



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Emily Weinstein
Director, Housing and
Community Development

SUBJECT: Funding For New Construction
Affordable Housing Pipeline and
Modifying Resolutions For State
Funding

DATE: January 31, 2024

City Administrator Approval


Jestin Johnson (Jan 31, 2024 18:11 PST)

Date: Jan 31, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt The Following Pieces Of Legislation:

- 1) A Resolution Allocating Measure U Housing Bond Funds In A Total Amount Not To Exceed \$22,000,000 To Fund New Construction Of Multifamily Rental Affordable Housing Projects, And Authorizing The City Administrator To Make Development Loans Under The New Construction Of Multifamily Rental Affordable Housing Program Without Returning To Council, Contingent On Funding Availability, And Modifying Allocations Of Prior California Department Of Housing & Community Development's (CA HCD) Local Housing Trust Fund Awards To Comply With State Program Requirements**
- 2) Resolution Modifying City Council Resolution No. 88213, As Amended By City Council Resolution No. 89128 C.M.S., To Name The Position Of City Administrator Or Their Designee Or Successor As Authorized Executors Of California Department Of Housing & Community Development's (CA HCD) Local Housing Trust Fund (LHTF) Program For The City's 2020 LHTF Award**
- 3) A Resolution Modifying City Council Resolution No. 88765 C.M.S., As Amended And Restated By City Council Resolution No. 89128 C.M.S., To Name the Position of City Administrator Or Their Designee Or Their Successor As Authorized Executors of California Department Of Housing & Community Development's (CA HCD) Local Housing Trust Fund (LHTF) Program For The City's 2021 LHTF Award**
- 4) A Resolution Amending And Restating Resolution No. 89975 C.M.S., Which Authorized Acceptance Of Funds Awarded Under Round Three Of The California Department Of Housing And Community Development's Homekey Program And Approved Affordable Housing Development Funding From Homekey And City Matching Funds For Imperial Inn (490 West Macarthur Boulevard), Dignity Village (9418 Edes/606 Clara Street), Kingdom Builders Transitional Housing (624 14th Street), The Maya (4715 Telegraph Avenue), and CSH Enterprise Housing (8471**

CED Committee
February 13, 2024

Enterprise Way), To Allocate Homekey And City Funding To Each Of These Projects.

EXECUTIVE SUMMARY

In 2023, the Oakland City Council (Council) authorized \$70 million for affordable housing projects through the City of Oakland (City)'s New Construction Notice of Funding Availability (New Construction NOFA). Based on funding priorities and project scoring, this investment resulted in nine (9) funding awards (two (2) with partial funding) to multifamily affordable housing rental developments with a total of 623 units, including 262 units of Permanent Supportive Housing (PSH) serving unhoused individuals and their families. In addition to the 2023 New Construction NOFA awards, the City committed \$18 million in funding to the Mandela Station Affordable Housing project which includes 238 new multifamily affordable units of which 60 would be PSH. With this additional funding, the City committed a total of \$88 million towards the construction of approximately 860 units in 2023, 322 units of which will be PSH.

The City's funds were leveraged by our developer partners spurring the award of State Low Income Housing Tax Credits (LIHTC) from the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee (CTCAC) to four New Construction affordable housing projects, as described in further detail below, which will start construction in the first half of 2024. Smaller funding awards helped provide gap funding to allow Friendship Senior Housing to start construction in Fall 2023 and the West Grand & Brush project to re-start construction after delays from severe weather events last year.

Even with the City's \$88 million investment, there is still a substantial pipeline of unfunded affordable housing projects in need of approximately \$123 million which would fund 524 additional units, including 151 PSH units. An overview of projects that applied for the New Construction NOFA can be found in Attachment A2. Given this outstanding need, Oakland Housing and Community Development Department (Oakland HCD) staff recommends allocating up to \$22 million of Measure U bond funding to the 2023 New Construction NOFA's unfunded projects through a new pipeline allocation process (described in greater detail later in this report). This allocation process would fund projects based on their initial NOFA scoring and with a combination of the following competitive criteria:

- Construction start date,
- Leverage of other competitive funding local and/or State & Federal funding sources, and
- City subsidy per unit/ the ability to show leveraging of other funding sources.

Based on the FY 2023-25 biannual budget, the second tranche of Measure U funds is anticipated to provide \$52 million to affordable housing projects. Oakland HCD's 2023-2027 Strategic Action Plan (SAP¹), outlines that these funds will be allocated across a variety of housing types including new construction, rapid response homeless housing (R2H2/Homekey), Acquisition and Conversion (ACAH) and rehabilitation of the City's existing portfolio. As a result,

¹ HCD's 2023-2027 Strategic Action Plan (SAP): <https://cao-94612.s3.us-west-2.amazonaws.com/documents/HCD-2023-2027-Strategic-Action-Plan.pdf>

Oakland HCD projects \$22 million will be available to support outstanding pipeline projects from the 2023 New Construction NOFA.

CA LHTF Project/Authorized Signer Modifications

Adoption of the proposed resolutions will allow for the City Administrator or successor to make administrative reports and sign Standard Agreements and other contract documents related to two \$5 million grants (\$10 million total) from the State of California's Local Housing Trust Fund Grant Program (LHTF). Although awards made in the 2022 LHTF cycle included the successor to the named City Administrator as an authorized signer, awards made during the 2020 and 2021 award cycles do not name the successor, and the California Department of Housing & Community Development (State HCD) is requiring that the City provide resolutions that resolve this issue.

In addition, after discussion with State HCD representatives from the LHTF Program, City staff is also recommending reallocation of some of the previous awards to affordable housing pipeline projects to better fit the program requirements. This does not require any additional funding or modify the overall amount of funding for each project, but rather swaps sources to fit the timeline for each project.

Homekey Resolution Modifications

Adoption of the proposed resolution amends and restates Resolution No. [89975 C.M.S.](#), adopted in November 2023, which authorized the City Administrator or successor to accept State Round 3 Homekey funds and to allocate Homekey and City matching funds to selected Homekey projects. This amended and restated resolution is needed as a result of State HCD requesting that the City include in the resolution the specific amount of funding allocated to each listed project. Adoption of this resolution will make the necessary technical change to allow for Round 3 Homekey projects to receive awarded State funds.

BACKGROUND / LEGISLATIVE HISTORY

The LHTF Program was created pursuant to Proposition 1 (2018), and its principal goal is the expansion of funding for housing through supporting existing local housing trust funds. The City is eligible for LHTF program funding as it established the Affordable Housing Trust Fund in 2002 pursuant to Section 15.62 O.M.C. Should LHTF funds be awarded to the City, they must be matched dollar-for-dollar by existing City affordable housing trust funds and be used to fund recently awarded New Construction of affordable housing projects to increase the total number of affordable housing units in Oakland.

Notice of Funding Availability

On March 21, 2023 and June 28, 2023, Council adopted [Resolutions No. 89646 C.M.S.](#) and [No. 89809 C.M.S.](#), which authorized the Oakland HCD to allocate up to \$70 million for projects through the City's New Construction NOFA.

Traditionally, the New Construction NOFA is the primary avenue by which the Oakland HCD distributes funding for newly built affordable housing. By the time the NOFA application window closed on April 3, 2023, the City received a total of \$193,988,748 in requested funding for 16 unique projects. Together, these projects would provide 1,147 units of affordable housing, including 413 units of Permanent Supportive Housing for people exiting homelessness.

Oakland HCD has issued the New Construction NOFA on an annual or biennial basis in recent years. **Table 1**, below, depicts the Oakland HCD-issued NOFAs from 2019 through present.

In accordance with Oakland HCD's Strategic Action Plan, the department has identified program priorities for addressing housing affordability with a funding strategy in which 76% of the department's affordable housing funding will be directed towards new construction (production) or affordable housing, and 14% will be directed to acquisition and rehabilitation of affordable units (preservation). Through these NOFA processes, Oakland HCD staff will recommend awards for new construction projects, the rehabilitation and preservation of existing affordable housing, and the conversion of unregulated housing to restricted affordable housing.

Projects must meet basic threshold standards to become eligible for funding, including the engagement of community constituents, providing evidence of site control, evidence of planning approvals, and having a viable financial plan in place with committed funds and City funds are used to leverage other yet-to-be-committed County, State, and Federal funds, private financing, and grant funds. Each project that applied under the New Construction NOFA was required to provide a minimum of 20% of the units targeted to households with incomes at or below 30% of Area Median Income (AMI) and was awarded points for exceeding this threshold. This income band is targeted at AMI levels either to provide housing for unhoused Oaklanders or address displacement pressures on some of Oakland's most vulnerable renters. For projects providing units for formerly homeless or special needs households, the owner/property manager must incorporate tenant selection criteria consistent with *Housing First principles*, with the intent of reducing barriers to housing for those most in need. All project marketing and management plans are subject to review and approval by City staff.

The 2023 New Construction NOFA also sets forth criteria by which projects were scored and ranked including the following:

- readiness of new affordable rental housing developments to commence construction;
- projects that were competitive for State affordable housing resources, including but not limited to tax-exempt bonds allocated by the California Debt Limit Allocation Committee (CDLAC);
- projects that included an "emerging developer" as part of the development team (an "emerging developer" is defined as a developer who has less than five (5) years of experience as a developer and/or less than 5 completed projects); and
- assistance for housing projects targeting people experiencing homelessness and projects serving extremely low-income households including Permanent Supportive Housing projects.

Table 1 below provides a summary of the NOFAs that have been awarded from 2019 to present.

Table 1: Summary of HCDD NOFA Awards, 2019-Present

NOFA Round	NOFA Release Date	Capital Funding Awarded
2019-20 New Construction NOFA	August 2019	\$14,683,000
2019-20 Acquisition and Conversion to Affordable Housing (ACAH) – all developer pool	August 2019	\$10,970,000
2019-20 ACAH - community land trusts and limited equity cooperatives	December 2019	\$7,756,053
2019-20 ACAH – all project types	December 2019	\$16,250,000*
2020 New Construction Pipeline NOFA	April 2020	\$13,050,000
2020-21 ACAH NOFA	November 2020	\$3,985,000
2020-2021 Homekey	August 2020	\$7,255,239
2021-2022 Homekey	October 2021	\$7,500,000
2021–22 New Construction	November 2021	\$37,561,000
2022-23 Homekey Round 3	October 2022	\$15,805,151
2022-2023 ACAH NOFA	December 2022	\$12,650,000
2023 New Construction	January 2023	\$70,000,000*
2023-24 Homekey Round 4/ Rapid Response Homeless Housing	November 2023	\$10,400,740**
Total Funding Awarded 2019-2023 NOFA Cycle		\$227,866,183

* Another \$18 million in Measure U funding was awarded to the Mandela Transit Village project in Spring 2023 outside of the City’s New Construction NOFA process.

** Additional funding for the Round 4 Homekey/ Rapid Response Homeless Housing RFP is expected from Measure U funding and from any unsuccessful Round 3 Homekey projects. This figure is therefore a minimum.

State LHTF Funding

The purpose of the State HCD's LHTF Program is to provide one-time grant funding to regions and jurisdictions for making loans to sponsoring entities that develop, own, lend, or invest in affordable housing and create pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing. The program income requirements for a large portion of Extremely Low-Income (ELI) units, or those accessible to residents earning 0-30% AMI, align well with the goal of promoting new construction affordable units that serve those populations.

The City has received three prior LHTF awards from the 2020, 2021 and 2022 funding cycles via City Council Resolutions [No. 88212 C.M.S.](#) (approved July 14, 2020), [No. 88765 C.M.S.](#) (approved July 20, 2021) and No. [89187 C.M.S.](#) (approved May 17, 2022), respectively. Although the 2022 resolution authorizing the City to apply for LHTF funds included language authorizing former the City Administrator or their designee or successor to sign documents related to the awards, the prior authorizing resolutions in 2020 and 2021 did not, and the State is therefore requiring that the City amend the resolutions accordingly.

In addition, State LHTF funds were in a few instances designated to fund certain specific projects (City Council Resolution [No. 89243 C.M.S.](#), approved on June 7, 2022, and [No. 89299 C.M.S.](#), approved on July 5, 2022). However, the State is relatively flexible on which projects are funded so long as they meet certain threshold requirements (primarily income targeting and matching from Local Housing Trust Fund sources). As such, staff is seeking approval to re-allocate those dollars to best support upcoming affordable housing developments in Oakland with the funds approved in recent New Construction NOFA rounds.

Homekey Round 3

The City issued a Homekey Round 3 RFP in October 2022 in anticipation of the March 29, 2023 State Homekey Round 3 NOFA release date. Five projects, Imperial Inn (490 West MacArthur Boulevard), Dignity Village (9418 Edes/606 Clara Street), Kingdom Builders Transitional Housing (624 14th Street), The Maya (4715 Telegraph Avenue), and CSH Enterprise Housing (8417 Enterprise Way), were ultimately selected to apply for the State Homekey NOFA. Except for the Kingdom Builders Transitional Housing project, which proposed transitional housing, all of these projects proposed to build Permanent Supportive Housing for unhoused residents. At present, the State has awarded \$15.5 million to Imperial Inn and \$20.4 million to the CSH Enterprise Housing project. The remaining three projects continue to be under review by State HCD.

Council previously authorized the City Administrator to accept any awarded Homekey Round 3 funds and enter into related agreements by adopting [Resolution No. 89975 C.M.S.](#) in November 2023. Following the Imperial Inn Homekey award, State Homekey staff requested that the City amend its Homekey authorizing resolution to include the specific amount of funding for each project separately listed. This proposed resolution will make the necessary technical change and cover any future State Homekey Round 3 funding awards for other submitted projects.

ANALYSIS AND POLICY ALTERNATIVES

Notice of Funding Availability Process

On January 13, 2023, Oakland HCD issued the New Construction NOFA and applications were due on March 24, 2023. Applications were reviewed for completeness and whether the City's minimum standards for project and developer qualifications had been met. The eligible applications were also evaluated and ranked per prepared criteria outlined in the NOFA solicitations. By increasing the supply of affordable homes, the funding awards will advance the housing, economic, and cultural security of lower-income Oakland residents.

Projects in the 2023 New Construction NOFA were evaluated out of 188 possible points, with major categories including:

- readiness (63 points),
- location (36 points),
- target population and project attributes (33 points),
- developer experience and capacity (46 points), and
- sustainability (10 points).

The intention was to prioritize projects that provide the deepest affordability, serve the most vulnerable, are located close to community amenities, and are most likely to successfully compete for extremely competitive state and federal financing sources that will enable the project to begin construction in the immediate future.

The 2023 New Construction NOFA received sixteen (16) applications for a total number of 1,147 new multifamily affordable housing units, of which 413 would be PSH. A total of nearly \$194 million was requested, and \$70 million was issued to fully fund seven (7) projects ready to apply for 4% tax credits in 2023, or 9% tax credits in 2023 or 2024, or which did not project requiring tax credit funding to proceed to construction. Partial awards for two (2) additional projects were made to support their applications for State SuperNOFA funds in July 2023. The City also committed Measure U Bonds of \$18 million per [City Council Resolution No. 89644 C.M.S.](#) (approved March 21, 2023) to support the funding gap for the Mandela Station Affordable Housing project of 238 new multifamily affordable units, of which 60 would be PSH.

Even with the commitment of bond funds in the 2023 New Construction NOFA cycle, thanks in large part to the approval of Measure U funding approved by Oakland voters in November 2022, this funding shortfall created a pipeline of affordable housing projects that are in immediate need of City funds to move closer to construction.

As noted above, there is a vast funding gap between the funding available to subsidize affordable housing development in Oakland, and the funding needed to support our pipeline of affordable housing units. In acknowledgement of limited funding and staff availability, applicants in the current 2023 New Construction NOFA were limited to one application each (with limited exceptions for joint partnerships with emerging developers), so the actual pipeline need is far greater.

Use of the Local Housing Trust Fund

As part of the City's efforts to secure any and all available funding sources to support the production of more affordable housing, LHTF State grants promote the City's priority of Housing, Economic, and Cultural Security by funding the new production of extremely low, very low, and low-income affordable housing.

The State's LHTF Program provides matching grants to eligible applicants that have a local housing trust fund. In 2002, Oakland established the Affordable Housing Trust Fund (AHTF) pursuant to Section 15.62 O.M.C. The AHTF receives its funding from ongoing revenue streams including the Jobs Housing Impact Fee, the Affordable Housing Impact Fee, and "boomerang" funds. To apply for LHTF funds, the City must have matching funds on deposit, and said matching funds must be utilized on a dollar-for-dollar basis for the same eligible projects for which LHTF program funds are used.

As noted above, Oakland HCD has received three LHTF awards to support new construction of affordable housing to award through its NOFA process and match these funds with AHTF available in the Fiscal Year (FY) 2021-23 and 2023-2025 budget cycles.

In general terms, State LHTF project recipients must include at least 30% ELI units and no more than 20% of units at 80-120% AMI. Although a single year's State LHTF award can be used to fund multiple projects, a project cannot receive funding from more than one State LHTF award. This restriction necessitates funding swaps among previously awarded projects to be in compliance with State guidelines.

Pipeline Funding Recommendation

Traditionally, Oakland HCD awards funding through a New Construction NOFA process that requires developers to submit new applications every time a NOFA is issued (see above for NOFA timeline). This requires a great amount of time for both HCD staff and its developer partners. However, given best practices in the field (see attached memo), the robust number of projects in the NOFA pipeline, and our desire to improve both staff and developer partner efficiencies, Oakland HCD staff recommends funding projects in the existing pipeline using a combination of factors (as noted above), including readiness, cost per unit, and the ability to leverage outside funding. Oakland HCD staff anticipates opening up the New Construction NOFA process for existing and new projects during Q3 or Q4 of 2024.

See ***Attachments A*** through ***A3*** for detailed information on all the projects reviewed and scored in the March 2023 New Construction NOFA, along with the results of research staff conducted to better understand how other California jurisdictions administer their funds and issue NOFAs. This research supports staff's recommendation for this modified pipeline approach to funding.

Homekey

The State's Homekey program continues to be an important component of Oakland's strategy to expand the supply of Permanent Supportive Housing (PSH) for unhoused residents. The State's award of \$15,536,504 to the Imperial Inn project and award of \$20,368,264 to the CSH Enterprise Housing project represent the seventh and eighth Homekey projects awarded in

Oakland. Together, these eight projects will contain 427 units of deeply affordable housing for unhoused community members. As of January 18, 2024, the State has not publicly announced the outcome for the other three Round 3 Homekey projects with which the City coapplied. However, the proposed resolution will make the necessary technical changes to cover any Homekey Round 3 projects that are subsequently announced. The resolution provides additional project-specific approval for the projects to accept Homekey funds. The previous adopted resolution had a broad “up to” amount for Homekey, whereas this amended resolution ties specific funding amounts to the projects. This change was requested by the State in order for the City to enter into additional Standard Agreements with the State. Additionally, the State requested the City “buffer” the funding amounts to be slightly larger than the current Homekey funding requests, in case additional State funds become available.

Funding Successes from 2023 New Construction NOFA

Oakland HCD’s 2023 New Construction NOFA investments have already allowed several projects to proceed in the development process, as described in **Table 2**.

Table 2: Construction Status of Select 2023 New Construction NOFA Funded Projects

Status	Project	Council District	Total Units	PSH Units	Notes
In construction	Friendship Senior Housing	3	49	10	Started construction in September 2023
In construction	West Grand & Brush	3	59	30	Re-started construction in Fall 2023, after having a neighboring building collapse onto the site during last year’s severe winter storm events and halting construction
*Starting Construction	3050 International**	5	75	31	Received 4% tax credit award in August 2023 and is starting construction in early 2024
*Starting Construction	East 12 th Street – Phase 1**	2	90	23	Received 4% tax credit award in August 2023 and is starting construction in early 2024
*Starting Construction	Longfellow Corner**	1	76	20	Awarded 9% tax credits in fall 2023, is starting construction in spring 2024
*Starting Construction	Lake Merritt BART Senior Housing***	2	74	44	Received 4% awards in December 2023– City only provided partial funding, and developer is waiting response on State funding.
Total			423	158	Units to be under construction through Q2 of 2024

*Construction will start in Q1 or Q2 of 2024

***3050 International, East 12th Street Phase 1, and Longfellow Corner are all on City-owned land, demonstrating a strong City commitment to leverage its resources, as feasible, for affordable housing.*

****The Lake Merritt BART Senior site is part of a transit-oriented development plan on land owned by the Bay Area Rapid Transit (BART) agency at their Lake Merritt BART station.*

In addition, projects that applied to the State HCD Super NOFA in July 2023 are still waiting, as of the date of this report's drafting, to determine whether or not they will receive awards. It is worth noting that the City's per-unit contributions are higher than previous years, so projects were best positioned to successfully apply for tax credits during the 2023 funding cycle. Staff will both continue to push for changes at the State level to broaden the range of properties that qualify for the State's High Resource Area designation and monitor policies for effective leveraging of local dollars to strive for a 4:1 leveraging ratio of outside funding to City funding.

FISCAL IMPACT

The resolutions regarding the LHTF designated authorized signatory are cost-neutral, but staff is requesting permission to swap funding sources awarded in the 2022 -2023 NOFA cycles between projects in order to best meet the matching requirements of the LHTF program, including unit affordability and matching with City of Oakland Local Housing Trust Funds. The total funding amounts for each project will remain the same.

The Homekey resolution is purely a technical correction to satisfy the State HCD's request to include the specific amount of funding allocated to each listed project in the resolution. The fiscal impact remains the same, and the City will continue to match the State's funding awards with local funds as indicated in Table 3. The match amount was changed between the original Homekey authorizing resolution (Resolution [No. 89379 C.M.S.](#)) and this resolution by Resolution No. 89809 C.M.S., which moved \$5 million of Boomerang funding to the New Construction NOFA pool. This funding was surplus after the capital matching requirements of the City's Round 3 Homekey applications were met.

Table 3: Homekey Match Sources

Source	Affordable Housing Impact Fees (AHIF)	Excess Redevelopment Bond Funds (ERB)	Low and Moderate Income Housing Asset Fund (LMIHAF)	HOME Investment Partnerships American Rescue Plan Program (HOME-ARP)	Permanent Local Housing Allocation (PLHA)
Fund	2424	5643	2830	2109	2144
Project	1001674	1004359	1000388	1006277/ 1000394/	1006475
Org	89929	89929	89929	1000379 89929	89929
Type of Match	Capital	Capital	Capital	Capital <u>OR</u> Operating	Operating
Amount	\$5,074,792	\$1,490,997	\$5,830,414	\$4,212,238	\$9,464,475
Total Potential Capital Match (AHIF, ERB, HOME-ARP): \$16,608,441					
Total Potential Operating Match (HOME-ARP, PLHA): \$13,676,713					

The New Construction NOFA resolution will allocate \$22 million of the budgeted \$52 million in Measure U Bond funds for Fiscal Year 2024-2025, contingent on the issuance and sale of Measure U Bonds in sufficient amount. This additional funding will be necessary to support projects with State-imposed deadlines to begin construction as well as funding commitments that can serve as leverage in state and federal funding opportunities.

PUBLIC OUTREACH / INTEREST

Oakland HCD sent an announcement regarding the 2023 New Construction NOFA’s release on January 31, 2023, to approximately 216 interested parties from a mailing list that includes developers, affordable housing advocates, architects, and contractors, and more.

Oakland HCD held a New Construction NOFA pre-application meeting on February 2, 2023, with approximately 45 participants to explain the application process, California Environmental Quality Act (CEQA), and National Environmental Policy Act (NEPA) requirements, as well as the City’s required employment and contracting programs. Oakland HCD staff also worked with East Bay Housing Organizations (EBHO) to conduct outreach and provided monthly general announcements to stakeholders. Along with distributing New Construction NOFA email announcements and reminders, all information was updated on the City’s HCD website. In addition, Oakland HCD staff held office hours for potential applicant questions on February 9, 2023, and published frequent questions and answers updates based on inquiries received.

New Construction NOFA applicants were required to contact neighborhood organizations in the vicinity of their proposed development and hold at least one meeting with an established neighborhood organization prior to application submission. The applicant’s community outreach

plan, a required exhibit of each NOFA application, documents each project's engagement activities.

Moreover, in Fall 2023 HCD staff conducted research across different jurisdictions (see **Attachment A**) to better understand how other municipalities manage their NOFA processes and to explore how Oakland might improve its own approach. To foster ongoing partnerships and continuous learning opportunities amongst jurisdictions facing like challenges, Oakland HCD aims to host quarterly convenings in which participants will share best practices.

In late 2023, HCD staff also reached out to unfunded or partially funded project applicants the Spring 2023 New Construction NOFA round (with the exception of Johnnies Place, which had confirmed that they were no longer proceeding with that project) to discuss the possibility of using the projected \$22 million available for New Construction in FY 2024-2025 down the existing pipeline, rather than re-opening the NOFA process. Staff also sought project updates to determine project progress, and readiness to move into construction and/or apply for additional State funding sources successfully. Generally, given the low amount of projected funding in FY2024-2025, applicants responded favorably to this proposal, rather than expending significant staff resources needed to re-submit to the NOFA.

Staff has also had conversations with other developers who wish to apply to future New Construction funding rounds, and would like the opportunity to periodically refresh applications, and so is proposing to alternate between NOFA issuances and pipeline funding every 12-18 months.

Email announcements and a pre-application meeting will be held to inform stakeholders about the City's updated NOFA process in advance of the next New Construction NOFA issuance.

COORDINATION

This report has been reviewed by the Office of the City Attorney and by the Budget Bureau. For this report, HCD staff consulted with the City Attorney to ensure legality of funding commitment resolutions. The Department of Finance was consulted to confirm funding amounts. In respect to the New Construction NOFA and the award of funding commitments to projects, Planning and Building Department staff will coordinate CEQA determinations, planning and zoning conformity, and to identify possible barriers to development. The Department of Workplace and Employment Standards is consulted during NOFA preparation and involved in review and approvals through project construction to confirm fair and equitable involvement of Oakland businesses, workers, and residents in the development of these projects.

SUSTAINABLE OPPORTUNITIES

The affordable housing development funding recommendations will address the "3 E's" of sustainability in the following ways:

Economic: These projects will generate construction, professional services, and ongoing property management jobs in Oakland. Providing families with affordable housing helps provide financial stability for low and very low-income households which could free some household income to be spent on other goods and services in Oakland. Providing units with supportive services for unhoused Oaklanders helps residents experiencing homelessness stabilize their health and housing. Also, providing viable housing creates activity on underutilized parcels which could stimulate demand for goods and services in Oakland.

Environmental: By constructing more infill units, pipeline projects will reduce the pressure to build on suburban or rural land far. The developers encourage contractors to use sustainable building techniques, including energy-efficient design, use of recycled building materials, and water-conserving fixtures and landscaping. Proposed projects are near public transit which enables residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development. Projects are selected for funding partially based on sustainability criteria.

Race & Equity: The requests outlined in this report for Council's consideration are directly informed by Oakland HCD's 2023-2027 Strategic Action Plan (SAP) which was created using the City of Oakland's Racial Equity Impact Analysis (REIA) process. Per the SAP, Oakland HCD currently prioritizes the development of PSH to the maximum extent possible in order to increase the number of homeless exits available. As Oakland's Black population is overrepresented in its unhoused demographic (roughly 59% of the total), providing deeply affordable housing – especially PSH – as quickly and efficiently as possible is critical in efforts to reduce racial disparities in homelessness. The requests outlined in this report for Council's consideration are also in alignment with the larger Alameda County's Home Together 2026 Plan for ending homelessness which forecasts that Oakland will need to provide 7,097 units of PSH between 2023 and 2027. Additionally, the State of California's Regional Housing Needs Allocation (RHNA) requires Oakland to supply 10,261 units affordable to low, very low, and extremely low-income residents by 2031; the development of such units will increase the City's overall housing stock and help Oakland residents and workers avoid displacement.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt:

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& Community Development's (CA HCD) Local Housing Trust Fund (LHTF) Program For The City's 2020 LHTF Award

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For questions regarding this report, please contact Christia Katz Mulvey, Housing Development Services Manager, at (510) 332-4461.

Respectfully submitted,

Emily Weinstein

Emily Weinstein (Jan 31, 2024 13:56 PST)

EMILY WEINSTEIN

Director, Housing & Community Development
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Subject: Funding For New Construction Affordable Housing Pipeline and Modifying Resolutions
For State Funding

Date: January 31, 2024

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Caleb Smith, Program Analyst III, HCD

Shannon Bowman, Housing Development
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Attachments (4):

Attachment A, Memo on Pipeline + Jurisdiction NOFA Research

Attachment A1, 2023-24 NOFA Scoring Breakdown

Attachment A2, NOFA 2023-24 Project Descriptions

Attachment A3, New Construction NOFA 2023 Project Application List/Awardees



INTRA-OFFICE MEMORANDUM

TO: Emily Weinstein
Housing and Community
Development Director

FROM: Christia Katz Mulvey
Housing Development
Services Manager

SUBJECT: Peer Cities' Affordable Housing
Funding Practices

DATE: January 14, 2023

Executive Summary

In Fall 2023, the Housing Community Development (HCD) staff held interviews with housing staff from six California municipalities¹ to better understand how different jurisdictions administer their housing funds and what processes they use to efficiently move affordable housing projects forward in their pipeline of projects. While each jurisdiction is structured differently, staff noted similar challenges and common practices across the jurisdictions. Based on these conversations, HCD staff recommends that the City's Housing and Community Development Department alternate between conducting a New Construction NOFA and awarding funds to pipeline projects. This would result in new projects entering the funding pipeline approximately every 12-18 months and moving projects forward more expeditiously.

Background

Traditionally, HCD's Housing Development Services Division (HDS) deploys its funding resources by issuing a NOFA for the new construction of multifamily affordable housing developments. Issuing a NOFA, as well as reviewing and scoring applications received, is an extensive and time-consuming process (for both City and developer staff)² that determines which affordable housing projects will be awarded City funds.

With each NOFA round, a limited amount of City funding is available for affordable housing projects, and only the top ranked project applications are awarded funds, which allows them to more effectively leverage other competitive funding sources. The remaining eligible projects wait in a "pipeline" to apply

¹ The City of Berkeley, the City of Chula Vista, the City of Hayward, the City of Los Angeles, the City and County of San Francisco, and the City of San José.

² The NOFA process includes publishing program guidelines, information sessions with developers, an open application process, application evaluation and underwriting, project scoring/ranking, and a public hearing process to determine which projects will be funded.

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or receive other local and/or State & Federal funding, and often return to the City through the NOFA process for additional funding.

Jurisdiction Research

In Fall 2023 HDS conducted research across six California jurisdictions³ to better understand how the housing field allocates their funding resources. The goal was to determine how the City of Oakland should administer its new construction funding sources by better understanding best practices related to the following topics: managing affordable housing project pipelines and project waitlists, NOFA (or requests for funding proposals) timeframes, program guidelines and policies, establishing funding priorities (ie. Geographic targeting, emerging developers, cost per unit, target populations, etc.) their program guidelines and policies, and program efficacy.

Key outcomes from the research noted common challenges and practices across the jurisdictions. Though each jurisdiction is unique, limited resources are not able to keep up with the high costs and demand for affordable housing. One notable difference that emerged from Oakland is how other jurisdictions manage their affordable housing project pipelines, which is discussed further below.

Affordable Housing Pipelines

Each jurisdiction, like Oakland, receives more project applications/funding requests than there is funding available. The larger cities, like San Jose and Los Angeles, have larger backlogs of projects that are eligible for funds, but due to the limited funds available at the time of the NOFA issuance, are not able to be immediately funded. Some of the smaller jurisdictions, like Chula Vista and Berkeley, receive far fewer funding applications than Oakland does.

To manage projects in the pipeline, other jurisdictions, like San Jose, retain the option to fund the additional projects that did not initially receive city funding. Some call this a “project waitlist” that they reserve for when funds become available, and others, like Berkeley, have forward-reserved funds for projects when a specific funding source exists, which allowed them to continue funding their pipeline projects as funds become available—instead of issuing an additional NOFA each time. Most of the jurisdictions have some flexibility embedded in their funding process that allows for some flexibility to add funding or projects to their pipeline outside of a NOFA issuance. **Table A**, below, provides a snapshot of the jurisdictions' last New Construction NOFA issued, plus a note if they manage projects in a “pipeline” versus processing funding requests as they come in, separate from a NOFA, or “over-the-counter.”

The process of maintaining a waitlist or funding additional pipeline projects is done for a limited time before staff determine that the jurisdiction is ready to issue a new NOFA, which generates a new list of potential projects. The ability to fund additional eligible projects off a waitlist between NOFAs allows

³ Jurisdictions include: The City of Berkeley, the City of Chula Vista, the City of Hayward, the City of Los Angeles, the City and County of San Francisco, and the City of San José. Research was conducted through staff interviews and a review of the local jurisdiction guidelines and policies.

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each jurisdiction to allocate funds to projects that are ready—and enabling them to move forward to construction sooner.

It is also worth noting that the NOFA process takes 5-6 months on average from application development to project awards. The project application requirements for developers are extensive across jurisdictions, resulting in an exhaustive document submittal and review process that involves multiple agencies and contractors. There is a benefit to periodically refreshing the pipeline, but this must be weighed against the opportunity cost of staff and developer time and available funding.

Table A also shows the relative frequency of New Construction NOFAs across the six jurisdictions. Besides the City and County of San Francisco, which issues a variety of NOFAs and RFPs on a regular basis per specific types of housing or available development sites,⁴ the City of San Jose is the only other jurisdiction that issued a New Construction NOFA in the last calendar year.

Table A: Recent New Construction NOFA and Pipeline Funding across Jurisdictions

Jurisdiction (By Population Size)	Did the Jurisdiction Issue a New Construction NOFA in 2023?	Did the Jurisdiction fund projects “over-the-counter” or do they fund pipeline projects?
City of Los Angeles	No	Pipeline NOFA. Large project volume.
City of San Jose	Yes	Pipeline/Waitlist. Large project volume.
City and County of San Francisco	Yes	NOFA for initial intake, then Pipeline funding as projects move forward. Larger project volume.
City of Chula Vista	No	No established NOFA process.
City of Hayward	No	Typically issue NOFA as funds become available. Volume of applications is relatively low compared to Oakland.
City of Berkeley	No	Utilized pipeline funding (available funds forward-reserved to some projects) in 2021; typically, NOFA as funds become available. Volume of applications is relatively low compared to Oakland.

⁴ The City and County of San Francisco, which is both a City and a County, is unique in that it also has its own geographic allocation from the State’s 9% Low Income Housing Tax Credits from the California Debt Limit Allocation Committee.

City of Oakland 2023 New Construction NOFA and Waitlist

The 2023 New Construction NOFA received 16 applications⁵ for a total of 1,147 new multifamily affordable housing units (of which 413 would be PSH units). \$70M was issued by full funding seven projects, and partially funding two additional projects. As a result, there is a pipeline of nine projects with a total of approximately \$123 million of unmet need. In the past, some unfunded projects return under several NOFA rounds to apply for City funding, and depending on the ranking, may or may not be awarded funds in the subsequent round. The eligible projects that are not awarded funding continue waiting to receive and leverage the needed funds for their projects so they can begin construction.

Please see Staff Report; including Attachments A through A3 that outlines the partial funded and unfunded projects in ranked scoring that are still in need of funds to move their projects forward. Combined, these projects propose to produce 524 affordable units, including 151 permanently supportive housing units to individuals experiencing homelessness.

Pipeline Funding Recommendations

Based on the outcomes from the jurisdiction research, current housing needs and funding available, staff recommends implementing a process that alternates between issuing a NC NOFA and then distributing funds to pipeline projects when funds are available. This would result in a new NOFA every 12-18 months and pipeline awards in between should there be adequate additional funding available, and suitable projects to receive funding. For the City's current housing pipeline, staff recommends prioritizing the limited projected funding (estimated at \$22 million for FY 2024-25) available to eligible projects in the City's most recent New Construction pipeline. This would immediately release funding commitments to the next highest-ranking and most ready to proceed projects as they become available, so the projects can leverage other funding source and begin construction sooner. With such a small amount of projected funding, and large pipeline of suitable projects that would meet the City's affordable housing and PSH needs, at this time it makes more sense to award from the existing pipeline of projects instead of issuing a new NOFA, especially in cases where more readily available funding helps position projects to apply for tax credits and other State funding sources earlier in 2024. Instead, the City would issue a New Construction NOFA in Q3 of FY 2024-2025 (using projected FY 2025-2026 available funding, which is projected to be higher than FY2023-2024's funding. By this point, it will make sense to both receive a refresh on project budgets, and also re-open the NOFA to new potential projects.

⁵ This includes many of the top scoring projects from the 2021 New Construction NOFA that returned to request additional funds in 2023.

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Council Process

In order to allocate funding to new construction projects in a timely manner and to take advantage of State and Federal funding timelines, staff recommends a council process that reviews and approves funding priorities and funding amounts in advance of a competitive NOFA process. This will provide staff with flexibility to allocate funding to existing pipeline projects as funding becomes available.

Next Steps

With the additional funding provided by Measure U, Oakland is uniquely positioned to address the affordable housing crisis by advancing projects in the pipeline and creating a funding process that retains the flexibility to advance projects that take advantage of State and Federal application deadlines.

As projects are awarded funds, in construction and in operations, staff will continue to examine results of this new funding process and ensures the projects meet HCD's priorities and impact goals as established in the HCD Strategic Action Plan 2023-2027.

Lastly, through the research process, HCD staff connected with seven housing program staff across the six jurisdictions. These conversations revealed a desire to connect more regularly to help each other navigate common challenges, learn from each other's experiences, and further explore best practices in this field. Beginning in 2024 HCD staff will coordinate quarterly convenings with housing staff from across jurisdictions to discuss topics such as pipeline management, NOFA application scoring, emerging developer programs, and how best to promote equitable housing practices through allocating these funding sources.

New Construction Pipeline NOFA 2023
Project Scoring Table with Developer Self-Scores

2023-24 New Construction Pipeline NOFA Projects																		
	Family Housing Potential Points	Senior Housing Potential Points	3050 Intermodal	Agnes Memorial Senior Housing	West Grand and Brush	Friendship Senior Housing	Longfellow Corner	East 12th Street	Mark Twain	The Eliza	Lake Merritt BART Senior Affordable Housing	Dr. Kenneth Anderson Senior Housing	2700 Intermodal	3135 San Pablo Senior Housing	Liberation Park	2301 Telegraph	Johnnie Place	430 Broadway Building C
			91.9%	89.7%	89.5%	89.3%	86.8%	86.3%	82.6%	81.5%	81.5%	79.7%	79.1%	76.1%	71.8%	70.4%	65.9%	51.6%
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
I. Readiness	68	68	62.00	59.00	68.00	68.00	68.00	60.00	64.00	67.00	60.00	61.00	55.00	41.00	28.00	28.00	45.00	25.00
A. CD/LAC Tie/Beaker	25	25	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	0.00	0.00	25.00	0.00
B. Leveraging	8	8	2.00	4.00	8.00	8.00	8.00	5.00	8.00	7.00	5.00	8.00	5.00	2.00	8.00	8.00	0.00	5.00
C. Funding Commitments	15	15	15.00	10.00	15.00	15.00	15.00	10.00	11.00	15.00	10.00	8.00	5.00	4.00	0.00	0.00	0.00	10.00
D. Discretionary Land Use Approvals	20	20	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	10.00	20.00	20.00	20.00	10.00
II. Location	28	23	23.00	23.00	19.00	19.00	21.00	23.00	19.00	19.00	16.00	23.00	23.00	21.00	23.00	21.00	20.00	21.00
A. Geographic Equity	7	7	7.00	7.00	3.00	7.00	5.00	7.00	7.00	3.00	0.00	7.00	7.00	5.00	7.00	5.00	7.00	0.00
B. Educational Quality	5	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00
C. Neighborhood Revitalization	6	6	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
D. Proximity to Public Transit	5	5	5.00	5.00	5.00	5.00	5.00	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
E. Proximity to Grocery or Drug Store	5	5	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
III. Target Population and Project Attributes	33	33	31.00	29.00	33.00	22.00	33.00	28.00	33.00	28.00	32.00	23.00	28.00	33.00	25.00	33.00	33.00	14.00
A. Income Targeting	18	18	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	14.00
B. Units for People with Special Needs	5	5	5.00	5.00	5.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	5.00	5.00	0.00
C. New Permanent Supportive Housing Units for individuals and families	10	10	8.00	6.00	10.00	2.00	10.00	5.00	10.00	5.00	8.00	5.00	5.00	10.00	10.00	10.00	10.00	0.00
IV. Developer Experience and Capacity	46	46	44.00	40.50	35.55	41.80	28.65	38.65	26.83	26.75	28.65	26.40	30.35	32.00	43.30	38.30	21.00	25.50
A. Developer Experience Exceeds Minimum	25	25	25.00	25.00	18.00	25.00	10.00	10.00	10.00	10.00	10.00	10.00	12.00	15.00	25.00	20.00	10.00	10.00
B. Developer Capacity	8	8	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
C. Developer Financial Strength	6	6	6.00	4.50	4.55	5.80	5.65	5.65	5.83	5.75	5.65	5.40	5.35	6.00	5.30	5.30	0.00	4.50
D. Strength of the Development Team	3	3	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
E. Bonus Point Category	4	4	2.00	0.00	2.00	0.00	2.00	2.00	0.00	0.00	2.00	0.00	2.00	0.00	2.00	2.00	2.00	0.00
VII. Sustainability	10	10	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	3.00
VIII. Penalty for Nonperforming Previously Funded Projects	-10	-10																
Total Points	185	180	170.00	161.50	165.55	160.80	166.65	159.65	152.83	150.75	146.65	143.40	146.35	137.00	129.30	130.30	122.00	95.50

New Construction NOFA 2023-24 Descriptions of Submitted Projects

3050 International

Developer: Satellite Affordable Housing Associates (SAHA)
This Request: \$24,200,000
Previous Award: \$5,000,000

Address: 3050 International Blvd
Council District: 5

PROJECT SUMMARY:

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

AFFORDABILITY LEVELS: 20 to 60% AMI

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

OTHER PROPOSED PERMANENT FINANCING SOURCES:

City of Oakland (CDBG), DTSC Grant, SB178: Budget Act of 2022, CA HCD Infill Infrastructure Grant funds, No Place Like Home, Infill Infrastructure Grant Program, Federal Home Loan Bank AHP funds, 4% Low-Income Housing Tax Credit Equity, General Partner Equity, Deferred Developer Fee

Agnes Memorial Senior Housing

Developer: Related Companies of California LLC
This Request: \$7,300,000
Previous Award: \$4,500,000

Address: 2372 International Boulevard
Council District: 2

PROJECT SUMMARY:

- New construction of a 60-unit low income senior housing development in a four-story podium building with approximately 2,000 square feet of ground floor leasing and community space, located on International Boulevard between 24th Avenue and Miller Avenue (Oakland, CA).
- The project will target senior households earning 30-60% of the AMI with eighteen (18) units set aside for formerly homeless seniors or seniors at risk of homelessness. Individual and intensive case management services will be provided to the residents of units set aside for homeless households. Services will be coordinated by the Community Action Alliance, a nonprofit organization that will serve as the managing general partner, and LifeSTEPS, who will provide the resident services and intensive case management services.
- The first floor will be comprised of podium parking, leasing and community space. The second, third, and fourth floors will consist of residential dwelling units.
- Building amenities will include laundry facilities, a community room with a kitchen, an office suite, outdoor courtyard, and secured parking.

AFFORDABILITY LEVELS: 30 to 60% AMI

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

OTHER PROPOSED PERMANENT FINANCING SOURCES:

9% Low-Income Housing Tax Credit Equity, California HCD Infill Infrastructure Grant Program, Multifamily Housing Program (MHP), General Partner Equity

West Grand & Brush

Developer: Allied Housing, Inc.
This Request: \$2,000,000

Address: 2201 Brush St & 760
22nd St
Council District: 3

Previous Award: \$5,665,000

PROJECT SUMMARY:

- The proposed 59-unit residential development will become a long-term affordable housing resource for families and formerly homeless households. The targeted resident population will include low-income families who wish to live in a setting where transit, schools, grocery stores and other urban amenities are readily accessible. The project had begun site remediation and construction in the Fall of 2022 when a neighboring building collapsed on the site during a storm event, disrupting construction and adding to project cost.
- Thirty (30) units will be set aside for homeless individuals.

AFFORDABILITY LEVELS: 20% to 50% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	24	5	14	15	0	59

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Accelerator Program, Infill Infrastructure Grant, and Multifamily Housing Program, Federal Home Loan Bank AHP funds, Alameda County Measure A1, DTSC Grant

Friendship Senior Housing

Developer: Community Housing Development Corporation
of North Richmond
This Request: \$4,000,000
Previous Award: \$6,350,000

Address: 1904 Adeline Street
Council District: 3

PROJECT SUMMARY:

- Friendship Senior Housing is a 50-unit development serving senior residents aged 62 and older, at or below 40% of Area Median Income (AMI). Ten units will be set aside for homeless seniors.
- The building consisting of 15 studios at 385 sf; 34 one-bedrooms averaging 540 sf; and 1-two-bedroom manager's unit at 770 sf.
- Abode Services will provide case managers and a range of services.

AFFORDABILITY LEVELS: 40% AMI

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

OTHER PROPOSED PERMANENT FINANCING SOURCES: CA HCD Multifamily Housing Program funds, State HCD No Place Like Home, CA HCD Housing Accelerator, DTSC ECRG, 4% Low-Income Housing Tax Credit Equity

Longfellow Corner

Developer: Resources for Community Development (RCD)
This Request: \$4,800,000
Previous Awards: \$14,439,000

Address: 3801-3807 & 3823-3829 Martin Luther
King Jr. Way
Council District: 1

PROJECT SUMMARY:

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

AFFORDABILITY LEVELS: 20 to 60% AMI

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

OTHER PROPOSED PERMANENT FINANCING SOURCES: Previous City funds and land donation, No Place Like Home, Affordable Housing Sustainable Communities (AHSC), DTSC, HCD Infill Infrastructure Grant Program, 9% Low-Income Housing Tax Credit Equity, Investor Equity, Deferred Developer Fee

East 12th Street

Developer: East Bay Asian Local Development Corporation (EBALDC)
This Request: \$15,500,000
Previous Award: N/A

Address: 121 East 12th Street
Council District: 2

PROJECT SUMMARY:

- The proposed development is located in Oakland's Eastlake neighborhood and includes a total of 91 units.
- East 12th Street will provide housing for 23 special needs and formerly homeless individuals (30% AMI), 67 individuals/families (30-80% AMI), and 1 on-site manager.
- The project design provides much-needed affordable housing for Eastlake and is aligned with the community-based housing/urban design objectives identified by the Lake Merritt Station Area Plan. The fully entitled project will provide private residential spaces, community gathering spaces, and space for private property management and services.

AFFORDABILITY LEVELS: 30 to 80% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	42	29	16	4	0	91

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Affordable Housing Sustainable Communities (AHSC), an AHSC HRI Grant Sponsor Loan, CA Infill Infrastructure Grant sponsor loan, 4% Low-Income Housing Tax Credit Equity, General Partner Equity, Deferred Developer Fee, and interest income.

Mark Twain Homes

Developer: MARK TWAIN PARTNERS, LP
This Request: \$8,000,000
Previous Award: \$5,000,000

Address: 3525 Lyon Avenue
Council District: 4

PROJECT SUMMARY:

- Bay Area Community Services Housing Corp. (BACS HC) and Memar Properties, Inc. (MPI Homes) acquired this existing 102-unit community on June 24, 2021, with a \$5 million loan from the City of Oakland and a \$6 million loan from Enterprise Community Loan Fund. The community is comprised of four separate buildings, one of which, the North Building, was converted (without permits) by a previous project owner from a 32-unit apartment building to 56 units comprised of 33 SROs, 13 one-bedrooms and 2 two-bedrooms. The Sponsors secured planning approvals to demolish this building and reconstruct a new 3-story building that would include no SROs, but would have 29 Studios, 36 one-bedrooms and 2 two-bedrooms for a total of 67 units. At the same time, the Sponsors would rehabilitate the other three buildings including conversion of 8 SROs in the Annex Building into 4 one-bedrooms.
- The Sponsors are seeking additional support from Oakland to enable them to compete for the next round of State HCD funds specifically MHP and PLHA.

AFFORDABILITY LEVELS: 20% to 50% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	29	36	2			67

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Multifamily Housing Program funds, CA HCD Housing for Healthy CA/PLHA, Deferred Developer Fee

2125 Telegraph Avenue “The Eliza”

Developer: Mercy Housing
This Request: \$10,000,000
Previous Award: \$0

Address: 2125 Telegraph Avenue
Council District: 3

PROJECT SUMMARY:

- The Eliza (also known as 2125 Telegraph and Mercy Housing California 91, L.P.) project is the new construction of an eight-story building with 97 studio-apartments.
- The project will serve seniors with a variety of mobility and other special needs in the heart of downtown Oakland, located on what is currently a surface parking lot.
- Building amenities include a ground-floor landscaped courtyard that links this project to the sponsor's existing project next door, a roof terrace, community room, and secure bicycle storage. Located near services and amenities, residents will have access to multiple transit options. Additionally, there will be an on-site resident services provider which will be available to all residents.
- **AFFORDABILITY LEVELS: 20% to 60% AMI**

UNIT SIZES:

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
96	0	1	0	0	97

OTHER PROPOSED PERMANENT FINANCING SOURCES: CA HCD MHP/IIG, AHP, Federal Home Loan Bank SF AHP, 4% Low-Income Housing Tax Credit Equity, Sponsor Loan (Private Foundation), Sponsor Land Donation

Lake Merritt Bart Senior Affordable Housing

Developer: East Bay Asian Local Development Corporation (EBALDC)
This Request: \$14,000,000
Previous Award: \$0

Address: 51 9th Street
Council District: 2

PROJECT SUMMARY:

- New construction of a seven-story, 97-unit mixed use affordable housing project targeting. This project will be developed and managed by EBALDC and will be the affordable anchor for a larger multiphase, multiblock transit-oriented development (TOD) in partnership with Strada Investment Group and the Bay Area Rapid Transit District (BART), that will strengthen the existing neighborhood with an extensive suite of community benefits.
- The project will target senior households (55+) with Area Median Incomes (AMIs) ranging from 20% – 60% AMI. 20 of which will be reserved for special needs and homeless populations.
- Building amenities will include large community room that opens up and interfaces with the paseo, property management and services offices, a bike room, and lobby. The ground floor commercial space adjacent to and interacting with the entrance to the Lake Merritt BART Station will be publicly accessible paseo that will offer spaces for meeting, play, rest, and food.

AFFORDABILITY LEVELS:

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	22	70	5	0	0	97

OTHER PROPOSED PERMANENT FINANCING SOURCES: Affordable Housing Sustainable Communities (AHSC), CalSTA TIRCP Sponsor Loan, CDSS CCE Sponsor Loan, 4% Low-Income Housing Tax Credit Equity, General Partner Equity

Dr. Kenneth Anderson Senior Housing

Developer: Eden Development Inc.
This Request: \$28,594,748
Previous Award: \$0

Address: 1003 E.15th Avenue
Council District: 2

PROJECT SUMMARY:

- New construction of a five-story 67-unit mixed use affordable development with three stories of residential over a two-story parking podium for low-income seniors. The first floor will consist of 17 residential parking stalls, 1,000 square feet of ground floor retail, and a management and services office suite. The second floor will consist of 64 stalls of replacement parking with residential space devoted to floors three through five.
- The project will target senior households earning 30-50% of the AMI with twenty-two (22) units set aside for formerly homeless households. Eden Housing Resident Services Inc. will provide on-site supportive services to all units including individualized case management for the homeless set aside. The Alameda County Health Care Services Agency will provide operating subsidies to cover the case management for the homeless set aside.
- Building amenities will include a community room, a laundry room, a computer room, and an exterior courtyard. The on-site community room will be available to local service providers who wish to provide on-site training or tutoring for residents.

AFFORDABILITY LEVELS: 30 to 50% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	0	67	1	0	0	68

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Multifamily Housing Program (MHP) SuperNOFA funds, 9% Low-Income Housing Tax Credit Equity, “Parking Purchase – Williams Chapel”

2700 International

Developer: The Spanish Speaking Unity Council

Address: 2700 -2720 and 1409-1415 Mitchell Street
Council District: 5

This Request: \$9,300,000
Previous Award: \$7,000,000

PROJECT SUMMARY:

- New construction of a six-story, 75-unit multifamily affordable development near the Fruitvale commercial center in Oakland, on a 26,778 square foot site located on International Boulevard between 27th Avenue and Mitchell Street. Project will include five residential stories (Type III-A) over a first floor podium (Type 1-A) accommodating ground level community spaces and common areas, structured parking, and 7,000 square feet of below market rate commercial space that will be occupied by organizations and businesses with direct service or benefit to the neighborhood and project residents.
- The project will target lower households with incomes between 20 and 80% of AMI, with 19 units set aside for formerly homeless veterans, supported through a commitment of 19 HUD VASH vouchers. Services will be provided by the Unity Council and the Berkeley Food and Housing Program which will provide specific case management services to the 19 set aside units.
- Building amenities will include landscaped courtyard with a children’s play area, community garden, and covered seating area; resident services offices, laundry facilities, community room, lobby/entry area, property management offices, and secured parking.

AFFORDABILITY LEVELS: 30 to 80% AMI

UNIT SIZES:	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	0	35	21	19	0	75

OTHER PROPOSED PERMANENT FINANCING SOURCES: JP Morgan Chase Perm Loan, State HCD Infill Infrastructure Grant Program, Multifamily Housing Program (MHP), State HCD VHHP, Federal Home Loan Bank AHP funds, General Partner and Limited Partner Capital Contributions.

3135 San Pablo

Developer: Satellite Affordable Housing Associates (SAHA)
This Request: \$23,394,000
Previous Award: \$0

Address: 3135 San Pablo
Council District: 3

PROJECT SUMMARY:

- New construction of a 73-unit affordable housing development in a six-story mixed-use building, with 72 residential units for low-income seniors and a community-serving commercial space.
- The project will target seniors earning 20-60% of the AMI with a set aside of thirty-six (36) units for homeless seniors, of which twenty-two (22) units will be set aside for individuals/households experiencing homelessness, chronic homelessness, or at risk of chronic homelessness with serious mental illness. Intensive individual case management and wrap around services will be provided to the homeless units set aside with Saint Mary’s Center as the service provider.
- Building amenities will include a management office and a community-commercial space with a courtyard, community groom and a dedicated Resident Services off on the second floor.

AFFORDABILITY LEVELS: 20% to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	55	17	1	0	0	73

OTHER PROPOSED PERMANENT FINANCING SOURCES:

Construction Loan, State Legislature AB178, General Partner Equity

Residences at Liberation Park

Developer: Eden Housing, Inc.
This Request: \$ 15,000,000
Previous Award: N/A (The project does have commitment for a residual land lease with the Economic and Workforce Development valued at \$664,610.)

Address: 73rd Ave & Foothill Blvd
Council District: 6

PROJECT SUMMARY:

- The Residences at Liberation Park Project Team, comprised of Black Cultural Zone Community Development Corporation (BCZ) and Eden Housing, Inc. (EHI) join to develop affordable housing at Liberation Park. The land is a City surplus land property and will be ground leased from the City.
- All the residential units will be reserved for extremely low, low, and very low-income households with twenty-five percent (25%) of the units reserved as Permanent Supportive Housing Units, including those at risk of becoming homeless and literally homeless. Approximately 8 of the units will include home occupation space for small in-home artist/entrepreneurial businesses and a family childcare business.
- BCZ is also developing the Black Cultural Zone Marketplace and Hub immediately adjacent with Community Arts Stabilization Board. We are excited to execute on the community’s vision to bring about affordable housing opportunities in the City of Oakland and to provide the catalyst for economic development and investment activities needed to transform and revitalize the community immediately surrounding the proposed project in the East Oakland legacy Black community.

AFFORDABILITY LEVELS: 20 to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	10	44	66	96	0	119

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Infill Infrastructure Grant Catalytic funds, CA HCD Multifamily Housing Program funds, 4% Low-Income Housing Tax Credit Equity (LIHTC/CDLAC), General Partner Equity, Deferred Developer Fee, along with a residual land lease through the City of Oakland (EWD)

2301 Telegraph

Developer: 2301 Telegraph LP (McCormack Baron Salazar & Parcel Projects)
 This Request: \$3,400,000
 Previous Award: N/A

Address: 2301 Telegraph
 Council District: 3

PROJECT SUMMARY:

- The project will provide permanent supportive housing with half of its 58 units set aside for youth aging out of the foster care system – “Transition Age Youth”, or “TAY”. The project will connect vulnerable Oaklanders to the vibrant arts and culture of the Uptown / KONO neighborhood, creating linkages to artistic expression that will be therapeutic and stabilizing to our residents.
- The building’s design includes ground floor commercial space that will be leased at below market rent to arts and cultural organizations, and publicly accessible outdoor space for events.

AFFORDABILITY LEVELS: 0%-20% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	49	4	5	0	0	58

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Infill Infrastructure Grant funds, CA HCD Multifamily Housing Program funds, Federal Home Loan Bank AHP funds, 4% Low-Income Housing Tax Credit Equity, Project Based Section 8 + Operating Subsidy

Johnnies Place

Developer: Sandidge Urban Group, Inc.
 This Request: \$5,500,000
 Previous Award: \$0

Address: 7994 MacArthur Blvd
 Council District: 7

PROJECT SUMMARY:

- The MacArthur Boulevard Supportive Housing Development is a proposal to develop 100% affordable rental housing for the homeless on a vacant parcel located on MacArthur Boulevard between Ritchie Street and 82nd Avenue. The proposed development will remove a blighted property from the corridor and help to revitalize this East Oakland neighborhood with quality rental housing targeted for special needs populations.
- The proposed development includes: Thirty-nine (39) Affordable Studio Apartment Units, One (1) Affordable Two-Bedroom Manager’s Unit. There will be 15 parking spaces provided at grade and in parking lifts up to 4 electric vehicle charging stations. The project plan involves removal of the vacant commercial building and vacant single-family home and replacement with affordable housing in a multi-level structure with podium parking. The development will consist of 39 studio units and 1 two-bedroom manager’s unit.
- The project incorporates 15 parking spaces for a parking ratio of 0.375 per housing unit. Overall, the project consists of approximately 30,000 sq. ft. of building area. The proposed housing investment estimated at \$25.7 million will remove a blighting influence and encourage the revitalization of the MacArthur Boulevard corridor.

AFFORDABILITY LEVELS: 20 to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	39	0	1	0	0	40

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Multifamily Housing Program funds, 4% Low-Income Housing Tax Credit Equity, CDLAC

430 Broadway C

Developer: The Related Companies of California, LLC
This Request: \$19,000,000
Previous Award: \$0

Address: 430 Broadway
Council District: 3

PROJECT SUMMARY:

- 430 Broadway Building C, is the first phase of the 430/401 Broadway project. In total, the 401/430 Broadway project will create 600+ new affordable housing units on two parcels of land owned by Alameda County at the border of Jack London Square and Old Oakland.
- 430 Broadway is currently contemplated to include three standalone phases of affordable housing development, totaling roughly 300 affordable units. Building C, is the first phase to pursue entitlements and will consist of 74 large family affordable housing units and 1 manager's unit. The project will target large families earning between 30% and 60% of Alameda County area median income.

AFFORDABILITY LEVELS: 30 to 60% AMI

UNIT SIZES:	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units
	20	16	20	19	0	75

OTHER PROPOSED PERMANENT FINANCING SOURCES:

CA HCD Infill Infrastructure Grant funds, CA HCD Multifamily Housing Program funds, CDLAC Tax-Exempt Bonds, Deferred Developer Fee, Deferred Costs to Conversion

2023 New Construction NOFA Awards (As of 12/22/2023)										
Ranking	Applicant	Project Name	Project Address	Council District	Affordable Units	PSH Units	Previous NOFA Funding Award	Current NOFA Amount Requested	Current NOFA Amount Awarded	Applying for July 2023 SuperNOFA Funding?
#1	Satellite Affordable Housing Associates (SAHA) and Native American Health Center (NAHC)	3050 International	3050 International Blvd	5	75	31	\$5,000,000	\$24,200,000	\$24,200,000	No, applied for State 4% tax credits in May 2023
#2	Related Companies of California	Agnes Memorial Senior Apartments	2372 International Blvd	2	59	18	\$4,500,000	\$7,300,000	\$7,300,000	Yes
#3	Allied Housing, Inc.	West Grand & Brush	2201 Brush Street & 760 22nd Street	3	59	30	\$5,665,000	\$2,000,000	\$2,000,000	No
#4	Community Housing Development Corporation of North Richmond	Friendship Senior Housing	1904 Adeline Street	3	49	10	\$6,350,000	\$4,000,000	\$4,000,000	No
#5	Resources for Community Development	Longfellow Corner	3801 Martin Luther King Boulevard	1	76	20	\$14,439,000	\$4,800,000	\$4,800,000	No, applying for 9% tax credit in August 2023
#6	East Bay Asian Local Development Corporation	East 12th Street	121 East 12th Street	2	90	23		\$15,500,000	\$15,500,000	Yes, also applied for State 4% tax credits in May 2023
#7	MARK TWAIN PARTNERS, LP	MARK TWAIN HOMES	3525 Lyon Avenue	4	67	67	\$5,000,000	\$8,000,000	\$8,000,000	Yes
#8	Mercy Housing California	2125 Telegraph Avenue	2125 Telegraph Avenue	3	96	26		\$10,000,000		No, but applied for HUD 202 funds.
#9	East Bay Asian Local Development Corporation	Lake Merritt BART Senior Affordable Housing	51 9th Street	2	74	44		\$14,000,000	\$2,100,000	Yes
#10	Eden Development, Inc.	Dr. Kenneth Anderson Senior Apartments	1003 E. 15th Avenue	2	67	20		\$28,594,748		No, not ready to apply.
#11	Spanish Speaking Unity Council	2700 International Boulevard	2700-2720 International Blvd & 1409-1415 Mitchell St	5	74	19	\$7,000,000	\$9,300,000	\$2,100,000	Yes
#12	Satellite Affordable Housing Associates	3135 San Pablo	3135 San Pablo Avenue	3	72	36		\$23,394,000		Yes
#13	Eden Housing, Inc.	Residences at Liberation Park	73rd Avenue & Foothill Boulevard (7410 Macarthur Blvd)	6	118	30		\$15,000,000		No
#14	2301 Telegraph LP (McCormack Baron Salazar)	2301 Telegraph	2301 Telegraph	3	58	0		\$3,400,000		No

#15	Sandidge Urban Group, Inc.	Johnnies Place	7994 MacArthur Blvd	7	39	39		\$5,500,000		\$ No
#16	The Related Companies of California, LLC	430 Broadway Building C	430 Broadway	3	74	0		\$19,000,000		\$ May apply
			Total Applications		1147	413		\$47,954,000	\$193,988,748	\$70,000,000
			Total Funded Spring 2023		623	262				
			Unfunded After Spring 2023 Cycle		524	151				

Other Projects Applying For State Super NOFA Funds (July 2023)

	Applicant	Project Name	Project Address	Council District	Affordable Units			City Funding Committed	Applying for July 2023 SuperNOFA
	34th & San Pablo	EBALDC	3419-3431 San Pablo Avenue	3	59			\$9,733,256	Yes
	500 Lake Park	EAH	500 Lake Park Ave	2	52			\$10,061,000	Yes
	285 12th Street	EBALDC	285 12th Street	2	64			\$1,864,000	Yes
	Mandela Station	Mandela Station, LLC	1451 7th Street	3	238			\$18,000,000	Yes