	5.00	5.00
D. Proximity to Public Transit	5	5	5.00	5.00	5.00	5.00	5.00	5.00
E. Proximity to Grocery or Drug Store	5	5	5.00	5.00	5.00	5.00	5.00	1.00
<b>III. Target Population and Project Attributes</b>	<b>31</b>	<b>10</b>	<b>31.00</b>	<b>8.00</b>	<b>16.00</b>	<b>13.00</b>	<b>16.00</b>	<b>31.00</b>
A. Income Targeting	16	10	16.00	8.00	16.00	13.00	16.00	16.00
B. New Units for People with Special Needs	5	N/A	5.00	0.00	0.00	0.00	0.00	5.00
C. New Permanent Supportive Housing Units for Homeless Individuals and Families	10	N/A	10.00	0.00	0.00	0.00	0.00	10.00
<b>IV. Developer Experience and Capacity</b>	<b>33</b>	<b>32</b>	<b>28.15</b>	<b>29.00</b>	<b>25.60</b>	<b>25.60</b>	<b>24.62</b>	<b>13.50</b>
A. Developer Experience Exceeds Minimum	10	10	10.00	10.00	10.00	10.00	10.00	0.00
B. Developer Capacity	8	8	8.00	8.00	7.50	7.50	8.00	6.50
C. Developer Financial Strength	6	6	5.15	6.00	5.10	5.10	3.62	0.00
D. Strength of the Development Team	3	2	3.00	3.00	3.00	3.00	3.00	3.00
E. Bonus Point Category	6	6	2.00	2.00	0.00	0.00	0.00	4.00
<b>V. Urgency</b>	<b>10</b>	<b>10</b>	<b>10.00</b>	<b>10.00</b>	<b>8.00</b>	<b>8.00</b>	<b>10.00</b>	<b>10.00</b>
<b>VI. Penalty for Nonperforming Previously Funded Projects</b>	<b>-10</b>	<b>-10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Points</b>	<b>149</b>	<b>127</b>	<b>127.15</b>	<b>112.00</b>	<b>97.60</b>	<b>94.60</b>	<b>88.62</b>	<b>84.50</b>

**NOTE:** Rank is based on total "Percentage of Points" received which is based on total potential points available. Senior projects do not compete in the "educational quality" point category and thus their total "Percentage of Points" is based on a lower total potential points available than non-senior projects.



**Attachment B**

**Acquisition, Rehabilitation, and Preservation NOFA 2019-20**

<b>Project/Developer</b>	<b>NOFA Ranking</b>	<b>Total Score</b>	<b>City Loan Funding</b>	<b>CEQA Status</b>
Fruitvale Studios (Allied Housing & ABODE Services)	1	85.3% 127.15 pts	\$1,150,000	Determined Exempt <b>Section 15301 (d)</b> – Existing Facilities
Frank G Mar Apartments (East Bay Asian Local Development Corporation)	2	75.2% 112 pts	\$5,000,000	Determined Exempt <b>Section 15301 (d)</b> – Existing Facilities
Hamilton Apartments (Mercy Housing)	5	59.5% 88.62 pts	\$4,820,000	Determined Exempt <b>Section 15268</b> – Ministerial projects exempt from the requirements of CEQA. Exemption for the Hamilton applies only to building internal improvements pursuant to the scope of work reviewed by the Bureau of Planning

**ATTACHMENT B-1**  
**Acquisition, Rehabilitation, and Preservation NOFA 2019-20**  
**Descriptions of Submitted Projects**

**FRANK G MAR APARTMENTS**

Developer: East Bay Asian Local Development Corporation  
 This Request: \$5,000,000  
 Existing City Loans: \$7,814,761

Address: 283 13<sup>th</sup> Street  
 Council District: 2

**PROJECT SUMMARY:**

- Rehabilitation of a 119-unit apartment building originally constructed in 1990.
- The project will serve families at a range of incomes, with income thresholds at 30%, 50%, 60%, and 80% of Area Median Income.
- The rehabilitation scope includes necessary structural and seismic reinforcement, elevator and fire system improvements, energy efficiency upgrades, ADA accessibility upgrades, and ventilation system upgrades that will lead to improved air quality throughout the building.
- Building amenities include a computer center, a central courtyard, and a community room where resident services such as English language classes, parenting workshops, and celebrations are held. The ground floor commercial space includes community-serving businesses such as a Head Start day care center and office space for local nonprofits.

**AFFORDABILITY LEVELS: 30 to 80% AMI**

**UNIT SIZES:**

SRO	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
0	0	51	35	27	6	119

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Seller Carryback proceeds, General Partner Equity, Existing Reserves, 4% Low-Income Housing Tax Credit Equity, Deferred Developer Fee, and a Private First Mortgage.

**FRUITVALE STUDIOS**

Developer: Allied Housing Inc.  
 This Request: \$1,150,000  
 Previous Award: \$2,300,000 (\$1,800,000 in M. KK-NOFA Rehabilitation)

Address: 2600 International Boulevard  
 Council District: 5

**PROJECT SUMMARY:**

- Rehabilitation of the 24-unit supportive housing project in Oakland’s Fruitvale neighborhood to upgrade the electrical system, roof, fire escapes, brick veneer exterior and security system.
- The studio units have full kitchens and private bathrooms.
- Half the units are reserved for households experiencing homelessness and the remaining twelve units will be available to general low-income households. Twelve units will be reserved for households with special needs.
- Abode Services will continue to be the service provider.

**AFFORDABILITY LEVELS: 20 to 60% AMI**

**UNIT SIZES:**

SRO	Studio	1 Bedroom	2 Bedroom	3 Bedroom	Total Units
0	23	1	0	0	24

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Alameda County A1 Bond funds, CA HCD No Place Like Home Funds, and a Private First Mortgage.

## **HAMILTION APARTMENTS**

Developer: Mercy Housing California  
This Request: \$5,000,000  
Existing City Loans: \$6,753,056

Address: 510 21<sup>st</sup> Street  
Council District: 3

### PROJECT SUMMARY:

- Rehabilitation of an existing 93-unit apartment building that was originally constructed in 1909 as a YMCA with 191 rooms. It was red tagged as a result of damage sustained in the Loma Prieta earthquake in 1989 and seismically retrofitted and rehabilitated in 1997.
- Rehabilitation scope includes repairing the elevator, hot water/plumbing system, mechanical ventilation/HVAC system, roof, fire sprinkler system and flooring.
- The project has operated as permanent housing for homeless and special needs households since 1997. Supportive services are provided by LifeLong Medical Care.

AFFORDABILITY LEVELS: 20 to 40% AMI

UNIT SIZES:

SRO	Studio	1 Bedroom	2 Bedroom	3 Bedroom	Total Units
0	92	0	1	0	93

### OTHER PROPOSED PERMANENT FINANCING SOURCES:

Federal Home Loan Bank AHP funds, CA HCD Multifamily Housing Program funds, Seller Carryback proceeds, Sponsor Loans, Operating Income, General Partner Equity, and 4% Low-Income Housing Tax Credit Equity.

## **HARP PLAZA APARTMENTS**

Developer: Community Housing Development Corporation  
This Request: \$846,030  
Previous Award: \$3,000,000 (\$2,800,000 in M. KK – Rehabilitation funds)  
Existing City Loans: \$2,950,000

Address: 430 15<sup>th</sup> Street  
Council District: 3

### PROJECT SUMMARY:

- Phase II Rehabilitation of a two-building, five-story, 20-unit multifamily affordable housing complex with all units in dire need of renovation. Scope of work includes unit rehabilitation, exterior painting/stucco, installation of windows, and bird deterrents for the roof top.
- Phase I of the rehabilitation, including a new roof, windows, newly landscaped courtyard and upgraded gathering areas, and a new elevator was completed in 2018.
- The project includes housing for individuals and families earning 20-60% of the AMI. The operation of the resident services program will be provided by the North Richmond Economic Development Corporation dba Community Property Management Corporation (CPMC), instilling a philosophy of service delivery to help residents meet their own goals for self-sufficiency and determination.
- Building amenities include a community room, an on-site laundry room, office space, and a flat outdoor concrete surface used for a children's play area.

AFFORDABILITY LEVELS: 20 to 60% AMI

UNIT SIZES:

SRO	Studio	1 Bedroom	2 Bedroom	3 Bedroom	Total Units
0	0	0	11	9	20

### OTHER PROPOSED PERMANENT FINANCING SOURCES:

Federal Home Loan Bank AHP funds, CA HCD Multifamily Housing Program funds, Neighborworks grant funds.

**JAMES LEE COURT**

Developer: Community Housing Development Corporation  
This Request: \$2,555,469  
Existing City Loans: \$4,561,000

Address: 690 15<sup>th</sup> Street  
Council District: 3

**PROJECT SUMMARY:**

- Rehabilitation of a four-story, 26-unit multifamily affordable housing complex in need of building upgrades. The scope of work will cover a broad set of improvements including unit interior renovation, exterior painting/stucco, install of new windows and bird deterrents at the roof top. Revitalization of the structure will extend improve conditions and extend the building’s useful life.
- The project includes housing for individuals and families earning 20-60% of the AMI with 3-units designated at market rate. Resident services will be provided by the North Richmond Economic Development Corporation dba Community Property Management Corporation (CPMC). The service staff will seek to provide direct services to all residents including resources promoting self-sufficiency and self-reliance in one-on-one and group settings creating a supportive programming environment.
- Building amenities include a community room with kitchen, a children’s play room, a computer room, office space and a laundry room.

**AFFORDABILITY LEVELS:** 20% to 50% AMI plus 3 units at market rate.

**UNIT SIZES:**

SRO	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
0	0	5	7	10	4	26

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Federal Home Loan Bank AHP funds, CA HCD Multifamily Housing Program funds, Neighborworks grant funds.

**MARK TWAIN HOMES**

Developer: Oakland & The World Enterprises, Inc./MPI Homes  
This Request: \$4,776,000  
Previous Award: \$174,000

Address: 3525 Lyon Avenue  
Council District: 4

**PROJECT SUMMARY:**

- Rehabilitation of a 102-unit building with four adjacent buildings constructed between 1953 and 1984.
- The scope of work will include upgrading 33 single-room occupancy units to full studios with private kitchens and bathrooms. Other upgrades include a seismic retrofit, replacement wheelchair ramps, energy-efficient HVAC upgrades, and other improvements.
- The project will provide permanent supportive housing, including housing for the formerly homeless and individuals with special needs. Supportive services will be provided by Bay Area Community Services (BACS)

**AFFORDABILITY LEVELS:** 20 to 45% AMI

**UNIT SIZES:**

SRO	Studio	1 Bedroom	2 Bedroom	3 Bedroom	Total Units
0	82	17	3	0	102

**OTHER PROPOSED PERMANENT FINANCING SOURCES:**

Federal Home Loan Bank AHP funds, CA HCD No Place Like Home Funds, CalHFA Special Needs Housing Program, General Partner Equity, Deferred Developer Fee, 4% Low-Income Housing Tax Credit Equity, and a Private First Mortgage.

**2019-2020 City of Oakland NOFA Applications Submitted  
Acquisition, Rehabilitation, & Preservation**

<b>Rental</b>						
	<b>Frank G Mar Apartments</b>	<b>Fruitvale Studios</b>	<b>Hamilton Apartments</b>	<b>Harp Plaza Apartments</b>	<b>James Lee Court</b>	<b>Mark Twain Homes</b>
<b>Address</b>	283 13th Street, Oakland CA 94612	2600 International Blvd, Oakland CA 94601	510 21st Street, Oakland CA 94612	430 15th Street, Oakland CA 94609	690-15th Street, Oakland CA 94612	3525 Lyon Avenue, Oakland CA 94601
<b>Council District</b>	2	5	3	3	3	4
<b>Type</b>	Family	Family/Special Needs/Homeless Housing	Special Needs/Homeless	Family	Family	Senior/Special Needs/Homeless
<b>Developer</b>	EBALDC	Allied Housing, Inc.	Mercy Housing	Community Housing Development Corporation	Community Housing Development Corporation	Oakland & World Enterprises, Inc./MPI Homes
<b>Tenure</b>	Rental	Rental	Rental	Rental	Rental	Rental
<b>Total Units (incl. manager's unit)</b>	119	24	93	20	26	102
<b>Total Affordable Units</b>	117	23	92	19	25	101
<b>New Homeless Units</b>	0	12	0	0	0	22
<b>New Special Needs Units</b>	0	12	0	0	0	79
<b>Bedrooms (incl. manager's unit)</b>	226	24	94	49	65	105
<b>Total Development Costs (Residential)</b>	\$ 77,293,342	\$ 9,761,171	\$ 42,693,602	\$ 7,717,918	\$ 7,843,284	\$ 26,164,706
<b>Cost per Unit</b>	\$ 649,524	\$ 406,715	\$ 459,071	\$ 385,896	\$ 301,665	\$ 256,517
<b>Cost per Bedroom</b>	\$ 342,006	\$ 406,715.46	\$ 454,187	\$ 157,509	\$ 120,666	\$ 249,188
<b>Total City Funds</b>	\$ 5,000,000	\$ 3,450,000	\$ 4,820,000	\$ 3,846,030	\$ 2,555,469	\$ 5,000,000
<b>City Funds Requested This NOFA</b>	\$ 5,000,000	\$ 1,150,000	\$ 4,820,000	\$ 846,030	\$ 2,555,469	\$ 4,776,000
<b>Previous City Funds</b>	\$ -	\$ 2,300,000	\$ -	\$ 3,000,000	\$ -	\$ 224,000
<b>% City Funds to total Dev Cost</b>	6.47%	35.34%	11.29%	49.83%	32.58%	19.11%

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2020 JAN -2 PM 2: 19

Approved as to Form and Legality

**DRAFT**

City Attorney's Office

## OAKLAND CITY COUNCIL

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

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**RESOLUTION AUTHORIZING AFFORDABLE HOUSING DEVELOPMENT  
LOANS IN A TOTAL AMOUNT NOT TO EXCEED \$14,683,000, FOR THE  
FOLLOWING AFFORDABLE HOUSING NEW CONSTRUCTION  
PROJECTS: WEST GRAND & BRUSH PHASE I, 7<sup>th</sup> & CAMPBELL,  
LONGFELLOW CORNER, AND ANCORA PLACE**

**WHEREAS**, on August 9, 2019, the City of Oakland issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for new construction of affordable housing development projects; and

**WHEREAS**, the four projects listed in Attachment A to this Resolution submitted proposals in response to the NOFA and were the top ranked projects in staff's evaluation of project proposals; 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**, the projects are consistent with the City's Project Development Guidelines, and each developer meets the City's Threshold Developer Criteria; and

**WHEREAS**, establishing a pipeline of authorized projects and delegating authority to the City Administrator to fund projects in the pipeline from available funds will enable the City to maximize its resources by enabling projects to secure additional funding, providing only the amount of City assistance needed to make the project feasible, avoiding the cost of reapplication during the subsequent fiscal year, and expediting funding awards; and

**WHEREAS**, funds for affordable housing development in the amount of \$14,683,000 are available from the Jobs/Housing Impact Fee, Affordable Housing Impact Fees, and Boomerang funds deposited into the Affordable Housing Trust Fund (1870), as well as Excess Redevelopment Bond Funds (Funds 5610-13), HUD HOME Investment Partnership Program (2109), and Loan Repayments deposited into the Low and Moderate Income Housing Asset Fund (2830) to assist the projects; and

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

**WHEREAS**, the requirements of 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 for these projects; and

**WHEREAS**, for those projects receiving federal funds, execution of loan documents or other documents legally committing the City to fund the projects shall be 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; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or his or her designee to provide loans in a total amount not to exceed \$14,683,000, to the indicated developers, or to affiliated entities of those developers approved by the City Administrator or his or her designee, in the amounts not to exceed those listed on Attachment A to this Resolution, which loans shall be used for development of those new construction projects; and be it

**FURTHER RESOLVED:** That the funding for the loans shall be allocated from the Low and Moderate Income Housing Asset Fund (Fund 2830), the Affordable Housing Trust Fund (Fund 1870) Including Affordable Housing And Jobs/Housing Impact Fees, Excess Redevelopment Bond Funds (Funds 5610-13) and the HUD HOME Investment Partnership Program (Fund 2109); and be it

**FURTHER RESOLVED:** That the making of each loan shall be contingent on the availability of sufficient funds in the Low and Moderate Income Housing Asset Fund, the Affordable Housing Trust Fund, Excess Redevelopment Bond Funds, and/or the HUD HOME Investment Partnership Program; and be it

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

**FURTHER RESOLVED:** That loan funds shall be reserved for a period of no more than 24 months from the date of the commitment letter, 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 each 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 each 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 Council hereby approves funding awards to the projects listed on Attachment A to this Resolution from the City of Oakland's 2019-20 NOFA For New Construction of Multifamily Affordable Housing in a total amount not to exceed \$14,683,000, with the City Administrator or her designee authorized to make the specific allocations of those funds to the respective projects in amounts not to exceed the corresponding amount listed on Attachment A for each project; and be it

**FURTHER RESOLVED:** That the City Council has independently reviewed and considered the environmental determinations, and the City Council finds and determines, based on the information provided in the staff report accompanying this Resolution, that the action with respect to each project complies with CEQA either because the project is exempt from CEQA, or, based on an initial study and the mitigation measures identified therein, the project as mitigated will not have a significant adverse impact on the environment, as each project's respective CEQA determination is further set forth in Attachment A to this Resolution; 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 or Notice of Determination for each project as appropriate; and be it

**FURTHER RESOLVED:** That execution of loan documents or other documents legally committing the City to fund a project with federal funds will be 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 be it

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

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND  
PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

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

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