

**CITY OF OAKLAND and
REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND**

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OAKLAND

2004 JAN 15 PM 4: 24

COUNCIL AND AGENCY AGENDA REPORT

TO: Office of the City Manager and Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: JANUARY 27, 2004

RE: A TOTAL OF 13 RESOLUTIONS REGARDING AFFORDABLE HOUSING ACTIVITIES:
EIGHT CITY AND AGENCY RESOLUTIONS AUTHORIZING DEVELOPMENT LOANS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$14,825,400 MILLION FOR AFFORDABLE HOUSING PROJECTS, ONE AGENCY RESOLUTION APPROPRIATING \$4,557,089 FOR AFFORDABLE HOUSING DEVELOPMENT ACTIVITIES, TWO RESOLUTIONS AUTHORIZING \$96,610 FOR CONTRACT COMPLIANCE MONITORING FEES, AND AGENCY AND CITY RESOLUTIONS FINDING THAT EXPENDITURE OF AFFORDABLE HOUSING FUNDS OUTSIDE OF REDEVELOPMENT PROJECT AREAS BENEFITS THE PROJECTS

SUMMARY

The Community and Economic Development Agency (CEDA) is recommending the award of funding (totaling \$12,496,400) for five affordable housing developments that applied in response to a Notice of Funding Availability (NOFA) issued on August 8, 2003. An additional \$2.3 million is recommended for the Sausal Creek homeownership development, using funds currently allocated to the Community Land Trust Program. Funds are available from HUD HOME funds, the Redevelopment Agency's Low and Moderate Income Housing Fund, Redevelopment Agency land sales proceeds, and proceeds from the Redevelopment Agency's Affordable Housing Bond. Staff is also proposing modifications to existing City policy and a renewed emphasis on expansion of homeownership opportunities and development of new homeownership housing. Approximately \$3,267,900 could be made available for a separate NOFA for these activities.

Twelve applications totaling over \$26 million were submitted to the City. The applications included two homeownership developments, six new rental developments, and four projects involving the rehabilitation and preservation of existing assisted rental housing.

Staff is proposing that the City Council and Redevelopment Agency take the following actions:

- For projects that responded to the current NOFA, provide approximately \$12,496,800 million in funding to the five highest-ranking proposals. The recommended projects will

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produce 52 new owner-occupied homes that will remain permanently affordable and 185 units of new rental housing.

- Discontinue the Community Land Trust Program (see accompanying staff report for a full description and analysis) and use balance of these funds for affordable housing developments.
- Provide \$2,329,000 for the Sausal Creek homeownership development, which was intended to be funded from the Land Trust Program.
- In furtherance of existing City policies to promote homeownership and to ensure an equal distribution of housing funds between ownership and rental activities, adopt a policy to not fund any new rental housing until cumulative allocations of funds since 1993 provide a balance between ownership and rental.
- Make available the remaining \$3,267,900 in housing funds for additional homeownership and rental preservation/rehabilitation activities. Funds would be allocated either through a new NOFA or on a case-by-case basis as new project opportunities arise.
- Modify the City's current policy regarding income targeting in homeownership developments. To encourage mixed income developments and to provide opportunities for a wider range of incomes, homeownership projects would be required to provide ownership opportunities to income ranges that average 100% of median income. To accomplish this, developers could make units available to a range of income levels from very-low income families (up to 50 percent of median income) to low income families (up to 80 percent of median income), and to moderate income families (up to 120 percent of median income).

Also included with this report are resolutions appropriating approximately \$4,552,566 in funds that have become available since the adoption of the 2003-2005 Redevelopment Agency budget, and appropriating \$96,610 to fund the one percent fee for monitoring of contract compliance requirements.

Lastly, consistent with the provisions of State redevelopment law, staff has prepared City and Agency resolutions to make the necessary finding that expenditure of Agency low and moderate income housing funds outside of redevelopment project areas will benefit those projects. The expenditure of housing funds outside of the project area that generated the funds would still be subject to any limitations on such expenditures included in the area's redevelopment plan.

FISCAL IMPACTS

Staff is recommending an allocation of \$14,825,400 for the projects identified in this report and an allocation of \$96,610 to cover the Contract Compliance fee, as shown in the following table.

Project	Funds			
	Recommended	HOME	ORA	Bond
Altenheim Senior	\$3,680,300	1,901,740		1,778,560
Edes Avenue Housing	\$1,551,000		1,551,000	
Lincoln Court Senior	\$3,500,000	1,500,000	828,560	1,171,440
Seven Directions	\$1,216,600	1,216,600		
Calaveras Townhomes	\$2,548,500		1,548,500	1,000,000
Sausal Creek Townhomes	\$2,329,000		1,329,000	1,000,000
Contract Compliance	96,610		96,610	
Total	14,922,010	4,618,340	5,353,670	4,950,000

Funds are currently available from the following sources:

City of Oakland HOME Funds	\$4,618,400
Redevelopment Agency Low and Moderate Income Housing Fund	\$8,326,236
Redevelopment Agency Land Sales Proceeds (Low-Mod Housing Fund)	\$295,284
Redevelopment Agency 2000 Housing Bond Proceeds	\$4,950,000
Total Funds Available	\$ 18,189,920

The remaining \$3,267,900 would be reserved for future housing development allocations as described elsewhere in this report.

HOME Funds

A total of \$4,618,400 in HOME funds is currently available in Fund 2109 (HUD-HOME Housing Development). This includes funds appropriated in the adopted FY 2003-2004 Policy Budget for housing development activities, and carry-forward of unallocated housing development funds from FY 2002-03. No new appropriation is needed for these funds.

Redevelopment Agency Funds

Low and Moderate Income Housing Fund (Fund 9580)

A total of \$8,621,520 is currently available in the Low and Moderate Income Housing Fund. This includes allocation of budgeted funds of \$4,064,431 as follows:

- \$2,903,437 in funds already appropriated in the adopted FY 2003-04 Policy Budget for housing development activities.
- \$213,880 in unallocated funds from FY 2002-03.
- \$347,114 in net proceeds from the sale of the Housewives Market site.
- \$600,000 to be made available because funds previously reserved for supplemental homebuyer assistance for the Palm Villas project are no longer needed for that project.

A resolution has been prepared to appropriate \$4,557,089 in new funding:

- \$2,416,805 of funds from FY 2002-03 revenues in excess of the amount budgeted.

- \$1,845,000 in loan repayments received as a result of the long-awaited release of HUD Housing Development Grant (“HODAG”) funds to the City, which made possible repayment of interim loans provided by the Agency to HODAG-funded projects.
- \$295,284 from land sales proceeds for the “10K” Downtown Housing Program. The Agency has previously determined that net proceeds from the sale of downtown parcels for the “10K” Downtown Housing Program should be used for affordable housing activities.

2000 Affordable Housing Bond

A total of \$4,950,000 will be available from 2000 Affordable Housing Bond funds if the Redevelopment Agency approves the proposed cancellation of the Community Land Trust program.

BACKGROUND

CEDA issued a Notice of Funding Availability on August 10, 2003. Eligible activities included new construction, rehabilitation and preservation activities. Both ownership and rental projects were eligible. Applications for funds were due to the City by November 3, 2003.

As was true in previous years, despite the identification of new sources of funds, the amounts requested far exceeded the amount available. The NOFA process normally relies on a ranking process involving published objectives. To encourage projects to align with City policy goals, the ranking system assigns points based on the extent to which the projects meet specific criteria. Projects must receive at least 50% of the possible points for their project to gain a recommendation. After this threshold has been met, staff recommends that the projects receiving the highest percentages of points be funded, to the extent that funds are available. Staff also considers how best to allocate funds to accomplish other City Council priorities, in particular the goal of maintaining an even balance in funding between rental and ownership activities.

Twelve applications totaling over \$26 million in requests were submitted to the City. The applications included two new ownership developments and six new rental developments (one involving rehabilitation of an existing building), and four projects to preserve and rehabilitate existing assisted rental housing.

One Percent Surcharge for Contract Compliance Costs

The Contract Compliance Division of the City Manager’s Office charges a fee equal to 1% of local funds disbursed for construction and professional services contracts in order to monitor these developments for prevailing wages, living wages and apprenticeship program compliance. This is a reduced fee from the standard 3% fee, due to Council action in 2001. The mechanism for providing this fee from the Redevelopment Agency to the City is through a Loan and Repayment Contract between the two entities. The Contract Compliance fees are paid as each loan agreement is executed. No Contract Compliance fees are assessed if a project does not receive the necessary approvals.

Attachment D provides the calculations that were used to determine the fee projections. The projects recommended here are expected to require \$96,610 in fees to Contract Compliance.

California Environmental Quality Act Review

Under the California Environmental Quality Act (CEQA), the City and Agency are required to review possible environmental impacts of all projects prior to approval of funding. Those reviews were completed for all of the projects recommended here, and all were found to be exempt from CEQA except for one, which has received a negative declaration as to environmental impact. **Attachment E** provides a table showing the exemption type for each of the projects, as well as further discussion of the reasons for exemption.

KEY ISSUES AND IMPACTS

Affordable Housing Needs

For the past decade, staff has presented the City Council with numerous reports highlighting the severe shortage of decent housing affordable to low and moderate income households. More than half of all Oakland households have incomes less than 80% of the metropolitan area median income (\$51,000 to \$62,000 depending upon family size). The problems faced by renters with incomes less than \$35,000 and large households are particularly severe.

Oakland also has a much lower homeownership rate (41.4%) than the average for Bay Area Cities (57%). Among the 10 largest California cities, Oakland ranks seventh in homeownership, ahead of only Long Beach, Los Angeles and San Francisco, but behind San Jose, Sacramento, San Diego, Anaheim, Fresno and Santa Ana.

City Policy Goals for Affordable Housing

Affordable housing has been a concern of the City Council for many years. In June 1998, the City Council participated in a work session on affordable housing needs. The 2000 Oakland Consolidated Plan for Housing and Community Development recognizes the critical need for development of affordable housing, and establishes the expansion of the supply of affordable housing and the preservation of existing affordable housing resources as a high priority goal for the City.

The Draft 2003 Housing Element (recently approved by the City Council and submitted to the State for approval) contains similar policy goals, with specific programs for preservation of existing assisted housing and development of new ownership and rental housing.

The City Council's Policy Goals for 2003-2005 incorporate the development of affordable housing under City Council Goal #2: Developing a Sustainable City.

City Policy Goals to Increase Homeownership

In 2000, in concert with Freddie Mac, Mayor Brown established a goal of 10,000 new homeowners within 5 years, to be achieved through a combination of new development and expanded opportunities for purchase of existing rental housing.

Both the Consolidated Plan and the Draft Housing Element contain goals and actions to expand homeownership opportunities and develop new owner-occupied housing.

Distribution of Funds between Rental and Ownership Projects

In 1993, the City Council established a policy that affordable housing funds should be split 50/50 between ownership and rental projects. This policy was reaffirmed in June and December, 2002. The funds concerned include those for housing development and the first-time homebuyer program, exclusive of administration and program delivery costs for staff and overhead. Since the relative strength of rental and ownership projects in a particular year cannot be controlled, staff has made its best efforts to meet this goal over time, rather than year by year.

Based on the applications received and approved since 1993, only 44% of cumulative funding has been allocated to funding homeownership.

The funding history is illustrated in the following table:

Distribution of Funds for Ownership and Rental Housing, 1993-present

Funding Year	Ownership Allocation	Rental Allocation*	Total Funding Allocated	% Owner	% Rental
FY 1993-94	5,284,315	5,273,057	10,557,372	50%	50%
FY 1994-95	4,173,622	3,409,375	7,582,997	55%	45%
FY 1995-96	4,138,440	5,811,756	9,950,196	42%	58%
FY 1996-97	7,465,000	9,122,965	16,587,965	45%	55%
FY 1997-98	5,255,560	(499,540)	4,756,020	111%	-11%
FY 1998-99	3,272,175	2,542,854	5,815,029	56%	44%
FY 1999-00	3,500,000	9,291,219	12,791,219	27%	73%
FY 2000-01	6,900,000	11,130,000	18,030,000	38%	62%
FY 2001-02	8,648,125	13,256,495	21,904,620	39%	61%
FY 2002-03	8,046,487	9,366,493	17,412,980	46%	54%
Cancellation of Land Trust	(4,950,000)		(4,950,000)		
Subtotal	51,773,724	68,704,674	120,438,398	43%	57%
FY 2003-04 (proposed)**	8,928,500	8,396,900	17,324,400	52%	48%
Cumulative Total	60,662,224	77,101,574	137,763,798	44%	56%

*Negative allocations reflect recapture of funds from canceled projects.

**Ownership number includes \$2.5 million already budgeted for the First Time Homebuyer Program

Income Targeting for Homeownership Developments

In December, 2002, the City Council approved staff recommendations to recognize that, when the objective is to increase homeownership opportunities for low and moderate income households, the City's mortgage and downpayment assistance programs for first-time homebuyers are more cost-effective than development of new housing. When the objective is to increase homeownership rates and revitalize neighborhoods in particular areas of the City, however, the development programs are more effective. The City Council directed staff to target homeownership development funding to projects in areas that have low ownership rates or that are part of a broader revitalization program, such as the Oakland Housing Authority's HOPE VI projects.

In addition, in 2002 the Council chose to target ownership projects only to households with incomes below 100% of median.

Geographic Distribution of Assisted Housing

In 1993, the City Council adopted a policy of encouraging an equitable distribution of housing for all economic levels in all neighborhoods in order to avoid a disproportionate concentration in any one area. In the past year, concerns have been raised that the City's affordable housing program was not dispersing assisted rental developments sufficiently, and that affordable housing projects were contributing to a concentration of poverty and of persons of color.

In order to address this issue, the most recent NOFA was modified to provide strong incentives to locate rental projects in areas with poverty rates less than 10 percent, and moderate incentives for projects in areas with poverty rates between 10 and 30 percent. No incentive points were offered for projects in areas with poverty rates greater than 30 percent. These preferences do not apply to projects that involve rehabilitation of existing assisted units.

Use of Agency Housing Funds Outside Redevelopment Project Areas

Section 33334.2(g)(1) of the California Health and Safety Code provides that redevelopment agencies may spend funds for affordable housing activities outside of existing redevelopment project areas, but only if the redevelopment agency and the legislative body (City Council) adopt resolutions finding that such expenditures will benefit the project. As discussed above, the City and the Agency have adopted policy goals to promote a deconcentration of assisted housing and of low and moderate income households. Because the Agency's projects are located primarily in areas of existing concentration, use of affordable housing funds solely inside the project areas could exacerbate those concentrations, while use of the funds Citywide would further the goal of deconcentration.

PROJECT DESCRIPTION

Overview

A total of 12 applications were received. A summary of those projects is contained in the table below. Proposed projects include two new homeownership developments, six new rental developments (including conversion of the Altenheim property to rental housing and a request for additional funding for the Seven Directions project), and four projects to rehabilitate and preserve existing assisted rental housing. Four of the rental projects are for seniors, and four are for families.

Summary and Ranking of Applications

Points	Project	Project Type	Address	Units	Current Request
Recommended for Funding					
79.50%	Altenheim Senior	Senior Rental, Conversion	1720 MacArthur Blvd	67	\$3,680,300
67.37%	Edes Avenue Housing	Family Owner New Constr	10900 Edes Avenue	24	\$1,551,000
59.00%	Lincoln Court Senior	Senior Rental, New Constr	2400 MacArthur Blvd	80	\$3,500,000
55.15%	Seven Directions Family	Family Rental, New Constr	2946 International Blvd	38	\$1,216,600
52.63%	Calaveras Townhomes	Family Owner, New Constr	4856 Calaveras	28	\$2,548,500
Not Recommended for Funding					
52.00%	Madison Lofts Senior Hsg	Family Rental, New Constr	10614 th Street	71	\$5,453,300
51.30%	Eldridge Gonaway	Family Preservation/Rehab	275 E 2 nd Street	40	\$1,312,000
50.63%	St. Andrew's Manor Senior	Senior Preservation/Rehab	3250 San Pablo	60	\$748,000
50.63%	St. Patrick's Terrace Senior	Senior Preservation/Rehab	1212 Center	66	\$753,600
48.50%	7 th and Campbell	Family Rental, New Constr	7 th & Campbell Streets	42	\$3,142,000
48.50%	MLK BART Senior	Senior Rental, New Constr	3823-3837 MLK Way	33	\$2,511,100
44.38%	Sojourner Truth Senior	Senior Preservation/Rehab	5815 MLK Way	87	\$162,100

The total amount requested was over \$26 million, ranging from a low of \$162,000 to a high of \$5.4 million. On a per unit basis, the amount requested ranged from less than \$2,000 to close to \$138,000.

Matrices IA and IB provide a more complete summary and comparison of 13 projects – the 12 applications received through the NOFA and the Sausal Creek development **Attachment A** provides a *Project Summary* for each of the projects that are recommended for funding. **Attachment B** provides a *Project Summary* for the projects that are not recommended for funding in this round. Projects are listed in alphabetical order.

In addition to applications submitted in response to the NOFA, staff considered an application submitted to the Oakland Citywide Community Land Trust (OCCLT) by Homeplace Initiatives, a subsidiary of East Bay Asian Local Development Corporation (EBALDC) for the 17-unit Sausal Creek Townhomes. This application had previously been accepted by the Community Land Trust and a formal agreement between OCCLT and EBALDC was pending. Because the OCCLT has ceased operations the agreement between OCCLT and EBALDC will not be executed. In a separate accompanying report to the Redevelopment Agency, staff discusses the dissolution of the community land trust initiative and recommends allocating the available funds of \$4,950,000 to other affordable housing activities.

Matrix I A: Homeownership Project Summaries			
	New Homeownership Projects		
	Edes Avenue Homes	Calaveras Townhomes	Sausal Creek Townhomes
Address	10900 Edes Ave	4856-4868 Calaveras Ave	2464 26th Avenue
Location	Elmhurst	Laurel	Fruitvale
Developer	East Bay Habitat for Humanity	AHA	EBALDC
Tenure	Ownership	Ownership	Ownership
Household Type	Family	Family	Family
Units	24	28	17
New Units	24	28	17
Bedrooms	78	72	42
Total Development Cost (Res.)	\$ 5,696,601	\$ 9,822,557	\$ 5,949,946
Cost per Unit	\$ 237,358	\$ 350,806	\$ 349,997
Cost per Bedroom	\$ 73,033	\$ 136,424	\$ 141,665
Total Local Funds Requested	\$ 1,926,000	\$ 3,858,500	\$ 2,329,000
Local Funds Requested This NOFA	\$ 1,551,000	\$ 2,548,500	\$ 2,329,000
Previous Local Funds Received	\$ 375,000	\$ 1,310,000	\$ -
Local Funds per Unit	\$ 80,250	\$ 137,804	\$ 137,000
Local Funds per Bedroom	\$ 24,692	\$ 53,590	\$ 55,452
% Local funds to Total Dev. Costs	34%	39%	39%
Local Funds Recommended	\$ 1,551,000	\$ 2,548,500	\$ 2,329,000

Matrix B: Rental Project Summaries										
	New Rental Projects					Returning	Rehabilitation Projects			
	Lincoln Court Senior	Madison Lofts	Altenheim Senior	7th & Campbell Family	MLK Bart Senior	Seven Directions	St. Patrick's Terrace	St. Andrew's Manor	Sojourner Truth Manor	Eldridge Gonaway Commons
Address	2400 MacArthur Blvd	160 14th St	1729 MacArthur	7th St & Campbell St	3823 MLK, Jr. Way	2946 Int'l Blvd	1212 Center St	3250 San Pablo Ave	6015 MLK, Jr. Way	275 East 12th St
Location	Dimond	Downtown	Glenview/Dimond	West Oakland	North Oakland	Fruitvale	West Oakland	West Oakland	North Oakland	San Antonio
Developer	SHE/Domus Dev.(JV)	AHA	Citizens Housing	OCHI	CDCO/OCHI	EBALDC/NAHC	Satellite Housing	Satellite Housing	CCHNC	OCHI
Tenure	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental	Rental
Household Type	Senior	Family	Senior	Family	Senior	Family	Senior	Senior	Senior	Family
Units	80	71	67	42	33	38	66	60	87	40
Bedrooms	80	102	67	108	34	85	67	61	87	88
Tot. Development Cost (TDC)- Res.	\$15,009,200	\$20,011,839	\$13,339,028	\$12,933,665	\$6,650,184	\$12,121,714	\$2,362,254	\$2,343,244	\$402,782	\$6,868,620
Cost/Unit	\$187,615	\$281,857	\$199,090	\$307,944	\$201,521	\$318,992	\$35,792	\$39,054	\$4,630	\$171,716
Cost/Bedroom	\$187,615	\$196,195	\$199,090	\$119,756	\$195,594	\$142,608	\$35,258	\$38,414	\$4,630	\$78,053
Total Local Funds Requested	\$3,500,000	\$6,951,300	\$3,680,300	\$3,831,499	\$2,563,100	\$4,505,600	\$753,600	\$748,300	\$162,100	\$2,134,000
Current Request	\$3,500,000	\$5,453,300	\$3,680,300	\$3,142,000	\$2,511,100	\$1,216,600	\$753,600	\$748,300	\$162,100	\$1,312,000
Previous Local S*	\$0	\$1,498,000	\$0	\$689,499	\$52,000	\$3,289,000	\$0	\$0	\$0	\$822,000
Local Funds/Unit	\$43,750	\$97,906	\$54,930	\$91,226	\$77,670	\$118,568	\$11,418	\$12,472	\$1,863	\$53,350
Local Funds/BR	\$43,750	\$68,150	\$54,930	\$35,477	\$75,385	\$53,007	\$11,248	\$12,267	\$1,863	\$24,250
% Local \$ to TDC	23%	35%	28%	30%	38.5%	37%	32%	32%	40%	31%
Local Funds Recommended	\$3,500,000		\$3,680,300			\$1,216,600				

* For Eldridge Gonaway, previous local funds received represents the balance owed on a 1981 Agency loan.

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Matrix II: Project Scores

			NEW OWNERSHIP PROJECTS			NEW RENTAL PROJECTS				PRESERVATION/REHAB				RETURNING
			Edes Avenue	Calaveras	Altenheim	Lincoln Court Association	Madison Lofts	7th and Campbell	MLK BART Senior	Eldridge Gosaway	St. Andrew's	St. Patrick's	Sojourner Truth	Seven Directions
	Total Score	Rank	67.4%	52.6%	79.5%	57.0%	52.0%	48.5%	45.5%	51.3%	50.6%	50.6%	44.4%	54.6%
	Own.	Rental	2	5	1	3	6	10	11	7	8	8	12	4
I. Financial Characteristics	20.0	21.0	4.0	0.5	7.5	9.5	5.0	8.0	0.0	4.0	3.5	9.0	7.0	2.0
A. Degree that subsidy is below 40%	10.0	8.0	3.0	0.5	6.0	6.0	2.5	8.0	0.0	3.5	4.0	4.0	0.0	1.5
B. Commitment of outside funding	5.0	3.0	1.0	0.0	1.5	1.5	1.5	0.0	0.0	0.0	1.5	1.5	3.0	N/A
C. Higher than min. equity contribution or reduced developer fee	5.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A	0.0
D. Loan repayment	N/A	5.0	N/A	N/A	0.0	2.0	1.0	0.0	0.0	0.5	3.0	3.5	4.0	0.5
II. Location	15.0	20.0	8.0	10.5	19.0	19.0	11.5	8.0	9.0	4.0	5.0	4.5	4.0	15.0
A. Geographic Equity	N/A	10.0	N/A	N/A	10.0	10.0	5.0	0.0	0.0	N/A	N/A	N/A	N/A	5.0
B. Neighborhood Revitalization	8.0	5.0	4.0	5.0	4.0	4.0	3.0	5.0	5.0	N/A	N/A	N/A	N/A	5.0
C. Proximity to public transit	4.0	3.0	4.0	4.0	3.0	3.0	2.0	3.0	3.0	3.0	3.0	2.5	3.0	3.0
D. Proximity to community services	3.0	2.0	0.0	1.5	2.0	2.0	1.5	0.0	1.0	1.0	2.0	2.0	1.0	2.0
III. Target Population	25.0	18.0	22.5	16.0	12.0	4.0	12.0	8.0	12.0	4.0	0.0	0.0	0.0	8.0
A. More than the minimum % of units for low income households	N/A	12.0	N/A	N/A	12.0	4.0	12.0	8.0	12.0	4.0				8.0
B. Units for HH < 80% AMI	15.0	N/A	15.0	15.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
C. Avg. unit size is greater than 2.5 bedrooms	10.0	6.0	7.5	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IV. Developer Capacity	28.0	25.0	22.5	16.0	25.0	18.5	18.5	18.5	18.5	23.0	19.0	19.0	18.5	24.0
A. Higher than min. developer experience	10.0	9.0	6.5	4.0	9.0	4.5	6.5	6.5	6.5	9.0	6.5	6.5	6.5	9.0
B. Current Capacity/Staffing/Financial Strength	9.0	8.0	8.0	4.0	8.0	8.0	4.0	4.0	4.0	6.0	4.5	4.5	4.0	7.0
C. Strength of Development Team	9.0	8.0	8.0	8.0	8.0	6.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
V. Preserves Existing Affordable Housing	0.0	10.0	N/A	N/A	10.0	0.0	0.0	0.0	0.0	4.0	4.0	4.0	2.0	0.0
A. 30 year extension of affordability	0.0	10.0			10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B. Needed capital improvements to existing affordable housing		4.0								4.0	4.0	4.0	2.0	
VII. Supportive Services/Technology Plan	2.0	3.0	2.0	4.0	3.0	3.0	2.0	3.0	3.0	2.0	3.0	3.0	3.0	3.0
VIII. Energy Efficiency	5.0	3.0	5.0	5.0	3.0	3.0	3.0	3.0	3.0	0.0	1.0	1.0	1.0	3.0
Penalty for Previously Funded Projects	(2.0)	(2.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(2.0)
TOTAL POINTS AWARDED			64.0	50.0	79.5	57.0	52.0	48.5	45.5	41.0	40.5	40.5	35.5	53.0
PERCENTAGE OF POSSIBLE POINTS			67.37%	52.63%	79.50%	57.00%	52.00%	48.50%	45.50%	51.25%	50.63%	50.63%	44.38%	54.64%
Total Possible Points	95	100	95	95	100	100	100	100	100	80	80	80	80	97

Staff Review Process

Applications were reviewed first for completeness, and second to determine whether the City's minimum standards for project and developer qualifications had been met.

The applications were scored according to prepared criteria outlined in the NOFA. Rental and ownership applications were scored according to different criteria and compared on the basis of the percentage of points attained. The ranking criteria were published with the NOFA and staff worked within the criteria of the rankings: The criteria were modified for the NOFA based upon issues raised during the evaluation of applications last year and the concerns regarding concentrations of poverty.

Because some criteria are mutually exclusive, many projects could not receive 100 points. For example, projects containing a higher proportion of units for larger families would likely ask for a higher subsidy per unit, gaining points for large units but losing points for subsidy required. For other projects, certain categories did not apply. For example, existing projects to be rehabilitated were not scored for Geographic Equity or Neighborhood Revitalization. Preservation of Existing Affordable Housing was not a criterion for ownership housing projects. It has been staff's experience that a developer's capacity and experience is the best predictor for a project's success. As a result, this criterion is weighted heavily in the project evaluation.

Matrix II shows the complete scoring for each project. To provide a standard of comparison, final scores were calculated as a percentage of the total points received over the total points applicable for each individual project. For the past few years staff has used a score of 50% as one of the thresholds for recommendation. Nine of the twelve ranked applications met this threshold and would garner staff recommendation for funding, if funds were available. **Attachment C** provides descriptions of the developers whose projects are recommended for funding under this NOFA.

Constraints Imposed by Funding Sources

Staff worked within the constraints of each funding source to determine how to fund the recommended projects. The most significant restrictions pertain to maximum qualifying incomes for tenants and homebuyers:

- HOME funds must be used for households earning no more than 80% of area median income (AMI). Rental projects funded by HOME must serve households earning less than 60% AMI.
- While Redevelopment Agency funds can be used to benefit households earning up to 120% AMI, City/Agency policy restricts the incomes of tenants in City-assisted rental projects to 80% AMI and the incomes of homebuyers of City/Agency-assisted ownership units to 100% AMI.
- The Agency's 2000 Affordable Housing Bond may only be used to benefit households earning no more than 80% AMI.
- The Agency has restricted the use of land sales proceeds from the downtown sites to serve only households earning less than 60% AMI.

Project Financing

Staff establishes the timing of the issuance of the NOFA and the recommendations to the City Council to allow developers to receive funding approvals from the City and Agency in time to prepare applications for the next competitive funding round for Low Income Housing Tax Credits. These early preliminary awards from the City and Agency make applications for tax credits and other sources more competitive.

Staff believes that each of the projects recommended for funding in this report has an excellent chance of receiving the other sources of funding that they seek.

Funding Reservations for All Projects

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

Financing Terms for the Rental Projects

The City/Agency standard loan terms are a simple interest rate to be negotiated at the discretion of the City Manager/Agency Administrator and a term of up to 55 years, with annual payments deferred, unless funds are available from project cash flow after paying other approved expenses and debt service. All City/Agency 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, occupancy restrictions and the rent structure. State law requires 55-year affordability terms for Agency-funded rental projects.

Financing Terms for the Home Ownership Projects

The proposed loan terms for all of the recommended ownership projects are a simple interest rate to be negotiated by the City Manager/Agency Administrator for a maximum term of four years. Upon completion of the project, the City/Agency forgives the amount of its loan equal to the difference between the net sales proceeds and the total development cost of the project. To secure the City's affordability terms, a Declaration of Resale and Occupancy Restrictions and Grant of First Right of Purchase (Declaration) is executed by the developer and recorded against the property. This Declaration remains an encumbrance against the property in perpetuity. Each homebuyer (at initial sale and resale) executes a Disclosure Statement and Assumption Agreement in which they agree to comply with all of the affordability requirements in the Declaration.

DISABILITY AND SENIOR CITIZEN ACCESS

All housing development projects receiving federal funds are required to construct and set aside units to be occupied by persons with disabilities (Federal Section 504 regulation). This means that at least 5 percent of newly constructed units will be available to persons with disabilities. 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 and some ownership housing types, those requirements include accessible units and facilities. Furthermore,

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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.

City funds have long supported housing development for seniors. Recommendations contained in this report provide \$5,000,000 for new construction of senior housing. CEDA staff will work with developers to insure that the maximum numbers of available units are actually occupied by persons with disabilities and seniors.

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; as a result, all projects agreed to exceed the Title 24 energy standards by at least 15%. Staff will continue to encourage developers of projects funded by this NOFA to follow and, when possible, broaden the sustainability plans outlined in their application.

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

Economic: These projects will expand the affordable housing inventory in Oakland and generate construction and professional services contracts. Homeownership builds wealth for low income people.

Environmental: Each of the recommended projects will be at least 15% more energy efficient than the Title 24 energy code. Also, each of these proposals will provide housing on vacant or underutilized sites and all are near major public transit corridors. By developing in already built-up areas, these projects reduce the pressure to build on agricultural and other undeveloped land. Sites near mass transit enable residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development.

Social Equity: Affordable housing is a means of achieving greater social equity. Oakland's neighborhood-level environment will be improved by replacing underused and sometimes blighted buildings and lots with new homes and residents. The proposed developments will allow low-income households to purchase homes and provide affordable rental housing for low, very low, senior citizens and families. Social services, including technology centers for residents, are a component of each rental development, and further build social equity.

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RECOMMENDATION AND RATIONALE

Summary of Recommendations for Project Funding

Project	Project Type	Address	Units	Current Request
Altenheim	Senior Rental, Conversion	1720 MacArthur Blvd	67	\$3,680,300
Edes Avenue	Family Owner, New Constr	10900 Edes Avenue	24	\$1,551,000
Lincoln Court	Senior Rental, New Constr	2400 MacArthur Blvd	80	\$3,500,000
Seven Directions	Family Rental, New Constr	2946 International Blvd	38	\$1,216,600
Calaveras Townhomes	Family Owner, New Constr	4856 Calaveras	28	\$2,548,500
Sausal Creek Townhomes	Family Owner, New Constr	2740 26 th Avenue	17	\$2,329,000

Resolutions have been prepared that authorize loans to the developers of the projects listed above.

Proposed Guidelines for Allocation of Funds in Future NOFAs

In order to implement existing policies to promote homeownership and to provide equal funding for ownership and rental activities, staff plans to only fund new rental housing when the cumulative funding allocations are back in balance. The next NOFA would be restricted to new ownership housing and to preservation and rehabilitation of existing rental housing.

Proposed Modifications to Income Targeting for Homeownership Development

Developing ownership housing is more expensive than developing rental housing, and because there are very few non-local sources of subsidy for homeownership, the City and/or Agency must contribute a higher amount of subsidy. Because the City's policy is to not provide more than 40 percent of total development costs, this results in homeownership projects serving significantly higher income levels than rental projects.

The average development cost for homeownership projects is close to \$400,000. (This does not include the Habitat model which relies heavily on "sweat equity" to control costs.) The amount of subsidy required to assist households with incomes in the range of 80 to 100 percent of area median (\$64,100 to \$80,100 for a family of 4) runs from \$100,000 to \$150,000 per unit.

Staff is recommending that that the Redevelopment Agency amend its current policy (which limits Agency assistance to units that are affordable to families at or below 100% of median) to allow the average affordability level to be 100 percent of area median. If developers chose to exercise this option, it would mean that in one development, sales prices could be set to be affordable to very-low income, low-income and moderate income families. In order to accomplish this, the sales price of some units would be set to be affordable to families at up to 120% of median, which is still in line with state Redevelopment Law. Staff is not recommending any specific percentages for any single income level, as long as the average targeting requirement is met.

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These higher limits are only possible for Redevelopment Agency funds. Federal regulations limit the use of HOME funds to households with incomes less than 80 percent of median income. HOME funds could be used to assist the lower-priced units in a development, with Agency funds used to assist the units targeted to higher income levels.

Appropriation of Funds

Staff recommends that the Redevelopment Agency appropriate \$4,557,089 in new funding:

- \$2,416,805 of funds from FY 2002-03 revenues in excess of the amount budgeted
- \$1,845,000 in loan repayments received as a result of the long-awaited release of HUD Housing Development Grant (“HODAG”) funds to the City, which made possible repayment of interim loans provided by the Agency to HODAG-funded projects
- \$295,284 in unallocated net proceeds from the sale of land for development of market-rate housing downtown.

Contract Compliance Monitoring Fees

Staff recommends adoption of a resolution that provides \$96,610 to the Contract Compliance Division of the City Manager’s Office. Contract Compliance charges a fee equal to 1% of local funds disbursed for construction and professional services contracts for the administration of some of the City’s employment and contracting programs. The mechanism for providing this fee from the Redevelopment Agency to the City is through a Loan and Repayment Contract between the two entities. The Contract Compliance fees are paid as each loan agreement is executed.

Use of Agency Housing Funds Outside of Redevelopment Project Areas

As discussed in the “Issues and Impacts” section of this report, the Agency cannot expend low and moderate income housing funds outside of redevelopment project areas without both the Agency and the City adopting resolutions finding that such expenditures will benefit the project areas. Because Citywide expenditures of these funds would promote deconcentration and avoid further concentrations within the existing project areas, such expenditures would directly benefit each of the Agency’s redevelopment projects. Accordingly, staff recommends that both the Agency and the City adopt the necessary resolutions.

ACTION REQUESTED OF THE REDEVELOPMENT AGENCY

Staff recommends that the Agency approve the following eight Redevelopment Agency Resolutions:

A resolution finding that expenditure of low and moderate income housing funds outside of redevelopment project areas will benefit all of the existing projects.

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A resolution authorizing amendment to the repayment agreement with the City of Oakland and increasing City appropriations by \$96,610 for costs of Contract Compliance administration on Agency projects.

A resolution appropriating \$4,557,089 in Low and Moderate Income Housing Funds to the Housing Development Program.

A resolution in an amount not to exceed \$1,778,560 to Citizens Housing Corporation for the Altenheim Senior Housing project at 1720 MacArthur Blvd.

A resolution in an amount not to exceed \$2,548,500 to Affordable Housing Associates for the development of 28 for-sale townhomes at 4856 Calaveras.

A resolution in an amount not to exceed \$1,551,000 to East Bay Habitat for Humanity, Inc. for the development of 67 for-sale units at 10900 Edes Avenue in the Sobrante neighborhood.

A resolution in an amount not to exceed \$2,000,000 to Self-Help for the Elderly for the development of 80 units of senior housing at 2400 MacArthur Blvd.

A resolution in an amount not to exceed \$2,329,000 to Homeplace Initiatives for the development of the 17 unit Sausal Creek Townhomes project at 2740 26th Avenue.

ACTIONS REQUESTED OF THE CITY COUNCIL

Staff recommends that in keeping with existing City policies to promote homeownership and to ensure an equal distribution of housing funds between ownership and rental activities, the City Council endorse staff recommendation to not fund any new rental housing until cumulative allocations of funds since 1993 provide a balance between ownership and rental.

Staff also recommends that the City Council approve the modification of the City's current policy regarding income targeting in homeownership developments to require developers to provide ownership opportunities to income ranges that average 100% of median income.

Finally, staff recommends that the City approve the five following City Council Resolutions:

A resolution finding that expenditure of the Redevelopment Agency's low and moderate income housing funds outside of redevelopment project areas will benefit all of the existing projects.

A resolution authorizing amendment to the repayment agreement with the Redevelopment Agency and increasing City appropriations by \$96,610 for costs of Contract Compliance administration for Low and Moderate income housing development benefiting redevelopment project areas.

A resolution in an amount not to exceed \$1,901,740 to Citizens Housing Corporation for the Altenheim Senior Housing project at 1720 MacArthur Blvd.

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A resolution in an amount not to exceed \$1,500,000 to Self-Help for the Elderly for the development of 80 units of senior housing at 2400 MacArthur Blvd.

A resolution in an amount not to exceed \$1,216,600 to Seven Directions, Inc. for the development of 38 units of family housing at 2946 International Blvd.

Respectfully submitted,



DANIEL VANDERPRIEM
Director of Redevelopment, Economic
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APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE


Office of the City Manager and Agency Administrator

Attachments

- Attachment A: Project Summaries for Recommended Projects
- Attachment B: Project Summaries for Projects Not Recommended
- Attachment C: Summary Information on Developers of Recommended Projects
- Attachment D: Calculation of Contract Compliance Fee
- Attachment E: Environmental Review-determinations of exempt status

ATTACHMENT A

**PROJECT SUMMARIES FOR PROJECTS
RECOMMENDED FOR FINANCING**

Projects recommended for financing

Altenheim Senior Housing – 1720 MacArthur Blvd

Calaveras Townhomes - 4856-4868 Calaveras Avenue

Edes Avenue Homes - 10900 Edes Avenue

Lincoln Court Senior Housing 2400 MacArthur Blvd

Sausal Creek Townhomes – 26th Avenue

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

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Altenheim Senior Housing Project Summary

Address/Location	1720 MacArthur Boulevard
Developer	Citizens Housing Corporation
Type of Construction	Reuse
Number of Units/ Resident Type	67 units for Seniors
Total Development Cost/ Cost per Unit	\$13,339,028/\$199,090 per unit
Agency Site Acquisition Loan	0
Previous Local Development Funding	0
Current Request for Local Funds	\$3,680,220
Total City/Agency Funds Requested	\$3,680,220
Total City/Agency Funds per Unit	\$54,929
Total City/Agency Funds as Percent of Total Cost	28%

	Affordability Level				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom	19(28%)	24(36%)			
1 Bedroom	11(16%)	12 (18%)			1 (2%)
2 Bedroom					
3 Bedroom					
4 Bedroom					

Description of Project:

Altenheim Senior Housing Project will contain 66 affordable housing units (plus one manager's unit) for seniors on the 1720 MacArthur Boulevard site. The Project entails the reuse of the historic facility which provided assisted living for seniors until 2002. The 6.2 acre site is three blocks from Fruitvale Avenue and the Dimond Business District. The overall project will be developed in two phases, the first of which will include six buildings consisting of two stories of housing with a portion over parking, office, and an adult day care center. The developer has been working with the community and has a program to continue to involve the community as the development proceeds. The development will save the century-old, National Register-eligible facility and will ultimately produce a total of 240 affordable units. The Altenheim has a significant presence and the buildings and gardens have been a landmark for generations. The proposed project will preserve this landmark for future generations while providing needed and desirable living accommodations for low income seniors.

The total development cost for the first phase will be \$13,339,028 and the developer has requested a \$3,680,220 from the City/Agency. This will result in an overall cost of \$199,090 a

unit with the City/Agency share being \$54,929 (28%). Tax credit syndication proceeds will generate \$9,938,808 (69%) with an AHP loan/grant of \$420,000 providing the final 3% of total project cost. The developer anticipates receiving approval for the non-City/Agency financing by June 2004 with construction to begin by October 2004 with completion by October 2005.

**Altenheim Senior Housing
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 2,821,053	\$ 42,105	21%
Off-site Improvements	\$ 0	\$ -	0%
Hard Costs	\$ 7,517,550	\$ 106,829	56%
Soft Costs	\$ 1,014,876	\$ 14,147	8%
Carrying Costs	\$ 912,741	\$ 13,623	7%
Syndication Costs	\$ 152,790	\$ 2,280	1%
Capitalization of Reserves	\$ 74,119	\$ 1,106	1%
Developer Fee	\$ 846,000	\$ 12,627	6%
Furnishings/Other	\$ 0	\$ 0	0%
Total Development Costs	\$ 13,339,028	\$ 199,090	100%

Sources of Funds

Sources	Total	% of Dev. Cost
Tax Credit Syndication Proceeds	\$ 9,238,808	69%
AHP	\$ 420,000	3%
Total City/Agency Funds Requested*	\$ 3,680,220	28%
Total	\$ 13,339,028	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-30	\$ 0	\$ 0	0%
Total	\$ 0		0%

Calaveras Townhomes Project Summary

Address/Location	4856-4868 Calaveras Avenue
Developer	Affordable Housing Associates, Inc. (AHA)
Type of Construction	New Construction
Number of Units/ Resident Type	28 Family Homeownership
Total Development Cost / Cost per Unit	\$9,822,557 TDC \$350,806 per unit
Agency Site Acquisition Loan	\$1,310,000
Previous Local Development Funding	n/a
Current Request for Local Funds	<u>\$2,548,424</u>
Total City/Agency Funds Requested	\$3,858,424
Total City/Agency Funds per Unit	\$ 137,801
Total City/Agency Funds as Percent of Total Cost	39%

	Affordability Level				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom					
1 Bedroom					
2 Bedroom				6	6
3 Bedroom				11	5
4 Bedroom					

Description of Project:

The proposed development will provide 28 affordable homeownership units for households earning up to 100% of the Area Median Income. The project consists of a mix of two and three bedroom townhome units in three Craftsman style buildings surrounding a large courtyard. The development is located on a major entry route to the Laurel District and is near several AC Transit bus lines (including lines with express service to San Francisco) and the MacArthur Freeway. The project site is in a residential/commercial neighborhood in need of revitalization. The project will provide a rare source of affordable homeownership opportunities for low to moderate-income households as well as act as a catalyst to further improve this immediate neighborhood.

It is anticipated that all of the City/Agency's \$3,858,424 will be forgiven when the units are sold in order for the developer to be able to sell the units at a price affordable to the target income group. At completion in 2005, the affordable sales prices are anticipated to range from \$141,000 to \$155,600 for the 2 bedroom units and from \$222,500 to \$246,000 for the 3 bedroom units. The units may be resold only to qualified homebuyers, at an affordable sales price for the target income group, over the life of the project (essentially in perpetuity).

**Calaveras Townhomes
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 1,363,267	\$ 48,688	14%
Off-site Improvements	\$ 0	\$ 0	0%
Hard Costs	\$ 6,231,659	\$ 222,559	63%
Soft Costs	\$ 1,315,631	\$ 46,987	13%
Carrying Costs	\$ 0	\$ 0	0%
Developer Fee	\$ 520,000	\$ 18,571	5%
Furnishings/Other-Const. Defects Insurance	\$ 392,000	\$ 14,000	4%
Total Development Costs	\$ 9,822,557	\$ 350,806	100%

Sources of Funds

Sources	Total	% of Dev. Cost	Per Unit Amt
Affordable Housing Program	\$ 340,000	3%	\$ 12,143
CalHOME	\$ 500,000	5%	\$ 17,857
Proceeds from Sales	\$ 5,124,134	52%	\$ 183,005
Total City/Agency Funds Requested*	\$ 3,858,424	39%	\$ 137,801
Total	\$ 9,822,557	100%	\$ 350,806

* Includes previous City/Agency development funds, if any, including Agency Site Acquisition funds.

Projected Loan Repayment and Forgiveness

	Total	% of Total City Loan
Repayments at Unit Sales		0%
Amount Expected to be Forgiven	\$ 3,858,424	100%
Total	\$ 0	0%

Edes Avenue Homes Project Summary

Address/Location	10900 Edes Avenue
Developer	East Bay Habitat for Humanity
Type of Construction	New
Number of Units/ Resident Type	24 Home Ownership Units
Total Development Cost/Cost per Unit	\$5,696,600/\$237,358 per unit
Agency Site Acquisition Loan	\$375,000
Previous Local Development Funding	0
<i>Current Request for Local Funds</i>	\$1,551,000
Total City/Agency Funds Requested	\$1,926,000
Total City/Agency Funds per Unit	\$80,250
Total City/Agency Funds as Percent of Total Cost	34%

	Affordability Level				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom					
1 Bedroom					
2 Bedroom			6		
3 Bedroom			6		
4 Bedroom			12		

Description of Project:

Edes Avenue Homes at 10900 Edes Avenue will contain twenty-four affordable houses to be sold to families earning up to 60% of AMI. The total development cost is \$5,696,000 (\$237,358 a unit). The site was acquired by East Bay Habitat for Humanity ("Habitat") with an Agency site acquisition loan of \$375,000. The Project is contingent upon Habitat successfully completing the process to obtain a General Plan Amendment to change the current designation of Business Mix to Housing and Business Mix. The current vacant site has been used for illegal dumping. The site is contaminated from a plant nursery and a dismantling yard for trucks. The developer has an approved plan to remove the contaminated soil. Habitat began meeting with the community in late 2001 with meetings with the Sobrante Park Home Improvement Home Improvement Association and the Elmhurst Community Development Board. Meetings will be held to discuss the remediation plan and project design issues. The Project would transform a blighting vacant lot into housing that will strengthen the adjacent residential neighborhood.

The total development cost is \$5,696,600 with the Agency and the developer has requested a total of \$1,696,000 (34%) from the Agency. This will result in a cost of \$237,358 a unit with the

City/Agency share being \$80,250 (34%). Habitat generates funding from a eight different sources with the largest being \$1,910,600 (33%) through fund raising. Refer to the Financing Summary on the next page for a detailed breakdown of the other sources. Remediation work will commence in June 2004, the construction of the necessary infrastructure (interior roads, sidewalks, utilities, etc) to begin May 2005. Construction on the first four houses to commence November 2005 with a new set of four houses beginning construction every six months with completion of the last house by February 2009. The necessary non-Agency funding will be in place prior to the commencement of construction of each construction phase.

It is anticipated that all of the City/Agency's \$1,926,000 will be forgiven when the units are sold in order for the developer to be able to sell the units at a price affordable families less than 60% AMI. Habitat requires home buyers to invest 500 hours of sweat equity with Habitat raising a significant portion of the development cost in donations. Homebuyers will purchase the home with a zero percent loan provided by Habitat. Consequently there are no sales proceeds to Habitat at closing. The Habitat model calls for Habitat to keep the homes eligible to families earning up to 60% AMI by repurchasing the homes as they become available and reselling the homes utilizing the Habitat program of sweat equity and providing a zero percent loan to a new family. If Habitat is unable to afford the purchase and resale, than the existing homeowner could sell the property to families earning up to 90% AMI with the new purchaser obtaining their own financing to purchase the property.

Edes Avenue Housing Financing Summary

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$405,700	\$15,625	7%
Off -site Improvements	0	-	-
Hard Costs	\$ 3,619,200	\$150,792	64%
Soft Costs	\$ 1,141,700	\$47,571	20%
Carrying Costs	\$ 110,000	\$4,583	2%
Syndication Costs	\$ 0	-	-
Capitalization of Reserves	\$ 0	-	-
Developer Fee	\$ 420,000	\$17,500	7%
Furnishings/Other	\$ 0	-	-
Total Development Costs	\$ 5,696,600	\$237,358	100%

Sources of Funds

Sources	Total	% of Dev. Cost
Fund Raising	\$ 1,910,600	33%
Donated Materials	\$ 480,000	8%
HCD/Cal-HOME	\$ 500,000	9%
HUD/SHOP	\$ 180,000	3%
Brownfields Loan/Grant – City	\$ 200,000	4%
U.S. – E.P.A.	\$ 200,000	4%
Developer Contribution	\$ 300,000	5%
Total City/Agency Funds Requested*	\$ 1,926,000	34%
Total	\$ 5,696,600	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-30	0		0
Total	0	0	0

Habitat provides each buyer with a zero interest loan to acquire a home. Consequently Habitat does not receive sales proceeds. Habitat also endeavors to repurchase each home as it comes available and to resell it under the Habitat model with Habitat again providing a zero interest loan to new buyers.

Lincoln Court Senior Housing Project Summary

Address/Location	2400 MacArthur Boulevard
Developer	Self-Help for the Elderly and Domus Development, a joint venture.
Type of Construction	New
Number of Units/ Resident Type	80 units for Seniors
Total Development Cost/ Cost per Unit	\$15,009,200/\$187,615 per unit \$187,615
Agency Site Acquisition Loan	0
Previous Local Development Funding	0
Current Request for Local Funds	\$3,500,000
Total City/Agency Funds Requested	\$3,500,000
Total City/Agency Funds per Unit	\$43,750
Total City/Agency Funds as Percent of Total Cost	23%

	Affordability Level				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom					
1 Bedroom	16 (20%)	8 (10%)	55 (69%)		1 (1%)
2 Bedroom					
3 Bedroom					
4 Bedroom					

Description of Project:

Lincoln Court Senior Housing Project will contain 79 affordable housing units (plus one manager's unit) for seniors on the 2400 MacArthur Boulevard 1.1 acre site. This vacant site was formerly occupied by the Hillcrest Motel which was closed and demolished to rejoicing within the community. The developer has had two community meetings. The first was with the group of neighbors (15) that was involved in ridding the community of the Hillcrest Motel, and the second a general community meeting (34). The 79 units will be affordable to households earning less than 60% of the Area Median Income. Approximately 57,800 square feet will be devoted to residential use and 5,000 gross square feet will be for an adult day care center. The 1.1 acre vacant site is two blocks from Fruitvale Avenue and the Dimond Business District.

The total development cost will be \$15,009,200 and the developer has requested a \$3,500,000 from the City/Agency. This would result in an overall cost of \$187,615 a unit with the

City/Agency share being \$43,750 (23%). Tax credit syndication proceeds will generate \$5,580,815 (37%), a first mortgage will provide \$3,912,000 (26%), the developer will provide \$1,066,385 (7%) as equity, and the developer will reinvest/defer the \$950,000 (7%) in developer fee. The developer anticipates receiving approval for the non-City/Agency financing by June 2004 with construction to begin by October 2004 with completion by October 2005.

**Lincoln Court Senior Housing
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 2,200,000	\$ 27,500	15%
Off-site Improvements	\$ 15,000	\$ 188	0%
Hard Costs	\$ 9,949,500	\$ 124,369	67%
Soft Costs	\$ 933,600	\$ 11,670	6%
Carrying Costs	\$ 789,500	\$ 9,869	5%
Syndication Costs	\$ 71,600	\$ 895	0%
Capitalization of Reserves	\$ 75,000	\$ 9,375	1%
Developer Fee	\$ 950,000	\$ 11,875	6%
Furnishings/Other	\$ 25,000	\$ 3,125	0%
Total Development Costs	\$ 15,009,200	\$ 187,615	100%

Sources of Funds

Sources	Total	% of Dev. Cost
U.S. Bank - First Mortgage	\$ 3,912,000	26%
Reinvested/Deferred Developer Fee	\$ 950,000	7%
Developer Equity	\$ 1,066,385	7%
Tax Credit Syndication Proceeds	\$ 5,580,815	37%
Total City/Agency Funds Requested*	\$ 3,500,000	23%
Total	\$ 15,009,200	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-5	\$ 0	\$ 0	0%
Year 6-10	\$ 0	\$ 0	0%
Year 11-15	\$ 87,371	\$ 87,371	2%
Year 16-20	\$ 490,086	\$ 577,457	16%
Year 21-25	\$ 590,610	\$ 1,168,067	33%
Year 26-30	\$ 671,101	\$ 1,839,169	53%
Total	\$ 1,839,169		53%

Sausal Creek Townhomes Project Summary

Address/Location	2464 26 th Avenue, Oakland, CA
Developer	Homeplace Initiatives Corporation (HPI) and East Bay Asian Local Development Corp.
Type of Construction	New Construction
Number and Type of Units	17 Family homeownership units
Total Development Cost/ Cost per Unit	\$5,949,946 TDC \$349,997 per unit
Agency Site Acquisition Loan	\$0
Previous Local Development Funding	n/a
Current Request for Local Funds	<u>\$2,329,000</u>
Total City/Agency Funds Requested	\$2,329,000
Total City/Agency Funds per Unit	\$ 137,000
Total City/Agency Funds as Percent of Total Cost	39%

	Affordability Level				
	<35% AMI	<50% AMI	<60% AMI	70-80% AMI	<100% AMI
0 Bedroom					
1 Bedroom					
2 Bedroom				9	
3 Bedroom					8
4 Bedroom					

Description of Project:

The proposed development will provide 17 affordable homeownership units for households earning up to 100% of the Area Median Income. The project consists of a mix of two and three bedroom, 2 and 3 story townhouses on a 25,240 square foot lot. The structures will be wood frame construction with lapped wood siding and have gable roofs. All of the homes have private outdoor space and overlook the common walkways and circulation paths. The 3,500 square foot common open space and children's play area will be centrally located on the site and focused on a heritage oak tree. The development borders Sausal Creek on the southeast boundary and 26th Avenue, in the San Antonio District. Existing conditions of the site include 2 blighted duplexes and vacant 26th Avenue frontage. The surrounding area is 64% rental units; transforming the rental units currently on site to ownership units will significantly improve the neighborhood. The site is served by many retail merchants, schools, and social services within 1 mile. The site is also within 3 blocks of 2 separate AC Transit Lines; one that goes to Fruitvale BART station (53) and the other that goes to downtown Oakland (14).

It is anticipated that all of the City/Agency's \$2,329,000 will be forgiven when the units are sold in order for the developer to be able to sell the units at a price affordable to the target income group. At completion in 2005, the affordable sales prices are anticipated to be approximately \$143,000 for the 2 bedroom units and \$246,600 for the 3 bedroom units. The units may be resold only to qualified homebuyers, at an affordable sales price for the target income group, over the life of the project (essentially in perpetuity).

**Sausal Creek Townhomes
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 425,000	\$ 25,000	7%
Off-site Improvements	\$ 0	\$ 0	0%
Hard Costs	\$ 3,613,197	\$ 212,541	61%
Soft Costs	\$ 1,086,804	\$ 63,930	18%
Carrying Costs	\$ 0	\$ 0	0%
Developer Fee	\$ 355,000	\$ 20,882	6%
Furnishings/Other-Const. Defects Insurance	\$ 469,945	\$ 27,644	8%
Total Development Costs	\$ 5,949,946	\$ 349,997	100%

Sources of Funds

Sources	Total	% of Dev. Cost	Per Unit Amt
Affordable Housing Program	\$ 170,000	3%	\$ 10,000
Proceeds from Sales	\$ 3,260,946	55%	\$ 191,820
EBALDC Foundation Funding	\$ 190,000	3%	\$ 11,176
Total City/Agency Funds Requested*	\$ 2,329,000	39%	\$ 137,000
Total	\$ 5,949,946	100%	\$ 349,997

Projected Loan Repayment and Forgiveness

	Total	% of Total City Loan
Repayments at Unit Sales		0%
Amount Expected to be Forgiven	\$ 2,329,000	100%
Total	\$ 0	0%

**Seven Directions
Project Summary**

Address/Location	2946 International Boulevard
Developer	Seven Directions, Inc. (EBALDC and Native American Health Center)
Type of Construction	New Construction
Number of Units	38 family rental units
Total Development Cost	\$12,121,714 (Residential), \$318,992 per unit
Agency Site Acquisition Loan	\$1,078,000
Previous Local Development Funding	\$2,211,000
Current Request for Local Funds	<u>\$1,216,543</u>
Total City/Agency Funds Requested	\$4,505,543
Total City/Agency Funds per Unit	\$118,566.92
Total City/Agency Funds as Percent of Total Cost	37.1%

	AFFORDABILITY LEVEL				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom					
1 Bedroom	1	2	4		
2 Bedroom	8	2	5		
3 Bedroom	7	4	4		
4 Bedroom					

Description of Project:

The proposed project will contain 38 housing units and Native American Health Center (NAHC). The building will be six stories high with NAHC on the first and second floors and housing units on the 3rd, 4th, 5th and 6th floors. The project site (26,400 square feet) was acquired with the Agency's Site Acquisition Loan in May 2002.

The Agency awarded development funding in the amount of \$2,211,000 to the project in February 2003. The proposal was made based on the assumption of obtaining project based Section 8 certificates from Oakland Housing Authority for a quarter of the units to carry long term financing on the Section 8 income. However, the program has not been made available and is not expected to become available at this time. Due to the change in financing options, the developer reconfigured the project financing and resubmitted an application for additional funds to fill the gap in the amount of \$1,216,543.

The project has received funding commitment in the amount of \$3,017,275 from Multifamily Housing Program administered by the State of California Department of Housing and Community Development. The developer will apply for 4% Tax Credit in July 2004. It will be combined with tax exempt bond financing through California Debt Limit Allocation Committee. Obtaining additional local funding is critical in receiving Tax Credit allocation. The project is expecting to start construction in November 2004.

**Seven Directions
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 657,657	\$ 17,307	5%
Off-site Improvements	\$ 18,482	\$ 486	0%
Hard Costs	\$ 8,861,200	\$ 233,189	73%
Soft Costs	\$ 1,208,705	\$ 31,808	10%
Carrying Costs	\$ 577,924	\$ 15,209	5%
Syndication Costs	\$ 106,936	\$ 2,814	1%
Capitalization of Reserves	\$ 110,000	\$ 2,895	1%
Developer Fee	\$ 580,810	\$ 15,284	5%
Furnishings/Other		\$ -	0%
Total Development Costs	\$ 12,121,714	\$ 318,992	100%

Sources of Funds

Sources	Total	% of Dev. Cost
First Mortgage	\$ 553,400	5%
MHP	\$ 3,032,987	25%
AHP	\$ 240,000	2%
Tax Credit Syndication Proceeds	\$ 3,789,786	31%
Agency Site Acquisition Loan	\$ 1,078,000	9%
Total City/Agency Funds Requested*	\$ 3,427,543	28%
Total	\$ 12,121,716	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-5	\$ -	\$ -	0%
Year 6-10	\$ -	\$ -	0%
Year 11-15	\$ -	\$ -	0%
Year 16-20	\$ 225,055	\$ 225,055	7%
Year 21-25	\$ 200,783	\$ 425,838	12%
Year 26-30	\$ 154,294	\$ 580,132	17%
Total	\$ 580,132		17%

ATTACHMENT B

**PROJECT SUMMARIES FOR PROJECTS
NOT RECOMMENDED FOR FINANCING**

Eldridge Gonaway 275 E 2nd Street

Madison Lofts Senior Housing 106 14th Street

MLK Bart Senior Housing 3823-3837 MLK Way

St. Andrews' Manor Senior Housing 3250 San Pablo

St. Patrick's Terrace Senior 1212 Center

Sojourner Truth Senior Housing 5815 MLK Way

7th and Campbell 5815 MLK Way

Madison Lofts Project Summary

Address/Location	160 14 th Street
Developer	Affordable Housing Associates
Type of Construction	New construction, housing on podium
Number of Units	71
Resident Type	Family Rental
Total Development Cost	\$20,011,839 (Residential)
Cost per Unit	\$ 281,857
Agency Site Acquisition Loan	\$1,498,000
Previous Local Development Funding	None
<i>Current Request for Local Funds</i>	<u>\$5,453,243</u>
Total City/Agency Funds Requested	\$6,951,243
Total City/Agency Funds per Unit	\$ 97,905
Total City/Agency Funds as Percent of Total Cost	35%

	Affordability Level				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom	6	7	3		
1 Bedroom	12	12	5		
2 Bedroom	8	6	6		
3 Bedroom	6				
4 Bedroom					

Description of Project:

The proposed project consists of the construction of 70 affordable housing units (and one manager's unit) for very low and lower income households and 7,049 square feet of commercial/social services space as an arts-oriented mixed use development. The units consist of a mix of studios, one, two, and three bedroom units in an 8 story building with 6 floors of housing over 2 floors of retail and commercial and with 53 parking spaces.

The cost for the total development, including the commercial/social service and the residential portions, is \$22,717,285. Of that total, the residential portion itself is \$20,011,839. The developer purchased the site through the Agency's Site Acquisition program with a loan of \$1,498,000. The developer has requested \$5,453,243 in development funding to complete their funding. This brings the total City/Agency assistance to \$6,951,243. Other project financing commitments include 4% tax credits, tax exempt bonds, the State's Multifamily Housing Program (residential loan and social service space loan), and Planning and Capital grants.

The development is located in a transit- and service rich neighborhood on the edge of residential district in Downtown Oakland with several health and social service centers, retail stores, and offices within easy walking distance. The development is also adjacent to the historic Islamic Cultural Center.

**Madison Lofts
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 1,368,854	\$ 19,280	6.8%
Off-site Improvements	\$ 69,320	\$ 976	0.3%
Hard Costs	\$ 14,900,886	\$ 209,872	74.5%
Soft Costs	\$ 1,623,668	\$ 22,869	8.1%
Carrying Costs	\$ 860,328	\$ 12,117	4.3%
Syndication Costs	\$ 123,691	\$ 1,742	0.6%
Capitalization of Reserves	\$ 87,092	\$ 1,227	0.4%
Developer Fee	\$ 878,000	\$ 12,366	4.4%
Furnishings/Other	\$ 100,000	\$ 1,408	0.5%
Total Development Costs	\$ 20,011,839	\$ 281,857	100%

Sources of Funds

Sources	Total	% of Dev. Cost
HCD Multi Family Housing Program	\$ 4,969,036	24.8%
US Bank Tax Exempt Bonds	\$ 1,702,233	8.5%
Affordable Housing Program	\$ 532,500	2.7%
Tax Credit Syndication Proceeds	\$ 5,574,009	27.9%
Developer Equity	\$ 88,730	0.4%
Reinvested/Deferred Developer Fee	\$ 194,088	1.0%
Agency Site Acquisition Loan	\$ 1,498,000	7.5%
Total City/Agency Funds Requested*	\$ 5,453,243	27.3%
Total	\$ 20,011,839	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-5	\$ 0	\$ 0	0%
Year 6-10	\$ 0	\$ 0	0%
Year 11-15	\$ 156,285	\$ 156,285	3%
Year 16-20	\$ 266,542	\$ 422,827	8%
Year 21-25	\$ 548,299	\$ 971,126	18%
Year 26-30	\$ 550,512	\$ 1,521,638	28%
Total	\$ 1,521,638		28%

Eldridge Gonaway Project Summary

Address/Location	275 East 12 th Street
Developer	Oakland Community Housing, Inc.
Type of Construction	Rehabilitation
Number of Units	40 family rental units
Total Development Cost	\$6,868,620, \$171,716 per unit
Agency Site Acquisition Loan	None
Previous Local Development Funding	\$1,185,280 (issued in 1981)
Current Request for Local Funds	<u>\$1,312,000</u>
Total City/Agency Funds Requested	\$2,134,000*
Total City/Agency Funds per Unit	\$53,350
Total City/Agency Funds as Percent of Total Cost	31.0%

* Includes new request to the City in the amount of \$1,312,000 and outstanding principal and accrued interest for the existing Agency loan issued in 1981 (\$822,000)

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

Description of Project:

Eldridge Gonaway is an existing 40-unit family rental housing located at 275 East 12th Street. The project was built in 1983 with CalHFA financing (\$1,325,785, 30-year amortized), general partner contribution and deferred loan from the Redevelopment Agency (\$1,185,280). The CalHFA loan is combined with an allocation of project based section 8 administered by CalHFA for the 40 affordable units. The section 8 contract is renewable for five more years from 2006, expiring in 2011. CalHFA loan will be fully paid in 2011, which is the end of the affordability term. The project is owned by a limited partnership, Eldridge Gonaway Commons Associates. Its general partner, Eldridge Gonaway, Inc., is an affiliate of Oakland Community Housing, Inc. (OCHI) Its Limited Partner is an investment group, an affiliate of CRICO. OCHI intends to buy out the limited partner investor's interest to rehabilitate the building and restructure the financing.

Rehabilitation work will include replacement of roofs, balconies, windows, exterior stairs, interior carpets, vinyl flooring, and other repairs. Total rehabilitation cost is estimated to be \$1,663,181. To restructure the financing, OCHI plans to refinance the current CalHFA loan with a new first mortgage from CalHFA (application in February 2004), obtaining an allocation of 4% low-income housing tax credits (application in June 2004), and obtaining a loan from the Multifamily Housing Program (MHP) administered by the State of California Department of Housing and Community Development (application in March 2004). Rehabilitation work is expected to start in September 2004 to complete in June 2005. Before staff is able to recommend this loan, developer would need to provide full documentation regarding previous financing and terms. Developer is requesting deferred developer fee from 1981 of \$208,600. Full negotiations between developer and City staff would need to take place prior to a recommendation to fund.

**Eldridge Gonaway
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition*	\$ 3,606,051	\$ 90,151	53%
Off-site Improvements	\$ -	\$ -	0%
Hard Costs	\$ 1,663,181	\$ 41,580	24%
Soft Costs	\$ 387,305	\$ 9,683	6%
Carrying Costs	\$ 366,103	\$ 9,153	5%
Developer Fee	\$ 587,124	\$ 14,678	9%
Capitalization of Reserves	\$ 136,072	\$ 3,402	2%
Syndication Costs	\$ 103,784	\$ 2,595	2%
Furnishings/Other	\$ 19,000	\$ 475	0%
Total Development Costs	\$ 6,868,620	\$ 171,716	100%

* Acquisition cost includes; cash payment to limited partner (\$672,750); remaining balance of deferred developer fee (\$208,600); current CalHFA mortgage balance (\$1,325,785); current Agency loan balance from 1981 (\$822,000) and payment on GP note (\$576,916)

Sources of Funds

Sources	Total	% of Dev. Cost
Cal HFA	\$ 1,639,139	24%
MHP	\$ 1,570,021	23%
Tax Credit Syndication Proceeds	\$ 1,525,460	22%
Total City/Agency Funds Requested**	\$ 2,134,000	31%
Total	\$ 6,868,620	100%

** Includes new request to the City in the amount of \$1,312,000 and outstanding principal and accrued interest for the existing Agency loan issued in 1981 (\$822,000)

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-5	\$ 27,978	\$ 27,978	1.3%
Year 6-10	\$ 63,269	\$ 91,247	4.3%
Year 11-15	\$ 91,847	\$ 183,094	8.6%
Year 16-20	\$ 92,873	\$ 275,967	12.9%
Year 21-25	\$ 80,581	\$ 356,548	16.7%
Year 26-30	\$ 61,044	\$ 417,592	19.6%
Total	\$ 417,592		19.6%

**MLK/BART Senior Homes
Project Summary**

Address/Location	3823-3837 Martin Luther King Jr. Way
Developer	Oakland Community Housing Inc. and Community Development Corp. of Oakland
Type of Construction	New
Number of Units	33
Resident Type	Senior
Total Development Cost	\$6,650,184 / \$201,521 per unit
Agency Site Acquisition Loan	\$52,000
City Land Contribution	\$93,500
<i>Current Request for Local Funds</i>	<u>\$2,511,084</u>
Total City/Agency Funds Requested	\$2,656,584
Total City/Agency Funds per Unit	\$80,503
Total City/Agency Funds as Percent of Total Cost	40%

	AFFORDABILITY LEVEL				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
1 Bedroom	32				

Description of Project:

MLK/BART Senior Homes is a 33-unit rental development proposed for three contiguous parcels on MLK way very near the MacArthur BART station. Two of the parcels are vacant; one of these is now owned by the City and will be contributed to the project; the third parcel has a small apartment building in poor condition. The developers have applied for major assistance from the U.S. Department of Housing and Urban Development, under the Section 202 Supportive Housing for the Elderly Program, though there is no decision yet. The 202 program allows rents to be set low enough to serve very low-income seniors, as well as providing funding for on-going supportive services.

**MLK BART Senior Homes
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 713,500	\$ 21,621	11%
Off-site Improvements	\$ -	\$ -	0%
Hard Costs	\$ 4,420,000	\$ 133,939	66%
Soft Costs	\$ 825,636	\$ 25,019	12%
Carrying Costs	\$ 72,000	\$ 2,182	1%
Syndication Costs	\$ -	\$ -	0%
Capitalization of Reserves	\$ 15,048	\$ 456	0%
Developer Fee	\$ 574,000	\$ 17,394	9%
Furnishings/Other	\$ 30,000	\$ 909	0%
Total Development Costs	\$ 6,650,184	\$ 201,521	100%

Sources of Funds

Sources	Total	% of Dev. Cost
City Land Contribution	\$93,500	1%
HUD 202	\$3,833,600	58%
AHP	\$160,000	2%
Agency Site Acquisition Loan	\$52,000	1%
Total City/Agency Funds Requested*	\$2,511,084	38%
Total	\$6,650,184	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-5	\$ -	\$ -	0%
Year 6-10	\$ -	\$ -	0%
Year 11-15		\$ -	0%
Year 16-20		\$ -	0%
Year 21-25		\$ -	0%
Year 26-30		\$ -	0%
Total	(no repayment)		0%

St. Andrew's Manor Project Summary

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

	AFFORDABILITY LEVEL				
	<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

	Total	Per Unit	% of Total
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%
Total Development Costs	\$ 2,343,244	\$ 39,054	100%

Sources of Funds

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

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid*
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

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

	AFFORDABILITY LEVEL				
	<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

	Total	Per Unit	% of Total
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%
Total Development Costs	\$ 2,356,565	\$ 35,706	100%

Sources of Funds

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

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid*
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%
Total	\$ 749,180		99%

Sojourner Truth Project Summary

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

	AFFORDABILITY LEVEL				
	<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

	Total	Per Unit	% of Total
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%
Total Development Costs	\$ 402,922	\$ 4,631	100%

Sources of Funds

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

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

Projected Loan Repayment

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

7th & Campbell Family Housing Project Summary

Address/Location	1662-1676 7 th St. and 715 Campbell St.
Developer	Oakland Community Housing Inc.
Type of Construction	New
Number of Units	42
Resident Type	Family
Total Development Cost	\$12,933,665 / \$307,944 per unit
Agency Site Acquisition Loan	\$689,499
Previous Local Development Funding	
Current Request for Local Funds	<u>\$3,141,999</u>
Total City/Agency Funds Requested	\$3,831,498
Total City/Agency Funds per Unit	\$91,226
Total City/Agency Funds as Percent of Total Cost	29%

	AFFORDABILITY LEVEL				
	<35% AMI	<50% AMI	<60% AMI	<80% AMI	<100% AMI
0 Bedroom					
1 Bedroom	1	2			
2 Bedroom	8	6	5		
3 Bedroom	5	5	2		
4 Bedroom	3	4			

Description of Project:

7th and Campbell Family Housing will be a 42-unit family rental development on 7th Street near the West Oakland BART Station. It will provide one-, two-, three-, and four-bedroom apartments for households with incomes of 30% to 60% of area median. The building will range from two to four stories in height, and will include 3000 square feet of ground-floor commercial space and 42 parking spaces. The developers anticipate receiving the balance of project funding from the Low Income Housing Tax Credit program and from the California Housing Finance Agency's Multifamily Housing Program, but has no commitment from either at present.

**7th & Campbell Family Housing
Financing Summary**

Development Cost

	Total	Per Unit	% of Total
Acquisition	\$ 948,230	\$ 22,577	7%
Off-site Improvements	\$ 24,375	\$ 580	0%
Hard Costs	\$ 9,059,000	\$ 215,690	71%
Soft Costs	\$ 1,270,325	\$ 30,246	10%
Carrying Costs	\$ 546,643	\$ 13,015	4%
Syndication Costs	\$ 109,453	\$ 2,606	1%
Capitalization of Reserves	\$ 58,366	\$ 1,390	0%
Developer Fee	\$ 646,000	\$ 15,381	5%
Furnishings/Other	\$ 20,000	\$ 476	0%
Total Development Costs	\$ 12,682,392	\$ 301,962	100%

Sources of Funds

Sources	Total	% of Dev. Cost
Developer Equity	\$24,545	0%
Cal HFA First Mortgage	\$1,230,000	10%
AHP	\$210,000	2%
California MHP	\$3,161,203	25%
Tax Credit Syndication Proceeds	\$4,225,146	33%
Agency Site Acquisition Loan	\$689,499	5%
Total City/Agency Funds Requested*	\$3,141,999	25%
Total	\$12,682,392	100%

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

Projected Loan Repayment

	Total	Cumulative	% of Total City Loan Repaid
Year 1-5	\$ -	\$ -	0%
Year 6-10	\$ 23,000	\$ 23,000	1%
Year 11-15	\$ 56,000	\$ 79,000	3%
Year 16-20	\$ 84,000	\$ 163,000	5%
Year 21-25	\$ 96,000	\$ 259,000	8%
Year 26-30	\$ 91,000	\$ 350,000	11%
Total	\$ 350,000		11%

ATTACHMENT C

DEVELOPER PROFILES

Affordable Housing Associates

Citizens Housing Corporation

East Bay Asian Local Development Corporation

East Bay Habitat for Humanity

Homeplace Initiatives

Self-Help for the Elderly

DEVELOPER PROFILE

Affordable Housing Associates, Inc. (AHA)

- **Location:** Headquartered in Berkeley
- **Established:** 1993
- **Type of Organization:** Non-profit
- **Units Developed:** To date AHA has completed or is in the process of developing 649 affordable rental units and 28 affordable ownership units in the Bay Area. Of that amount, 209 rental units and 28 ownership units are in Oakland. Recently completed AHA projects in Oakland include Adeline Street Lofts, a 38 unit adaptive re-use family rental development in West Oakland, and Bancroft Senior Homes, a 61 unit new construction senior complex in East Oakland. Currently under construction are Oak Park, a substantial rehabilitation of a 35 unit family development and Oak Street Terrace, a 39 unit senior development.
- **Financial Strength:** AHA's current ratio of liquid assets to accounts payable is 0 which is a negative indication of an organization's ability to pay its current liabilities. AHA's net assets show a negative amount.
- **Geographic Area of Service:** East Bay
- **Management Company:** AHA has an internal Property Management department.
- **Development Team for Calaveras Townhomes:** AHA has identified the following members to date: MWM Architects, Community Economics, Inc (Financial and Syndication Consultants), and ACORN (Housing Counseling/Marketing).

DEVELOPER PROFILE

Citizens Housing Corporation (CHC)

- **Location:** Headquartered in San Francisco
- **Established:** 1992
- **Units Developed:** CHC is a nonprofit organization devoted to increasing and preserving affordable housing opportunities. CHC's current portfolio includes 1,623 affordable completed units in sixteen developments in the Bay Area of which three are in Oakland with a total of 455 units. The three Oakland projects are: MORH Housing; Oak Center Apartments; and Piedmont Apartments. An additional three developments are under construction with 206 affordable housing units and five projects are in development with 793 affordable units. CHC is an experienced developer with a strong staff. It has also assembled a strong development team.
- **Financial Strength:** CHC is very strong financially with an excellent ratio (8.5) of liquid assets to accounts payable and with excellent net assets (\$10,500,000).
- **Geographic Area of Service:** Bay Area
- **Affiliate Organizations:** Not applicable.
- **Management Company:** CHC Property Management Co. which manages over 535 affordable housing units in five developments (one senior) and will be managing the additional 206 affordable units in three projects under construction.
- **Development Team for Current Proposal:** The development team for the Altheim Senior Housing project includes Pyatok Architects, Inc. of Oakland, Architectural Resources Group (historical consultants) of San Francisco, Community Economics (financial consultant) of Oakland, and Goldfarb and Lipman (legal advisor) of Oakland.

DEVELOPER PROFILE

East Bay Asian Local Development Corporation (EBALDC)

- **Location:** Headquartered in Oakland
- **Established:** 1975
- **Type of Organization:** Non-profit
- **Units Developed:** EBALDC rehabilitates older buildings and is a developer new affordable housing, mixed-use projects (commercial and residential), and community facilities. It has a portfolio of 711 completed affordable rental units and 78 single family residential units, and 20 market-rate, co-housing condominiums. Of these 809 units, 742 are in Oakland. Many of these projects were joint ventures with other nonprofit or for profit partners. EBALDC has developed over 180,000 square feet of retail and office space, including non-profits services and 2 childcare centers. EBALDC is currently in predevelopment on the Seven Directions and Coliseum Gardens that are both family rental developments.

In 1996, EBALDC established **Homeplace Initiatives Corp.** as a subsidiary to focus on creating innovative strategies to increase homeownership for low to moderate income families.

- **Financial Strength:** EBALDC's current ratio of liquid assets to accounts payable is 7.9 which is a very positive indication of an organization's ability to pay its current liabilities. EBALDC's net assets indicate that the organization has maintained profitable operations (\$2,402,000).
- **Geographic Area of Service:** East Bay
- **Development Team for Sausal Creek Townhomes:** EBALDC's subsidiary, **Homeplace Initiatives, Corp. (HPI)**, will act as the developer. HPI has identified the following members to date: Kirk Miller Architects and Branagh Inc. (General Contractor).

HPI has joint ventured with EBALDC and other non-profit housing developers to produce 78 affordable homeownership units in Oakland (the Bayporte development in West Oakland and six scattered site units in Oakland) since its inception. HPI has also completed 20 market rate cohousing units at Swan's Market in Downtown Oakland.

DEVELOPER PROFILE

East Bay Habitat for Humanity (Habitat)

- **Location:** Headquartered in Oakland
- **Established:** 1988
- **Units Developed:** Habitat exclusively develops (new construction or rehabilitation) houses for the sale to low-income families in Alameda and Contra Costa counties. Habitat has developed 51 homes in Oakland – 40 in Habitat Village on 105th Avenue, three in the 1400 block of 82nd Avenue, four in the 2600 block of Fruitvale Avenue, and four without City assistance. Habitat has sold most of the homes constructed in Oakland to families earning less than 50% and 60% of AMI (for a family of four the maximum income at 60% AMI would be \$48,060). Families are guided through the homeownership program with screening, training, and follow-up. Additional families have benefited from counseling and referral services. Habitat is currently constructing twelve homes in West Oakland at 902 Union (Palm Court Project).
Habitat is successful in providing homes for lower income families because it:
 - Obtains the majority of the development cost in the form of financial contributions and donations of materials and labor;
 - Requires participants to provide 500 hours of sweat equity which then substitutes for a down payment; and
 - Provides a zero interest amortizing loan to the homebuyers– carried by Habitat.
- **Financial Strength:** Habitat is strong financially with a very good ratio (3.2) of liquid assets to accounts payable and with very good net assets (\$5,549,000).
- **Geographic Area of Service:** East Bay
- **Affiliate Organizations:** None.
- **Management Company:** Not Applicable.
- **Development Team for Current Proposal:** The development team for the Edes Avenue Homes project includes: Peter Waller, Architect; Nixon Peabody LLP, Legal Counsel; with experienced Habitat staff members providing the expertise for Habitat to operate as the General Contractor/Developer.

DEVELOPER PROFILE

Self-Help For The Elderly (SHE)

- **Location:** Headquartered in San Francisco
- **Established:** 1966
- **Units Developed:** SHE is a nonprofit organization that will be the managing general partner of Lincoln Court Associates, L.P., a limited partnership to be formed. SHE specializes in providing social services and in constructing facilities for seniors and for frail seniors (including senior's afflicted with Alzheimer's and related dementia) that require residential care. SHE has developed four facilities, one of which (Lady Shaw Senior Center) is a 70 unit low-income independent living complex for seniors in San Francisco. Three facilities have been developed totaling 55 beds including the Autumn Glow Alzheimer's Care Home with 15 beds in San Francisco. SHE provides an array of social, health and recreational services senior and will be under contract to provide such services to residents in the proposed Lincoln Court Senior Homes project.
- **Financial Strength:** SHE is very strong financially with an excellent ratio (20.8) of liquid assets to accounts payable and with very positive net assets (\$6,400,000).
- **Geographic Area of Service:** San Francisco, San Mateo, and Santa Clara counties.
- **Affiliate Organizations:** Domus Development, is a for-profit entity that was formed in 2003, is headquartered in San Francisco, and would be a general partner in Lincoln Court Associates, L.P. Domus Development as a newly formed organization has not developed affordable housing projects. However, the principals and staff have extensive experience in affordable housing development.
- **Management Company:** John Stewart Company which manages over 3,000 senior housing units and over 19,000 total units in over 225 properties throughout California.
- **Development Team for Current Proposal:** The development team for the Lincoln Court Senior Housing project includes Y. H. Lee Associates of San Francisco as Architect, and Gubb & Barshay, LLP, of San Francisco, as Legal Counsel.

ATTACHMENT D

ONE PERCENT FEE FOR CONTRACT COMPLIANCE ADMINISTRATION

Project	Commitment Recommended for FY 03-04 Projects	Construction and Professional Services (CPS)	Contract Compliance Fee (1% of CPS)
Edes Avenue (Habitat)	\$ 1,917,400	\$ 830,000	\$ 8,300
Lincoln Court Senior Housing	\$ 3,500,000	\$ 1,300,000	\$ 13,000
Calaveras Townhomes	\$ 2,548,500	\$ 1,471,825	\$ 14,718
Seven Directions (1)	\$ 1,216,600	\$ 2,661,911	\$ 13,469
Altenheim Senior Housing	\$ 3,680,300	\$ 3,353,417	\$ 33,534
Sausal Creek Townhomes	\$ 2,329,000	\$ 1,358,801	\$ 13,588
Sub-Total	\$ 15,191,800	\$ 10,975,954	\$ 96,610

(1) This amount represents \$26,629 less \$13,150 approved last year

Highlighted fields need to be verified

ATTACHMENT E

California Environmental Quality Act Review

Except for Edes Avenue Homes, for which the Coliseum Area Redevelopment Plan EIR (SCH# 9404B014) will be applied, all of the projects recommended for funding have been determined to be exempt under the California Environmental Quality Act (CEQA). The table below shows the exemption type for each of the exempted projects, followed by a brief explanation. An additional explanation is also provided pertaining to the application of the previously certified Redevelopment Plan EIR for the Edes Avenue Homes Project.

Exemption Type and Applicable CEQA Regulation Section

	CATEGORICAL EXEMPTION		
	Section 15301	Section 15280	Section 15332
Project Name	Existing Facilities - Negligible Expansion	Low Income Housing Project	Urban In-fill Development under 5 acres
Calaveras Townhomes		X	X
Sausal Creek Townhomes		X	X
Seven Directions		X	X
Altenheim Senior Housing	X		
Lincoln Court		X	

Under Section 21084 of the California Public Resources Code, the Secretary of Resources has determined that certain classes or categories of projects do not have a significant effect on the environment, and declared that such projects are exempt from requirements for the preparation of environmental documents. With the exception mentioned above, all of the recommended projects fall under one or more of the following three exemption sections, and are therefore categorically exempt:

- Existing Facilities (Sec. 15301 of the CEQA Guidelines) applies to projects that involve a negligible change in, or no expansion of, an existing use.
- Lower-income Housing Projects (Sec. 15280) applies to projects of 100 or fewer units which provide housing affordable to lower-income or moderate-income households for at least 15 years.
- In-fill Development (Sec. 15332) involves projects considered to be in-fill developments because they are located within a developed urban area, are of a limited scale, and have no adverse impacts on traffic, noise, air quality, or water quality.

Edes Avenue Homes Project. For this 24-unit project at 10900 Edes Avenue, the previously-certified Coliseum Area Redevelopment Plan (CARP) EIR will be applied. The CARP called for development of approximately 700 new residential units, 960,000 sq. ft. of retail, and 662,000 sq. ft. of industrial space within the study area. Specifically, within the Pippin-Pearmain sub-area, the plan calls for providing capital for new residential development in this target area and to reduce residential-industrial land use conflicts. Growth projections called for up to 60 new residential units within this sub-area by 2010. The proposed 24-unit project falls well within this projection.

Under CEQA Section 15162, there is no required subsequent environmental review unless the lead agency determines one or more of the following:

1. Substantial changes are proposed for the project: The inclusion of 24 new units will not constitute substantial changes to the project that require major revisions of the CARP EIR or that involve new significant environmental effects or a substantial increase in the severity of previously-identified significant effects. These units are within the number of new units anticipated by the CARP and analyzed as part of the project in the CARP EIR.
2. Substantial changes occur with respect to the circumstances under which the project is undertaken. There are no new circumstances that would require major revisions of the CARP EIR or involve new significant environmental effects or a substantial increase in the severity of previously-identified significant effects. The only notable change in circumstances under which the project is undertaken is that there has been slower growth of commercial and industrial development than was assumed and analyzed in the CARP EIR, thereby decreasing anticipated environmental impacts associated with the project.
3. There is new information of substantial importance that was not known and could not have been known at the time the CARP EIR was certified. There have not been any new significant effects identified, and those that were previously identified have not been identified as being more severe. The only significant impacts identified in the CARP EIR were those associated with large-scale construction projects such as the generation of temporary dust and noise. The small scale of the proposed 24-unit project will result in a less-than-significant impact.

[Signature]

AGENCY COUNSEL
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4:24

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

RESOLUTION NO. _____ C. M. S.

INTRODUCED BY AGENCY MEMBER _____

**RESOLUTION APPROPRIATING \$4,557,089 IN LOW AND MODERATE
INCOME HOUSING FUNDS TO THE HOUSING DEVELOPMENT
PROGRAM**

WHEREAS, the Redevelopment Agency has established the Low and Moderate Income Housing Fund to address the housing needs of low and moderate income persons; and

WHEREAS, the Redevelopment Agency desires to maximize the use of the Low and Moderate Income Housing Fund by using all available sources of funds as soon as they become available; and

WHEREAS, actual revenues for Fiscal Year 2002-2003 exceeded the amount budgeted and expended by \$2,416,805; and

WHEREAS, the Redevelopment Agency has received repayments of loans made for the California Hotel and Slim Jenkins Court projects, in the amount of \$1,845,000; and

WHEREAS, the Redevelopment Agency has previously directed that net proceeds from the sale of land in the Central District for the 10K housing program should be used for development of affordable housing for households at or below 60 percent of median income; and

WHEREAS, the Redevelopment Agency has received \$295,284 in proceeds from sales of Agency-owned land in the Central District that have not yet been allocated for affordable housing developments; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby appropriates the sum of \$4,261,805 from fund balance in Fund 9580 (Low and Moderate Income Housing Fund) to the Housing Development Program (Fund 9580, Organization 88929, Project P209310); and be it

4-1
**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**
JAN 27 2004

FURTHER RESOLVED: That the Redevelopment Agency hereby appropriates the sum of \$295,284 from Fund 9553, Organization 88929, Project P212910 to the Housing Development Program – Land Sales Proceeds (Fund 9580, Organization 88929, Project L249010).

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

4-1
**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

ATTEST:

JAN 27 2004

CEDA FLOYD
Secretary of the Redevelopment Agency of the
City of Oakland

James Rossi
DEPUTY CITY ATTORNEY

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4:24

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C. M. S.

INTRODUCED BY COUNCILMEMBER _____

A RESOLUTION FINDING THAT THE USE OF REDEVELOPMENT AGENCY LOW AND MODERATE INCOME HOUSING FUNDS TO INCREASE, IMPROVE AND PRESERVE THE CITY'S SUPPLY OF LOW AND MODERATE INCOME HOUSING THROUGHOUT THE CITY OF OAKLAND, AND ADMINISTRATIVE ACTIVITIES IN SUPPORT OF SUCH HOUSING, BENEFIT EXISTING OAKLAND REDEVELOPMENT PROJECTS

WHEREAS, Section 33334 of the California Health and Safety Code requires that redevelopment agencies use at least 20 percent of all taxes allocated to the agency for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing; and

WHEREAS, Section 33334.2(g)(1) of the California Health and Safety Code provides that such funds may be spent outside a project area only upon a resolution of the agency and the legislative body that such use will be of benefit to the project; and

WHEREAS, the City of Oakland and the Redevelopment Agency have established policies to avoid an undue concentration of assisted housing in any neighborhood within the City and to promote an equitable distribution of assisted housing throughout all areas of the City; and

WHEREAS, the City's redevelopment project areas are located in areas of concentration of assisted housing and low and moderate income families disproportionate to the average for the City as a whole; and

WHEREAS, the development, improvement and preservation of low and moderate income housing outside of the City's redevelopment project areas would be of benefit to the project areas by producing a more equitable distribution of assisted housing and greater housing opportunities for low and moderate income residents of project areas; now, therefore, be it

4-2

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

RESOLVED: That the City Council hereby finds that the expenditure of funds from the Agency's Low and Moderate Income Housing Fund throughout the City of Oakland, both within and outside of the redevelopment project area that generated the funds, benefits all redevelopment projects in the City, including each of the following projects: Acorn, Broadway/MacArthur/San Pablo, Central City East, Central District, Coliseum, Oak Center, Oak Knoll, Oakland Army Base, Stanford-Adeline, and West Oakland; and be it further

RESOLVED: That the City Council further finds that the expenditure of funds from the Agency's Low and Moderate Income Housing Fund on administrative activities in furtherance of such housing benefits said redevelopment projects; and be it further

RESOLVED: That the Agency may expend funds from the Agency's Low and Moderate Income Housing Fund to increase, improve, and preserve low and moderate income housing throughout the City of Oakland if and to the extent that the redevelopment plan for the redevelopment project generating the funds authorizes the use of such funds outside of the project area.

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-

4-2
COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004

ATTEST:

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

James P. ...

FILE AGENCY COUNSEL
OFFICE OF THE CITY CLERK
OAKLAND

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

2004 JAN 15 PM 4:24

RESOLUTION NO. _____ C. M. S.

INTRODUCED BY AGENCY MEMBER _____

**A RESOLUTION FINDING THAT THE USE OF LOW AND MODERATE
INCOME HOUSING FUNDS TO INCREASE, IMPROVE AND PRESERVE
THE CITY'S SUPPLY OF LOW AND MODERATE INCOME HOUSING
THROUGHOUT THE CITY OF OAKLAND, AND ADMINISTRATIVE
ACTIVITIES IN SUPPORT OF SUCH HOUSING, BENEFIT EXISTING
OAKLAND REDEVELOPMENT PROJECTS**

WHEREAS, Section 33334 of the California Health and Safety Code requires that redevelopment agencies use at least 20 percent of all taxes allocated to the agency for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing; and

WHEREAS, Section 33334.2(g)(1) of the California Health and Safety Code provides that such funds may be spent outside a project area only upon a resolution of the agency and the legislative body that such use will be of benefit to the project; and

WHEREAS, the City of Oakland and the Redevelopment Agency have established policies to avoid an undue concentration of assisted housing in any neighborhood within the City and to promote an equitable distribution of assisted housing throughout all areas of the City; and

WHEREAS, the City's redevelopment project areas are located in areas of concentration of assisted housing and low and moderate income families disproportionate to the average for the City as a whole; and

WHEREAS, the development, improvement and preservation of low and moderate income housing outside of the City's redevelopment project areas would be of benefit to the project areas by producing a more equitable distribution of assisted housing and greater housing opportunities for low and moderate income residents of project areas; now, therefore, be it

4-3

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

RESOLVED: That the Redevelopment Agency hereby finds that the expenditure of funds from the Agency's Low and Moderate Income Housing Fund throughout the City of Oakland, both within and outside of the redevelopment project area that generated the funds, benefits all redevelopment projects in the City, including each of the following projects: Acorn, Broadway/MacArthur/San Pablo, Central City East, Central District, Coliseum, Oak Center, Oak Knoll, Oakland Army Base, Stanford-Adeline, and West Oakland; and be it further

RESOLVED: That the Redevelopment Agency further finds that the expenditure of funds from the Agency's Low and Moderate Income Housing Fund on administrative activities in furtherance of such housing benefits said redevelopment projects; and be it further

RESOLVED: That the Agency may expend funds from the Agency's Low and Moderate Income Housing Fund to increase, improve, and preserve low and moderate income housing throughout the City of Oakland if and to the extent that the redevelopment plan for the redevelopment project generating the funds authorizes the use of such funds outside of the project area.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

4-3

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

ATTEST:

CEDA FLOYD
Secretary of the Redevelopment Agency of the
City of Oakland

2004 JAN 15 PM 4:24



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,778,560 TO CITIZENS HOUSING CORPORATION FOR THE ALTENHEIM SENIOR HOMES PROJECT LOCATED AT 1720 MACARTHUR BOULEVARD

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

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

WHEREAS, Developer proposes to develop a 67 unit housing project at 1720 MacArthur Boulevard in the City of Oakland (the "Project"); and

WHEREAS, 66 Project units will be rented at prices affordable to low-income households earning no more than 60% of area median income; 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 Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, and is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3; and

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; and

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE
JAN 27 2004**

WHEREAS, by Agreement with the City, 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, funds are available from the Agency's 2000 Affordable Housing Set-Aside Bond Fund to assist the Project; now, therefore, be it

RESOLVED: That loan funds shall be allocated as follows: \$1,778,560 from the 2000 Affordable Housing Set-Aside Bond funds (Fund 9583, Project P151710); and be it further

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$1,778,560 to Citizens Housing Corporation, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it further

RESOLVED: That the loan is contingent on the availability of sufficient funds in the 2000 Affordable Housing Set-Aside Bond Fund to cover the loan; 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 Agency Administrator in his or her discretion, with repayment to the Agency 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 Agency Administrator or his or her designee determines are in the best interests of the Agency and the Project; and be it further

RESOLVED: That as a condition of the loan, the Agency 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 Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency '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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

RESOLVED: That all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it further

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

RESOLVED: That by Agreement with the City, the City Manager or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it further

RESOLVED: That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency 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 AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

14-4
**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**
JAN 27 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PH 4: 25

APPROVED AS TO FORM AND LEGALITY:



Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,901,740 TO CITIZENS HOUSING CORPORATION FOR THE ALTENHEIM SENIOR HOMES PROJECT LOCATED AT 1720 MACARTHUR BOULEVARD

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, Citizens Housing Corporation ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

WHEREAS, Developer proposes to develop a 67 unit housing project at 1720 MacArthur Boulevard in the City of Oakland (the "Project"); and

WHEREAS, 66 Project units will be rented at prices affordable to low-income households earning no more than 60% of area median income; 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 Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

WHEREAS, the Project will increase and improve the supply of low 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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DEVELOPMENT CMTE**

JAN 27 2004

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 Manager or his or her designee; and

WHEREAS, funds are available from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

RESOLVED: The loan funds shall be allocated as follows: \$1,901,740 from HOME Program Housing Development funds (Fund 2109, Project G172111); and be it further

RESOLVED: That the City Council hereby authorizes the City Manager or his or her designee to provide a loan in an amount not to exceed \$1,901,740 to Citizens Housing Corporation, or to an affiliated entity approved by the City Manager or his or her designee, to be used for development of the Project; and be it further

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

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

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

RESOLVED: That the loan funds 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 Manager or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

RESOLVED: That the making of the loan shall be contingent on the availability of sufficient funds in the Low- Moderate- income housing Fund to cover the Loan; 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 Manager or his or her designee may establish; and be it further

RESOLVED: That the City Council hereby authorizes the City Manager or his 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 Manager or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it further

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

RESOLVED: That the City Council 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 15301 (minor alterations to existing facilities) of the CEQA Guidelines; and be it further

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

RESOLVED: That 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 Manager or his or her designee; and be it further

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

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 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

14-5

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

APPROVED AS TO FORM AND LEGALITY:

[Signature]

Agency Counsel

FILED
OFFICE OF THE CITY
CLERK
OAKLAND
2004
JAN 15 PM 4:4

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,548,500 TO AFFORDABLE HOUSING ASSOCIATES, INC. FOR THE CALAVERAS TOWNHOMES PROJECT LOCATED AT 4856-4868 CALAVERAS AVENUE AND CONSOLIDATING AN EXISTING \$1,310,000 SITE ACQUISITION LOAN WITH THE DEVELOPMENT LOAN, FOR A NEW TOTAL DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$3,858,424

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

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

WHEREAS, Developer proposes to construct a twenty-eight (28) unit townhome development on the site acquired with the Site Acquisition Loan (the "Project") in the City of Oakland; and

WHEREAS, seventeen Project units will be sold at prices affordable to households earning no more than 80% of area median income; and

WHEREAS, eleven Project units will be sold at prices affordable to households earning no more than 100% of area median income; and

WHEREAS, the Redevelopment Agency previously authorized a \$1,310,000 site acquisition loan (Resolution No. 00-55 C.M.S.) to the Developer for the Project (the "Site Acquisition Loan") and Developer is requesting additional funds in the amount of \$2,548,424 for the development of the Project; and

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DEVELOPMENT CMTE**

JAN 27 2004

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

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

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3; and

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; and

WHEREAS, the Agency, by agreement with 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, funds are available from the Agency's Low and Moderate Income Housing Fund and the 2000 Affordable Housing Set-Aside Bond funds to cover the loan; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his designee to provide an additional loan in an amount not to exceed \$2,548,500 to Affordable Housing Associates, Inc., or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it further

RESOLVED: That the additional loan funds shall be allocated as follows: \$1,548,500 from the Low and Moderate Income Housing Fund, Housing Development Project - Central District (Fund 9580, Project P209310) and \$1,000,000 from the 2000 Affordable Housing Set-Aside Bond funds (Fund 9583, Project P151710); and be it further

RESOLVED: That the loan is contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund and the 2000 Affordable Housing Set-Aside Bond Fund to cover the loan; and be it further

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his designee to convert the Site Acquisition Loan to the Developer into a long-term development loan and to consolidate it with the Agency's development loan authorized by the Resolution into a single development loan for a total amount not to exceed \$3,858,424, under the terms described below; and be it further

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

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

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

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

RESOLVED: That the loan funds will be reserved for a period of no more than twelve months 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 Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency'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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

RESOLVED: That all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it further

RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency 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 to Section 15332 (infill development projects) of the CEQA Guidelines; and be it further

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

RESOLVED: That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency 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 AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

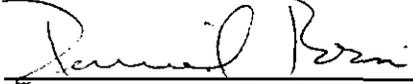
4-6

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2004 JAN 15 PM 4:24

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING A \$1,216,600 AFFORDABLE HOUSING DEVELOPMENT LOAN TO SEVEN DIRECTIONS, INC. FOR THE SEVEN DIRECTIONS PROJECT LOCATED AT 2946 INTERNATIONAL BOULEVARD

WHEREAS, the Redevelopment Agency previously authorized a \$3,289,000 loan to East Bay Asian Local Development Corporation and Native American Health Center (together, the "Developers") for a term of 55 years, with simple interest rate of 3 percent per year, to be used to develop a 38 unit housing project known as Seven Directions located at 2946 International Boulevard (the "Project") by Redevelopment Agency Resolution No. 2003-09 C.M.S., dated February 25, 2003; and

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, Developers formed a limited partnership, Seven Directions, Inc., and submitted a proposal in response to the NOFA requesting additional funds in the amount of \$1,216,600 to fill a funding gap created due to a change in the financing options for the Project; and

WHEREAS, 37 Project units will be rented at prices affordable to households earning no more than 80% of area median income; 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 Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

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

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

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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 Manager or his or her designee; and

WHEREAS, funds are available from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

RESOLVED: That loan funds shall be allocated as follows: \$1,216,600 from HOME Program Housing Development funds (Fund 2109, Project G172111); and be it further

RESOLVED: That the City Council hereby authorizes the City Manager or his or her designee to provide a loan in an amount not to exceed \$1,216,600 to Seven Directions, Inc., or to an affiliated entity approved by the City Manager or his or her designee, to be used for development of the Project; and be it further

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

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

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

RESOLVED: That the loan funds 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 Manager or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency 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 15332 (infill development projects) of the CEQA Guidelines; and be it further

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

RESOLVED: That the City Council hereby authorizes the City Manager or his 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 Manager or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it further

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

RESOLVED: That 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 Manager or his or her designee; and be it further

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

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 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

4-7

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4: 24

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

RESOLUTION No. _____ C.M.S.

**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING
DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,000,000
TO SELF-HELP FOR THE ELDERLY FOR THE LINCOLN COURT
PROJECT LOCATED AT 2400 MACARTHUR BOULEVARD**

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

WHEREAS, Self-Help for the Elderly ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

WHEREAS, Developer proposes to develop a 80 unit housing project at 2400 MacArthur Boulevard in the City of Oakland (the "Project"); and

WHEREAS, 79 Project units will be rented at prices affordable to low-income households earning no more than 60% of area median income; 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 Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, and is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3; and

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DEVELOPMENT CMTE**

JAN 27 2004

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the *Low and Moderate Income Housing Fund*; and

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

WHEREAS, funds are available from the Agency's Low and Moderate Income Housing Fund to assist the Project; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a loan in an amount not to exceed \$2,000,000 to Self-Help for the Elderly, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it further

RESOLVED: That loan funds shall be allocated as follows: \$828,560 from the Low and Moderate Income Housing Fund, Housing Development Project - Central District (Fund 9580, Project P209310), and \$1,171,440 from the 2000 Affordable Housing Set-Aside Bond (Fund 9583, Project P151710); and be it further

RESOLVED: That the loan is contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund to cover the loan; 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 Agency Administrator in his or her discretion, with repayment to the Agency 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 Agency Administrator or his or her designee determines are in the best interests of the Agency and the Project; and be it further

RESOLVED: That as a condition of the loan, the Agency 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 Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency '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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

RESOLVED: That all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it further

RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency 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 15332 (infill development projects) of the CEQA Guidelines; and be it further

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

RESOLVED: That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency 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 AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

4-8
COMMUNITY & ECONOMIC
DEVELOPMENT CMTE
JAN 27 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4:24

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,500,000 TO SELF-HELP FOR THE ELDERLY FOR THE LINCOLN COURT PROJECT LOCATED AT 2400 MACARTHUR BOULEVARD

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, Self-Help for the Elderly ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

WHEREAS, Developer proposes to develop a 80 unit housing project at 2400 MacArthur Boulevard in the City of Oakland (the "Project"); and

WHEREAS, 79 Project units will be rented at prices affordable to low-income households earning no more than 60% of area median income; 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 Project is consistent with the City's Project Development Guidelines, and Developer meets the City's Threshold Developer Criteria; and

WHEREAS, the Project will increase and improve the supply of low 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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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

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 Manager or his or her designee; and

WHEREAS, funds are available from the HOME Investment Partnership Program to assist the Project; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Manager or his or her designee to provide a loan in an amount not to exceed \$1,500,000 to Self-Help for the Elderly, or to an affiliated entity approved by the City Manager or his or her designee, to be used for development of the Project; and be it further

RESOLVED: That loan funds shall be allocated as follows: \$1,500,000 from HOME Program Housing Development funds (Fund 2109, 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 Manager at 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 Manager or his or her designee determines are in the best interests of the City and the Project; and be it further

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

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

RESOLVED: That the loan funds 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 Manager or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the City Council hereby authorizes the City Manager or his 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 Manager or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms

and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City; and be it further

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

RESOLVED: That the City Council 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 15332 (infill development projects) of the CEQA Guidelines; and be it further

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

RESOLVED: That 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 Manager or his or her designee; and be it further

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

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

4-9

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

ATTEST: _____ **JAN 27 2004**

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

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4:24

APPROVED AS TO FORM AND LEGALITY:

D. Lewis

Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

**A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING
DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$1,551,000
TO EAST BAY HABITAT FOR HUMANITY FOR THE EDES AVENUE
HOMES LOCATED AT 10900 EDES AVENUE**

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

WHEREAS, East Bay Habitat for Humanity ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

WHEREAS, Developer proposes to develop a 24 unit housing project at 10900 Edes Avenue in the City of Oakland (the "Project"); and

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

WHEREAS, for sales subsequent to the initial sale, the Developer will have the right of first refusal to purchase individual Project units and then to sell at prices affordable to low-income households earning no more than 60% of area median income; and

WHEREAS, if Developer does not exercise its right to purchase a Project unit, then the owner can sell at prices affordable to moderate-income households earning no more than 90% of area median income, now, therefore, be it

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

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

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3; and

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; and

WHEREAS, the Agency by agreement with 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, as set forth in Attachment E to this resolution, 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 in that the Agency and the City have determined that, except for Edes Avenue Homes, for which the Coliseum Area Redevelopment Plan EIR (SCH# 9404B014) will be applied, all of the projects recommended for funding have been determined to be exempt under the California Environmental Quality Act (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 the Edes Avenue Homes project in that the previously certified Coliseum Area Redevelopment Plan EIR has adequately evaluated the potential environmental impacts identified with residential and commercial redevelopment in the Pippin Pearmain Sub-Area and that none of the circumstances necessitating preparation of a subsequent EIR are present; and

WHEREAS, funds are available from the Agency's Low and Moderate Income Housing Fund to assist the Project; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or her designee to provide a forgivable loan in an amount not to exceed \$1,551,000 to East Bay Habitat for Humanity, or to an affiliated entity approved by the Agency Administrator or her or his designee, to be used for development of the Project; and be it further

RESOLVED: That loan funds shall be allocated as follows: \$1,551,000 from the Low and Moderate Income Housing Fund, Housing Development Project - Central District (Fund 9580, Project P209310); and be it further

RESOLVED: That the loan is contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund to cover the loan; and be it further

RESOLVED: That Developer will have the right of first refusal to purchase individual Project units and then to sell at prices affordable to low-income households earning no more than 60% of area median income; and be it further

RESOLVED: That if Developer does not exercise its right to purchase a Project unit, then the owner can sell at prices affordable to moderate-income households earning no more than 90% of area median income as a condition of the loan; and be it further

RESOLVED: That the loan shall be for a maximum term of 4 years, with an interest rate to be determined by the Agency Administrator at her or his discretion, with repayment to the Agency upon the initial sale of Project units to eligible homebuyers, or on such other repayment terms and schedule as the Agency Administrator or his or her designee determines are in the best interests of the Agency and the Project; and be it further

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

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

RESOLVED: That the loan funds 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, all required land use approvals, or other assurances of adequate Project funding the Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency'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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

RESOLVED: That all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it further

RESOLVED: That the Agency has determined that, except for the Edes Avenue Homes project, for which the Coliseum Area Redevelopment Plan EIR (SCH# 9404B014) will be applied, all of the projects recommended for funding have been determined to be exempt under the California Environmental Quality Act (CEQA); and be it further

RESOLVED: That, with respect to the Edes Avenue Homes project, the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information and analysis provided in the staff report and Attachment E ("California Environmental Quality Act Review") accompanying this Resolution, that this action complies with CEQA because based on the previously certified Coliseum Area Redevelopment Plan EIR, it was determined that 24 units of new housing in the Pippin-Pearmain Sub-Area falls well within the projected growth, the Project will not have a significant adverse impact on the environment pursuant to CEQA Section 15162 as set forth in Attachment E; and be it further

RESOLVED: That the Agency Administrator or his or her designee shall cause to be filed with the County of Alameda a (1) Notice of Determination for the Edes Avenue Homes project and (2) Notice of Exemption with respect to the other projects recommended for funding; and be it further

RESOLVED: That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency 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 AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

4-10
COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004

ATTACHMENT E

California Environmental Quality Act Review

Except for Edes Avenue Homes, for which the Coliseum Area Redevelopment Plan EIR (SCH# 9404B014) will be applied, all of the projects recommended for funding have been determined to be exempt under the California Environmental Quality Act (CEQA). The table below shows the exemption type for each of the exempted projects, followed by a brief explanation. An additional explanation is also provided pertaining to the application of the previously certified Redevelopment Plan EIR for the Edes Avenue Homes Project.

Exemption Type and Applicable CEQA Regulation Section

	CATEGORICAL EXEMPTION		
	Section 15301	Section 15280	Section 15332
Project Name	Existing Facilities - Negligible Expansion	Low Income Housing Project	Urban In-fill Development under 5 acres
Calaveras Townhomes		X	X
Sausal Creek Townhomes		X	X
Seven Directions		X	X
Altenheim Senior Housing	X		
Lincoln Court		X	

Under Section 21084 of the California Public Resources Code, the Secretary of Resources has determined that certain classes or categories of projects do not have a significant effect on the environment, and declared that such projects are exempt from requirements for the preparation of environmental documents. With the exception mentioned above, all of the recommended projects fall under one or more of the following three exemption sections, and are therefore categorically exempt:

- Existing Facilities (Sec. 15301 of the CEQA Guidelines) applies to projects that involve a negligible change in, or no expansion of, an existing use.
- Lower-income Housing Projects (Sec. 15280) applies to projects of 100 or fewer units which provide housing affordable to lower-income or moderate-income households for at least 15 years.
- In-fill Development (Sec. 15332) involves projects considered to be in-fill developments because they are located within a developed urban area, are of a limited scale, and have no adverse impacts on traffic, noise, air quality, or water quality.

Edes Avenue Homes Project. For this 24-unit project at 10900 Edes Avenue, the previously-certified Coliseum Area Redevelopment Plan (CARP) EIR will be applied. The CARP called for development of approximately 700 new residential units, 960,000 sq. ft. of retail, and 662,000 sq. ft. of industrial space within the study area. Specifically, within the Pippin-Pearmain sub-area, the plan calls for providing capital for new residential development in this target area and to reduce residential-industrial land use conflicts. Growth projections called for up to 60 new residential units within this sub-area by 2010. The proposed 24-unit project falls well within this projection.

Under CEQA Section 15162, there is no required subsequent environmental review unless the lead agency determines one or more of the following:

1. Substantial changes are proposed for the project: The inclusion of 24 new units will not constitute substantial changes to the project that require major revisions of the CARP EIR or that involve new significant environmental effects or a substantial increase in the severity of previously-identified significant effects. These units are within the number of new units anticipated by the CARP and analyzed as part of the project in the CARP EIR.
2. Substantial changes occur with respect to the circumstances under which the project is undertaken. There are no new circumstances that would require major revisions of the CARP EIR or involve new significant environmental effects or a substantial increase in the severity of previously-identified significant effects. The only notable change in circumstances under which the project is undertaken is that there has been slower growth of commercial and industrial development than was assumed and analyzed in the CARP EIR, thereby decreasing anticipated environmental impacts associated with the project.
3. There is new information of substantial importance that was not known and could not have been known at the time the CARP EIR was certified. There have not been any new significant effects identified, and those that were previously identified have not been identified as being more severe. The only significant impacts identified in the CARP EIR were those associated with large-scale construction projects such as the generation of temporary dust and noise. The small scale of the proposed 24-unit project will result in a less-than-significant impact.

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE
JAN 27 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4:24

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AFFORDABLE HOUSING DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,329,000 TO HOMEPLACE INITIATIVES CORPORATION FOR THE SAUSAL CREEK TOWNHOMES PROJECT LOCATED AT 2464 26TH AVENUE

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

WHEREAS, Homeplace Initiatives Corporation ("Developer"), a nonprofit organization devoted to the provision of affordable housing, submitted a proposal in response to the NOFA; and

WHEREAS, Developer proposes to construct the Sausal Creek Townhomes project, a seventeen (17) unit townhome development at 2464 26th Avenue in the City of Oakland (the "Project"); and

WHEREAS, nine Project units will be sold at prices affordable to households earning no more than 80% of area median income; and

WHEREAS, eight Project units will be sold at prices affordable to households earning no more than 100% of area median income; and

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

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

WHEREAS, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, and is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3; and

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004

WHEREAS, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to Developer other than the Low and Moderate Income Housing Fund; and

WHEREAS, the Agency by agreement with 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, funds are available from the Agency's Low and Moderate Income Housing Fund and the 2000 Affordable Housing Set-Aside Bond funds to cover the loan; now, therefore, be it

RESOLVED: That loan funds shall be allocated as follows: \$1,329,000 from the Low and Moderate Income Housing Fund, Housing Development Project - Central District (Fund 9580, Project P209310) and \$1,000,000 from the 2000 Affordable Housing Set-Aside Bond funds (Fund 9583, Project P151710); and be it further

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his designee to provide a loan in an amount not to exceed \$2,329,000 to Homeplace Initiatives Corporation, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for development of the Project; and be it further

RESOLVED: That the loan is contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund and the 2000 Affordable Housing Set-Aside Bond Fund to cover the loan; and be it further

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

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

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

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

RESOLVED: That the loan funds will be reserved for a period of no more than twelve months 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 Agency Administrator or his or her designee deems sufficient within his or her discretion, within this reservation period; and be it further

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

RESOLVED: That the making of the loan shall be contingent on the availability of sufficient Agency funds to cover the loan; and be it further

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency '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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

RESOLVED: That all loan documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and copies will be placed on file with the Agency Secretary; and be it further

RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency 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 to Section 15332 (infill development projects) of the CEQA Guidelines; and be it further

RESOLVED: That the Agency hereby appoints the Agency Administrator and his or her designee as agent of the Agency 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 AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

4-11

COMMUNITY ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004

2004 JAN 15 PM 4: 24


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AMENDMENTS TO THE REPAYMENT AGREEMENTS WITH THE REDEVELOPMENT AGENCY AND INCREASING CITY APPROPRIATIONS BY \$96,610 FOR COSTS OF CONTRACT COMPLIANCE SERVICES FOR LOW AND MODERATE INCOME HOUSING DEVELOPMENTS BENEFITING REDEVELOPMENT PROJECT AREAS

WHEREAS, to assure successful redevelopment for existing Oakland redevelopment projects, the Redevelopment Agency of the City of Oakland has entered into repayment agreements with the City of Oakland to provide City services to approved Agency projects within the existing redevelopment project areas; and

WHEREAS, the City has determined that it is appropriate for the City to undertake a number of activities related to these projects; and

WHEREAS, the Redevelopment Agency has found that it is necessary to obtain oversight and contract compliance services for the Agency's and City's employment and contracting programs and policies; and

WHEREAS, the City assesses a one percent (1%) contract compliance fee on the City's or Agency's funding of hard costs and professional services contracts for low and moderate income housing developments; and

WHEREAS, the Agency has allocated \$96,610 for the contract compliance assessment fee; now, therefore, be it

RESOLVED: That the City hereby accepts the \$96,610 in contract compliance fees from the Redevelopment Agency, and authorizes the City Manager to enter into appropriate amendments to the repayment agreements with the Redevelopment Agency, terms of which shall provide an additional payment of \$96,610 for contract compliances services; and be it

FURTHER RESOLVED: That any and all agreements to be entered into pursuant to this Resolution be reviewed and approved by the City Attorney as to form and legality, and copies be placed on file with the City Clerk.

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JAN 27 2004

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

4-12
COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004

FILED
APPROVED AS TO FORM AND LEGALITY
2004 JAN 15 PM 4:24
Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING PAYMENT OF A \$96,610 FEE TO THE CITY OF OAKLAND FOR COSTS OF CONTRACT COMPLIANCE SERVICES ON AGENCY LOW AND MODERATE INCOME HOUSING PROJECTS, AND AUTHORIZING AMENDMENTS TO THE REPAYMENT AGREEMENTS WITH THE CITY FOR THIS PAYMENT

WHEREAS, to assure successful redevelopment for existing Oakland redevelopment projects the Redevelopment Agency has entered into repayment agreements with the City of Oakland to provide City services to approved Agency projects within or benefiting existing redevelopment project areas; and

WHEREAS, the Redevelopment Agency has determined that it is appropriate for the City of Oakland to undertake a number of activities related to these projects; and

WHEREAS, the Redevelopment Agency has found that it is necessary to obtain oversight and contract compliance services for the Agency's and City's employment and contracting programs and policies; and

WHEREAS, the City assesses a one percent (1%) contract compliance fee on the City's or Agency's funding of hard costs and professional services contracts for low and moderate income housing developments; and

WHEREAS, funds are available from the Agency's Affordable Housing Bond proceeds for the contract compliance fee assessment; now, therefore, be it

RESOLVED: That the Agency, for the purpose of reimbursing the City for contract compliance administrative costs for low and moderate income housing developments, hereby appropriates \$96,610 of Affordable Housing Bond Funds for this purpose; and be it

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004

FURTHER RESOLVED: That the Agency Administrator is hereby authorized to enter into appropriate amendments to the repayment agreements with the City of Oakland, terms of which shall provide an additional payment of \$96,610 for contract compliance services; and be it

FURTHER RESOLVED: That any and all agreements be entered into pursuant to this resolution be reviewed and approved by the Agency Counsel as to form and legality, and copies be placed on file with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JAN 27 2004