



OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AMENDING RESOLUTION NO. 87994 C.M.S. TO ADD AFFORDABILITY RESTRICTIONS AT WEST GRAND & BRUSH PHASE I, AN AFFORDABLE HOUSING PROJECT LOCATED AT 2201 BRUSH STREET & 760 22ND AVENUE PROPOSED BY THE EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION AND ALLIED HOUSING, INC.

WHEREAS, in connection with the City's 2017-2019 Notice of Funding Availability for New Construction of Multifamily Affordable Housing ("NOFA") issued on July 31, 2017, the City adopted Resolution No. 87019 C.M.S. on December 18, 2017, committing \$1,700,000 to the East Bay Asian Local Development Corporation ("EBALDC") to assist with the construction of an affordable housing development at 2201 Brush Street and 760 22nd Avenue (the "Property"), consisting of no fewer than 58 affordable units, to be commonly referred to as West Grand & Brush Phase I (the "Project"); and

WHEREAS, in connection with the City's 2019-2020 Notice of Funding Availability for New Construction of Multifamily Affordable Housing ("NOFA") issued on August 9, 2019, the City adopted Resolution No. 87994 C.M.S. on January 21, 2020, committing an additional \$3,965,000 to EBALDC to assist with the construction of West Grand & Brush Phase I; and

WHEREAS, additional state and federal funds are needed in order to facilitate the construction of the Project; and

WHEREAS, the project applied for and on June 28, 2019 was awarded an allocation of \$7,367,900 through the Supportive Housing Multifamily Housing Program ("SMHP") of the California Department of Housing and Community Development ("CA-HCD"); and

WHEREAS, the Project subsequently applied for and on June 26, 2020 was awarded an allocation of \$4,249,078 through the Multifamily Housing Program ("MHP") of CA-HCD for a total combined award of \$11,616,978; and

WHEREAS, in order to be competitive for the MHP program, EBALDC submitted to CA-HCD a proposed affordability mix that varied from that set forth in the West Grand & Brush Phase I NOFA Loan Commitment by increasing the maximum household Area Median Income ("AMI")

of eight (8) units from sixty percent (60%) of AMI to seventy percent (70%) of AMI, and deepening the affordability of other units; and

WHEREAS, the average income levels served across all units of the Project will increase slightly from 35.2% to 36.1% as a result of these modifications; and

WHEREAS, the proposed modifications do not affect the Project's final score and eligibility for funds awarded through the City's Measure KK Bond Program and the NOFA; and

WHEREAS, the City's commitment of NOFA funds must now be modified to correspond with the affordability as submitted to CA-HCD in order for the Project to receive the allocation of MHP funds; and

WHEREAS, the City's competitive funding programs highlight readiness to proceed with construction as a key priority for the allocation of affordable housing funds; and

WHEREAS, if the Project is able to receive the committed MHP funds, it is expected to commence construction in the summer of 2022, whereas if the Project is unable to modify its affordability and receive the MHP funds, construction may be delayed by three to five years or longer; now, therefore, be it

RESOLVED: That the City Administrator is hereby authorized to negotiate and execute amendments and modifications to the NOFA commitment, including modifications to the affordability restrictions, and any other terms of the Project loan documents as may be necessary for the Project to receive MHP funds; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to take whatever other action that is necessary with respect to the Project consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That the City Council hereby finds that because the modification of the Project affordability will not have a significant effect on the environment, this action is not subject to the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15061(b)(3).

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

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

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California