



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Chris Bazar
Agency Director

Agenda Item _____ February 27, 2018

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February 13, 2018

Honorable Board of Supervisors
Administration Building
Oakland, California 94612

Dear Board Members:

SUBJECT: ADOPT FUNDING RESOLUTIONS FOR COMMITMENT OF MEASURE A1 HOUSING BOND RENTAL HOUSING DEVELOPMENT FUND BASE CITY ALLOCATION FUNDING TO FOUR AFFORDABLE HOUSING DEVELOPMENTS LOCATED IN THE CITIES OF ALAMEDA, LIVERMORE, OAKLAND, AND PLEASANTON

RECOMMENDATIONS:

Adopt the following four separate resolutions committing Measure A1 General Obligation Housing Bond (Measure A1) Rental Housing Development Fund Base City Allocation funding to the following affordable housing developments in Alameda County to enable them to meet the requirements to apply for State and Federal Low Income Housing Tax Credits through the State of California Tax Credit Allocation Committee (TCAC):

- A. Up to \$6,447,872 for the 657 West MacArthur Apartments project developed by Affirmed Housing Group for 44 units of affordable housing in Oakland;
- B. Up to \$3,000,000 for the Alameda Site A Senior Apartments project developed by Eden Housing for 60 units of affordable housing in Alameda;
- C. Up to \$6,706,495 for the Chestnut Square Family Apartments project developed by MidPen Housing Corporation for 42 units of affordable housing in Livermore;
- D. Up to \$7,195,844 for the Sunflower Hill project jointly developed by Sunflower Hill, Inc. and Satellite Affordable Housing Associates for 31 units of affordable housing in Pleasanton; and
- E. Exercise the Board of Supervisors' discretion under the Board-adopted Measure A1 Rental Housing Development Fund implementation policies to grant a waiver to the per-unit subsidy cap for the Sunflower Hill project in Pleasanton, due to the project's small size and higher development costs required for a special needs project.

DISCUSSION/SUMMARY:

On November 7, 2017, your Board adopted the Measure A1 Implementation Policies for the Rental Housing Development Programs. The total allocation to this Fund is \$425 million over the course of the Bond program, and includes both \$200 million for four Regional Pools and \$225 million for Base City Allocations per established formulas. All the Measure A1 Rental Housing funding commitments previously approved by your Board and under consideration today come from the Base City Allocations of the cities where the projects are located. The Regional Pool funding will be released under a competitive Request for Proposals later this year.

The guiding principles for Measure A1 investment through this Fund are to produce the largest number of units possible, maximize leverage, select feasible projects that can compete well for State and Federal funding, fund projects at a level to ensure viability for the life of the regulatory period; and ensure Bond proceeds fill a gap and do not supplant other funding.

Base City Allocation Application Process

Per the Implementation Policies adopted by your Board, cities use their own selection processes to choose projects to submit for Base City Allocation funding. HCD's role at this stage is to ensure that the projects and each city's total Base Allocation meet Measure A1 requirements.

HCD prioritizes its review of submitted projects based on the deadlines for other major funding sources. In addition to the earlier 'emergency projects', this fiscal year there will be three phases for the Base City Allocation application review. The first phase of projects was approved by your Board on January 9, 2018 for projects intending to apply for State Affordable Housing and Sustainable Communities Program funding ("Cap and Trade") later this month. Before your Board for consideration now is the second phase of applications, projects applying for Low Income Housing Tax Credits on February 28, 2018. A third round of applications is planned to be submitted to your Board in mid-June 2018 in advance of the anticipated early July Tax Credit application due date.

Four applications are before your Board for consideration today: 657 West MacArthur Apartments in Oakland, Alameda Site A Senior Apartments in Alameda, Chestnut Square Family Apartments in Livermore, and Sunflower Hill in Pleasanton.

HCD staff reviewed the projects' Base City Allocation applications to verify compliance with Measure A1 policies and are bringing resolutions for funding commitments to your Board for approval. The resolutions are attached as Exhibit A. Exhibit B is a summary table by jurisdiction of Base City Allocation funding, commitments, and balances. Exhibit C contains more detailed summaries of each of the four projects under consideration today.

657 West MacArthur Apartments is a 44-unit permanent supportive housing development in Oakland. Affirmed Housing Group is the developer. All units will serve chronically homeless households with income levels at or below 20% Area Median Income (AMI). The City of Oakland committed \$5,220,000 in city match to this project. The developer, Affirmed Housing Group, is applying for 9% Low Income housing Tax Credits for this project.

Alameda Site A Senior Apartments is a 60-unit senior development in Alameda. The project will serve households with income levels at or below 60% of AMI, including 25 units for households earning below 20% AMI. The project includes 12 units for households that include individuals with developmental disabilities and 25 units for veteran households. The City of Alameda committed \$13,175,000 in city match to this project. Developer Eden Housing, Inc. is applying for 9% Low Income Housing Tax Credits for this project.

Chestnut Square Family Apartments is a 42-unit development in Livermore. The project will serve households with income levels at or below 60% AMI, including 9 units for households at or below 20% AMI. The project includes 10 units for homeless households. The City of Livermore committed \$11,128,3299 in city match to this project. Developer MidPen Housing Corporation is applying for 4% tax credit financing for this project.

Sunflower Hill is a 31-unit development in Pleasanton, serving developmentally disabled households with income levels at or below 60% AMI, including 6 units for households with incomes at 20% AMI or below. The City of Pleasanton committed \$4,093,429 in city match to this project. Co-developers Satellite Affordable Housing Associates and Sunflower Hill, Inc., a nonprofit advocacy organization serving individuals with special needs, are applying for 4% tax-exempt bond financing combining federal and state tax credits for this project.

One issue to note in regards to the Sunflower Hill project is that Pleasanton has requested Measure A1 funds in excess of the maximum per-unit subsidy cap but within the cap for total percentage of development costs. Due to the project's small size and the higher development costs required for a special needs project, a disparity exists between the two caps. The adopted Measure A1 policies allow your Board the discretion to provide additional funding beyond these caps for projects with funding gaps. Given this, staff recommends that your Board conditionally commit the full \$7,195,844 requested by Pleasanton and require the developer to seek additional leveraging sources for the amount over the published cap (\$1,909,347) before possible allocation of any Measure A1 funds above the caps. The City of Pleasanton requests that the request for commitment not be deferred to a future Board meeting because the project's developer is applying for state tax credits, which have an application deadline of February 28th and will not be available for future applications for several months.

20% AMI Unit Policy Requirement

The Measure A1 Rental Housing Fund policies require that 20% of total units in each funding pool be restricted for households at 20% AMI. The policy can be achieved with units designated for households with incomes at or below 20% AMI and/or units with Project-Based Section 8 Vouchers (PBVs) that provide preference to households at or below 20% AMI. This requirement is not imposed project-by-project but rather on the total units for each Base City Allocation. HCD tracks progress towards this requirement and when a city has applied for all or substantially all of its allocation, staff reviews whether the policy will be met before making a recommendation for commitment of funds to your Board; that is now the case for the cities of Oakland and Pleasanton.

With this round of funding, Oakland has utilized all but \$956,341 of its Base City Allocation. With 577 units total, 115 units (20%) must be designated at or below 20% AMI. This

requirement has been satisfied by 94 units designated for households at 20% AMI and 36 units with PBV's that will provide a preference for 20% AMI households.

If Pleasanton's full funding request is granted for Sunflower Hill, Pleasanton will have \$552,772 remaining in its Base City Allocation. With 85 units total, 17 units must be designated at or below 20% AMI. This requirement has been satisfied by 11 units designated for households earning at or below 20% AMI and 6 units with PBV's that will provide a preference for 20% AMI households.

FINANCING:

All costs related to Measure A1 Bond issuances will be covered by Bond proceeds. There is no Net County Cost as a result of this action. Funds recommended under these resolutions will be included in the first issuances of the Measure A1 Bonds, and will not be needed prior to the first issuance.

Very truly yours,



Chris Bazar, Director
Community Development Agency

Attachments:

Exhibit A- Resolutions

Exhibit B- Base City Allocations Funding Chart

Exhibit C-Project Summaries

cc: Each member, Board of Supervisors
Susan Muranishi, County Administrator
Steve Manning, Auditor Controller
Donna R. Ziegler, County Counsel
Andrea Weddle, Chief Assistant County Counsel
Pat O'Connell, County Administrator's Office
Stephanie Chan, County Administrator's Office

RESOLUTION NO. R2018- 65

A RESOLUTION AUTHORIZING A LOAN TO AFFIRMED HOUSING GROUP, INC. FOR THE 657 W. MACARTHUR APARTMENTS AFFORDABLE HOUSING PROJECT LOCATED WITHIN THE CITY OF OAKLAND AS MEASURE A1 RENTAL HOUSING DEVELOPMENT BOND FUNDS BECOME AVAILABLE IN A TOTAL AMOUNT NOT TO EXCEED \$6,447,872

WHEREAS, on November 8, 2016, the voters in the County of Alameda passed the Measure A1 Affordable Housing Bond, which provides for the issuance of up to \$580 million in general obligation bonds for affordable housing programs countywide; and

WHEREAS, the Board of Supervisors adopted an Affordable Housing Program on June 28, 2016, when the Board acted to place Measure A1 on the Ballot; and

WHEREAS, the Measure A1 Program adopted by the Board allows for non-competitive, city-specific funding allocations for rental housing development that are contingent on individual city approval of funds to be used for projects within the city's jurisdiction as well as the city commitment of matching funds to the project; and

WHEREAS, the City of Oakland has requested that the County provide a Measure A1 loan from the City of Oakland's portion of Rental Housing Development Fund for the 657 W. MacArthur Apartments Affordable Housing Project; and

WHEREAS, the 657 W. MacArthur Apartments Affordable Housing Project, located in Oakland, California and developed by Affirmed Housing Group, Inc. will meet the Measure A1 Bond Program requirements by providing affordable rental housing to 43 chronically homeless or formally homeless households at 20% of Area Median Income; and

WHEREAS, the City of Oakland has requested the use of up to \$6,447,872 of Measure A1 Rental Housing Development Program funds allocated to the City of Oakland for the 657 W. MacArthur Apartments Affordable Housing Project and the City of Oakland has committed \$5,220,000 in City funding for the 657 W. MacArthur Apartments Affordable Housing Project.

NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Supervisors hereby authorizes a loan in an amount not to exceed \$6,447,872 to Affirmed Housing Group, Inc. or to an affiliate entity created for the purposes of developing this project and qualifying for Federal Low Income Housing Tax Credits and approved by the County of Alameda Housing Director or her designee, to be used for the 657 W. MacArthur Apartments Affordable Housing Project located within the City of Oakland.

Section 2. Loan funds shall be apportioned from the total amount the Board allocates to the City of Oakland under the Measure A1 Rental Housing Development Fund, and disbursement of funds shall be contingent upon (a) the issuance of bonds, (b) the availability of sufficient Measure A1 bond fund proceeds; (c) the availability of sufficient funds allocated to the City of Oakland within the Measure A1 Rental Housing Development Fund; (d) the completion of applicable environmental review; (e) the completion of the Measure A1 Rental Housing application; (f) the completion of a financial capacity review of Affirmed Housing Group, Inc. by

the County's Housing and Community Development ("HCD") department; (g) Oakland City Council approval of the Project and of the amount of the City match; (h) HCD receipt of all financial commitments; (i) determination by HCD of whether County Article 34 authority must be utilized and is available; and (j) such other appropriate terms and conditions as the Housing Director or her designee may establish.

Section 3. This loan shall be for a maximum of 55 years, with an interest rate to be determined by the Alameda County Housing Director in her discretion and as established in the Measure A1 Rental Housing Development policies and procedures, published in October, 2017, with repayment to the County from surplus cash flow from the Project and other available funds during the term of the loan in accordance with Measure A1 Implementation Policies for the Rental Housing Development Fund, with the balance due at the end of the term, or on such other repayment terms and schedule as the Housing Director or her designee determines are in the best interest of the County and the project.

Section 4. As a condition of the loan, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements.

Section 5. The loan shall be secured by a deed of trust recorded on the project real property and improvements.

Section 6. Loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the developer has secured commitments for full project funding or provided other assurances of adequate project funding, which the Housing Director or her designee deems sufficient within her discretion, within the reservation period.

Section 7. The Board authorizes the Housing Director or her designee to subordinate the priority of any of the County's recorded interests in the project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the project, if the Housing Director or her designee determines that (a) an economically feasible alternative method of financing the project on substantially comparable terms and conditions but without subordination is not reasonably available, (b) the County's investment in the project in the event of default is reasonably protected, and (c) subordination is in the best interests of the County.

Section 8. This Project will return to the Board of Supervisors for authorization of a contract with Affirmed Housing Group, Inc. or with an affiliate entity approved by the Housing Director or her designee, in an amount not to exceed \$6,447,872 prior to funding the loan.

Section 9. The Board authorizes the Housing Director or her designee to determine funding allocation, conduct negotiations, extend this commitment by six months as needed for project viability, 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.

The foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Alameda, State of California on February 27, 2018, by the following vote:

Ayes: Supervisors Carson, Haggerty, Miley, Valle & President Chan

Noes: None

Excused: None

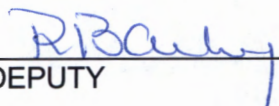


WILMA CHAN
BOARD PRESIDENT

ATTEST:

ANIKA CAMPBELL-BELTON
CLERK OF THE BOARD

BY:



DEPUTY

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

BY:



Andrea L. Weddle
Chief Assistant County Counsel

RESOLUTION NO. R2018-66

A RESOLUTION AUTHORIZING A LOAN TO EDEN HOUSING, INC. FOR THE ALAMEDA SITE A SENIOR APARTMENTS AFFORDABLE HOUSING PROJECT LOCATED WITHIN THE CITY OF ALAMEDA AS MEASURE A1 RENTAL HOUSING DEVELOPMENT BOND FUNDS BECOME AVAILABLE IN A TOTAL AMOUNT NOT TO EXCEED \$3,000,000

WHEREAS, on November 8, 2016, the voters in the County of Alameda passed the Measure A1 Affordable Housing Bond, which provides for the issuance of up to \$580 million in general obligation bonds for affordable housing programs countywide; and

WHEREAS, the Board of Supervisors adopted an Affordable Housing Program on June 28, 2016, when the Board acted to place Measure A1 on the Ballot; and

WHEREAS, the Measure A1 Program adopted by the Board allows for non-competitive, city-specific funding allocations for rental housing development that are contingent on individual city approval of funds to be used for projects within the city's jurisdiction as well as the city commitment of matching funds to the project; and

WHEREAS, the City of Alameda has requested that the County provide a Measure A1 loan from the City of Alameda's portion of Rental Housing Development Fund for the Alameda Site A Senior Apartments Affordable Housing Project; and

WHEREAS, the Alameda Site A Senior Apartments Affordable Housing Project, located in Alameda, California and developed by Eden Housing, Inc. will meet the Measure A1 Bond Program requirements by providing affordable rental housing to 59 low-income senior households, including 25 units for veterans, of which 12 units are for veterans at risk of homelessness; and 25 units at 20% of Area Median Income; and

WHEREAS, the City of Alameda has requested the use of up to \$3,000,000 of Measure A1 Rental Housing Development Program funds allocated to the City of Alameda for the Alameda Site A Senior Apartments Affordable Housing Project and the City of Alameda has committed \$7,350,000 in City funding for the Alameda Site A Senior Apartments Affordable Housing Project.

NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Supervisors hereby authorizes a loan in an amount not to exceed \$3,000,000 to Eden Housing, Inc. or to an affiliate entity created for the purposes of developing this project and qualifying for Federal Low Income Housing Tax Credits and approved by the County of Alameda Housing Director or her designee, to be used for the Alameda Site A Senior Apartments Affordable Housing Project located within the City of Alameda.

Section 2. Loan funds shall be apportioned from the total amount the Board allocates to the City of Alameda under the Measure A1 Rental Housing Development Fund, and disbursement of funds shall be contingent upon (a) the issuance of bonds; (b) the availability of sufficient Measure A1 bond fund proceeds; (c) the availability of sufficient funds allocated to the

City of Alameda within the Measure A1 Rental Housing Development Fund; (d) the completion of applicable environmental review; (e) the completion of the Measure A1 Rental Housing application; (f) the completion of a financial capacity review of Eden Housing, Inc. by the County's Housing and Community Development ("HCD") department; (g) City Council approval of the Project and of the amount of the City match; (h) HCD receipt of all financial commitments; (i) determination by HCD of whether County Article 34 authority must be utilized and is available; and (j) such other appropriate terms and conditions as the Housing Director or her designee may establish.

Section 3. This loan shall be for a maximum of 55 years, with an interest rate to be determined by the Alameda County Housing Director in her discretion and as established in the Measure A1 Rental Housing Development policies and procedures, published in October, 2017, with repayment to the County from surplus cash flow from the Project and other available funds during the term of the loan in accordance with Measure A1 Implementation Policies for the Rental Housing Development Fund, with the balance due at the end of the term, or on such other repayment terms and schedule as the Housing Director or her designee determines are in the best interest of the County and the project.

Section 4. As a condition of the loan, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements.

Section 5. The loan shall be secured by a deed of trust recorded on the project real property and improvements.

Section 6. Loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the developer has secured commitments for full project funding or provided other assurances of adequate project funding, which the Housing Director or her designee deems sufficient within her discretion, within the reservation period.

Section 7. The Board authorizes the Housing Director or her designee to subordinate the priority of any of the County's recorded interests in the project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the project, if the Housing Director or her designee determines that (a) an economically feasible alternative method of financing the project on substantially comparable terms and conditions but without subordination is not reasonably available, (b) the County's investment in the project in the event of default is reasonably protected, and (c) subordination is in the best interests of the County.

Section 8. This Project will return to the Board of Supervisors for authorization of a contract with Eden Housing, Inc. or with an affiliate entity approved by the Housing Director or her designee, in an amount not to exceed \$3,000,000 prior to funding the loan.

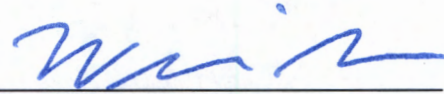
Section 9. The Board authorizes the Housing Director or her designee to determine funding allocation, conduct negotiations, extend this commitment by six months as needed for project viability, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

The foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Alameda, State of California on February 27, 2018, by the following vote:

Ayes: Supervisors Carson, Haggerty, Miley, Valle & President Chan

Noes: None

Excused: None



WILMA CHAN
BOARD PRESIDENT

ATTEST:

ANIKA CAMPBELL-BELTON
CLERK OF THE BOARD

BY:

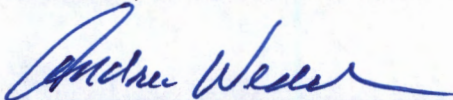


DEPUTY

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

BY:



Andrea L. Weddle
Chief Assistant County Counsel

RESOLUTION NO. R2018-67

A RESOLUTION AUTHORIZING A LOAN TO MIDPEN HOUSING CORPORATION FOR THE CHESTNUT SQUARE FAMILY AFFORDABLE HOUSING PROJECT LOCATED WITHIN THE CITY OF LIVERMORE AS MEASURE A1 RENTAL HOUSING DEVELOPMENT BOND FUNDS BECOME AVAILABLE IN A TOTAL AMOUNT NOT TO EXCEED \$6,706,495

WHEREAS, on November 8, 2016, the voters in the County of Alameda passed the Measure A1 Affordable Housing Bond, which provides for the issuance of up to \$580 million in general obligation bonds for affordable housing programs countywide; and

WHEREAS, the Board of Supervisors adopted an Affordable Housing Program on June 28, 2016, when the Board acted to place Measure A1 on the Ballot; and

WHEREAS, the Measure A1 Program adopted by the Board allows for non-competitive, city-specific funding allocations for rental housing development that are contingent on individual city approval of funds to be used for projects within the city's jurisdiction as well as the city commitment of matching funds to the project; and

WHEREAS, the City of Livermore has requested that the County provide a Measure A1 loan from the City of Livermore's portion of Rental Housing Development Fund for the Chestnut Square Family Apartments Affordable Housing Project; and

WHEREAS, the Chestnut Square Family Apartments Affordable Housing Project, located in Livermore, California and developed by MidPen Housing Corporation will meet the Measure A1 Bond Program requirements by providing affordable rental housing to 41 low-income households, including 9 units at 20% of Area Median Income; and

WHEREAS, the City of Livermore has requested the use of up to \$6,706,495 of Measure A1 Rental Housing Development Program funds allocated to the City of Livermore for the Chestnut Square Family Apartments Affordable Housing Project and the City of Livermore has committed \$8,326,399 in City funding for the Chestnut Square Family Apartments Affordable Housing Project.

NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Supervisors hereby authorizes a loan in an amount not to exceed \$6,706,495 to MidPen Housing Corporation or to an affiliate entity created for the purposes of developing this project and qualifying for Federal Low Income Housing Tax Credits and approved by the County of Alameda Housing Director or her designee, to be used for the Chestnut Square Family Apartments Affordable Housing Project located within the City of Livermore.

Section 2. Loan funds shall be apportioned from the total amount the Board allocates to the City of Livermore under the Measure A1 Rental Housing Development Fund, and disbursement of funds shall be contingent upon (a) the issuance of bonds, (b) the availability of sufficient Measure A1 bond fund proceeds; (c) the availability of sufficient funds allocated to the City of Livermore within the Measure A1 Rental Housing Development Fund; (d) the completion

of applicable environmental review; (e) the completion of the Measure A1 Rental Housing application; (f) the completion of a financial capacity review MidPen Housing Corporation by the County's Housing and Community Development ("HCD") department; (g) City Council approval of the project and of the amount of the City match; (h) HCD receipt of all financial commitments; (i) determination by HCD of whether County Article 34 authority must be utilized and is available; and (j) such other appropriate terms and conditions as the Housing Director or her designee may establish.

Section 3. This loan shall be for a maximum of 55 years, with an interest rate to be determined by the Alameda County Housing Director in her discretion and as established in the Measure A1 Rental Housing Development policies and procedures, published in October, 2017, with repayment to the County from surplus cash flow from the project and other available funds during the term of the loan in accordance with Measure A1 Implementation Policies for the Rental Housing Development Fund, with the balance due at the end of the term, or on such other repayment terms and schedule as the Housing Director or her designee determines are in the best interest of the County and the project.

Section 4. As a condition of the loan, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements.

Section 5. The loan shall be secured by a deed of trust recorded on the project real property and improvements.

Section 6. Loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the developer has secured commitments for full project funding or provided other assurances of adequate project funding, which the Housing Director or her designee deems sufficient within her discretion, within the reservation period.

Section 7. The Board authorizes the Housing Director or her designee to subordinate the priority of any of the County's recorded interests in the project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the project, if the Housing Director or her designee determines that (a) an economically feasible alternative method of financing the project on substantially comparable terms and conditions but without subordination is not reasonably available, (b) the County's investment in the project in the event of default is reasonably protected, and (c) subordination is in the best interests of the County.

Section 8. This project will return to the Board of Supervisors for authorization of a contract with MidPen Housing Corporation or with an affiliate entity approved by the Housing Director or her designee, in an amount not to exceed \$6,706,495 prior to funding the loan.

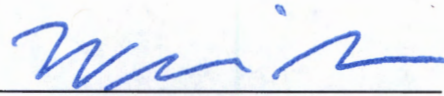
Section 9. The Board authorizes the Housing Director or her designee to determine funding allocation, conduct negotiations, extend this commitment by six months as needed for project viability, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the project consistent with this Resolution and its basic purpose.

The foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Alameda, State of California on February 27, 2018, by the following vote:

Ayes: Supervisors Carson, Haggerty, Miley, Valle & President Chan

Noes: None

Excused: None



WILMA CHAN
BOARD PRESIDENT

ATTEST:

ANIKA CAMPBELL-BELTON
CLERK OF THE BOARD

BY:

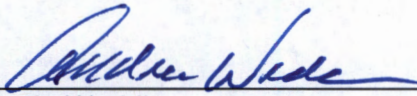


DEPUTY

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

BY:



Andrea L. Weddle
Chief Assistant County Counsel

RESOLUTION NO. R2018-68

A RESOLUTION AUTHORIZING A LOAN TO SATELLITE AFFORDABLE ASSOCIATES AND SUNFLOWER HILL, INC. FOR THE SUNFLOWER HILL AFFORDABLE HOUSING PROJECT LOCATED WITHIN THE CITY OF PLEASANTON AS MEASURE A1 RENTAL HOUSING DEVELOPMENT BOND FUNDS BECOME AVAILABLE IN A TOTAL AMOUNT NOT TO EXCEED \$7,195,844

WHEREAS, on November 8, 2016, the voters in the County of Alameda passed the Measure A1 Affordable Housing Bond, which provides for the issuance of up to \$580 million in general obligation bonds for affordable housing programs countywide; and

WHEREAS, the Board of Supervisors adopted an Affordable Housing Program on June 28, 2016, when the Board acted to place Measure A1 on the Ballot; and

WHEREAS, the Measure A1 Program adopted by the Board allows for non-competitive, city-specific funding allocations for rental housing development that are contingent on individual city approval of funds to be used for projects within the city's jurisdiction as well as the city commitment of matching funds to the project; and

WHEREAS, the City of Pleasanton has requested that the County provide a Measure A1 loan from the City of Pleasanton's portion of Rental Housing Development Fund for the Sunflower Hill Affordable Housing Project; and

WHEREAS, the Sunflower Hill Street Affordable Housing Project, located in Pleasanton, California and developed by Satellite Affordable Housing Associates and Sunflower Hill, Inc. will meet the Measure A1 Bond Program requirements by providing affordable rental housing to 29 low-income households with developmental disabilities, including 6 units at 20% of Area Median Income; and

WHEREAS, the City of Pleasanton has requested the use of up to \$7,195,844 of Measure A1 Rental Housing Development Program funds allocated to the City of Pleasanton for the Sunflower Hill Affordable Housing Project and the City of Pleasanton has committed \$4,093,429 in City funding for the Sunflower Hill Affordable Housing Project.

NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Supervisors hereby authorizes a loan in an amount not to exceed \$7,195,844 to Satellite Affordable Housing Associates and Sunflower Hill, Inc. or to an affiliate entity created for the purposes of developing this project and qualifying for Federal Low Income Housing Tax Credits and approved by the County of Alameda Housing Director or her designee, to be used for the Sunflower Hill Affordable Housing Project located within the City of Pleasanton.

Section 2. Loan funds shall be apportioned from the total amount the Board allocates to the City of Pleasanton under the Measure A1 Rental Housing Development Fund, and disbursement of funds shall be contingent upon (a) the issuance of bonds, (b) the availability of sufficient Measure A1 bond fund proceeds; (c) the availability of sufficient funds allocated to the

City of Pleasanton within the Measure A1 Rental Housing Development Fund; (d) the completion of applicable environmental review; (e) the completion of the Measure A1 Rental Housing application; (f) the completion of a financial capacity review of Sunflower Hill, Inc. by the County's Housing and Community Development ("HCD") department; (g) City Council approval of the Sunflower Hill Affordable Housing Project and of the amount of the City match; (h) determination by HCD that SAHA has sought every available State and Federal funding source; (i) HCD receipt of all financial commitments; (j) determination by HCD of whether County Article 34 authority must be utilized and is available; (k) determination by HCD that equitable income to the Project is received for services for nonresidents at the Project site; (l) documentation that Pleasanton has designated 20% of the units in its Measure A1-funded Projects are restricted to, or have preferences for, households at 20% Area Median Income; and (m) such other appropriate terms and conditions as the Housing Director or her designee may establish.

Section 3. This loan shall be for a maximum of 55 years, with an interest rate to be determined by the Alameda County Housing Director in her discretion and as established in the Measure A1 Rental Housing Development policies and procedures, published in October, 2017, with repayment to the County from surplus cash flow from the Sunflower Hill Affordable Housing Project and other available funds during the term of the loan in accordance with Measure A1 Implementation Policies for the Rental Housing Development Fund, with the balance due at the end of the term, or on such other repayment terms and schedule as the Housing Director or her designee determines are in the best interest of the County and the project.

Section 4. As a condition of the loan, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements.

Section 5. The loan shall be secured by a deed of trust recorded on the project real property and improvements.

Section 6. Loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the developer has secured commitments for full project funding or provided other assurances of adequate project funding, which the Housing Director or her designee deems sufficient within her discretion, within the reservation period.

Section 7. The Board authorizes the Housing Director or her designee to subordinate the priority of any of the County's recorded interests in the project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the project, if the Housing Director or her designee determines that (a) an economically feasible alternative method of financing the project on substantially comparable terms and conditions but without subordination is not reasonably available, (b) the County's investment in the project in the event of default is reasonably protected, and (c) subordination is in the best interests of the County.

Section 8. This Project will return to the Board of Supervisors for authorization of a contract with Eden Housing or with an affiliate entity approved by the Housing Director or her designee, in an amount not to exceed \$7,195,844 prior to funding the loan.

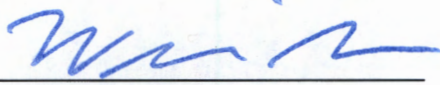
Section 9. The Board authorizes the Housing Director or her designee to determine funding allocation, conduct negotiations, extend this commitment by six months as needed for project viability, execute documents, administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Sunflower Hill Affordable Housing Project consistent with this Resolution and its basic purpose.

The foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Alameda, State of California on February 27, 2018, by the following vote:

Ayes: Supervisors Carson, Haggerty, Miley, Valle & President Chan

Noes: None

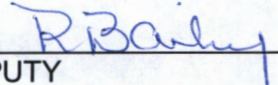
Excused: None



WILMA CHAN
BOARD PRESIDENT

ATTEST:

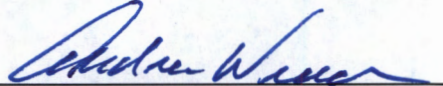
ANIKA CAMPBELL-BELTON
CLERK OF THE BOARD

BY: 

DEPUTY

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

BY: 

Andrea L. Weddle
Chief Assistant County Counsel

EXHIBIT B (1)

City	Total Base City Allocation	Held for County Bond Issuance/ Program Delivery Costs (10%)	Net City Allocation	Round A Projects approved spring 2017	Round B Projects approved 1/9/18	Round C Projects recommended on 2/27/18	Remainder Available after 2/27/18
City of Alameda	\$10,370,727	\$1,037,073	\$9,333,654	\$1,000,000	\$2,000,000	\$3,000,000	\$3,333,654
City of Albany	\$2,588,918	\$258,892	\$2,330,026				\$2,330,026
City of Berkeley	\$15,796,369	\$1,579,637	\$14,216,732	\$691,394			\$13,525,338
City of Dublin	\$8,831,465	\$883,147	\$7,948,319				\$7,948,319
City of Emeryville	\$2,799,109	\$279,911	\$2,519,198				\$2,519,198
City of Fremont	\$33,264,459	\$3,326,446	\$29,938,013				\$29,938,013
City of Hayward	\$20,298,294	\$2,029,829	\$18,268,465				\$18,268,465
City of Livermore	\$12,722,700	\$1,272,270	\$11,450,430			\$6,706,495	\$4,743,935
City of Newark	\$6,029,275	\$602,928	\$5,426,348				\$5,426,348
City of Oakland	\$54,803,565	\$5,480,357	\$49,323,209	\$17,650,000	\$24,268,996	\$6,447,872	\$956,341
City of Piedmont	\$2,431,300	\$243,130	\$2,188,170				\$2,188,170
City of Pleasanton	\$13,720,684	\$1,372,068	\$12,348,616	\$4,600,000		\$7,195,844	\$552,772
City of San Leandro	\$11,907,775	\$1,190,778	\$10,716,998	\$1,700,000	\$4,000,000		\$5,016,998
Unincorporated County	\$19,671,892	\$1,967,189	\$17,704,703				\$17,704,703
City of Union City	\$9,763,468	\$976,347	\$8,787,121				\$8,787,121
TOTAL:	\$225,000,000	\$22,500,000	\$202,500,000	\$25,641,394	\$30,268,996	\$23,350,211	\$123,239,399

EXHIBIT B (2)

ALAMEDA COUNTY MEASURE A1 RENTAL HOUSING DEVELOPMENT FUND												
BASE CITY ALLOCATIONS PROJECT COMMITMENTS THROUGH FEBRUARY 27, 2018												
Project Name	City	Total Number of Units	Total Number of Affordable Units	Total # of HCD Units (may increase)		Number of Units at 20% AMI (may increase)	Additional Units with PBV that Qualify if a 20% AMI Preference is Provided	Number of Units at 30% AMI	Number of Units at 50% AMI	Number of Units at 60% AMI	Number of Units at 80% AMI	
				A1	Other							
Approved Emergency Funding (Round A) 2017												
Camino 23	Oakland	40	39		5	0	8	12	27	0	0	
Coliseum Connections	Oakland	110	55	22		0		0	22	33	0	
Eagle Avenue	Alameda	20	19			2		4	11	2	0	
EMBARK	Oakland	62	61	30		5		26	30	0	0	
3706 San Pablo Avenue/Estrella Vista	Oakland	94	93	13	33	5	14	18	50	20	0	
Fruitvale Transit Village Phase IIA/Casa Arabella	Oakland	94	92	46		5	14	18	49	20	0	
Grayson Street	Berkeley	23	22	5	3	5		3	14	0	0	
Kottinger Gardens Phase II	Pleasanton	54	53	20		5	6	1	37	10	0	
San Leandro Senior	San Leandro	85	84	12	9	0		13	71	0	0	
Approved by BOS 1/2/18 (Round B)												
3268 San Pablo Avenue	Oakland	51	50	50		10		3	18	19	0	
Coliseum Place	Oakland	59	58	20	5	11	26	4	43	0	0	
Oakland and the World/ 7th/Campbell	Oakland	79	78	78		16	4	4	31	27	0	
Site A Family Apartments	Alameda	70	69	14		14	14	9	21	25	0	
Parrott Street Apartments	San Leandro	62	61	19		11		14	12	20	4	
Approval request- BOS 2/27/18 Agenda (Round C)												
657 W. MacArthur Apartments	Oakland	44	43	43		43		0	0	0	0	
Chestnut Square Family Apartments	Livermore	42	41	41		9	1	1	10	21	0	
Site A Senior Apartments	Alameda	59	59	25		25			22	12	0	
Sunflower Hill	Pleasanton	31	29	29		6		0	17	6	0	
	TOTAL	1079	1006	46	7	55	172	87	130	485	215	4

**EXHIBIT C
PROJECT SUMMARIES**

PROJECT NAME:	657 West MacArthur Apartments
Project City:	City of Oakland
Project Developer:	Affirmed Housing Group
Project Address:	657 W. MacArthur Boulevard, Oakland
Total Project Units:	44 (43 affordable and 1 resident manager's unit)
Income Levels:	100% affordable permanent supportive housing development serving households at or below 20% of Area Median Income
% Units at or below 20% Area Median Income:	43 units (all except manager's unit)
Unit Mix:	3 studios; 40 one-bedroom; 1 two-bedroom
Measure A1 Target Population(s):	Chronically homeless households
Total Development Cost (TDC):	\$26 million; \$604,000 per unit
Measure A1 Funding Request:	\$6,447,872 in City of Oakland Base City Allocation Funding (25% of TDC)
Proposed Number of A1 Units:	43 units
Proposed Match:	\$5,220,000. Exceeds the required minimum of \$880,000 (value of planning and building fees). The Oakland City Council approved a \$2.6 million housing loan to Affirmed in December 2017. The project will apply for 43 Section 8 Project Based Vouchers from the Oakland Housing Authority which are expected to leverage \$2.62 million in permanent loan debt.

657 West MacArthur Apartments is a mixed-use permanent supportive housing project proposed by Affirmed Housing Group on an under-utilized vacant 0.28-acre lot in West Oakland. This project will include a 44-unit residential project with approximately 3,000 square feet of ground floor retail in a five-story structure. All 43 affordable units will be reserved for chronically homeless households with incomes at or below 20% of the Area Median Income (AMI), with wrap around individualized services provided on-site by Bay Area Community Services (BACS). The developer is applying for 43 Section 8 Project Based Vouchers through the Oakland Housing Authority in spring 2018.

Affirmed Housing will develop and own the property, and property management will be provided by Solari Enterprises.

The development has received its planning and environmental approvals. Development financing includes the following sources: Measure A1, permanent loan debt, City of Oakland housing funds, Federal Home Loan Bank Affordable Housing Program (AHP) direct subsidy grant funds, State of California 4% credits, and 9% Low Income Housing Tax Credits.

Construction will begin in December 2018 and be completed by June 2020.

PROJECT NAME:	Chestnut Square Family Apartments
Project City:	City of Livermore
Project Developer:	MidPen Housing Corporation
Project Address:	1665 Chestnut Street, Livermore
Total Project Units:	42 (41 affordable and 1 resident manager's unit)
Income Levels:	100% affordable development serving households at or below 20%-60% of Area Median Income
% Units at or below 20% Area Median Income:	9 units (21% of total)
Unit Mix:	4 one-bedroom; 22 two-bedroom; 16 three-bedroom
Measure A1 Target Population(s):	10 units reserved for homeless households
Total Development Cost (TDC):	\$32.8 million; \$780,000 per unit
Measure A1 Funding Request:	\$6,706,495 in City of Livermore Base City Allocation Funding; (20% of TDC)
Proposed Number of A1 Units:	41 units
Proposed Match:	\$11,128,399. Exceeds the required minimum of \$80,605 (value of planning and building fees). The City of Livermore has committed \$2.73 million as a City Land Donation Take-Back Loan and \$4.9 million as a City Development Loan. The City is contributing \$696,399 in waived impact fees. Ten Project Based Vouchers from the Livermore Housing Authority leverage \$2,802,000 in permanent loan debt.

Chestnut Square Family Apartments is a new construction affordable rental project proposed by MidPen Housing Corporation on a 1.3-acre site located in Livermore's North Side Neighborhood District within the Downtown Specific Plan. The City conveyed ownership of the site to the Chestnut Square Family Associates, L.P. (MidPen) in November 2017. The project will serve households with incomes at or below 20% to 60% of the Area Median Income (AMI), with ten units designated for extremely low income households at or below 30% of AMI, of which nine (21% of total) are reserved for households at or below 20% of AMI. The project was awarded ten Section 8 Project-Based Vouchers by the Livermore Housing Authority which will be targeted to formerly homeless households.

The development has received its planning and environmental approvals, and the City has entered into a Disposition and Development Agreement with MidPen. MidPen will develop, own, and operate the property. Services will be provided on-site to all residents by MidPen Resident Services Corporation with additional supportive services to be provided to the 10 homeless units.

Development financing includes the following sources: Measure A1, Alameda County "Boomerang" funds, permanent loan debt, City of Livermore acquisition and development financing, waived impact fees from the City of Livermore, Federal Home Loan Bank Affordable Housing Program (AHP), State HCD Infill Infrastructure Grant (IIG), 9% Low Income Housing Tax Credits, and general partner equity.

Construction will begin in December 2018 and be completed by June 2020.