

CITY OF OAKLAND  
AGENDA REPORT

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

TO: Office of the City Manager  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Committee  
DATE: May 25, 2004

2004 MAY 13 PM 4: 11

RE: A REPORT WITH THREE RECOMMENDATIONS FOR AFFORDABLE HOUSING FUNDING: (1) A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$748,300 TO SATELLITE HOUSING, INC. FOR THE ST. ANDREW'S MANOR SENIOR HOUSING PROJECT LOCATED AT 3250 SAN PABLO AVENUE; (2) A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$753,600 TO SATELLITE HOUSING, INC. FOR THE PATRICK'S TERRACE SENIOR HOUSING PROJECT LOCATED AT 1212 CENTER STREET; AND (3) A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$162,100 TO CHRISTIAN CHURCH HOMES OF NORTHERN CALIFORNIA FOR THE SOJOURNER TRUTH MANOR SENIOR HOUSING PROJECT LOCATED AT 5815, 5915 AND 6015 MARTIN LUTHER KING JR. WAY.

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## SUMMARY

The Community and Economic Development Agency (CEDA) is recommending the award of funding for three additional affordable housing rehabilitation projects from the 12 applications that were received in response to a Notice of Funding Availability (NOFA) issued on August 8, 2003. Funds will be available from next fiscal year's City allocation of HUD HOME funds.

On February 17, 2004 and April 6, 2004, City Council and the Redevelopment Agency approved funding for six of the proposals received during the NOFA process, an ownership project submitted to the Oakland City-wide Community Land Trust, and additional funds for an ownership project already under construction. Given the urgent need for repairs at the three existing affordable senior projects not originally approved for funding, Council directed staff to examine options for funding the three senior rehabilitation projects, located in West and North Oakland. Sojourner Truth Manor, St. Patrick's Terrace and St. Andrew's Manor provide a total of 213 units reserved for low to very low income seniors. The funds would permit completion of needed repairs, and also extend the developments' affordability restrictions by another 55 years.

## FISCAL IMPACT

All FY 2003-04 HOME funds were allocated by the City Council on February 17, 2004 to projects that applied for funding through the annual NOFA process. Staff is proposing that an additional \$1,664,000 be allocated from FY 2004-2005 HOME funds. These funds have already

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been appropriated by Congress, and the City has received an allocation notice from HUD indicating that \$4,866,500 will be made available to the City for housing development and related activities effective July 1, 2004.

As part of the FY 2003-05 budget, the City Council allocated \$4,180,300 of the HOME funding award for housing development activities in FY2004-05. That amount was based on an estimate of the amount of HOME funds that would be granted to the City, because Congress had not yet adopted its budget for FY 2004. The actual federal budget allocation of \$4,866,500 was slightly less than anticipated. As a result, as part of the mid-cycle budget review, staff will propose that Council adopt a reduced allocation of \$4,136,525 for housing development activities to reflect the reduced grant award. If the funding recommendations included in this report are approved, \$2,472,525 of the FY 2004-05 HOME funds will be available for other housing development projects through a future NOFA.

Projects that are recommended for HOME funding in this report need to receive allocations from the City now in order to be able to leverage additional funds from other sources and to plan their construction schedules. However, legally binding commitments (loan agreements) will not be executed for these projects until the City has been awarded the HOME funds in July.

## **BACKGROUND**

At meetings on February 17, 2004 and April 6, 2004, the City Council and Redevelopment Agency approved funding awards (totaling nearly \$15 million) for six affordable housing development proposals. The proposals were submitted in response to a Notice of Funding Availability (NOFA) issued on August 8, 2003. Twelve applications totaling over \$26 million were submitted to the City through this process. Just over \$18 million in funding was available in total for Housing Development activities from HUD HOME funds and several Redevelopment Agency funds.

In addition to awards to six of the NOFA applicants, Council and the Agency approved a \$2.3 million award for the proposed Sausal Creek homeownership development project, originally to have been funded by the now-defunct Oakland City-wide Community Land Trust. The Agency also awarded \$1.1 million to the Palm Villa homeownership project to allow the developer to complete the project. At this writing, all available funding for Housing Development activities in the FY 2003-04 budget, including HOME funding of \$4,618,340, has been awarded.

The three rehabilitation projects recommended for funding in this report, Saint Andrew's Manor, Saint Patrick's Terrace and Sojourner Truth Manor, did not score well enough in the latest NOFA round to receive funding earlier this spring. However, they were not ranked very far behind several projects that did receive funding.

## KEY ISSUES AND IMPACTS

In order to fund these projects, the City would need to utilize a significant portion of next year's HOME funding allocation. As described above, this action will reduce the amount of HOME funding available for next year's NOFA.

In addition, the City Council has established a policy that affordable housing funds should be split 50/50 between ownership and rental projects. Although the funding allocated this year has been spent, awarding funds to these rental projects will slightly widen the long-term gap between rental and ownership funding allocations. However, since HOME funds are generally more difficult to use with ownership projects than Agency funds due to program restrictions, this is less of an issue than it would be if Agency funds were used for these rental projects.

Two of the projects, St. Andrew's Manor and St. Patrick's Terrace, have applied unsuccessfully in the past for funding during previous NOFA rounds. The developers have found it difficult to compete as rehabilitation projects, in part because they do not receive full points under the affordability preservation category because they are not currently at risk for conversion to market rate housing.

However, all three projects have repair needs that far exceed the scope of their reserves, and waiting another year or more will only erode livability for current tenants, while the cost of addressing the deferred maintenance will only increase over time. Sojourner Truth Manor's situation is particularly urgent, as the elevators in the development's three buildings are prone to frequent breakdowns.

## PROJECT DESCRIPTION

### Overview

Saint Andrew's Manor (59 senior units) and Saint Patrick's Terrace (65 senior units) are owned and operated by Satellite Housing, Inc. Sojourner Truth Manor (87 senior units) is owned by Sojourner Truth Housing Inc., and operated by Christian Church Homes of Northern California. Both developers have been providing affordable rental housing to low income seniors for decades, with hundreds of their units located in Oakland. All three developments are approximately thirty years old, and require repairs to be able to effectively serve their residents. The scope of work at Saint Andrew's and Saint Patrick's consists of replacement or repair of general systems and fixtures. At Sojourner Truth Manor, the scope of work will be targeted towards circulation and fire safety improvements. Additional details regarding the proposed projects and developers are available as Attachments A and B to this report.

### Project Funding Reservations

If approved, the funding will be reserved for one year to allow the developers to successfully obtain the balance of needed funding within twelve months. If full project funding is not obtained, the funding reservation will be withdrawn.

### **Project Financing Terms**

The recommended term for each of the loans is 55 years, with a simple interest rate to be negotiated at the discretion of the City Manager. Annual payments will be deferred, unless funds are available from project cash flow after paying other approved expenses and debt service. All loans will be secured by a deed of trust recorded on the property, and a Regulatory Agreement will be recorded that sets the period of affordability (55 years), occupancy restrictions and the rent structure.

Staff believes that all three projects have an excellent chance of receiving the other sources of funding that they seek. Sojourner Truth Manor's other funding source, its existing reserve accounts, is already set-aside. Satellite plans to utilize proceeds from refinancing its existing loans for Saint Patrick's Terrace and Saint Andrew's Manor to cover the remainder of the projects' funding.

### **SUSTAINABLE OPPORTUNITIES**

In order to incorporate sustainable development principles pursuant to City Council Resolution No. 74678, C.M.S. adopted on December 1, 1998, sustainable development guidelines were included in this year's NOFA, and developers were required to submit a *Sustainability Statement* outlining the economic, environmental, and social equity benefits of their projects as part of their NOFA application. Points were awarded for highly energy efficient projects. Given the limited scopes of work, it was not possible for the developers to commit to exceeding the Title 24 energy standards by at least 15% for these rehabilitation projects. However, both Christian Church Homes and Satellite Housing have committed to promoting energy efficiency to the greatest extent possible.

The three housing rehabilitation projects recommended for funding at this time will address the "3 E's" of sustainability in the following ways:

**Economic:** These projects will help maintain and improve the quality of existing units in Oakland's affordable housing inventory, as well as generate construction and professional services contracts.

**Environmental:** The developers for these projects have committed to using energy efficient appliances and systems as units or systems are replaced and initiating other energy-conserving measures. Each of these projects provides housing near major public transit corridors. Sites near mass transit enable residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development.

**Social Equity:** Affordable housing is a means of achieving greater social equity. Oakland's neighborhood-level environment will be improved by renovations to these existing buildings, and tenants will enjoy a better quality of life with the planned improvements. The developments

provide affordable rental housing for low and very low income senior citizens, a population for whom it is increasingly difficult to find affordable, safe and decent housing in Oakland's private housing market. Social services, including new technology centers for residents, are a component of each development, and further build social equity.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

All three projects have a tremendous impact on senior and disabled access. Except for a few units for resident managers, all units at these three projects are reserved for seniors, and twenty units are fully accessible for seniors with disabilities. The planned rehabilitation activities at each site include accessibility-related improvements.

All housing development projects receiving federal funds are required to construct and set aside units to be occupied by person with disabilities as required by Federal Section 504 regulation. The State's Title 24 and the Americans with Disabilities Act require consideration of persons with disabilities in design and construction of housing. In all rental units those requirements include accessible units and facilities. Furthermore, developers will be required to devise a strategy to effectively market housing units to the disabled community and present this strategy as part of their Affirmative Fair Marketing Plan. CEDA staff will work with developers to insure that the maximum numbers of available units are actually occupied by seniors with disabilities.

## **RECOMMENDATIONS AND RATIONALE**

Staff recommends that City Council authorize funding for rehabilitation projects at Sojourner Truth Manor, Saint Andrew's Manor and Saint Patrick's Terrace, using \$1,664,000 in funds from next year's HOME funding allocation.

Funding these projects now will allow each development to perform a variety of major repairs that cannot be entirely covered by their replacement reserves, and ensure that the developments remain in good operating condition. It is anticipated that this will improve residents' quality of life and decrease operating costs, while extending the affordability period of these projects.

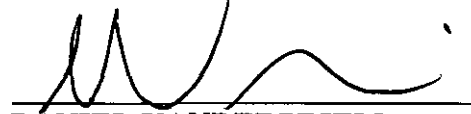
## **ALTERNATIVE RECOMMENDATION**

An alternative recommendation would be to request that the developers apply again for NOFA funds next year. However, two of the projects (St. Andrew's Manor and St. Patrick's Terrace) have had difficulty submitting a competitive NOFA application in past funding rounds for reasons described previously. There are few other funding sources for which the developers can compete, given the relatively moderate scope of rehabilitation work required.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that City Council approve the three attached resolutions awarding funding for rehabilitation projects at Sojourner Truth Manor, Saint Andrew's Manor and Saint Patrick's Terrace, using a total amount not to exceed \$1,664,000 in funds from next year's HOME funding allocation.

Respectfully submitted,



**DANIEL VANDERPRIEM**  
Director of Economic Development,  
Redevelopment and Housing

Prepared by:

Roy L. Schweyer  
Director of Housing and Community  
Development

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Housing Development Manager

Christia Mulvey  
Housing Development Coordinator

APPROVED AND FORWARDED TO THE  
COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE:



Office of the City Manager

Attachments: A. Project Summaries  
B. Developer Profiles

**ATTACHMENT A**

**PROJECT SUMMARIES:  
SENIOR REHABILITATION PROJECTS (RENTAL)**

**Saint Andrew's Manor** 3250 San Pablo Avenue

**Saint Patrick's Terrace** 1212 Center Street

**Sojourner Truth Manor** 5815, 5915 and 6015 Martin Luther King Jr. Way

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## St. Andrew's Manor Project Summary

<b>Address/Location</b>	3250 San Pablo Avenue
<b>Developer</b>	Satellite Housing, Inc.
<b>Type of Construction</b>	Existing 5 story building
<b>Number of Units</b>	60
<b>Resident Type</b>	Seniors
<b>Total Development Cost</b>	\$2,343,244
<b>Cost per Unit</b>	\$ 39,054
<b>Agency Site Acquisition Loan</b>	\$ -
<b>Previous Local Development Funding</b>	\$ -
<b><i>Current Request for Local Funds</i></b>	<b><u>\$ 748,288</u></b>
<b>Total City/Agency Funds Requested</b>	\$ 748,288
<b>Total City/Agency Funds per Unit</b>	\$ 12,471
<b>Total City/Agency Funds as Percent of Total Cost</b>	32%

	<b>AFFORDABILITY LEVEL</b>				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom	5	46			
1 Bedroom		7			
2 Bedroom	1				
3 Bedroom					
4 Bedroom					

### **Description of Project:**

Saint Andrew's Manor, built in 1973, provides 59 affordable housing units (and one manager's unit) for very low income senior households. This project will involve substantial rehabilitation, including residential unit renovation, systems upgrades, energy conservation improvements and renovated community spaces. The scope of work was determined with input from their Tenants' Association. The project will also involve refinancing of the building's existing HUD 236 mortgage to improve cash flow. The unit mix is primarily studios, although some one and two bedrooms units are also available. Four units are accessible for persons with disabilities. St. Andrew's is located on a transit-accessible corridor near shopping and services.

The project has been managed by Satellite Housing, Inc. since it was originally constructed. Services geared towards its residents are provided, including a full-time on-site social service coordinator shared with St. Patrick's Terrace, weekly van service, a meal program and intergenerational programs that foster relationships between residents and area youth. There is also an extensive Senior Supportive Housing Program in collaboration with Lifelong Medical Care, St. Mary's Center and the Samuel Merritt College of Nursing that provides an on-site nurse practitioner, clinic coordinator and social worker, and access to off-site support staff that includes a physician and psychiatrist specializing in geriatric medicine.



**St. Andrew's Manor  
Financing Summary**

**Development Cost**

	<b>Total</b>	<b>Per Unit</b>	<b>% of Total</b>
Acquisition	\$ -	\$ -	0%
Off-site Improvements	\$ -	\$ -	0%
Hard Costs	\$ 932,916	\$ 15,549	40%
Soft Costs (inc. refinancing)	\$ 1,093,870	\$ 18,231	47%
Carrying Costs	\$ 7,483	\$ 125	0%
Syndication Costs	\$ 68,669	\$ 1,144	3%
Capitalization of Reserves	\$ 122,789	\$ 2,046	5%
Developer Fee	\$ 117,517	\$ 1,959	5%
Furnishings/Other	\$ -	\$ -	0%
<b>Total Development Costs</b>	<b>\$ 2,343,244</b>	<b>\$ 39,054</b>	<b>100%</b>

**Sources of Funds**

<b>Sources</b>	<b>Total</b>	<b>% of Dev. Cost</b>
Refinance Existing HUD loan with CHFA	\$ 1,594,956	68%
Total City/Agency Funds Requested**	\$ 748,288	32%
<b>Total</b>	<b>\$ 2,343,244</b>	<b>100%</b>

\*\*Includes previous City/Agency development funds, if any.

**Projected Loan Repayment**

	<b>Total</b>	<b>Cumulative</b>	<b>% of Total City Loan Repaid*</b>
Year 1-5	\$ -	\$ -	0%
Year 6-10	\$ -	\$ -	0%
Year 11-15	\$ -	\$ -	0%
Year 16-20	\$ 48,306	\$ 48,306	6%

## St. Patrick's Terrace Project Summary

<b>Address/Location</b>	1212 Center Street
<b>Developer</b>	Satellite Housing, Inc.
<b>Type of Construction</b>	Existing 5 story building
<b>Number of Units</b>	66
<b>Resident Type</b>	Senior
<b>Total Development Cost</b>	\$2,356,565
<b>Cost per Unit</b>	\$ 36,255
<b>Agency Site Acquisition Loan</b>	\$ -
<b>Previous Local Development Funding</b>	\$ -
<b>Current Request for Local Funds</b>	<u>\$ 753,596</u>
<b>Total City/Agency Funds Requested</b>	\$ 753,596
<b>Total City/Agency Funds per Unit</b>	\$ 11,418
<b>Total City/Agency Funds as Percent of Total Cost</b>	32%

	<b>AFFORDABILITY LEVEL</b>				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom	6	51			
1 Bedroom		7			
2 Bedroom	1				
3 Bedroom					
4 Bedroom					

### **Description of Project:**

Saint Patrick's Terrace, built in 1973, provides 65 affordable housing units (and one manager's unit) for very low income senior households. This project will involve substantial rehabilitation, including residential unit renovation, systems upgrades, energy conservation improvements and renovated community spaces. The scope of work was determined with input from their Tenants' Association. The project will also involve refinancing of the building's existing HUD 236 mortgage to improve cash flow. The unit mix is primarily studios, although some one and two bedrooms units are also available. Four units are accessible for persons with disabilities. St. Patrick's is located on a transit-accessible corridor near shopping and services.

The project has been managed by Satellite Housing, Inc. since it was originally constructed. Services geared towards its residents are provided, including a full-time on-site social service coordinator shared with St. Andrew's Manor, weekly van service, a meal program and intergenerational programs that foster relationships between residents and area youth. There is also an extensive Senior Supportive Housing Program in collaboration with Lifelong Medical Care, St. Mary's Center and the Samuel Merritt College of Nursing that provides an on-site nurse practitioner, clinic coordinator and social worker, and access to off-site support staff that includes a physician and psychiatrist specializing in geriatric medicine.

**Saint Patrick's Terrace  
Financing Summary**

**Development Cost**

	<b>Total</b>	<b>Per Unit</b>	<b>% of Total</b>
Acquisition	\$ -	\$ -	0%
Off-site Improvements	\$ -	\$ -	0%
Hard Costs	\$ 920,589	\$ 13,948	39%
Soft Costs (inc. refinancing)	\$ 1,147,200	\$ 17,382	49%
Carrying Costs	\$ 7,536	\$ 114	0%
Syndication Costs	\$ 69,031	\$ 1,046	3%
Capitalization of Reserves	\$ 130,084	\$ 1,971	6%
Developer Fee	\$ 82,125	\$ 1,244	3%
Furnishings/Other	\$ -	\$ -	0%
<b>Total Development Costs</b>	<b>\$ 2,356,565</b>	<b>\$ 35,706</b>	<b>100%</b>

**Sources of Funds**

<b>Sources</b>	<b>Total</b>	<b>% of Dev. Cost</b>
Predevelopment Loan	\$ -	0%
Refinance Existing HUD loan with CHFA	\$ 1,603,258	68%
Total City/Agency Funds Requested*	\$ 753,307	32%
<b>Total</b>	<b>\$ 2,356,565</b>	<b>100%</b>

\* Includes previous City/Agency development funds, if any.

**Projected Loan Repayment**

	<b>Total</b>	<b>Cumulative</b>	<b>% of Total City Loan Repaid*</b>
Year 1-5	\$ -	\$ -	0%
Year 6-10	\$ -	\$ -	0%
Year 11-15	\$ -	\$ -	0%
Year 16-20	\$ 363,493	\$ 363,493	48%
Year 21-25	\$ 266,651	\$ 630,144	84%
Year 26-30	\$ 119,036	\$ 749,180	99%
<b>Total</b>	<b>\$ 749,180</b>		<b>99%</b>

## Sojourner Truth Project Summary

<b>Address/Location</b>	5815, 5915 & 6015 MLK, Jr. Way
<b>Developer</b>	Christian Church Homes of Northern California, Inc.
<b>Type of Construction</b>	3 stucco-sided, four story buildings
<b>Number of Units</b>	87
<b>Resident Type</b>	Senior
<b>Total Development Cost</b>	\$402,872
<b>Cost per Unit</b>	\$ 4,631
<b>Agency Site Acquisition Loan</b>	-
<b>Previous Local Development Funding</b>	-
<b>Current Request for Local Funds</b>	<u><b>\$162,120</b></u>
<b>Total City/Agency Funds Requested</b>	\$162,120
<b>Total City/Agency Funds per Unit</b>	\$1,863
<b>Total City/Agency Funds as Percent of Total Cost</b>	40%

	<b>AFFORDABILITY LEVEL</b>				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom	7		66		
1 Bedroom	2		12		
2 Bedroom					
3 Bedroom					
4 Bedroom					

### **Description of Project:**

The proposed project entails elevator upgrades, entryway door replacement, and fire safety improvements in the three buildings that comprise Sojourner Truth Manor, an existing senior affordable housing development constructed 28 years ago in North Oakland. Although the development is a valuable source of affordable senior housing, this project is necessary as the elevators are currently prone to frequent breakdowns, and the entryway doors are cumbersome to operate for frail or mobility-impaired residents. The complex has a mix of studios and one bedroom units. Twelve of the units are accessible to those with mobility impairments, and the units are designed to promote residents' ability to age in place. Most of the project costs will be covered by the development's existing reserves.

Managed by Christian Church Homes of Northern California, Inc. since 1995, Sojourner Truth Manor has an array of supportive services, including an on-site social service coordinator, translation services as needed, and an individualized resident needs assessment and care plan and regular social events. The buildings are also located one to three blocks away from the North Oakland Senior Center.

**Sojourner Truth Manor**  
**Financing Summary**

**Development Cost**

	<b>Total</b>	<b>Per Unit</b>	<b>% of Total</b>
Acquisition	\$ -	\$ -	0%
Off-site Improvements	\$ -	\$ -	0%
Hard Costs	\$ 370,701	\$ 4,261	92%
Soft Costs	\$ 10,600	\$ 122	3%
Carrying Costs	\$ 1,621	\$ 19	0%
Syndication Costs	\$ -	\$ -	0%
Capitalization of Reserves	\$ -	\$ -	0%
Developer Fee	\$ 20,000	\$ 230	5%
Furnishings/Other	\$ -	\$ -	0%
<b>Total Development Costs</b>	<b>\$ 402,922</b>	<b>\$ 4,631</b>	<b>100%</b>

**Sources of Funds**

<b>Sources</b>	<b>Total</b>	<b>% of Dev. Cost</b>
Project reserve accounts	\$ 240,801	60%
Total City/Agency Funds Requested*	\$ 162,120	40%
<b>Total</b>	<b>\$ 402,921</b>	<b>100%</b>

\* Includes previous City/Agency development funds, if any.

**Projected Loan Repayment**

	<b>Total</b>	<b>Cumulative</b>	<b>% of Total City Loan Repaid</b>
Year 1-5	\$ -	\$ -	0%
Year 6-10	\$ -	\$ -	0%
Year 11-15	\$ 162,120	\$ 162,120	100%
Year 16-20	\$ -	\$ 162,120	100%

**ATTACHMENT B**

**DEVELOPER DESCRIPTIONS:  
SENIOR REHABILITATION PROJECTS (RENTAL)**

**Christian Church Homes of Northern California, Inc.** (Sojourner Truth Manor)

**Satellite Housing, Inc.** (Saint Andrew's Manor and Saint Patrick's Terrace)

## **Christian Church Homes of Northern California, Inc. (CCH)**

- **Location:** Headquartered in Oakland
- **Established:** 1961
- **Units Developed:** CCH has considerable experience with developing and managing affordable housing in the East Bay and throughout California. CCH manages 38 facilities providing 3,296 residential units without distinction on the basis of race, color, national origin, sex, religion or familial status. CCH has never sold or defaulted on any of its owned facilities. CCH manages 18 affordable housing complexes in Oakland, including 17 senior developments with a total of 1,568 units of extremely and low income senior housing. Within the last five years CCH has also rehabilitated 49 senior rental units in Redding (with additional rehab projects planned or underway in Oakland), and constructed 310 new units throughout the state.
- **Geographic Area of Service:** Northern California
- **Affiliate Organizations:** Sojourner Truth Housing, Inc. owns the development
- **Management Company:** Sojourner Truth Manor has been managed by CCH since 1995.
- **Development Team for Current Proposal:** The development team for the Sojourner Truth Manor project includes Otis Elevator Company (Elevator rehab), door company, (entry door replacement), and Goldfarb & Lipman (Legal).


## **Satellite Housing, Inc.**

- **Location:** Headquartered in Berkeley
- **Established:** 1966 by the Oakland Council of Churches
- **Units Developed:** The developer and management company, Satellite Housing, Inc., has extensive experience with developing and managing affordable senior housing throughout the East Bay. Since 1966, Satellite has developed, owned and operated sixteen Bay Area senior projects with a total of 1,161 units. Ten of the developments, with a total 756 senior affordable units, are located in Oakland.
- **Geographic Area of Service:** East Bay
- **Affiliate Organizations:** n/a
- **Management Company:** Both St. Andrew's Manor and St. Patrick's Terrace are managed by Satellite Housing, Inc.
- **Development Team for Current Proposal:** The development team for both the St. Andrew's Manor and St. Patrick's Terrace projects includes Branagh Inc. (General Contractors), Goldfarb & Lipman (Legal) and California Housing Partnership Corporation (Financial Consultant).

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OFFICE OF THE CITY CLERK  
OAKLAND

2004 MAY 13 PM 4:12

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

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

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**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$748,300 TO SATELLITE HOUSING, INC. FOR THE SAINT ANDREW'S MANOR SENIOR HOUSING PROJECT LOCATED AT 3250 SAN PABLO AVENUE**

**WHEREAS**, on August 8, 2003, the City and the Redevelopment Agency of the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Satellite Housing, Inc. ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

**WHEREAS**, Developer proposes to rehabilitate a 60 unit apartment building at 3250 San Pablo Avenue in the City of Oakland (the "Project"); and

**WHEREAS**, 59 Project units will be rented at prices affordable to low-income households earning no more than 60% of area median income; and

**WHEREAS**, funding will allow the Developer to perform extensive deferred maintenance and will extend the affordability term for the Project; and

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

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

**WHEREAS**, the Project will improve the supply of low and moderate income housing available in the City of Oakland; and

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

**WHEREAS**, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

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

**WHEREAS**, funds will be available after July 1, 2004, from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or her designee to provide a loan in an amount not to exceed \$748,300 to Satellite Housing, Inc., or to an affiliated entity approved by the City Administrator or her designee, to be used for development of the Project; and be it further

**RESOLVED:** That loan funds shall be allocated from HOME Program Housing Development Funds (Fund 2109, Org. 88929, Project G172111); and be it further

**RESOLVED:** That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator at 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 her designee determines are in the best interests of the City and the Project; and be it further

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

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

**RESOLVED:** That the loan funds will be reserved for a period of no more than one year from the date of this Resolution, and the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

**RESOLVED:** That the making of the loan shall be contingent on the availability of sufficient funds in the HOME Program Housing Development fund; and be it further

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

**RESOLVED:** That the City Council hereby authorizes the City Administrator or her designee in his or her discretion to subordinate the priority of the City's deed of trust and/or recorded

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

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

**RESOLVED:** That the City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15280 (lower-income housing projects) and Section 15301 (minor alterations to existing facilities) of the CEQA Guidelines; and be it further

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

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

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

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2004

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

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

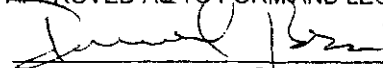
CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California

**5-1**  
**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE**

**MAY 25 2004**

2004 MAY 13 PM 4:12

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

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

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**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$753,600 TO SATELLITE HOUSING, INC. FOR THE SAINT PATRICK'S TERRACE SENIOR HOUSING PROJECT LOCATED AT 1212 CENTER STREET**

**WHEREAS**, on August 8, 2003, the City and the Redevelopment Agency of the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Satellite Housing, Inc. ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

**WHEREAS**, Developer proposes to rehabilitate a 66 unit apartment building at 1212 Center Street in the City of Oakland (the "Project"); and

**WHEREAS**, 65 Project units will be rented at prices affordable to low-income households earning no more than 60% of area median income; and

**WHEREAS**, funding will allow the Developer to perform extensive deferred maintenance and will extend the affordability term for the Project; and

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

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

**WHEREAS**, the Project will improve the supply of low and moderate income housing available in the City of Oakland; and

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

**WHEREAS**, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

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

**WHEREAS**, funds will be available after July 1, 2004, from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

**RESOLVED**: That the City Council hereby authorizes the City Administrator or her designee to provide a loan in an amount not to exceed \$753,600 to Satellite Housing, Inc., or to an affiliated entity approved by the City Administrator or her designee, to be used for development of the Project; and be it further

**RESOLVED**: That loan funds shall be allocated from HOME Program Housing Development Funds (Fund 2109, Org. 88929, Project G172111); and be it further

**RESOLVED**: That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator at 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 her designee determines are in the best interests of the City and the Project; and be it further

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

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

**RESOLVED**: That the loan funds will be reserved for a period of no more than one year from the date of this Resolution, and the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

**RESOLVED**: That the making of the loan shall be contingent on the availability of sufficient funds in the HOME Program Housing Development fund; and be it further

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

**RESOLVED**: That the City Council hereby authorizes the City Administrator or her designee in his or her discretion to subordinate the priority of the City's deed of trust and/or recorded

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

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

**RESOLVED:** That the City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15280 (lower-income housing projects) and Section 15301 (minor alterations to existing facilities) of the CEQA Guidelines; and be it further

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

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

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

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2004

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

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

CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California


5-2  
**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE**

**MAY 25 2004**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2004 MAY 13 PM 4: 12

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

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

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**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$162,100 TO CHRISTIAN CHURCH HOMES OF NORTHERN CALIFORNIA FOR THE SOJOURNER TRUTH MANOR SENIOR HOUSING PROJECT LOCATED AT 5815, 5915 AND 6015 MARTIN LUTHER KING JR. WAY**

**WHEREAS**, on August 8, 2003, the City and the Redevelopment Agency of the City of Oakland jointly issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for affordable housing developments; and

**WHEREAS**, Christian Church Homes of Northern California, ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

**WHEREAS**, Developer proposes to rehabilitate an 87 unit apartment complex at 5815, 5915 and 6015 Martin Luther King Jr. Way in the City of Oakland (the "Project"); and

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

**WHEREAS**, funding will allow the Developer to provide necessary building upgrades and will extend the affordability term for the Project; and

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

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

**WHEREAS**, the Project will improve the supply of low and moderate income housing available in the City of Oakland; and

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

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**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE**

**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; and

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

**WHEREAS**, funds will be available after July 1, 2004, from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

**RESOLVED:** That the City Council hereby authorizes the City Administrator or her designee to provide a loan in an amount not to exceed \$162,100 to Christian Church Homes of Northern California, or to an affiliated entity approved by the City Administrator or her designee, to be used for development of the Project; and be it further

**RESOLVED:** That loan funds shall be allocated from HOME Program Housing Development Funds (Fund 2109, Org. 88929, Project G172111); and be it further

**RESOLVED:** That the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Administrator at 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 her designee determines are in the best interests of the City and the Project; and be it further

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

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

**RESOLVED:** That the loan funds will be reserved for a period of no more than one year from the date of this Resolution, and the loan shall be contingent on Developer's success in securing commitments for full Project funding, or other assurances of adequate Project funding the City Administrator or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

**RESOLVED:** That the making of the loan shall be contingent on the availability of sufficient funds in the HOME Program Housing Development fund; and be it further

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

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

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

**RESOLVED:** That the City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information provided in the staff report accompanying this Resolution, that this action complies with CEQA because the Project is exempt from CEQA pursuant to Section 15280 (lower-income housing projects) and Section 15301 (minor alterations to existing facilities) of the CEQA Guidelines; and be it further

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

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

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

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2004

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

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

CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California

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**COMMUNITY & ECONOMIC  
DEVELOPMENT CMTE**