



ISLAND CITY DEVELOPMENT AGENDA

AGENDA **ANNUAL MEETING OF ISLAND CITY DEVELOPMENT**
DATE & TIME **Tuesday, November 16, 2021 - 1:30 PM**

LOCATION

Independence Plaza Conference Room (703 Atlantic Ave, Alameda Ca 94501) & ZOOM

PUBLIC PARTICIPATION

Time: Nov 16, 2021 01:30 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us06web.zoom.us/j/86055095948?pwd=N2RYb1dwYUtrcnRDQ0NCbW5aYjJGdz09>

Meeting ID: 860 5509 5948

Passcode: 247844

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1. CALL TO ORDER & ROLL CALL
2. PUBLIC COMMENT (Non-Agenda)
3. CONSENT CALENDAR (Action)
 - A. Approve Minutes from the August 2, 2021 ICD Meeting.
 - B. Approve the Fifth Amendment to the Consultant Services Agreement dated 4/15/15 with the Housing Authority of the City of Alameda
 - C. Accept the Report on Cash Repatriation from Everett Commons and Littlejohn Commons
 - D. Approve and Adopt the 2022 ICD Annual Budget



- E. Accept the 2020 Island City Development Audited Financial Statements
- F. Accept the Island City Development tax returns for 2020

4. NEW BUSINESS

- A. Discussion and Possible Adoption of Resolution of the Board of Directors of Island City Development Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Directors Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.
- B. Accept the LIHTC Portfolio Asset Management Annual Financial Report for the Fiscal Year 2020
- C. Accept and Approve the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for Sherman and Buena Vista LP aka Littlejohn Commons
- D. Accept and Approve the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for Constitution and Eagle LP aka Rosefield Village
- E. Accept and Approve the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for Everett and Eagle LP aka Everett Commons
- F. Accept the North Housing Project Update Report, Authorize the Creation of Three Limited Partnership and Three Limited Liability Company entities, Ratify the Executed HKIT Architects Contract for Architectural and Engineering Services, Approve the Architect's Additional Services Request and Authorize the President, or designee to negotiate and sign the Architect's Contract Amendment #1, and Ratify the Executed CBG Contract for Civic Engineering Services.

5. NON-AGENDA (Public Comment)

6. WRITTEN COMMUNICATIONS

7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF

8. ADJOURNMENT

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NOTES:

- If you need special assistance to participate in the meetings of the Island City Development Board of Directors, please contact Jocelyn Layte at (510) 747-4349 (TTY/TRS: 711) or jlayte@alamedahsg.org. Notification 48 hours prior to the



meeting will enable the Island City Development Board of Directors to make reasonable arrangements to ensure accessibility.

- Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Directors exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review. In order to assist Island City Development's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help Island City Development accommodate these individuals.

IF YOU WISH TO ADDRESS THE BOARD:

- Anyone wishing to address the Board on agenda items or business introduced by Board members may speak for a maximum of three (3) minutes per agenda item when the subject is before the Board. Please file a speaker's slip with the Board President. Upon recognition by the President, approach the rostrum and state your name.
- Lengthy testimony should be submitted in writing and only a summary of pertinent points presented verbally.
- Applause and demonstrations are prohibited during Board meetings.



MINUTES

Draft until approved

ISLAND CITY DEVELOPMENT

Special meeting

August 2nd , 2021 at 6:01PM

1. CALL TO ORDER & ROLL CALL

President Cooper called the meeting to order at 6:36 PM. The following board members were present on the zoom conference call: Director Vanessa Cooper, Director Carly Grob, and Director Janet Basta; quorum established. Staff in Attendance: Sylvia Martinez, Allyson Ujimori, Tony Weng, Louie So and Jocelyn Layte.

2. PUBLIC COMMENT (Non-Agenda)

3. CONSENT CALENDAR (**Action**)

- a. Approve Minutes of the Regular Meeting of the Board of Directors held April 29th, 2021, **Page 1**

Director Grob moved to accept consent calendar item. Director Basta seconded the motion. The meeting was held via zoom, a roll call was held by Director Cooper. Director Grob; Yes, Director Basta; Yes, Director Cooper; Yes. The motion carried unanimously.

4. NEW BUSINESS

- a. Authorize the President, or Her Designee, of Island City Development to Execute a Promissory Note with the Housing Authority of City of Alameda for an Amount Not to Exceed \$1,223,000, Authorize the President, or Her Designee, of Constitution and Eagle LP to Execute a Promissory Note with Island City Development for an Amount Not to Exceed \$1,223,000 for Rosefield Village, Authorize Island City Development to Advance an Amount Not to Exceed \$198,000 to Pay for Rosefield Village's Property Taxes, and Authorize Constitution and Eagle LP to pay applicable fees and enter into necessary agreements with East Bay Municipal Utility District. **Page 4**

Staff S. Martinez introduced Staff A. Ujimori who provided a walk-through of the project's current status and the reasons for the promissory note request.

Director Cooper asked clarifying questions about the promissory note and values. Staff A. Ujimori and S. Martinez clarify it will be one promissory note and the separate costs are included in the total.

Director Basta moved to approve item 4a. Director Grob seconded. The meeting was held via zoom, a roll call vote was held by Director Cooper. Director Basta; Yes, Director Grob; Yes, Director Cooper; yes. The motion passed unanimously.

- b. North Housing: Authorize the President, or Designee, to Negotiate and Execute the First Amendment to Consultant Agreement with HKIT Architects, **Page 40**

Staff T. Weng provided an update on the project status of North Housing Phase A that is focused on supportive housing and senior housing. Staff T. Weng requests that the board accept the development report and 1st amendment to the HKIT agreement.

Director Cooper asked if allocation of costs for the architect contract would be per unit or other method such as land. Staff T. Weng confirmed that it will be allocated per unit cost and that the parking would be prorated per unit as well.

Director Cooper expressed support for combining everything together at one time and asked that each building is designed independently. Staff T. Weng commented that this process has displayed design cost savings and efficiency and confirmed that all buildings are under separate permits.

Director Cooper asked to be reminded of where the funds are coming from. Staff T. Weng stated funds are dispersed as invoices occur and Staff L. So, & S. Martinez confirmed. Director Cooper expressed thanks to staff for their work.

Director Grob moved to accept Item 4b. Director Basta Seconded. The meeting was held via zoom, a roll call was held by Director Cooper. Director Basta; yes, Director Grob; Yes, Director Cooper; Yes. The motion passed unanimously.

5. NON-AGENDA (Public Comment)

6. WRITTEN COMMUNICATIONS

7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF

Director Cooper encouraged directors to tour Rosefield Village and see the progress of construction.

8. ADJOURNMENT

The meeting was adjourned at 7:05PM.



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

ITEM 3.B

To: Board of Directors
Island City Development

From: Sylvia Martinez, Director of Housing Development

Date: November 16, 2021

Re: Approve the Fifth Amendment to the Consultant Services Agreement dated 4/15/15 with the Housing Authority of the City of Alameda

BACKGROUND

In 2015, a three-year Consultant Services Agreement was signed by and between ICD and AHA for the delivery of real estate development services. The scope and deliverables include the strategy, financing, and implementation of affordable housing development activities such as rehabilitation and new construction. In addition, ICD is asked to provide technical assistance on affordable housing opportunities in the City of Alameda. This contract has been renewed four times, extending the time period and additional fee by one year each time. The fourth Amendment expires 12/31/2021.

DISCUSSION

ICD continues to be the development arm of the Housing Authority of the City of Alameda and has taken on the financing and development of Littlejohn Commons, Everett Commons, and Rosefield projects in the period from 2015 to the present. The Rosefield project will be in construction until mid-2022. In addition, ICD has implemented entitlement and predevelopment activities on the North Housing site and plans to continue development of this site in phases. To support these efforts, staff proposes an extension of the services agreement until 12/21/2022.

FISCAL IMPACT

A one-year extension of the contract includes an additional year's fee of \$100,000. Funds to support this fee are obtained through the Services Agreement by and between the City of Alameda and the Housing Authority of the City of Alameda for FY2021 -22, which was updated effective August 1, 2020. Thus, there is no net impact on the budget of the Housing Authority. The 2022 Annual ICD Budget is presented in another report in this meeting and includes the proposed additional \$100,000 fee.

CEQA

Not applicable

RECOMMENDATION

Approve the Fifth Amendment to the Consultant Services Agreement dated 4/15/15 with the



ATTACHMENTS

1. 4J Attachment Amendment 5 to Services Agreement AHA & ICD 11.9.2021

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Sylvia Martinez', with a stylized flourish at the end.

Sylvia Martinez, Director of Housing Development

**FIFTH AMENDMENT TO THE
CONSULTANT SERVICES AGREEMENT
BETWEEN ISLAND CITY DEVELOPMENT AND
THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA**

THIS FIFTH AMENDMENT to the Consultant Services Agreement (the "Agreement"), entered into this 9th day of November 2021, by and between ISLAND CITY DEVELOPMENT, a California nonprofit public benefit corporation ("ICD) and the HOUSING AUTHORITY OF THE CITY OF ALAMEDA a public body corporation ("AHA"), is made with reference to the following:

- A. On April 15, 2015, the Agreement was entered into by and between ICD and AHA for delivery of real estate development services; and
- B. On December 5, 2017, the Agreement was amended to extend the completion date to December 31, 2018
- C. On December 20, 2018, the Agreement was amended to extend the completion date to December 31, 2019.
- D. On November 8, 2019, the Agreement was amended to extend the completion date to December 31, 2020.
- E. On December 16, 2020, the Agreement was amended to extend the completion date to December 31, 2021 and increased the NTE amount to \$600,000.
- F. ICD and AHA desire to extend the term of the contract for one year with the same annual contract amount of \$100,000 and a completion date of December 31, 2022.
- G. Consultant compensation shall be increased, pursuant to the Agreement, in the amount of \$100,000 annually for year 2022, for a total contract amount not to exceed \$700,000.

NOW, THEREFORE, in consideration of the foregoing, it is mutually agreed by and between and undersigned parties that paragraphs 1. TERM and 3. COMPENSATION TO CONSULTANT, shall be replaced in whole with the following paragraphs:

- 1. TERM: The time for Completion set forth in the contract is six years, ending December 31, 2022, unless terminated earlier as set forth herein.
- 3. COMPENSATION TO CONSULTANT: Consultant shall be compensated for services performed pursuant to this Agreement in the amount of \$100,000 annually, for a contract total not to exceed \$700,000. Payment will be made based upon Consultant's submitted and approved invoice.

IN WITNESS WHEREOF, the parties hereto have caused this modification of Agreement to be executed on the day and year first above written.

ISLAND CITY DEVELOPMENT

HOUSING AUTHORITY OF THE CITY OF
ALAMEDA

Vanessa Cooper
President

Vanessa Cooper
Executive Director



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Sylvia Martinez, Director of Housing Development

Date: November 16, 2021

Re: Accept the Report on Cash Repatriation from Everett Commons and Littlejohn Commons

BACKGROUND

Everett Commons and Littlejohn Commons are the first low income tax credit developments by Island City Development. Both projects received their final 8609 paperwork from the California Tax Credit Allocation Committee in 2020 and are considered fully placed-in-service. On both properties, there are excess construction term proceeds on deposit at the properties that are not distributed through the annual cash flow and residual receipts calculation. Staff proposes to work with the investors and lenders to distribute these funds through the waterfall so that the funds go to pay deferred developer fee, or repay loans as appropriate.

DISCUSSION

The attached charts show the surplus development proceeds at Everett Commons and Littlejohn Commons as of the audited financials of 12/31/2020. A portion of those funds are already shown to be distributed per the residual receipts calculation in the audit. Staff proposes that the rest of the funds be distributed according to the waterfall from the limited partnership agreements. Staff notes that the two deals have slightly different waterfalls.

Another item to note is that Everett Commons has a deferred developer fee payable that has a preferred payment. The Littlejohn Commons distribution will go to repay soft loans instead, as there is no deferred developer fee. These are one-time distributions, solely due to excess proceeds at project close out. In the future, any proceeds from a single year of operations will go through the waterfall as shown in the audit and in the limited partnership agreements.

FISCAL IMPACT

Deferred developer fee at Everett Commons is shared 90% to ICD and 10% to the Housing Authority via a joint development agreement. Everett Commons is currently accruing payments of its asset management fees until all the deferred developer fee is paid off, so this payment means that the property is closer to starting to pay asset management fees to ICD.

The loan repayments at Littlejohn Commons will flow mostly to the Housing Authority (HACA), although a small share of the payment will repay the City of Alameda HOME program. There is no impact on the ICD asset management fees or developer fees for Littlejohn Commons.



CEQA

Not applicable

RECOMMENDATION

Accept the Report on Cash Repatriation from Everett Commons and Littlejohn Commons

ATTACHMENTS

1. 4G Attach 1 Cash Repatriation - Everett Littlejohn

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

Attachment 1: Proposed Cash Repatriation, Everett & Littlejohn

Everett Commons

Cash Distribution

331,714.00	Cash balance at 12/31/2020
<u>(58,972.00)</u>	Residual receipts cash flow - from 2020 audit p. 18
272,742.00	

Waterfall per Limited Partnership Agreement

none	1st - to LP for Credit Deficiency	
none	2nd - to LP for fed income tax payable	
paid	3rd - investor services fee	
n/a	4th - fund up to operating reserve (after 5th installment)	
272,742.00	5th - unpaid balance of deferred developer fee	\$342,000 still owned
	6th - to GP for any Operating Deficit Loan	
	7th - to pay partnership admin fee	
	8th - to pay loans - HOME, HACA, County	
	HOME	2.84%
	HACA	78.65%
	County	18.51%
	to Partners	
	GP	0.01%
	LP	99.99%

Littlejohn Commons

Cash Distribution

481,145.00	Cash balance at 12/31/2020
<u>\$ (58,972)</u>	resid receipts - from audit, p. 18
\$ 422,173	

Waterfall per Limited Partnership Agreement

none	1st - to LP for unpaid credit adjuster	
paid	2nd - to Asset Mgr for asset mgmt fees	
	3rd - unpaid LP loans	
21,784	HOME	5.16%
400,389	HACA	94.84%
	HACA (ground lease) only after above fully paid	
	4th - replenish operating reserve up to \$245,668	
	5th - unpaid balance of deferred developer fee	
	6th - unpaid GP loans	
	7th - to GP to pay amounts treated as loans	
	8th - to pay partnership mgmt fee	
	9th - any payable Cash Flow Debt Service Payments	
	10th - to GP & LP	
	GP	0.01%
	LP	99.99%



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Sylvia Martinez, Director of Housing Development

Date: November 16, 2021

Re: Approve and Adopt the 2022 ICD Annual Budget

BACKGROUND

The ICD fiscal year ends December 31. When ICD participates in real estate development projects, predevelopment costs are managed from a predevelopment loan. This loan eventually rolls up into a project budget that is controlled by the project owner (e.g. a limited partnership if using Low-Income Housing Tax Credits) when the project financing is secured and closed. Outside of the specific real estate project costs, also referred to as capital costs, ICD has an operating budget for the nonprofit corporation.

The proposed budget for 2022 includes ICD capital costs related to the proposed 2-3 separate North Housing projects during the predevelopment phase as well the administrative operating expenses of the non-profit corporation.

DISCUSSION

ICD has borrowed predevelopment funds from the Housing Authority to develop the Rosefield Village and North Housing projects, \$2.7 MM and \$6.7 MM respectively. Approximately \$5.1 MM of the North Housing loan has been used to date.

Proposed Activity - 2022

The Rosefield Village project has moved into the construction phase and is reflected in the 2022 ICD capital budget through a short-term development advance of \$930,194. North Housing is the only currently approved capital project included in the 2022 budget and will increasingly be developed with individual affordable developments. Carrying activities related to site maintenance are not included in the ICD budget but rather are paid by the Housing Authority as landowner.

In addition to the capital budget, the operating budget for ICD includes the annual consultant services fee to the Housing Authority, audit and tax return fees, insurance, and professional services related to feasibility studies.

The attached 2022 budget for ICD follows the format of the past few years. The cash developer fee split is 90% ICD and 10% AHA per the most recent negotiated deals (this percentage may change in future developments).



It is likely that major portfolio renovation may be planned, which will require a predevelopment loan from AHA to ICD. When these studies are undertaken in 2022, they will come before the Board as new activities.

FISCAL IMPACT

In 2022, the ICD administrative expenses will include \$100,000 payable to the Housing Authority for staffing services, per the Consulting Services Agreement, if extended at this meeting. Additionally, it includes estimated audit, tax return, insurance and professional service expenses of approximately \$125,100. The professional services expenses assume estimated costs for 3 to 5 feasibility studies for new projects.

The ICD revenue includes 90% of the developer fee from the repatriation of excess construction proceeds from Everett Commons, to be released when ICD receives approval from the lenders and investors. There is also a small amount of developer fee scheduled from the Rosefield project. There is no expected developer fee revenue from any other sources in 2022.

CEQA

Not applicable

RECOMMENDATION

Staff recommends that the Board approves and adopts the 2022 ICD Annual Budget.

ATTACHMENTS

1. 4C Attachment - ICD Budget 2022

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

Attach I: ICD 2022 Budget

Island City Development				FY 2022
Budget				
		OPERATING	CAPITAL	
INCOME				
Developer Fee*		\$ 281,468		
Loan Balance				
Predev Loan - North Housing			\$ 6,238,000	
Rosefield Dev Advance			\$ 930,194	
Other		\$ 100,000		
Net Income - 2020		\$ -		
Total Income		\$ 381,468	\$ 7,168,194	
EXPENSE				
Administrative		\$ 100,000		
Arch/Engineering			\$ 1,830,080	
Audit		\$ 23,500		
Insurance		\$ 1,500		
Lender/Investor Fees				
Permits and Fees		\$ 100	\$ 40,000	
Professional Services		\$ 100,000	\$ 266,500	
Other			\$ 152,400	
Other - Demolition			\$ 3,949,020	
Predev Loan Interest				
Rosefield Advance Repayment			\$ 930,194	
Total Expense		\$ 225,100	\$ 7,168,194	
Net Income		\$ 156,368	\$ -	
Data: Dev fee - Construction proceeds from Everett Commons (90%). Capital Expenses - BOC 8-R North Housing Predev Loan Approval, Nov 18, 2020.				



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Louie So, Director of Finance

Date: November 16, 2021

Re: Accept the 2020 Island City Development Audited Financial Statements

BACKGROUND

Per Section 7.7 of the Island City Development Bylaws, the President shall furnish a written annual report to the Board of Directors.

DISCUSSION

The attached audited financial statements reflect the consolidated financial status of the corporation and subsidiaries (including Sherman & Buena Vista, L.P; Everett & Eagle, L.P. and Constitution & Eagle, L.P.) as of 12/31/2019. During calendar year 2019, there were no transactions, indemnifications or advances to any officer or director of the Island City Development corporation.

FISCAL IMPACT

None. This is for reporting purposes only.

CEQA

N/A

RECOMMENDATION

Accept the 2020 Island City Development Audited Financial Statements.

ATTACHMENTS

1. Island City Development-AU-260 Letter (FINAL)
2. Island City Development and Subsidiaries-2020 FS (FINAL)

Respectfully submitted,
Louie So
Louie So, Director of Finance



PERSONAL & CONFIDENTIAL

October 27, 2021

Mr. Louie So
Director of Finance
Housing Authority of the City of Alameda
701 Atlantic Avenue
Alameda, CA 94501

Re: Island City Development

We have audited the consolidated financial statements of Island City Development (the Company) for the year ended December 31, 2020, and have issued our report thereon dated October 27, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated September 17, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Company are described in Note 1 to the financial statements. No new accounting policies were adopted, other than those disclosed in Note 1 to the financial statements, and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates during 2020.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Misstatements were identified by HCVT during the audit (see the attached copy of adjustments). Management represented that they recorded all of the adjustments to correct the identified misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Management Representations

We have requested and received certain representations from management that are included in the management representation letter dated October 27, 2021.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

While auditing the development records of the Rosefield Village project, HCVT identified areas of the balance sheet requiring significant adjustments. We have noted that the Company's development activities have increased significantly with the addition of Rosefield Village and North Housing, and they will require significant accounting support. We recommend adding individuals with real estate/affordable housing experience to meet the Company's long-term goals as a developer.

Other Matters

This information is intended solely for your use and management of the Company, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



HOLTHOUSE CARLIN & VAN TRIGT LLP

Client: **0900022.0 - Island City Development, Inc.**
Engagement: **2020 AUD - Island City Development**
Period Ending: **12/31/2020**
Trial Balance: **A.40.1 - ICD TB**
Workpaper: **A.30.01 - ICD - AJE Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 101		30.1.1 O-1		
To separate remaining portion of Developer Fee due to AHA.				
7110092	Professional Service Revenue		77,330.00	
3330300	Developer Fee Payable			77,330.00
Total			77,330.00	77,330.00
Adjusting Journal Entries JE # 102		C-1		
to reclass payment of 10000 for EE against developer fee per waterfall				
1320010	Investments - Other		10,000.00	
1210000	Accounts Receivable - PHA			10,000.00
Total			10,000.00	10,000.00
Adjusting Journal Entries JE # 103		C-1		
to record AHA investment in ICD for NBV of assets transferred directly to CELP as well as non-cash deficit transferred over for seller loan liability and ground lease				
1320010	Investments - Other		96,606.00	
5090000	Unrestricted		490,616.00	
5090000	Unrestricted		3,466,088.00	
1320010	Investments - Other			490,616.00
1320010	Investments - Other			3,466,088.00
5090000	Unrestricted			96,606.00
Total			4,053,310.00	4,053,310.00
Adjusting Journal Entries JE # 104		C-1		
to record equity in losses of subsidiaries, EE, SBV and CE				
8100200	equity in earnings (losses) of subsidiaries		62.00	
1320010	Investments - Other			62.00
Total			62.00	62.00

Client: **0900022.0 - Island City Development, Inc.**
2020 AUD - Island City
Engagement: **Development**
Period Ending: **12/31/2020**
A.40.4 - Constitution and Eagle
Trial Balance: **TB**
Workpaper: **A.30.05 - Constitution & Eagle - AJE Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 301		I-1		
To accrue additional construction costs.				
1900100	CIP - On Site Improvement		574,649.00	
3120080	Accrued Retainage			184,185.00
3120090.HCVT	Accrued Construction			390,464.00
Total			574,649.00	574,649.00
Adjusting Journal Entries JE # 302		O-2		
To record the Development Fee earned during 2020.				
1900010.HCVT	CIP - Developer Fee		1,394,000.00	
3330300	Developer Fee Payable			1,394,000.00
Total			1,394,000.00	1,394,000.00
Adjusting Journal Entries JE # 303		G-1		
To record amortization of ground lease for 2020.				
1420051	Prepaid Rent		154,686.00	
1900998.hcvt	Capitalized Ground Lease		72,431.00	
1420051	Prepaid Rent			72,431.00
9160113	Office Rent			154,686.00
Total			227,117.00	227,117.00
Adjusting Journal Entries JE # 304		GL		
to reclassify costs related to "investor plan and cost review"				
5100000-HCVT	Syndication - Equity		6,500.00	
1900270	CIP - Financing Cost-Inspection Fees			6,500.00
Total			6,500.00	6,500.00
Adjusting Journal Entries JE # 305		M-1		
not used				
1900350	CIP - Loan Interest - Soft			
9500100	Interest Expense			
Total			0.00	0.00

Adjusting Journal Entries JE # 306		GL		
to reclass ALTA survey out of legal				
1900216	CIP - Survey Fees		750.00	
1900290	CIP - Organization - Legal			750.00
Total			<u>750.00</u>	<u>750.00</u>
Adjusting Journal Entries JE # 307		I-1		
to reclass CMPR fees based on allocation				
5100000-HCVT	Syndication - Equity		28,333.00	
9710099.hcvt	Organization Expense		5,000.00	
1900310	CIP - Construction Loan-Interest & Fees			33,333.00
Total			<u>33,333.00</u>	<u>33,333.00</u>
Adjusting Journal Entries JE # 308		A.40.4		
To move syndication costs to equity.				
5100000-HCVT	Syndication - Equity		117,602.00	
1900360	CIP - Syndication - Legal			69,252.00
1900370	CIP - Syndication-Consultant			48,350.00
Total			<u>117,602.00</u>	<u>117,602.00</u>
Adjusting Journal Entries JE # 309		A.30.05a		
CAJE to eliminate \$75,000 AP and Operating Reserve.				
3120075	Accrued Accounts Payable - 3rd Party Management		75,000.00	
1900475	CIP - Operating Reserves			75,000.00
Total			<u>75,000.00</u>	<u>75,000.00</u>
Adjusting Journal Entries JE # 311		I-1		
to flow loss on disposal through equity to reflect plan to demolish units prior to transfer of assets to CELP				
5080050	Capital Paid In		490,616.00	
8100200	(Gain)/Loss Disposal of Assets			490,616.00
Total			<u>490,616.00</u>	<u>490,616.00</u>

Client: **0900022.0 - Island City Development, Inc.**
Engagement: **2020 AUD - Island City Development**
Period Ending: **12/31/2020**
Trial Balance: **A.40.00 - Consolidated Trial Balance**
Workpaper: **A.30.03 - ICD Consolidated Eliminating Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Eliminating Journal Entries JE # 301		30.1.1 X-1		
To eliminate Developer Fee Revenue, Capitalized Developer Fees, related Depreciation Expense and Accumulated Depreciation.				
1660030	Accumulated Deprecation		37,688.00	
3330300	Developer Fee Payable		1,726,678.00	
7110092	Professional Service Revenue		1,254,600.00	
1210000	Accounts Receivable - PHA			1,726,677.00
1900010.HCVT	CIP - Developer Fee			1,254,600.00
9710090	Pre-development Cost			1.00
9740000	Depreciation Expense			37,688.00
Total			<u>3,018,966.00</u>	<u>3,018,966.00</u>
Eliminating Journal Entries JE # 302		A.10.1		
To eliminate PY Retained Earnings .				
1660030	Accumulated Deprecation		37,688.00	
5090000	Unrestricted		1,635,666.00	
1320010	Investments - Other			250,000.00
1620030	Buildings			1,423,354.00
Total			<u>1,673,354.00</u>	<u>1,673,354.00</u>
Eliminating Journal Entries JE # 303		E-1		
To eliminate intercompany (due to/from) with subsidiaries.				
9500200	Other Expense		1,370.00	
1-EJE-HCVT	Interprogram EJE dump			1,370.00
Total			<u>1,370.00</u>	<u>1,370.00</u>
Eliminating Journal Entries JE # 304		30.1.1 C-1		
To eliminate Partnership Management Fee Income/Expense, Partnership Management Fee Payables/Receivables, and Investments in Subsidiaries.				
1320010	Investments - Other		2,745,098.00	
3330010	Account Payable - Other Government		41,518.00	
7150020	Other Management Fees		31,518.00	
1320010	Investments - Other			41,518.00
1320010	Investments - Other			2,745,098.00
5080050	Capital Paid In			2,745,098.00
5090000	Unrestricted			
9160281.2	AHA Management Fee (GP)			31,518.00
Total			<u>2,818,134.00</u>	<u>2,818,134.00</u>

Eliminating Journal Entries JE # 305		E.1.1		
To eliminate the short term advance made to ICD on behalf on CELP for North Housing				
3120010	Accounts Payable<= 90 Days		6,500.00	
3120070	Accrued Payables		295,908.00	
1250010	Accounts Receivable - Other			302,408.00
Total			<u>302,408.00</u>	<u>302,408.00</u>
Eliminating Journal Entries JE # 306		N.1.1		
To eliminate Settlement Costs				
3120070	Accrued Payables		9,672.00	
1250010	Accounts Receivable - Other			9,672.00
Total			<u>9,672.00</u>	<u>9,672.00</u>
Eliminating Journal Entries JE # 307		C-1 (icd)		
to eliminate income/loss pick up in consolidated subsidiaries				
1320010	Investments - Other		62.00	
8100200	equity in earnings (losses) of subsidiaries			62.00
Total			<u>62.00</u>	<u>62.00</u>

**ISLAND CITY DEVELOPMENT
AND SUBSIDIARIES**
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION,
AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2020 AND 2019



ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
DECEMBER 31, 2020 AND 2019
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Island City Development:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Island City Development (a California nonprofit public benefit corporation) and its Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, changes in net assets (deficit), and cash flows, for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on Consolidated Financial Statements

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Island City Development and its Subsidiaries as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The information in Schedules I and II is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in blue ink that reads "Holt House Carlin & Van Tine LLP". The signature is written in a cursive, flowing style.

Westlake Village, California
October 27, 2021

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31,	2020	2019
ASSETS		
Property, at cost		
Land improvements	\$ 2,342,066	\$ 2,170,596
Buildings and improvements	26,398,949	26,161,709
Furniture and equipment	512,067	512,067
Construction-in-progress	6,517,307	-
Total property	35,770,389	28,844,372
Less: accumulated depreciation	(2,044,442)	(1,020,974)
Net property	33,725,947	27,823,398
Cash and cash equivalents	1,839,520	1,571,493
Investments	1,141,144	-
Other receivables	70,367	99,819
Restricted funds:		
Reserves	352,730	326,006
Tenant security deposits	45,774	41,500
Prepaid ground leases	16,319,493	3,316,468
Preacquisition costs	2,261,114	2,178,339
Other prepaids	32,102	28,472
Deposits	527,814	221,184
Deferred costs - TCAC fees	77,236	83,157
Total assets	\$ 56,393,241	\$ 35,689,836
LIABILITIES AND NET ASSETS (DEFICIT)		
Notes payable, net	\$ 42,170,253	\$ 20,675,495
Accounts payable and accrued expenses	56,611	57,917
Accrued construction and development costs	1,518,236	-
Accrued development consulting fee to AHA	100,000	-
Accrued interest payable	1,278,154	858,796
Developer fee payable	306,900	167,500
Accrued Asset Management Fee payable	-	7,233
Prepaid rents	15,627	11,499
Tenant security deposits	44,734	41,500
Total liabilities	45,490,515	21,819,940
Commitments and contingencies		
Net assets (deficit)		
Without donor restrictions		
Controlling interests	(4,127,246)	(190,767)
Noncontrolling interests	15,029,972	14,060,663
Total net assets (deficit)	10,902,726	13,869,896
Total liabilities and net assets (deficit)	\$ 56,393,241	\$ 35,689,836

See notes to consolidated financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
 (A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
 CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31,	2020	2019
Revenue:		
Residential rent	\$ 295,076	\$ 224,748
Tenant subsidies	875,614	810,664
Grant and other revenue	17,650	271,553
Total revenue	1,188,340	1,306,965
Expenses:		
Program services-housing	2,027,955	2,148,073
Supporting services	212,989	225,806
Total expenses	2,240,944	2,373,879
Change in net assets	\$ (1,052,604)	\$ (1,066,914)

See notes to consolidated financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31,

2020

	Program Services			Supporting Services		
	Island City		Total	Island City		Total
	Development	Housing (a)		Development	Housing (a)	
Administrative						
Manager's salaries	\$ -	\$ 52,619	\$ 52,619	\$ -	\$ -	\$ 52,619
Manager's unit	-	41,512	41,512	-	-	41,512
Office expense	-	107,214	107,214	6,302	-	113,516
Professional fees - accounting	-	-	-	22,850	52,360	75,210
Professional fees - legal	-	3,013	3,013	16,617	-	19,630
Property management fees	-	38,090	38,090	-	-	38,090
Total administrative expenses	-	242,448	242,448	45,769	52,360	340,577
Utilities						
Electricity	-	23,129	23,129	-	-	23,129
Water and sewer	-	19,669	19,669	-	-	19,669
Gas	-	429	429	-	-	429
Total utilities	-	43,227	43,227	-	-	43,227
Operating and maintenance						
Maintenance salaries	-	39,735	39,735	-	-	39,735
Repairs and maintenance	-	51,791	51,791	4,123	-	55,914
Trash removal	-	24,567	24,567	-	-	24,567
Total operating and maintenance	-	116,093	116,093	4,123	-	120,216
Taxes and insurance						
Payroll taxes	-	8,482	8,482	-	-	8,482
Property and liability insurance	-	29,365	29,365	-	-	29,365
Employee benefits	-	24,870	24,870	-	-	24,870
Property taxes	-	719	719	-	-	719
State taxes	-	1,801	1,801	127	-	1,928
Total taxes and insurance	-	65,237	65,237	127	-	65,364
Other expenses						
Depreciation	-	854,662	854,662	-	-	854,662
Amortization	-	5,981	5,981	-	-	5,981
Interest expense	-	654,507	654,507	-	-	654,507
Asset Management Fees	-	-	-	-	10,610	10,610
Development consulting	-	-	-	100,000	-	100,000
Ground lease	-	34,604	34,604	-	-	34,604
Miscellaneous financial expenses	-	6,196	6,196	-	-	6,196
Organization costs	-	5,000	5,000	-	-	5,000
Total other expenses	-	1,560,950	1,560,950	100,000	10,610	1,671,560
Total functional expenses	\$ -	\$ 2,027,955	\$ 2,027,955	\$ 150,019	\$ 62,970	\$ 2,240,944

(a) Sherman and Buena Vista, L.P., Everett and Eagle, L.P., and Constitution and Eagle, L.P.

See notes to financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31,

2019

	Program Services			Supporting Services		
	Island City Development	Housing (a)	Total	Island City Development	Housing (a)	Total
Administrative						
Manager's salaries	\$ -	\$ 53,012	\$ 53,012	\$ -	\$ -	\$ 53,012
Office expense	-	78,796	78,796	11,105	-	89,901
Professional fees - accounting	-	-	-	41,759	58,547	100,306
Professional fees - legal	-	8,051	8,051	800	-	8,851
Property management fees	-	33,660	33,660	-	-	33,660
Total administrative expenses	-	173,519	173,519	53,664	58,547	285,730
Utilities						
Electricity	-	16,159	16,159	-	-	16,159
Water and sewer	-	15,196	15,196	-	-	15,196
Gas	-	102	102	-	-	102
Total utilities	-	31,457	31,457	-	-	31,457
Operating and maintenance						
Maintenance salaries	-	42,830	42,830	-	-	42,830
Repairs and maintenance	-	35,064	35,064	-	-	35,064
Trash removal	-	15,183	15,183	-	-	15,183
Total operating and maintenance	-	93,077	93,077	-	-	93,077
Taxes and insurance						
Payroll taxes	-	8,368	8,368	-	-	8,368
Property and liability insurance	-	28,467	28,467	-	-	28,467
Employee benefits	-	21,495	21,495	-	-	21,495
Property Taxes	-	359	359	-	-	359
State taxes	-	3,200	3,200	148	-	3,348
Total taxes and insurance	-	61,889	61,889	148	-	62,037
Other expenses						
Depreciation	-	837,028	837,028	-	-	837,028
Amortization	-	6,500	6,500	-	-	6,500
Advertising and lease-up	-	33,169	33,169	-	-	33,169
Interest expense	-	822,918	822,918	2,730	-	825,648
Asset Management Fees	-	-	-	-	10,717	10,717
Development consulting	-	-	-	100,000	-	100,000
Ground lease	-	34,604	34,604	-	-	34,604
Miscellaneous financial expenses	-	44,606	44,606	-	-	44,606
Organization costs	-	9,306	9,306	-	-	9,306
Total other expenses	-	1,788,131	1,788,131	102,730	10,717	1,901,578
Total functional expenses	\$ -	\$ 2,148,073	\$ 2,148,073	\$ 156,542	\$ 69,264	\$ 2,373,879

(a) Sherman and Buena Vista LP and Everett and Eagle L.P.

See notes to financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (DEFICIT)

		Controlling Interests	Noncontrolling Interests	Total
Balance, December 31, 2018	\$	(370,473)	\$ 669,386	\$ 298,913
Contributions		-	14,637,897	14,637,897
Net loss		179,706	(1,246,620)	(1,066,914)
Balance, December 31, 2019		(190,767)	14,060,663	13,869,896
Contributions		-	2,097,967	2,097,967
Transfer of owners' deficit		(3,860,098)	-	(3,860,098)
Syndication costs		-	(152,435)	(152,435)
Net income (loss)		(76,381)	(976,223)	(1,052,604)
Balance, December 31, 2020	\$	(4,127,246)	\$ 15,029,972	\$ 10,902,726

See notes to consolidated financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECMEBER 31,	2020	2019
Cash flow from operating activities:		
Change in net assets from operations	\$ (1,052,604)	\$ (1,066,914)
Adjustments to reconcile change in net assets from operations to net cash provided by (used in) operating activities:		
Depreciation	854,662	837,028
Amortization of deferred costs	5,981	6,500
Amortization of debt issuance costs	44,547	62,392
Ground lease expense	34,604	34,604
Changes in operating assets and liabilities:		
Deposits	56,697	(56,697)
Other prepaids	(3,690)	(9,977)
Accounts payable and accrued expenses	(1,306)	36,418
Accrued interest payable	331,239	265,827
Accrued Asset Management Fee payable	(7,233)	5,150
Prepaid rents	4,128	10,502
Tenant security deposits - liability	3,234	18,576
Net cash provided by operating activities	270,259	143,409
Cash flows from investing activities:		
Expenditures for property	(1,934,469)	(2,152,985)
Expenditures for preacquisition costs	(2,718,037)	(1,412,956)
Investments in CAMP Pool	(3,405,898)	-
Redemptions of investment in CAMP Pool	2,264,754	-
Net cash used in investing activities	(5,793,650)	(3,565,941)
Cash flows from financing activities:		
Proceeds from notes payable	7,623,335	6,996,073
Repayments on notes payable	(2,641,947)	(16,865,224)
Expenditures for debt issuance costs	(741,177)	(55,187)
TCAC performance deposit	(186,167)	-
Lender deposit	(277,160)	(100,000)
Lender refunds	100,000	-
Capital contributions	2,097,967	14,637,897
Expenditures for syndication costs	(152,435)	-
Net cash provided by financing activities	5,822,416	4,613,559
Net change in cash, cash equivalents, and restricted cash	299,025	1,191,027
Cash, cash equivalents, and restricted cash, at beginning of year	1,938,999	747,972
Cash, cash equivalents, and restricted cash, at end of year	\$ 2,238,024	\$ 1,938,999

See notes to consolidated financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECMEBER 31, **2020** **2019**

Supplemental disclosure of cash activities:

Cash paid for interest, net of capitalized interest	\$	484,929	\$	484,929
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Supplemental disclosure of non-cash activities:

Acquired real estate - net book value	\$	239,902	\$	-
Prepaid ground lease		13,110,000		-
Assumption of debt		(17,210,000)		-
Transfer of owners' deficit		3,860,098		-
	\$	-	\$	-

Cash, cash equivalents, and restricted cash is as follows:

Cash and cash equivalents	\$	1,839,520	\$	1,571,493
Reserves		352,730		326,006
Tenant security deposits		45,774		41,500
	\$	2,238,024	\$	1,938,999

See notes to consolidated financial statements.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
 (A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2020 AND 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization Island City Development is a California nonprofit public benefit corporation (the Company or ICD) exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Company was formed in 2014 primarily to engage in acquiring, developing, rehabilitating, owning, and managing affordable housing (the Project(s)) for low and moderate-income individuals and families in the City of Alameda, California. In connection with the development of the Projects, the Company, or its affiliates, intend to enter into regulatory agreements with the California Tax Credit Allocation Committee (TCAC), which govern the ownership, occupancy, management, maintenance and operations of the Project.

The Company is a discrete component unit of the City of Alameda Housing Authority (AHA) and its Board of Directors is made up of three directors appointed by the AHA Executive Director. In addition, the Company is dependent on AHA's financial and personnel assistance.

As of December 31, 2020 and 2019, the Company's consolidated financial statements include California limited partnerships and single member California limited liability companies (LLC), (the Partnership(s) or the Subsidiary(ies)) organized primarily to acquire, develop/rehabilitate, and manage multi-family affordable housing projects. As of December 31, 2020, the Company, through its Subsidiaries, owns the following Projects:

Partnership Name	Project Name	City, State	Units
Sherman and Buena Vista LP	Littlejohn Commons	Alameda, California	31
Everett and Eagle L.P.	Everett Commons	Alameda, California	20
Constitution and Eagle LP (a)	Rosefield Village	Alameda, California	92

(a) As of December 31, 2020, the project was under development and is expected to be complete in June 2022.

Allocation of profit and losses of the Partnerships that own the above projects are allocated as follows:

Company	0.01%
Limited Partner (non-controlling)	99.99%

In addition, the Company has established the following wholly owned Subsidiaries:

Del Monte Senior LLC
 2437 Eagle Avenue LLC
 Rosefield LLC

Principles of Consolidation and Accounting for Investments in a Limited Partnership

Accounting standards generally accepted in the United States of America establishes the presumption that the general partner(s) in a limited partnership controls that limited partnership (or similar entity) regardless of ownership percentage. The presumption of control by the general partner is overcome when the limited partners have either: (a) the substantive ability to dissolve, or liquidate the limited partnership, or otherwise remove the general partner without cause, or (b) substantive participating rights. If the presumption of control cannot be overcome, then the general partner is required to consolidate the limited partnership. As of and for the years ended December 31, 2020 and 2019, ICD or its wholly owned Subsidiaries, as a controlling general partner, conformed their accounting to this presumption and determined the presumption of control for the limited partnerships had not been overcome.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
 (A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2020 AND 2019

Due to shared control with other entities, ICD records its investments in limited partnerships for which ICD serves as limited partner under the equity method of accounting. Under the equity method of accounting, ICD records its acquisition of the initial investment at cost and thereafter, records its portion of the entity's income or loss on an annual basis. In the event its investment goes negative, based on management's assessments, the recording of further loss may be suspended until profitability returns.

ICD serves as a limited partner in the following limited partnership and records its investment under the equity method of accounting:

Project Name	City, State	Acquisition Date	Units
Stargell Commons	Alameda, California	2015	32*

*The project was placed in service in June 2017 and ICD's investment is \$0.

Basis of Accounting The consolidated financial statements have been prepared on the accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and include the accounts of ICD and all its wholly owned and controlled affiliates. These entities are included in the consolidation in accordance with U.S. GAAP, which require that the partnership or company accounts be consolidated for all entities controlled by ICD. All significant intercompany balances and transactions have been eliminated in consolidation.

Revenues, expenses, gains, losses and net assets are classified in the consolidated financial statements based on the existence or absence of donor-imposed restrictions. As of December 31, 2020 and 2019, there were no donor-imposed restrictions on net assets. Accordingly, the net assets of the Company and changes therein are classified and reported as follows:

Controlling interests is the net assets not restricted by donor-imposed stipulations. The only limits on net assets are broad limits resulting from the nature of the Company and the purposes specified in its articles of incorporation or bylaws and, perhaps, limits resulting from contractual agreements. Net assets without donor restriction - controlling interest, consist of undesignated and board designated net assets.

Non-controlling interests is the net assets that represent the limited partners' equity interest in the Projects, generally up to 99.99%, that are included in the consolidated financial statements.

Revenues Revenues include tenant rents from operating leases (generally one year), recognized as revenue, including tenant subsidies, when they become due. Revenues also include income from grants, developer fees, to the extent it is a reimbursement of development costs, laundry, interest, and miscellaneous income. These revenues are recognized as earned and/or costs incurred.

Functional Allocation of Expenses The costs of providing ICD's programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of functional expenses. The functional classifications are defined as follows:

Program services are expenses that consist of costs incurred in connection with providing housing services.

Supporting services are expenses that consist of costs incurred in connection with the overall activities of ICD, which are not allocable to another functional expense category.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Income Taxes The Company has received a determination letter from the Internal Revenue Service stating that it qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for federal income taxes is recorded in the accompanying consolidated financial statements. In addition, the Company does not have any income, which it believes would subject it to unrelated business income taxes. Accordingly, there is no provision for income taxes in the accompanying consolidated financial statements.

Income taxes on limited partnership and LLC income are included in the tax returns of the partners or members. The federal tax status as a pass-through entity is based on the entity's legal status as a partnership or LLC and is required to file tax returns with the IRS and other taxing authorities.

Accordingly, these consolidated financial statements do not reflect a provision for income taxes. However, the limited partnerships and the LLCs are required to pay an \$800 fee to the California Franchise Tax Board. The Company determined there are no tax positions, which must be considered for disclosure. There are no current tax examinations pending.

Estimates The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial reporting period. Management believes actual results will not differ significantly from those estimates.

Cash, Cash Equivalents, and Restricted Cash For purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash and highly liquid unrestricted investments with an original maturity of three months or less when purchased. Restricted cash consists of tenant security deposits, replacement and operating reserves held at the partnership level.

Investment in Investment Pool The Company maintains a portion of its cash in the California Asset Management Program (the CAMP Pool) as part of the common investment pool (\$1,141,144 and \$0 as of December 31, 2020 and 2019, respectively). The CAMP Pool invests in asset-back commercial paper, certificates of deposits, commercial paper, corporate notes, government agency and instrumentality obligations and repurchase agreements. The fair value of CAMP Pool is reported in the accompanying financial statements at amounts based upon the Company's pro-rata share of the fair value provided by the CAMP Pool (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the CAMP Pool, which are recorded on an amortized cost basis. Cash may be added or withdrawn from the investment pool without limitation.

Fair Value Measurements and Disclosures The CAMP Pool reports certain assets and liabilities at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

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Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value is determined using models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Unobservable inputs for the asset or liability. In these situations, the Company develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Company's assessment of the quality, risk, or liquidity profile of the asset or liability.

A significant portion of the Company's CAMP Pool investment assets are classified within Level 2.

The following table presents the assets measured at fair value on a recurring basis at December 31:

	2020	2019
CAMP Pool (Level 2)	\$ 1,141,144	\$ 0

Property Property is stated at cost. Upon completion, depreciation expense will be provided primarily using the straight-line method over the following estimated useful lives:

Description	Life
Leasehold land improvements	75-99 years
Buildings and improvements	40 years
Land improvements	20 years
Furniture and equipment	5 - 7 years

ICD capitalizes development costs, including interest and insurance until the project is placed in service. Thereafter, ICD capitalizes expenditures or betterments that materially increase asset lives, charging to depreciation expense the estimated net book value of the improvement cost being replaced, and charges ordinary repairs and maintenance to operations as incurred. When assets are sold or otherwise disposed of, the costs and related reserves are removed from the accounts, and any resulting gain or loss is included in operations.

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The Company reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. When evaluating recoverability, management considers future undiscounted cash flows estimated to be generated by the property including the low-income housing tax credits and any estimated proceeds from the eventual disposition. In the event these accumulated cash flows are less than the carrying amount of the property, the Company recognizes an impairment loss equal to the excess of the carrying amount over the estimated fair value of the property. No impairment losses were recognized during the year ended December 31, 2020 and 2019.

Other Receivables The Company evaluates collectability on a case-by-case basis and provides a reserve when collection is doubtful.

Concentration of Credit and Business Risk The Company's cash and cash equivalents are maintained in various banks. The Company has exposure to credit risk to the extent that its cash and cash equivalents exceed amounts covered by federal deposit insurance. The Company believes that its credit risk is not significant.

ICD, either as a direct owner, advisor or general partner, has an economic interest in the Projects that are subject to business risks associated with the economy and level of unemployment in California, which affects occupancy as well as the tenants' ability to make rental payments. In addition, these Projects operate in a heavily regulated environment and the operations of these Projects will be subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, the U.S. Department of Housing and Urban Development (HUD). Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD and may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Adoption of Recent Accounting Pronouncement During 2020, the Organization adopted Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606) – This ASU clarifies the principles for recognizing revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services. For the specified contracts for which the Organization is the service provider, there was not a significant impact on the consolidated financial statements.

Reclassifications Certain amounts in the prior year financial statements have been reclassified to conform to the current year financial statement presentation.

2. PREPAID GROUND LEASES

Littlejohn Commons entered into a ground lease agreement with AHA commencing December 2016 for a period of 99 years ending December 31, 2115. In accordance with the ground lease agreement, \$3,410,000 was recorded as a prepaid ground lease with a corresponding ground lease payable, see Note 7. During the term of the lease, the Subsidiary will annually amortize prepaid ground lease of \$34,444.

Everett Commons entered into a ground lease agreement with AHA commencing June 2017 for a period of 99 years ending June 1, 2116. In accordance with the ground lease agreement, \$9,900 was recorded as a prepaid ground lease, and amortization of the ground lease is \$100 per annum.

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Rosefield Village entered into a ground lease agreement with AHA commencing August 2020 for a period of 75 years ending December 31, 2095. In accordance with the ground lease agreement, \$13,110,000 was recorded as a prepaid ground lease financed by a seller takeback loan, see Note 7. During the term of the lease, the Subsidiary will annually amortize prepaid ground lease of \$173,834.

As of December 31, 2020 and 2019, prepaid ground lease balances were \$16,319,493 and \$3,316,468, respectively.

3. RESERVES

Restricted cash accounts (Reserves) are restricted for use by various agreements including partnership, loan, and regulatory agreements. The Reserves as of December 31 2020 and 2019 are as follows:

	2020	2019
Reserves	\$ 352,730	\$ 326,006

4. PREACQUISITION COSTS

ICD capitalizes preacquisition costs until management determines the proposed development is not feasible. ICD's preacquisition costs do not include AHA's incremental indirect project costs clearly associated with the acquisition, development and construction of the proposed Project. In general, once a project is approved, the preacquisition are reimbursed by a newly formed consolidated entity using third party loans and capital contributions. As of December 31, 2020 and 2019, ICD's preacquisition costs for future Projects of \$2,261,114 and \$2,190,665, respectively, has been incurred and recorded in the accompanying consolidated statements of financial position.

5. DEFERRED COSTS – TCAC FEES AND DEBT ISSUANCE COSTS

Deferred TCAC Costs Deferred TCAC costs consist of fees paid to TCAC that will be amortized over a 15-year period, beginning in the year the applicable Project is placed in service. As of December 31, 2020 and 2019, unamortized TCAC costs were \$77,236 and \$83,217, respectively.

Debt Issuance Costs Debt issuance costs of \$949,718 and \$253,088 net of accumulated amortization as of December 31, 2020 and 2019, respectively, are reported as a direct reduction of the obligation to which such costs relate. While the projects are under development, the amortization of debt issuance costs are capitalized. Thereafter, the amortization is reported as a component of interest expense using a method that approximates the effective interest method.

6. DEPOSITS

Deposits consist of funds that ICD sent to various regulatory agencies on behalf of real estate projects under development. These funds are anticipated to be refunded as the projects under development achieve certain milestones. As of December 31, 2020 and 2019, deposits were \$527,814 and \$221,184, respectively.

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7. NOTES PAYABLE

	2020	2019
A summary of ICD's financing arrangements as of December 31, 2020 and 2019 is as follows:		
AHA North Housing loan Unsecured promissory note payable to AHA for the purpose of funding preacquisition efforts of a project known as North Housing in the original loan amount of \$300,000, with interest accruing at a rate of 3.00% commencing January 1, 2024. During 2018, the loan agreement was amended to a maximum amount of \$3,700,000. All unpaid principal and interest are due December 31, 2074.	\$ 3,700,000	\$ 700,000
AHA North Housing – additional loan Island City Development promises to pay a principal balance of \$130,000. Note shall bear simple interest at the rate of 3% annually. Interest payments will begin on January 1, 2024. The note will mature on December 31, 2074.	130,000	-
AHA Rosefield loan Unsecured promissory note payable to AHA for the purpose of funding preacquisition efforts of Rosefield Village in the original loan amount of \$1,000,000, with interest accruing at a rate of 3.00% commencing January 1, 2018. During 2019, the loan agreement was amended, increasing the maximum loan to \$2,000,000 with interest accruing at 3.00%, retroactively commencing January 1, 2021. The loan was repaid during 2020.	-	2,000,000
Total ICD notes payable	3,830,000	2,700,000

A summary of the Littlejohn Commons financing arrangements as of December 31, 2020 and 2019 is as follows:

Note payable to Compass Bank, an Alabama banking corporation, provides construction financing in the maximum amount of \$10,322,328. The note is secured by a construction and permanent leasehold deed of trust with absolute assignment of leases and rents, security agreement and fixture filing. The note provides for interest only payments based on one-month LIBOR plus 1.80% per annum through the conversion date. In February 2019, the construction loan was partially paid off with the Limited Partner's capital contributions, with the remaining balance converted into a permanent loan of \$2,429,400 with California Community Reinvestment Corporation (CCRC). The Partnership entered into a promissory note agreement with CCRC for the permanent loan, with an interest rate of 5.39%, which requires monthly payments of principal and interest, and matures on March 1, 2034.	2,236,132	2,348,793
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	2020	2019
Note payable to the City of Alameda, secured by a subordinate deed of trust, borrowings up to \$195,740, simple interest at 3.00% per annum, payable from Residual Receipts and unpaid principal and interest are due on April 1, 2073.	195,740	195,740
Note payable to AHA, in the original amount of \$3,600,000, secured by a leasehold deed of trust, assignment of rents, and security agreement, interest at 2.26%, compounded annually; principal and interest payable annually from Residual Receipts; as defined, unpaid principal and interest is due December 31, 2073.	3,600,000	3,600,000
Note payable to AHA, in the original amount of \$3,410,000, secured by a leasehold deed of trust, assignment of rents, and security agreement, interest at 2.26%, compounded annually; principal and interest payable annually from Residual Receipts; unpaid principal and interest is due December 31, 2073.	3,410,000	3,410,000
Total Littlejohn Commons notes payable	9,441,872	9,554,533

A summary of the Rosefield Village financing arrangements as of December 31, 2020 and 2019 is as follows:

Note payable in the amount of \$16,576,088 dated August 1, 2020 and payable to (the Seller Loan, aka AHA Takeback Loan), and secured by a deed of trust. The loan bears interest at a rate of 1.12% compounded annually. Principal and interest payments are made on May 1 of each calendar as Residual Receipts permits. Maturity date is December 31, 2077.	16,576,088	-
Note payable in the amount of \$40,322,758, (the Construction Loan) and payable to California Municipal Finance Authority (as Lender), secured by a Leasehold Construction Deed of Trust. Interest accrues at the LIBOR rate plus 2.20% and is payable to the Lender on a monthly basis. Loan is anticipated to convert April 10, 2023 and will mature September 1, 2040.	1,306,748	-
Note payable in the amount of \$8,093,414 dated August 1, 2020 and payable to the County of Alameda (County A1 Loan) and secured by a deed of trust. The loan bears simple interest at a rate of 3.00%. Principal and interest payments are made on May 1 of each calendar as Residual Receipts permits. Maturity date is August 1, 2075.	1,153,535	-
Note payable in the amount of \$8,143,052 dated August 1, 2020 and payable to the County of Alameda (AHA Funds Loan, aka AHA Cash Funds), and secured by a deed of trust. The loan does not bear interest. Principal and interest payments are made on May 1 of each calendar as Residual Receipts permits. Maturity date is December 31, 2077.	1,483,052	-

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	2020	2019
Note payable in the amount of \$633,912 dated August 1, 2020 and payable to the City of Alameda (City CDBG Loan) and secured by a subordinate deed of trust. The loan bears simple interest at a rate of 2.33% per annum. Principal and interest payments are made on May 1 of each calendar as Residual Receipts permits. Maturity date is April 1, 2074	633,912	-
Total Rosefield Village notes payable	21,153,335	-
A summary of the Everett Commons financing arrangements as of December 31, 2020 and 2019 is as follows:		
Note payable to JPMorgan Chase Bank, N.A., a national banking association, provides construction financing in the maximum amount of \$9,859,528. The note is secured by a construction and deed of trust, assignment of rents, security agreement and fixture filing. The note provides for interest only payments based on adjusted one-month LIBOR plus 1.85% per annum through the conversion date. In July 2019, the construction loan was partially repaid and concurrently converted to a \$3,330,168 permanent loan that bears interest at 5.55% that requires monthly payments of principal and interest of \$17,993. The note matures on September 21, 2039.	3,291,482	3,320,768
Note payable to the City of Alameda, secured by a subordinated leasehold deed of trust, assignment of rents, security agreement and fixture filing, borrowings up to \$153,282, simple interest at 3.00%, payable from residual receipts; unpaid principal and interest are due on December 31, 2074.	153,282	153,282
Note payable to AHA, in the original amount of \$4,250,000, secured by a leasehold deed of trust, assignment of rents, and security agreement and fixture filing, interest at 2.68%, compounded annually; principal and interest payable annually from residual receipts; unpaid principal and interest are due December 31, 2074.	4,250,000	4,250,000
Note payable to County of Alameda, in the maximum amount of \$1,000,000, secured by a subordinated leasehold deed of trust, assignment of rents, security agreement and fixture filing, simple interest at 3.00%, payable from Residual Receipts and unpaid principal and interest are due on December 31, 2074.	1,000,000	950,000
Total Everett Commons notes payable	8,694,764	8,674,050
Total notes payable	43,119,971	20,928,583
Less: unamortized debt issuance costs	(949,718)	(253,088)
Total notes payable, net	\$ 42,170,253	\$ 20,675,495

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Principal payments on notes payable are required as follows:

Year Ending December 31,	Amount
2021	\$ 150,396
2022	158,784
2023	1,474,388
2024	176,478
2025	186,833
Thereafter	40,973,092
	\$ 43,119,971

8. RELATED PARTY TRANSACTIONS

Consulting Services ICD entered into an agreement with AHA, commencing on April 15, 2015, in which AHA shall provide professional project management services for a term of three years. For these services, ICD will annually compensate AHA \$100,000, not to exceed \$300,000 in total. In December 2020, the agreement was amended to extend through December 31, 2021, and during 2020 and 2019, ICD was charged \$100,000 for consulting services. As of December 31, 2020 and 2019, \$100,000 and \$0, remains payable.

Developer Fee Payable The Subsidiaries have entered into joint developer fee agreements with ICD and AHA (together referred to as the Developers in the amounts of 90.00% and 10.00%, respectively, or such amount agreed to by the Developers). As of December 31, 2020 and 2019, the Developers have entered into developer fee agreements in the amounts of \$7,290,000 and \$1,675,000, respectively. ICD's portion (90.00%) has been eliminated from presentation due to consolidation, net of costs incurred to provide development services, (\$139,400 and \$0 in 2020 and 2019, respectively). As of December 31, 2020 and 2019, developer fees owed to AHA of \$306,900 and \$167,500, respectively, remain unpaid.

Due from Affiliates Due from Affiliates are net amounts advanced by ICD to AHA. These advances are unsecured, due on demand and do not accrue interest. As of December 31, 2020 and 2019, \$0 and \$29,437, respectively, is due from AHA.

Limited Partner Fees In connection with the limited partnerships, the limited partners (non-controlling entities) charge Asset Management Fees for miscellaneous services rendered to the Partnerships.

9. GRANT REVENUE

In accordance with a May 23, 2018 memorandum of understanding (the MOU) between AHA and the Alameda Unified School District (AUSD), AHA is to receive funds from AUSD to support four affordable housing projects, from time to time. In connection with this MOU, during 2019, \$250,000 was granted by AHA to ICD. As a result, ICD, made a \$250,000 capital contribution to Sherman Buena Vista LP, aka Littlejohn Commons. The AHA grant was included in other revenue in the accompanying consolidated statements of activities and change in net assets.

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10. COMMITMENTS

In connection with the development and operations of the Subsidiaries, AHA and the Company, together as Guarantor, made certain guaranties regarding the duties and performance obligations of the Subsidiaries' general partners. These duties include, but are not limited to, ensuring complete development of the Subsidiaries, ensuring tax credit delivery, maintaining the Subsidiaries' compliance with various regulatory agencies, and providing operating deficit guarantees of \$314,000 to Everett Commons, \$245,668 to Little John Commons, and \$792,000 to Rosefield Village.

11. LIQUIDITY AND AVAILABILITY

The Company's financial assets available to meet cash needs for general expenditures within one year of the date of the statement of financial position include:

As of December 31,	2020	2019
Cash and cash equivalents	\$ 1,839,520	\$ 1,571,493
Investments - CAMP Pool	1,141,144	-
Other receivables	70,367	99,819
Restricted funds	398,504	367,506
Less: Subsidiaries operating cash due to partnership and lender restrictions	(1,594,270)	(1,118,681)
Estimated financial assets available to meet general expenditures within one year	\$ 1,855,265	\$ 920,137

In addition to the financial assets available in the above table, for the year ended December 31, 2020 and 2019, AHA has committed an additional \$0 and \$3,000,000, respectively, of development proceeds to ICD (Note 7).

Regarding the Subsidiaries' liquidity needs, each subsidiary has been established to develop and operate affordable housing. As a result, the Subsidiaries have been structured in such a way to be self-sufficient regarding their liquidity needs. In the event, the subsidiaries have unplanned liquidity needs over and above that which is provided by its operations, they have access to cash reserves, reported as restricted funds, subject to lender and limited partner withdrawal approval, upon conversion to permanent financing. In addition, in the normal course of business, the Subsidiaries under development rely on receiving funds from, non-recourse permanent loan commitments and limited partner capital contributions. In the event, the Subsidiaries are unable to meet their liquidity needs, AHA and the Company as together as Guarantor have provided limited guarantees to fund operating deficits. As of December 31, 2020, ICD's management believes they have sufficient liquidity availability to meets it obligations for the coming year.

12. CONTINGENCY

COVID-19 Pandemic As a result of the outbreak of the novel coronavirus (COVID-19), the economic environment in which the Company operates was, and continues to be disrupted, including restrictions passed by the state legislature regarding tenant rent collections and evictions. Its duration, severity and the potential impact on the general population, the Projects tenants, the onsite personnel, and the potential changes in tenant preferences for living arrangements, are among the many unknowns and

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could materially impact the future results of operations, financial condition, liquidity, and overall performance of the Company.

13. SUBSEQUENT EVENTS

The Company has evaluated subsequent events that have occurred through the independent auditor's report date, which is the date that the consolidated financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the financial statements, except as discussed below.

On January 15, 2021, the Organization entered into an unsecured loan agreement with AHA in the amount of \$2,408,000. Interest on the loan accrues at 3.00%, and all principal and interest is due December 31, 2074.

On August 1, 2021, the Organization entered into an unsecured loan agreement with AHA in the amount of \$1,223,000. The loan does not accrue interest, and all principal is due December 31, 2036.

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CONSOLIDATING STATEMENT OF FINANCIAL POSITION

SCHEDULE I

AS OF DECEMBER 31, 2020

ASSETS

	Island City Development	Housing (a)	Eliminating Entries	Consolidated
Property, at cost:				
Land improvements	\$ -	\$ 2,342,066	\$ -	\$ 2,342,066
Buildings and improvements	-	27,826,449	(1,427,500)	26,398,949
Furniture and equipment	-	512,067	-	512,067
Construction-in-progress	-	7,771,907	(1,254,600)	6,517,307
Total property	-	38,452,489	(2,682,100)	35,770,389
Less accumulated depreciation	-	(2,119,818)	75,376	(2,044,442)
Net property	-	36,332,671	(2,606,724)	33,725,947
Cash and cash equivalents	643,754	1,195,766	-	1,839,520
Investments	1,141,144	-	-	1,141,144
Other receivables	352,253	30,194	(312,080)	70,367
Due from affiliates	-	1,370	(1,370)	-
Restricted funds:				
Reserves	-	352,730	-	352,730
Tenant security deposits	-	45,774	-	45,774
Developer fee receivable	1,726,677	-	(1,726,677)	-
Prepaid ground leases	-	16,319,493	-	16,319,493
Investment (deficit) in affiliates	(2,453,642)	-	2,453,642	-
Preacquisition costs	2,261,114	-	-	2,261,114
Other prepaids	-	32,102	-	32,102
Deposits	-	527,814	-	527,814
Deferred costs - TCAC fees, net amortization	-	77,236	-	77,236
Total assets	\$ 3,671,300	\$ 54,915,150	\$ (2,193,209)	\$ 56,393,241

(a) Sherman and Buena Vista, L.P., Everett and Eagle, L.P., and Constitution and Eagle, L.P.

See independent auditor's report.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

SCHEDULE I

AS OF DECEMBER 31, 2020

LIABILITIES AND NET ASSETS (DEFICIT)

	Island City Development	Housing (a)	Eliminating Entries	Consolidated
Notes payable, net	\$ 3,830,000	\$ 38,340,253	\$ -	\$ 42,170,253
Accounts payable and accrued expenses	133	76,796	(20,318)	56,611
Accrued construction and development costs	943,587	870,557	(295,908)	1,518,236
Accrued development consulting fee to AHA	100,000	-	-	100,000
Accrued Partnership Management Fee payable	-	41,518	(41,518)	-
Accrued interest payable	13,980	1,264,174	-	1,278,154
Developer fee payable	306,900	1,726,678	(1,726,678)	306,900
Prepaid rents	-	15,627	-	15,627
Tenant security deposits	-	44,734	-	44,734
Total liabilities	5,194,600	42,380,337	(2,084,422)	45,490,515
Net assets (deficit)				
Net assets without donor restrictions				
Controlling interests	(1,523,300)	(2,495,159)	(108,787)	(4,127,246)
Noncontrolling interests	-	15,029,972	-	15,029,972
Total net assets (deficit)	(1,523,300)	12,534,813	(108,787)	10,902,726
Total liabilities and net assets (deficit)	\$ 3,671,300	\$ 54,915,150	\$ (2,193,209)	\$ 56,393,241

(a) Sherman and Buena Vista, L.P., Everett and Eagle, L.P., and Constitution and Eagle, L.P.

See independent auditor's report.

ISLAND CITY DEVELOPMENT AND SUBSIDIARIES

SCHEDULE II

(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS (DEFICITS)

FOR THE YEAR ENDED DECEMBER 31, 2020

	Island City Development	Housing (a)	Pre- Consolidation	Eliminating Entries	Consolidated
Revenue:					
Residential rent	\$ -	\$ 295,076	\$ 295,076	\$ -	\$ 295,076
Tenant subsidies	-	875,614	875,614	-	875,614
Total rental revenue	-	1,170,690	1,170,690	-	1,170,690
Equity in earnings (loss) of investments	(62)	-	(62)	62	-
Development fee revenue	1,254,600	-	1,254,600	(1,254,600)	-
Grant and other revenue	37,416	11,752	49,168	(31,518)	17,650
Total other revenue	1,291,954	11,752	1,303,706	(1,286,056)	17,650
Total revenue	1,291,954	1,182,442	2,474,396	(1,286,056)	1,188,340
Expenses:					
Program services	-	2,064,274	2,064,274	(36,319)	2,027,955
Supporting services	150,019	94,488	244,507	(31,518)	212,989
Total operating expenses	150,019	2,158,762	2,308,781	(67,837)	2,240,944
Change in net assets	1,141,935	(976,320)	165,615	(1,218,219)	(1,052,604)
Contributions - controlling interests		1,211,606	1,211,606	(1,211,606)	-
Contributions - noncontrolling interests	-	2,097,967	2,097,967	-	2,097,967
Transfer of owners' deficit	(3,860,098)	(3,956,704)	(7,816,802)	3,956,704	(3,860,098)
Syndication costs - noncontrolling interests	-	(152,435)	(152,435)	-	(152,435)
Total changes in net assets	(2,718,163)	(1,775,886)	(4,494,049)	1,526,879	(2,967,170)
Net assets (deficits), beginning of the year	1,194,863	14,310,699	15,505,562	(1,635,666)	13,869,896
Net assets (deficits), end of the year	\$ (1,523,300)	\$ 12,534,813	\$ 11,011,513	\$ (108,787)	\$ 10,902,726

(a) Sherman and Buena Vista, L.P., Everett and Eagle, L.P., and Constitution and Eagle, L.P.

See independent auditor's report.



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Louie So, Director of Finance

Date: November 16, 2021

Re: Accept the Island City Development tax returns for 2020

BACKGROUND

All tax exempt corporations must file an annual information return to the Internal Revenue Service (IRS) known as Form 990 and to the State of California Franchise Tax Board (FTB) known as Form 199. Prior to filing the tax return forms, the Board of Directors of Island City Development is required to review and approve the documentation. The extended tax return deadline is November 15, 2021 for the 2020 tax return.

DISCUSSION

Island City Development's audit and tax firm Holthouse Carlin & Van Tright, LLP (HCVT) has prepared the IRS Form 990 and California Form 199 based on the draft audited financial statements. Once these filings are completed by HCVT, staff will also file this information with the California Attorney General, IRS and FTB as required.

FISCAL IMPACT

None. This is for reporting only.

CEQA

N/A

RECOMMENDATION

Accept the Island City Development tax returns for 2019 and authorize the President or her designee to execute and file the tax return with minimal changes from the draft.

ATTACHMENTS

1. ICD - Draft Tax Return 2020 - 10.28.2021

Respectfully submitted,
Louie So
Louie So, Director of Finance





Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2020

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the 2020 calendar year, or tax year beginning , 2020, **and ending** , 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization ISLAND CITY DEVELOPMENT
 Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
701 ATLANTIC AVENUE
 City or town, state or province, country, and ZIP or foreign postal code
ALAMEDA, CA 94501

D Employer identification number
47-2164827

E Telephone number
(510) 747-4300

F Name and address of principal officer:
VANESSA COOPER, 701 ATLANTIC AVE., ALAMEDA, CA 94501

G Gross receipts \$1,291,954.

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. See instructions

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ N/A

K Form of organization: Corporation Trust Association Other ▶

L Year of formation: 2014

M State of legal domicile: CA

H(c) Group exemption number ▶

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>LOW-INCOME HOUSING</u> <u>SEE PAGE 2 FOR FURTHER EXPLANATION.</u>		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3 3	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 1	
	5	Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5 0	
	6	Total number of volunteers (estimate if necessary)	6 0	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a 0.	
b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b 0.		
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 250,000.	Current Year
	9	Program service revenue (Part VIII, line 2g)	44,499.	1,286,118.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	40.	5,898.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		-62.
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	294,539.	1,291,954.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0.	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶	0.	
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	156,542.	150,019.
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	156,542.	150,019.	
19	Revenue less expenses. Subtract line 18 from line 12	137,997.	1,141,935.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 4,082,979.	End of Year 3,671,300.
	21	Total liabilities (Part X, line 26)	2,888,116.	5,194,600.
	22	Net assets or fund balances. Subtract line 21 from line 20	1,194,863.	-1,523,300.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer _____ Date _____
VANESSA COOPER, PRESIDENT
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name Preparer's signature Date Check if self-employed PTIN
JONATHAN SIAO _____ 10/25/2021 P00244223

Firm's name ▶ HOLTHOUSE CARLIN & VAN TRIGT LLP Firm's EIN ▶ 95-4345526
 Firm's address ▶ 11444 W OLYMPIC BLVD, 11TH FLOOR, LOS ANGELES, CA 90064 Phone no. (310) 566-1900

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission:

LOW INCOME HOUSING. THE CORPORATION WAS FORMED IN 2014 PRIMARILY TO ENGAGE IN ACQUIRING, DEVELOPING, REHABILITATING, OWNING AND MANAGING AFFORDABLE HOUSING FOR LOW AND MODERATE INCOME INDIVIDUALS AND FAMILIES IN THE CITY OF ALAMEDA, CALIFORNIA.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 21,218.) LITTLEJOHN COMMONS - LITTLEJOHN COMMONS, FKA DEL MONTE SENIOR HOUSING PROJECT, IS A 31-UNIT SENIOR RENTAL PROJECT CONSISTING OF 30 ONE-BEDROOM AND ONE TWO-BEDROOM MANAGER'S UNIT INTENDED TO PROVIDE AFFORDABLE HOUSING FOR LOW AND VERY LOW INCOME SENIORS IN THE CITY OF ALAMEDA, CALIFORNIA. THE PROJECT WAS COMPLETED AS OF AUGUST 2, 2018, AND WAS 100% LEASED BY AUGUST 30, 2018.

4b (Code:) (Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 10,300.) EVERETT COMMONS - EVERETT COMMONS, FKA 2437 EAGLE AVENUE FAMILY PROJECT, IS A 20-UNIT MULTI-FAMILY, TOWNHOUSE-STYLE PROPERTY INCLUDING ONE TWO-BEDROOM MANAGER'S UNIT, INTENDED TO PROVIDE AFFORDABLE HOUSING FOR LOW AND VERY LOW INCOME FAMILIES AND VETERANS IN THE CITY OF ALAMEDA, CALIFORNIA. THE PROJECT COMPLETED AS OF DECEMBER 17, 2018, AND WAS 100% LEASED BY DECEMBER 31, 2018.

4c (Code:) (Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 1,254,600.) ROSEFIELD VILLAGE- THE ROSEFIELD VILLAGE PROJECT INCLUDES THE REDEVELOPMENT OF A 53-UNIT PROPERTY INTO 92 UNITS OF AFFORDABLE HOUSING FOR LOW INCOME FAMILIES IN THE CITY OF ALAMEDA, CALIFORNIA. THIS PROJECT IS IN THE PROCESS OF REHABILITATION AND NEW CONSTRUCTION AS OF DECEMBER 31, 2020. TAX CREDIT AND CONSTRUCTION FINANCING CLOSED IN AUGUST 2020.

4d Other program services (Describe on Schedule O.) (Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 0.)

4e Total program service expenses 0.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1	X
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> See instructions?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a	X
b Did the organization report an amount for investments—other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments—program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I See instructions</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X

Part IV Checklist of Required Schedules *(continued)*

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 16 regarding employee reporting, tax returns, gross income, foreign accounts, prohibited transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
	1a 3		
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b 1		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
12c		X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official		X
b	Other officers or key employees of the organization		X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	X	
16b		X	

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► CA
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records ►
 VANESSA COOPER, 701 ATLANTIC AVE, ALAMEDA, CA 94501 (510)747-4320

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) VANESSA COOPER PRESIDENT	0.25 36.00	X		X			0.	286,820.	63,609.	
(2) JANET BASTA SECRETARY/TREASURER	0.25 36.00	X		X			0.	195,365.	40,955.	
(3) CARLY GROB VICE PRESIDENT	0.25 36.00	X		X			0.	0.	0.	
(4) BRAD WEINBERG VICE PRESIDENT	0.25 36.00	X		X			0.	0.	0.	
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Subtotal							0.	482,185.	104,564.	
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							0.	482,185.	104,564.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns					
	b	Membership dues					
	c	Fundraising events					
	d	Related organizations					
	e	Government grants (contributions)					
	f	All other contributions, gifts, grants, and similar amounts not included above					
	g	Noncash contributions included in lines 1a-1f					
	h	Total. Add lines 1a-1f ▶					
Program Service Revenue			Business Code				
	2a	DEVELOPMENT FEE REVENUE	541640	1,254,600.	1,254,600.	0.	
	b	PARTNER MANAGEMENT FEES	541640	31,518.	31,518.	0.	
	c	-----					
	d	-----					
	e	-----					
	f	All other program service revenue . . .					
g	Total. Add lines 2a-2f ▶		1,286,118.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		5,898.	0.	0.	
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
	6a	Gross rents	(i) Real				
			(ii) Personal				
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶					
	7a	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other				
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) ▶					
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18						
b	Less: direct expenses						
c	Net income or (loss) from fundraising events . . ▶						
9a	Gross income from gaming activities. See Part IV, line 19						
b	Less: direct expenses						
c	Net income or (loss) from gaming activities . . . ▶						
10a	Gross sales of inventory, less returns and allowances						
b	Less: cost of goods sold						
c	Net income or (loss) from sales of inventory . . . ▶						
Miscellaneous Revenue			Business Code				
	11a	EQUITY IN EARNINGS(LOSS) ON INVESTMENT	541640	-62.	0.	0.	
	b	-----					
	c	-----					
	d	All other revenue					
e	Total. Add lines 11a-11d ▶		-62.				
12	Total revenue. See instructions ▶		1,291,954.	1,286,118.	0.	5,836.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (nonemployees):				
a Management				
b Legal	16,617.	0.	16,617.	0.
c Accounting	22,850.	0.	22,850.	0.
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion				
13 Office expenses	6,302.	0.	6,302.	0.
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a STATE TAXES	127.	0.	127.	0.
b DEVELOPMENT CONSULTING	100,000.	0.	100,000.	0.
c REPAIRS AND MAINTENANCE	4,123.	0.	4,123.	0.
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	150,019.	0.	150,019.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	820,315.	1	643,754.
	2 Savings and temporary cash investments	3.	2	1,141,144.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	89,328.	4	352,253.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b		10c
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	3,173,333.	15	1,534,149.
16 Total assets. Add lines 1 through 15 (must equal line 33)	4,082,979.	16	3,671,300.	
Liabilities	17 Accounts payable and accrued expenses	20,616.	17	14,113.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D	2,867,500.	25	5,180,487.
	26 Total liabilities. Add lines 17 through 25	2,888,116.	26	5,194,600.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	1,194,863.	27	-1,523,300.
	28 Net assets with donor restrictions		28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
32 Total net assets or fund balances	1,194,863.	32	-1,523,300.	
33 Total liabilities and net assets/fund balances	4,082,979.	33	3,671,300.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,291,954.
2	Total expenses (must equal Part IX, column (A), line 25)	2	150,019.
3	Revenue less expenses. Subtract line 2 from line 1	3	1,141,935.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	1,194,863.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	-3,860,098.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	-1,523,300.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits.		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization ISLAND CITY DEVELOPMENT	Employer identification number 47-2164827
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Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vii)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
- 10 An organization that normally receives (1) more than 33¹/₃% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations 1
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) HOUSING AUTHORITY OF THE CITY OF ALAMEDA	94-6003048	6	X		0.	0.
(B)						
(C)						
(D)						
(E)						
Total					0.	0.

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2019 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2020. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test—2019. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test—2020. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test—2019. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2020 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2019 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2020 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2019 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests—2020. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests—2019. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>	x	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		x
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		x
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
3c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		x
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		x
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		x
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		x
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		x
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		x
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		x
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		x
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		x
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		x
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		x
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		x
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		x

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization?		
11a		x
b A family member of a person described in line 11a above?		x
11b		x
c A 35% controlled entity of a person described in line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI .		
11c		x

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1	x	
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
2		x

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2 Activities Test. Answer lines 2a and 2b below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No," provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A—Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	
Section B—Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C—Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D—Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required—provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2020 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E—Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2020	(iii) Distributable Amount for 2020
1 Distributable amount for 2020 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2020 (reasonable cause required—explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2020			
a From 2015			
b From 2016			
c From 2017			
d From 2018			
e From 2019			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2020 distributable amount			
i Carryover from 2015 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2020 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2020 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2021. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2016			
b Excess from 2017			
c Excess from 2018			
d Excess from 2019			
e Excess from 2020			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Pt I Ln 12g: PROFESSIONAL PROJECT MANAGEMENT SERVICES.

Area with horizontal dashed lines for supplemental information.

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

2020

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization: ISLAND CITY DEVELOPMENT; Employer identification number: 47-2164827

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two yes/no questions about donor advisement.

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes questions about purpose of easements, total number and acreage, monitoring, and expenses. Includes a table for 'Held at the End of the Tax Year' with rows 2a, 2b, 2c, 2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting and amounts for art and historical treasures.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange program
- e** Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? **Yes** **No**

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? **Yes** **No**

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? **Yes** **No**

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ▶%
- b** Permanent endowment ▶%
- c** Term endowment ▶%

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** Unrelated organizations
- (ii)** Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) ▶

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) . ▶		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) . ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) CONSTRUCTION IN PROGRESS	2,261,114.
(2) DEVELOPER FEE RECEIVABLE	1,726,677.
(3) DUE FROM AHA	0.
(4) INVESTMENT IN AFFILIATES	-2,453,642.
(5) DEPOSITS	0.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	1,534,149.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) AHA PROPERTY LOAN	3,830,000.
(3) ACCRUED DEVELOPER FEE	306,900.
(4) ACCRUED DEVELOPMENT AND CONSTRUCTION COSTS	943,587.
(5) ACCRUED DEVELOPMENT CONSULTING FEE	100,000.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	5,180,487.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII .

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	1,188,340.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d	-103,614.	
e	Add lines 2a through 2d		2e	-103,614.
3	Subtract line 2e from line 1		3	1,291,954.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	1,291,954.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	2,240,944.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d	2,090,925.	
e	Add lines 2a through 2d		2e	2,090,925.
3	Subtract line 2e from line 1		3	150,019.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	150,019.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Pt X, Line 2: THE COMPANY HAS RECEIVED A DETERMINATION LETTER FROM THE INTERNAL REVENUE SERVICE STATING THAT IT QUALIFIES AS A TAX-EXEMPT ORGANIZATION UNDER SECTION 501(C)3 OF THE INTERNAL REVENUE CODE AND, ACCORDINGLY, NO PROVISION FOR FEDERAL INCOME TAXES IS RECORDED IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS. IN ADDITION, THE COMPANY DOES NOT HAVE ANY INCOME WHICH IT BELIEVES WOULD SUBJECT IT TO UNRELATED BUSINESS INCOME TAXES. ACCORDINGLY, THERE IS NO PROVISION FOR INCOME TAXES IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS.

Pt X, Line 2: INCOME TAXES ON LIMITED PARTNERSHIP AND LLC INCOME ARE INCLUDED IN THE TAX RETURNS OF THE PARTNERS OR MEMBERS. THE FEDERAL TAX STATUS AS A PASS-THROUGH ENTITY IS BASED ON THE ENTITY'S LEGAL STATUS AS A PARTNERSHIP OR LLC AND IS REQUIRED TO FILE TAX RETURNS WITH THE IRS AND OTHER TAXING AUTHORITIES.

Part XIII Supplemental Information (continued)

Pt X, Line 2: ACCORDINGLY, THESE CONSOLIDATED FINANCIAL STATEMENTS DO NOT REFLECT A PROVISION FOR INCOME TAXES. HOWEVER, THE LIMITED PARTNERSHIPS AND THE LLC'S ARE REQUIRED TO PAY AN \$800 FEE TO THE CALIFORNIA FRANCHISE TAX BOARD. THE COMPANY DETERMINED THERE ARE NO TAX POSITIONS WHICH MUST BE CONSIDERED FOR DISCLOSURE. THERE ARE NO CURRENT TAX EXAMINATIONS PENDING.

Pt XI, Line 2d: INCOME AND EXPENSES FROM AFFILIATES INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS AS PER GAAP, AND THEIR ELIMINATING ENTRIES SEPARATELY REPORTED FOR TAX PURPOSES.

Pt XII, Line 2d: SEE EXPLANATION ABOVE FOR PART XI, LINE 2d.

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**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2020

Open to Public Inspection

ISLAND CITY DEVELOPMENT

Employer identification number

47-2164827

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
 - b** Participate in or receive payment from a supplemental nonqualified retirement plan?
 - c** Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5–9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
 - b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
 - b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b		
2		
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 VANESSA COOPER PRESIDENT	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	286,820.	0.	0.	0.	63,609.	350,429.	0.
2 JANET BASTA SECRETARY/TREASURER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	195,365.	0.	0.	0.	40,955.	236,320.	0.
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

Draft

**SCHEDULE O
(Form 990 or 990-EZ)**

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

2020

▶ Attach to Form 990 or 990-EZ.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Go to www.irs.gov/Form990 for the latest information.

Name of the organization

Employer identification number

ISLAND CITY DEVELOPMENT

47-2164827

Pt VI, Line 15a: THE ORGANIZATION DOES NOT COMPENSATE ANY OFFICERS OR EMPLOYEES.

Pt VI, Line 15b: SEE ABOVE EXPLANATION Pt VI, Line 15a.

Pt VI, Line 19: THE FORMS 990 ARE AVAILABLE TO THE PUBLIC ON THE ATTORNEY GENERAL WEBSITE AND GUIDESTAR.ORG. ALSO SEE EXPLANATION FOR Pt VI, Line 12c, BELOW.

Pt VI, Line 11b: A COMPLETE COPY OF THE FORM 990 IS DISCUSSED AND APPROVED AT A MEETING OF ALL CURRENT MEMBERS OF THE ORGANIZATION'S GOVERNING BODY BEFORE FILING.

Pt VI, Line 12c: THE GOVERNING DOCUMENTS, INCLUDING CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS, ARE REVIEWED AND CONSIDERED AT A MEETING THAT IS OPEN TO THE PUBLIC. AS A PUBLIC ENTITY, ALL OF THE HOUSING AUTHORITY RECORDS, INCLUDING ISLAND CITY DEVELOPMENT, ARE PUBLICLY AVAILABLE.

Pt XI: TRANSFER OF OWNERS' DEFICIT.

Pt III, Line 4d:

Expenses: \$0 including grants of: \$0 Revenue: \$0

Description: NORTH HOUSING-NORTH HOUSING PROJECT INCLUDES THE DEVELOPMENT OF 12 ACRES OF FORMER MILITARY LAND INTO A NEW AFFORDABLE MIXED INCOME NEIGHBORHOOD THAT INCLUDES 360 UNITS OF SUPPORTIVE AND FAMILY HOUSING IN THE CITY OF ALAMEDA, CALIFORNIA. THIS PROJECT IS IN THE PLAN-NING STAGE AS OF DECEMBER 31, 2020.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization

ISLAND CITY DEVELOPMENT

Employer identification number

47-2164827

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) 2437 EAGLE AVENUE LLC 37-1852983 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	5,358.	5,310.	ISLAND CITY DEVELOPMENT
(2) DEL MONTE SENIOR LLC 38-4009678 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	21,277.	250,047.	ISLAND CITY DEVELOPMENT
(3) ROSEFIELD LLC 32-0583648 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	5.	1,114,994.	ISLAND CITY DEVELOPMENT
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) ALAMEDA HOUSING AUTHORITY 94-6093048 701 ATLANTIC AVE ALAMEDA CA 94501	HOUSING AUTHORITY	CA	GOV ' T		N/A		X
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512–514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) SHERMAN & BUENA VISTA LP 81-3540156 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD	RELATED	21,165.	4,078,706.		X	0.	X		0.01
(2) EVERETT AND EAGLE LP 37-1854574 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD	RELATED	5,250.	396,260.		X	0.	X		0.01
(3) STARGELL COMMONS, L.P. 47-3210229 2220 OXFORD STREET BERKELEY CA 94704	LOW INCOME HOUSING	CA	STARGELL COMMONS, LP	RELATED	33.	5,081.		X	0.		X	0.10
(4) CONSTITUTION AND EAGLE LP 83-2961811 701 ATLANTIC AVENUE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD	RELATED	-6.	24,716,584.	X		0.	X		0.01
(5) _____												
(6) _____												
(7) _____												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) _____									
(2) _____									
(3) _____									
(4) _____									
(5) _____									
(6) _____									
(7) _____									

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		X
1b	X	
1c		X
1d	X	
1e	X	
1f		X
1g		X
1h		X
1i		X
1j		X
1k	X	
1l		X
1m		X
1n	X	
1o	X	
1p		X
1q		X
1r		X
1s	X	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ALAMEDA HOUSING AUTHORITY	k, n	173,834.	COST
(2) ALAMEDA HOUSING AUTHORITY	k	34,444.	COST
(3) ALAMEDA HOUSING AUTHORITY	o	586,749.	COST
(4) ALAMEDA HOUSING AUTHORITY	e	130,000.	COST
(5) ALAMEDA HOUSING AUTHORITY	e	3,000,000.	COST
(6) See Statement		1,591,068.	

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512–514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII

Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

Area with horizontal dashed lines for providing supplemental information.

Draft

Schedule R: Related Organizations and Unrelated Partnerships**Part V: Transactions with Related Organizations****Continuation Statement**

Name of related organization	Transaction type (a-s)	Amount involved	Method of determining amount involved
ALAMEDA HOUSING AUTHORITY	m	100,000.	COST
ALAMEDA HOUSING AUTHORITY	m	139,400.	COST
SHERMAN & BUENA VISTA LP	d	245,668.	COST
EVERETT & EAGLE LP	d	314,000.	COST
CONSTITUTION AND EAGLE LP	d	792,000.	COST
		1,591,068.	

Draft

IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2020, or fiscal year beginning _____, 2020, and ending _____, 20_____

Department of the Treasury
Internal Revenue Service

Do not send to the IRS. Keep for your records.
Go to www.irs.gov/Form8879EO for the latest information.

2020

Name of exempt organization or person subject to tax

Taxpayer identification number

ISLAND CITY DEVELOPMENT

47-2164827

Name and title of officer or person subject to tax

VANESSA COOPER, PRESIDENT

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, or 7a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, or 7b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a Form 990 check here <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	1,291,954.
2a Form 990-EZ check here <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b	
6a Form 990-T check here <input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4)	6b	
7a Form 4720 check here <input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1)	7b	

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above organization or I am a person subject to tax with respect to (name of organization) _____, (EIN) _____ and that I have examined a copy of the 2020 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

I authorize HOLTHOUSE CARLIN & VAN TRIGT LLP to enter my PIN

1	2	3	4	5
---	---	---	---	---

 as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the organization, I will enter my PIN as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax

Date

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

9	5	7	8	4	3	0	0	0	4	5
---	---	---	---	---	---	---	---	---	---	---

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature

Date 10/25/2021

ERO Must Retain This Form — See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

California Exempt Organization Annual Information Return

2020

199

Calendar Year 2020 or fiscal year beginning (mm/dd/yyyy) and ending (mm/dd/yyyy)

Corporation/Organization name ISLAND CITY DEVELOPMENT California corporation number 3707008

Additional information. See instructions. FEIN 47-2164827

Street address (suite or room) 701 ATLANTIC AVENUE PMB no.

City ALAMEDA State CA Zip code 94501

Foreign country name Foreign province/state/county Foreign postal code

- A First return... B Amended return... C IRC Section 4947(a)(1) trust... D Final information return... E Check accounting method... F Federal return filed?... G Is this a group filing?... H Is this organization in a group exemption... I Did the organization have any changes to its guidelines... J If exempt under R&TC Section 23701d... K Is the organization exempt under R&TC Section 23701g?... L Is the organization a limited liability company?... M Did the organization file Form 100 or Form 109... N Is the organization under audit by the IRS... O Is federal Form 1023/1024 pending?

Part I Complete Part I unless not required to file this form. See General Information B and C.

Table with 16 rows for Receipts and Revenues, Expenses, and Filing Fee. Includes line numbers and amounts.

Sign Here section with signature of officer (PRESIDENT), date, and telephone number. Includes Preparer's signature and firm information (HOLTHOUSE CARLIN & VAN TRIGT LLP).

Part II Organizations with gross receipts of more than \$50,000 and private foundations regardless of amount of gross receipts — complete Part II or furnish substitute information.

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	●	1		00
	2	Interest	●	2		00
	3	Dividends	●	3		00
	4	Gross rents	●	4		00
	5	Gross royalties	●	5		00
	6	Gross amount received from sale of assets (See Instructions)	●	6		00
	7	Other income. Attach schedule See Stmt	●	7	1,291,954	00
	8	Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	●	8	1,291,954	00
	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	●	9		00
	10	Disbursements to or for members	●	10		00
	11	Compensation of officers, directors, and trustees. Attach schedule See Stmt	●	11	0	00
	12	Other salaries and wages	●	12		00
Expenses and Disbursements	13	Interest	●	13		00
	14	Taxes	●	14		00
	15	Rents	●	15		00
	16	Depreciation and depletion (See instructions)	●	16		00
	17	Other expenses and disbursements. Attach schedule See Stmt	●	17	150,019	00
	18	Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	●	18	150,019	00

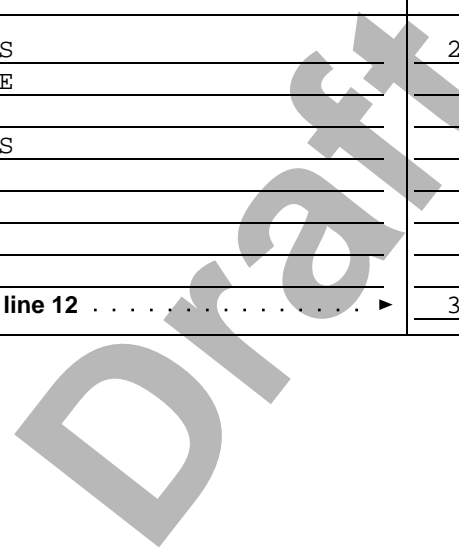
Schedule L Balance Sheet		Beginning of taxable year		End of taxable year	
Assets		(a)	(b)	(c)	(d)
1	Cash		820,318	●	1,784,898
2	Net accounts receivable		89,328	●	352,253
3	Net notes receivable			●	
4	Inventories			●	
5	Federal and state government obligations			●	
6	Investments in other bonds			●	
7	Investments in stock			●	
8	Mortgage loans			●	
9	Other investments. Attach schedule			●	
10	a Depreciable assets				
	b Less accumulated depreciation				
11	Land			●	
12	Other assets. Attach schedule SEE STMT		3,173,333	●	1,534,149
13	Total assets		4,082,979		3,671,300
Liabilities and net worth					
14	Accounts payable		20,616	●	14,113
15	Contributions, gifts, or grants payable			●	
16	Bonds and notes payable			●	
17	Mortgages payable			●	
18	Other liabilities. Attach schedule SEE STMT		2,867,500		5,180,487
19	Capital stock or principal fund			●	
20	Paid-in or capital surplus. Attach reconciliation SEE STMT		1,194,863	●	-1,523,300
21	Retained earnings or income fund			●	
22	Total liabilities and net worth		4,082,979		3,671,300

Schedule M-1 Reconciliation of income per books with income per return			
Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$50,000			
1	Net income per books	●	1,141,935
2	Federal income tax	●	
3	Excess of capital losses over capital gains	●	
4	Income not recorded on books this year. Attach schedule	●	
5	Expenses recorded on books this year not deducted in this return. Attach schedule	●	
6	Total. Add line 1 through line 5		1,141,935
7	Income recorded on books this year not included in this return. Attach schedule	●	
8	Deductions in this return not charged against book income this year. Attach schedule	●	
9	Total. Add line 7 and line 8		
10	Net income per return. Subtract line 9 from line 6		1,141,935

Name as Shown on Return
ISLAND CITY DEVELOPMENT

California Corporation No.
3707008

Other Investments:	Beginning of Tax Year	End of Tax Year
Totals to Form 199, Schedule L, line 9. ▶		
Other Assets:	Beginning of Tax Year	End of Tax Year
CONSTRUCTION IN PROGRESS	2,190,665.	2,261,114.
DEVELOPER FEE RECEIVABLE	382,677.	1,726,677.
DUE FROM AHA	154,361.	0.
INVESTMENT IN AFFILIATES	288,933.	-2,453,642.
DEPOSITS	156,697.	0.
Totals to Form 199, Schedule L, line 12 ▶	3,173,333.	1,534,149.



Name as Shown on Return
ISLAND CITY DEVELOPMENT

California Corporation No.
3707008

Other Liabilities:	Beginning of Tax Year	End of Tax Year
AHA PROPERTY LOAN	2,700,000.	3,830,000.
ACCRUED DEVELOPER FEE	167,500.	306,900.
ACCRUED DEVELOPMENT AND CONSTRUCTION COSTS	0.	943,587.
ACCRUED DEVELOPMENT CONSULTING FEE	0.	100,000.
Totals to Form 199, Schedule L, line 18 ▶	2,867,500.	5,180,487.

Paid-in or Capital Surplus:	Beginning of tax year	End of tax year
UNRESTRICTED NET ASSETS	1,194,863.	-1,523,300.
Totals to Form 199, Schedule L, line 20 ▶	1,194,863.	-1,523,300.

Voucher at bottom of page. ■

DO NOT MAIL A PAPER COPY OF THE CORPORATE OR EXEMPT ORGANIZATION TAX RETURN WITH THE PAYMENT VOUCHER.
If the amount of payment is zero, do not mail this voucher.

WHERE TO FILE: Using black or blue ink, make check or money order payable to the "Franchise Tax Board." Write the corporation number , FEIN, CA SOS file number and "2020 FTB 3586" on the check or money order. Detach voucher below. Enclose, but **do not** staple the check or money order with voucher and mail to:
**FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

WHEN TO FILE: **Corporations – File and Pay by the 15th day of the 4th month following the close of the taxable year.**
S corporations – File and Pay by the 15th day of the 3rd month following the close of the taxable year.
Exempt organizations – File and Pay by the 15th day of the 5th month following the close of the taxable year.
When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

ONLINE SERVICES: Corporations or exempt organizations can make payments online using Web Pay for Businesses. Corporations or exempt organizations can make an immediate payment or schedule payments up to a year in advance. Go to **ftb.ca.gov/pay** for more information.

___ DETACH HERE ___ IF NO PAYMENT IS DUE, DO NOT MAIL THIS VOUCHER ___ DETACH HERE ___

CAUTION: You may be required to pay electronically, see instructions.

REV 02/25/21 PRO

CALIFORNIA FORM

TAXABLE YEAR

2020

Payment Voucher for Corporations and Exempt Organizations e-filed Returns

3586 (e-file)

3707008 ISLA 47-2164827 000000000000 20 FORM 3
TYB 01-01-2020 TYE 12-31-2020
ISLAND CITY DEVELOPMENT

701 ATLANTIC AVENUE
ALAMEDA CA 94501

(510) 747-4300

Amount of Payment 10.

051

6181206

FTB 3586 2020

Date Accepted _____

DO NOT MAIL THIS FORM TO THE FTB

TAXABLE YEAR

2020

California e-file Return Authorization for Exempt Organizations

FORM

8453-EO

Exempt Organization name ISLAND CITY DEVELOPMENT	Identifying number 47-2164827
---	----------------------------------

Part I Electronic Return Information (whole dollars only)

1 Total gross receipts (Form 199, line 4)	1	1,291,954.
2 Total gross income (Form 199, line 8)	2	1,291,954.
3 Total expenses and disbursements (Form 199, line 9)	3	150,019.

Part II Settle Your Account Electronically for Taxable Year 2020

4 Electronic funds withdrawal 4a Amount _____ 4b Withdrawal date (mm/dd/yyyy) _____

Part III Banking Information (Have you verified the exempt organization's banking information?)

5 Routing number _____
6 Account number _____ 7 Type of account: Checking Savings

Part IV Declaration of Officer

I authorize the exempt organization's account to be settled as designated in Part II. If I check Part II, Box 4, I authorize an electronic funds withdrawal for the amount listed on line 4a.

Under penalties of perjury, I declare that I am an officer of the above exempt organization and that the information I provided to my electronic return originator (ERO), transmitter, or intermediate service provider and the amounts in Part I above agree with the amounts on the corresponding lines of the exempt organization's 2020 California electronic return. To the best of my knowledge and belief, the exempt organization's return is true, correct, and complete. If the exempt organization is filing a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of the exempt organization's fee liability, the exempt organization will remain liable for the fee liability and all applicable interest and penalties. I authorize the exempt organization return and accompanying schedules and statements be transmitted to the FTB by the ERO, transmitter, or intermediate service provider. **If the processing of the exempt organization's return or refund is delayed, I authorize the FTB to disclose to the ERO or intermediate service provider the reason(s) for the delay.**

Sign Here PRESIDENT

Part V Declaration of Electronic Return Originator (ERO) and Paid Preparer. See instructions.

I declare that I have reviewed the above exempt organization's return and that the entries on form FTB 8453-EO are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the exempt organization's return. I declare, however, that form FTB 8453-EO accurately reflects the data on the return.) I have obtained the organization officer's signature on form FTB 8453-EO before transmitting this return to the FTB; I have provided the organization officer with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2020 Handbook for Authorized e-file Providers. I will keep form FTB 8453-EO on file for **four** years from the due date of the return or **four** years from the date the exempt organization return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above exempt organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

ERO Must Sign ERO's signature Date 10/25/2021 Check if also paid preparer Check if self-employed ERO's PTIN _____

Firm's name (or yours if self-employed) and address HOLTHOUSE CARLIN & VAN TRIGT LLP Firm's FEIN 95-4345526
11444 W OLYMPIC BLVD, 11TH FLOOR, LOS ANGELES, CA ZIP code 90064

Under penalties of perjury, I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

Paid Preparer Must Sign Paid preparer's signature Date 10/25/2021 Check if self-employed Paid preparer's PTIN P00244223

Firm's name (or yours if self-employed) and address HOLTHOUSE CARLIN & VAN TRIGT LLP Firm's FEIN 95-4345526
11444 W OLYMPIC BLVD, 11TH FLOOR LOS ANGELES, CA ZIP code 90064

Additional information from your 2020 California Exempt Organization Business

**Form 199: CA Exempt Organization Annual Information
Part II, Line 7 - Other Income**

Continuation Statement

Description	Amount
DEVELOPMENT FEE REVENUE	1,254,600
PARTNER MANAGEMENT FEES	31,518
INCOME FROM INVESTMENT OF TAX EXEMPT BOND PROCEEDS	
INCOME FROM FUNDRAISING EVENTS	
INCOME FROM GAMING ACTIVITIES	
EQUITY IN EARNINGS(LOSS) ON INVESTMENT	-62
INVESTMENT INCOME	5,898
Total	1,291,954

**Form 199: CA Exempt Organization Annual Information
Part II, Line 11 - Compensation**

Continuation Statement

Description	Amount
VANESSA COOPER	
JANET BASTA	
CARLY GROB	
BRAD WEINBERG	
	0
	0
Total	0

**Form 199: CA Exempt Organization Annual Information
Part II, Line 17 - Expenses**

Continuation Statement

Description	Amount
LEGAL	16,617
ACCOUNTING	22,850
OFFICE EXPENSES	6,302
STATE TAXES	127
DEVELOPMENT CONSULTING	100,000
REPAIRS AND MAINTENANCE	4,123
Total	150,019



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Sylvia Martinez, Director of Housing Development

Date: November 16, 2021

Re: Discussion and Possible Adoption of Resolution of the Board of Directors of Island City Development Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Directors Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

BACKGROUND

On March 17, 2020, Governor Newsom issued Executive Order N-29-20 which allowed for relaxed provisions of the Ralph M. Brown Act (Brown Act) that allowed legislative bodies to conduct meetings through teleconferencing without having to meet the strict compliance of the Brown Act. All provisions of Executive Order N-29-20 concerning the conduct of public meetings via teleconferencing expired on September 30, 2021.

DISCUSSION

Assembly Bill 361(Chapter 165,Statutes of 2021) (AB 361) was signed into law by the Governor on September 16, 2021, and went into effect immediately. It amends the Brown Act to allow local legislative bodies to continue using teleconferencing and virtual meeting technology after the September 30, 2021 expiration of the current Brown Act exemptions as long as there is a "proclaimed state of emergency" by the Governor. This allowance also depends on state or local officials imposing or recommending measures that promote social distancing or a legislative body finding that meeting in person would present an imminent safety risk to attendees. Though adopted in the context of the pandemic, AB 361 will allow for virtual meetings during other proclaimed emergencies, such as earthquakes or wildfires, where physical attendance may present a risk. AB 361 will sunset on January 1, 2024.

AB 361 requires the following to continue to conduct teleconferenced meetings:

1. Notice of the meeting must still be given in compliance with the Brown Act, and the notice must include the means by which the public may access the meeting and provide public comment remotely.
2. The public must be provided access to the meeting via a call-in option or internet-based service option and allowed to "address the legislative body directly." Island City Development does not have to provide an in-person option for the public to attend the meeting.



3. The meeting must be conducted “in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body.”
4. If there is a disruption to the meeting broadcast or in the ability to take call-in or internet-based public comment, no further action can be taken on agenda items until the issue is resolved, even if this means stopping the meeting at that point and continuing all remaining items.
5. The Board of Directors cannot require comments to be submitted before the start of the meeting. The public must be allowed to make “real time” public comment.
6. Reasonable time for public comment must be provided. If the Board provides a timed public comment period, the public comment period must be left open until the time expires.
7. All votes must be taken by roll call.
8. The Board of Directors must approve a resolution making findings by majority vote within 30 days of the first teleconferenced meeting under AB 361 and every 30 days thereafter to continue to conduct teleconference meetings under AB 361. The body must find it has reconsidered the circumstances of the state of emergency and either 1) the emergency continues to impact the ability to meet safely in person, or 2) State or local officials continue to impose or recommend social distancing.

In light of AB 361, the continuing COVID-19 State of Emergency declared by the Governor, the continuing Local Emergency declared by the City of Alameda, the continuing recommendations by the County of Alameda Health Officer of social distancing as a mechanism for preventing the spread of COVID-19, and the continued threats to health and safety posed by indoor public meetings, staff recommends the Board of Directors adopt the proposed Resolution making the findings required to initially invoke AB 361.

The procedures currently set up for Board of Directors' meetings, which provide public attendance and comment through a call-in or internet-based service option, satisfy the requirements of AB 361. The Executive Director, or designee, will work with the Board to ensure that meeting procedures for all teleconferenced meetings comply with AB 361. Continued reliance will require the Board of Directors to adopt a new resolution making required findings every 30 days.

FISCAL IMPACT

None.

CEQA

N/A

RECOMMENDATION

Adopt Resolution of the Board of Directors of the Island City Development Ratifying the Proclamation of a State of Emergency by the Governor of the State of California on March 4, 2021, and Making Findings Authorizing Continued Remote Teleconference Meetings of the Board of Directors Pursuant to Brown Act Provisions, as amended by Assembly Bill No. 361.

ATTACHMENTS



Island City Development
November 16, 2021

Page 3

1. DRAFT RESOLUTION No. 2021-01 - AB 361 Resolution
2. AB 361.pdf 2021

Respectfully submitted,



Sylvia Martinez, Director of Housing Development



ISLAND CITY DEVELOPMENT

Resolution No. 2021-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ISLAND CITY DEVELOPMENT RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR OF THE STATE OF CALIFORNIA ON MARCH 4, 2021, AND MAKING FINDINGS AUTHORIZING CONTINUED REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS PURSUANT TO BROWN ACT PROVISIONS, AS AMENDED BY ASSEMBLY BILL NO. 361

WHEREAS, the Island City Development ("ICD") is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the ICD's Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the ICD's Board of Directors conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist within the jurisdiction of the ICD which includes the City of Alameda, specifically, on March 17, 2020 the Governor of the State of California proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, as a result of the COVID-19 pandemic the California Department of Health and the Health Officer of the County of Alameda continue to recommend measures to promote social distancing. Additionally, On March 17, 2020, in response to the COVID-19 pandemic, the City Council of the City of Alameda, declared a local emergency as set forth in Ordinance No. 3267; and

WHEREAS, the Board of Directors does hereby find that the COVID-19 pandemic has caused, and will continue to cause, imminent risk to the health and safety of attendees meeting in person for a Board of Directors' meeting, and the COVID-19 pandemic has caused conditions of peril to the safety of persons within the jurisdiction of the ICD that are likely to be beyond the control of services, personnel, equipment, and facilities of the ICD, and desires to ratify the proclamation of a local emergency by the City of Alameda, ratify the proclamation of a state of emergency by the Governor of the State of California and ratify the California Department of Health and the Health Officer of the County of Alameda's recommended measures to promote social distancing; and

WHEREAS, as a consequence of the local emergency and state of emergency the Board of Directors does hereby find that the Board of Directors of the ICD shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that the Board of Directors shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Government Code section 54953; and

WHEREAS, when holding teleconferenced meetings under abbreviated teleconferencing procedures permitted under the Brown Act, the ICD will ensure access for the public by complying with all requirements set forth in Government Code section 54953(e), including, but not limited to, giving notice of the meeting and posting agendas, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option, and to conduct the meeting in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ISLAND CITY DEVELOPMENT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Reconsideration. The Board hereby reconsiders the circumstances of the state of emergency.

Section 3. Ratification of the City of Alameda's Proclamation of a Local Emergency. The Board hereby ratifies the City of Alameda's proclamation of a Local Emergency as set forth in Ordinance No. 3267 adopted on March 17, 2020.

Section 4. Ratification of the California Department of Health and the Health Officer of the County of Alameda's recommended measures to promote social distancing. The Board hereby finds that state and local officials continue to recommend measures to

promote social distancing. The Board further hereby ratifies the California Department of Health and the Health Officer of the County of Alameda's recommended measures to promote social distancing and finds that, as a result of the state of emergency, meeting in person would present imminent risk to the health or safety of attendees.

Section 5. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020, and hereby finds that the state of emergency continues to directly impact the ability of the Board of Directors and members of the public to meet safely in person.

Section 6. Remote Teleconference Meetings. The ICD's Executive Director, and designee, and the Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continued teleconferencing and conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 7. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) 30 days from the adoption of this Resolution, or, (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of the ICD may continue to teleconference without compliance with Government Code section 54953(b)(3).

PASSED AND ADOPTED by the Board of Directors of the Island City Development this _____ day of _____, 20____, by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS:_____ ABSENT: ____

ATTEST:

Vanessa M. Cooper
President

Janet Basta
Secretary

Adopted:

Date

Assembly Bill No. 361

CHAPTER 165

An act to add and repeal Section 89305.6 of the Education Code, and to amend, repeal, and add Section 54953 of, and to add and repeal Section 11133 of, the Government Code, relating to open meetings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 16, 2021. Filed with
Secretary of State September 16, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 361, Robert Rivas. Open meetings: state and local agencies: teleconferences.

(1) Existing law, the Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to directly address the legislative body on any item of interest to the public. The act generally requires all regular and special meetings of the legislative body be held within the boundaries of the territory over which the local agency exercises jurisdiction, subject to certain exceptions. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. The act authorizes the district attorney or any interested person, subject to certain provisions, to commence an action by mandamus or injunction for the purpose of obtaining a judicial determination that specified actions taken by a legislative body are null and void.

Existing law, the California Emergency Services Act, authorizes the Governor, or the Director of Emergency Services when the governor is inaccessible, to proclaim a state of emergency under specified circumstances.

Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that notice and accessibility requirements are met, the public members are allowed to observe and address the legislative body at the meeting, and that a legislative body of a local agency has a procedure for receiving and swiftly

resolving requests for reasonable accommodation for individuals with disabilities, as specified.

This bill, until January 1, 2024, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.

This bill would require legislative bodies that hold teleconferenced meetings under these abbreviated teleconferencing procedures to give notice of the meeting and post agendas, as described, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option, and to conduct the meeting in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body. The bill would require the legislative body to take no further action on agenda items when there is a disruption which prevents the public agency from broadcasting the meeting, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments, until public access is restored. The bill would specify that actions taken during the disruption are subject to challenge proceedings, as specified.

This bill would prohibit the legislative body from requiring public comments to be submitted in advance of the meeting and would specify that the legislative body must provide an opportunity for the public to address the legislative body and offer comment in real time. The bill would prohibit the legislative body from closing the public comment period and the opportunity to register to provide public comment, until the public comment period has elapsed or until a reasonable amount of time has elapsed, as specified. When there is a continuing state of emergency, or when state or local officials have imposed or recommended measures to promote social distancing, the bill would require a legislative body to make specified findings not later than 30 days after the first teleconferenced meeting pursuant to these provisions, and to make those findings every 30 days thereafter, in order to continue to meet under these abbreviated teleconferencing procedures.

Existing law prohibits a legislative body from requiring, as a condition to attend a meeting, a person to register the person's name, or to provide other information, or to fulfill any condition precedent to the person's attendance.

This bill would exclude from that prohibition, a registration requirement imposed by a third-party internet website or other online platform not under the control of the legislative body.

(2) Existing law, the Bagley-Keene Open Meeting Act, requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body. The act requires at least one member of the state body to be physically present at the location specified in the notice of the meeting.

The Governor's Executive Order No. N-29-20 suspends the requirements of the Bagley-Keene Open Meeting Act for teleconferencing during the COVID-19 pandemic, provided that notice and accessibility requirements are met, the public members are allowed to observe and address the state body at the meeting, and that a state body has a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified.

This bill, until January 31, 2022, would authorize, subject to specified notice and accessibility requirements, a state body to hold public meetings through teleconferencing and to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the state body. With respect to a state body holding a public meeting pursuant to these provisions, the bill would suspend certain requirements of existing law, including the requirements that each teleconference location be accessible to the public and that members of the public be able to address the state body at each teleconference location. Under the bill, a state body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically would satisfy any requirement that the state body allow members of the public to attend the meeting and offer public comment. The bill would require that each state body that holds a meeting through teleconferencing provide notice of the meeting, and post the agenda, as provided. The bill would urge state bodies utilizing these teleconferencing procedures in the bill to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to existing law, as provided.

(3) Existing law establishes the various campuses of the California State University under the administration of the Trustees of the California State University, and authorizes the establishment of student body organizations in connection with the operations of California State University campuses.

The Gloria Romero Open Meetings Act of 2000 generally requires a legislative body, as defined, of a student body organization to conduct its business in a meeting that is open and public. The act authorizes the legislative body to use teleconferencing, as defined, for the benefit of the public and the legislative body in connection with any meeting or proceeding authorized by law.

This bill, until January 31, 2022, would authorize, subject to specified notice and accessibility requirements, a legislative body, as defined for purposes of the act, to hold public meetings through teleconferencing and

to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the legislative body. With respect to a legislative body holding a public meeting pursuant to these provisions, the bill would suspend certain requirements of existing law, including the requirements that each teleconference location be accessible to the public and that members of the public be able to address the legislative body at each teleconference location. Under the bill, a legislative body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically would satisfy any requirement that the legislative body allow members of the public to attend the meeting and offer public comment. The bill would require that each legislative body that holds a meeting through teleconferencing provide notice of the meeting, and post the agenda, as provided. The bill would urge legislative bodies utilizing these teleconferencing procedures in the bill to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to existing law, as provided.

(4) This bill would declare the Legislature's intent, consistent with the Governor's Executive Order No. N-29-20, to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future emergencies by allowing broader access through teleconferencing options.

(5) This bill would incorporate additional changes to Section 54953 of the Government Code proposed by AB 339 to be operative only if this bill and AB 339 are enacted and this bill is enacted last.

(6) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

(7) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 89305.6 is added to the Education Code, to read:

89305.6. (a) Notwithstanding any other provision of this article, and subject to the notice and accessibility requirements in subdivisions (d) and (e), a legislative body may hold public meetings through teleconferencing

and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the legislative body.

(b) (1) For a legislative body holding a public meeting through teleconferencing pursuant to this section, all requirements in this article requiring the physical presence of members, the clerk or other personnel of the legislative body, or the public, as a condition of participation in or quorum for a public meeting, are hereby suspended.

(2) For a legislative body holding a public meeting through teleconferencing pursuant to this section, all of the following requirements in this article are suspended:

(A) Each teleconference location from which a member will be participating in a public meeting or proceeding be identified in the notice and agenda of the public meeting or proceeding.

(B) Each teleconference location be accessible to the public.

(C) Members of the public may address the legislative body at each teleconference conference location.

(D) Post agendas at all teleconference locations.

(E) At least one member of the legislative body be physically present at the location specified in the notice of the meeting.

(c) A legislative body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements in subdivisions (d) and (e), shall have satisfied any requirement that the legislative body allow members of the public to attend the meeting and offer public comment. A legislative body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

(d) If a legislative body holds a meeting through teleconferencing pursuant to this section and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the legislative body shall also do both of the following:

(1) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and resolving any doubt whatsoever in favor of accessibility.

(2) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to paragraph (2) of subdivision (e).

(e) Except to the extent this section provides otherwise, each legislative body that holds a meeting through teleconferencing pursuant to this section shall do both of the following:

(1) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by this article, and using the means otherwise prescribed by this article, as applicable.

(2) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in the means of public observation and comment, or any instance prior to the effective date of this section in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of the means of public observation and comment, a legislative body may satisfy this requirement by advertising the means of public observation and comment using the most rapid means of communication available at the time. Advertising the means of public observation and comment using the most rapid means of communication available at the time shall include, but need not be limited to, posting such means on the legislative body's internet website.

(f) All legislative bodies utilizing the teleconferencing procedures in this section are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the otherwise applicable provisions of this article, in order to maximize transparency and provide the public access to legislative body meetings.

(g) This section shall remain in effect only until January 31, 2022, and as of that date is repealed.

SEC. 2. Section 11133 is added to the Government Code, to read:

11133. (a) Notwithstanding any other provision of this article, and subject to the notice and accessibility requirements in subdivisions (d) and (e), a state body may hold public meetings through teleconferencing and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the state body.

(b) (1) For a state body holding a public meeting through teleconferencing pursuant to this section, all requirements in this article requiring the physical presence of members, the clerk or other personnel of the state body, or the public, as a condition of participation in or quorum for a public meeting, are hereby suspended.

(2) For a state body holding a public meeting through teleconferencing pursuant to this section, all of the following requirements in this article are suspended:

(A) Each teleconference location from which a member will be participating in a public meeting or proceeding be identified in the notice and agenda of the public meeting or proceeding.

(B) Each teleconference location be accessible to the public.

(C) Members of the public may address the state body at each teleconference conference location.

(D) Post agendas at all teleconference locations.

(E) At least one member of the state body be physically present at the location specified in the notice of the meeting.

(c) A state body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically

or otherwise electronically, consistent with the notice and accessibility requirements in subdivisions (d) and (e), shall have satisfied any requirement that the state body allow members of the public to attend the meeting and offer public comment. A state body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

(d) If a state body holds a meeting through teleconferencing pursuant to this section and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the state body shall also do both of the following:

(1) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and resolving any doubt whatsoever in favor of accessibility.

(2) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to paragraph (2) of subdivision (e).

(e) Except to the extent this section provides otherwise, each state body that holds a meeting through teleconferencing pursuant to this section shall do both of the following:

(1) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by this article, and using the means otherwise prescribed by this article, as applicable.

(2) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in the means of public observation and comment, or any instance prior to the effective date of this section in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of the means of public observation and comment, a state body may satisfy this requirement by advertising the means of public observation and comment using the most rapid means of communication available at the time. Advertising the means of public observation and comment using the most rapid means of communication available at the time shall include, but need not be limited to, posting such means on the state body's internet website.

(f) All state bodies utilizing the teleconferencing procedures in this section are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the otherwise applicable provisions of this article, in order to maximize transparency and provide the public access to state body meetings.

(g) This section shall remain in effect only until January 31, 2022, and as of that date is repealed.

SEC. 3. Section 54953 of the Government Code is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 3.1. Section 54953 of the Government Code is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency in person, except as otherwise provided in this chapter. Local agencies shall conduct meetings subject to this chapter consistent with applicable state and federal civil rights laws, including, but not limited to, any applicable language access and other nondiscrimination obligations.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body

shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter

2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for

the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 4. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting

of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting,

members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 4.1. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, in person except as otherwise provided in this chapter. Local agencies shall conduct meetings subject to this chapter consistent with applicable state and federal civil rights laws, including, but not limited to, any applicable language access and other nondiscrimination obligations.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the

legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint

powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 5. Sections 3.1 and 4.1 of this bill incorporate amendments to Section 54953 of the Government Code proposed by both this bill and Assembly Bill 339. Those sections of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2022, but this bill becomes operative first, (2) each bill amends Section 54953 of the Government Code, and (3) this bill is enacted after Assembly Bill 339, in which case Section 54953 of the Government Code, as amended by Sections 3 and 4 of this bill, shall remain operative only until the operative date of Assembly Bill 339, at which time Sections 3.1 and 4.1 of this bill shall become operative.

SEC. 6. It is the intent of the Legislature in enacting this act to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future applicable emergencies, by allowing broader access through teleconferencing options consistent with the Governor's Executive Order No. N-29-20 dated March 17, 2020, permitting expanded use of teleconferencing during the COVID-19 pandemic.

SEC. 7. The Legislature finds and declares that Sections 3 and 4 of this act, which amend, repeal, and add Section 54953 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act is necessary to ensure minimum standards for public participation and notice requirements allowing for greater public participation in teleconference meetings during applicable emergencies.

SEC. 8. (a) The Legislature finds and declares that during the COVID-19 public health emergency, certain requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) were suspended by Executive Order N-29-20. Audio and video teleconference were widely used to conduct public meetings in lieu of physical location meetings, and public meetings conducted by teleconference during the COVID-19 public health emergency have been productive, have increased public participation by all members of the public regardless of their location in the state and ability to travel to physical meeting locations, have protected the health and safety of civil servants and the public, and have reduced travel costs incurred by members of state bodies and reduced work hours spent traveling to and from meetings.

(b) The Legislature finds and declares that Section 1 of this act, which adds and repeals Section 89305.6 of the Education Code, Section 2 of this act, which adds and repeals Section 11133 of the Government Code, and Sections 3 and 4 of this act, which amend, repeal, and add Section 54953 of the Government Code, all increase and potentially limit the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

(1) By removing the requirement that public meetings be conducted at a primary physical location with a quorum of members present, this act protects the health and safety of civil servants and the public and does not preference the experience of members of the public who might be able to attend a meeting in a physical location over members of the public who cannot travel or attend that meeting in a physical location.

(2) By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hotel room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that state and local agencies can continue holding public meetings while providing essential services like water, power, and fire protection to their constituents during public health, wildfire, or other states of emergencies, it is necessary that this act take effect immediately.

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ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Cheley Quiambao, Asset Manager

Date: November 16, 2021

Re: Accept the LIHTC Portfolio Asset Management Annual Financial Report for the Fiscal Year 2020

BACKGROUND

The portfolio includes seven Low Income Housing Tax Credit (LIHTC) Partnership properties: Breakers at Bayport, Shinsei Gardens, Park Alameda, Jack Capon Villa, Littlejohn Commons, Stargell Commons, and Everett Commons. The projects were built between 2006 and 2018 with a cumulative unit count of 255 units (80% family, 12% senior, and 8% special needs.) Of which, 50% of the units are supported by a combination of various Section 8 rental subsidy programs (Project Based Voucher, Housing Choice Voucher, and Veterans Affairs Supportive Housing.)

The Housing Authority of the City of Alameda (AHA) owns all the land; thus, all partnerships include a land lease, and AHA’s role varies from Co-General Partner, General Partner, and Special Limited Partner. Island City Development (ICD) is the developer for Littlejohn Commons and Everett Commons and co-developer for Stargell Commons.

DISCUSSION

This memo provides an overview of the annual financial asset management report for the Low-Income Housing Tax Credit (LIHTC) Partnership Properties for the fiscal year 2020, prepared by Asset Management.

Breakers at Bayport- 459 Neptune Gardens Avenue

Breakers at Bayport is a 52-unit Low Income Housing Tax Credit (LIHTC) development for families. Resources for Community Development (RCD) is the GP and AHA is the land-owner. John Stewart Company (JSCo) provides property management services. Operations Dignity provides resident services. The project was placed in service March 29, 2006.

Unit matrix: 2Bed- 34 units, 3Bed- 18 units. Income and rent limits are set at 50%-60% ami. The project receives Section 8 PBV rental subsidy (20 units).

-Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. Total Operating Revenue is \$1,025,837, which is 2.71% higher than budget.



- Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$532,788, which is .81% higher than budget, and is at \$10,246 pupy or \$854 pupm.
- Total Operating Income is \$493,049, which is 4.84% higher than budget.
- Mandatory hard debt service and reserve deposits requirement is \$187,722 and dscr is 2.63.
- Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$305,327, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.
- No extraordinary events have occurred to report at this time.

Shinsei Gardens- 401 Willie Stargell Avenue

Shinsei Gardens is a 39-unit Low Income Housing Tax Credit (LIHTC) development for families. Resources for Community Development (RCD) is the GP and AHA is the land-owner. John Stewart Company (JSCo) provides property management services. Operations Dignity provides resident services. The project was placed in service September 03, 2009

Unit matrix: 1Bed- 6 units, 2Bed- 18 units, 3Bed- 12 units, 4Bed- 3 units. Income and rent limits are set at 20%-60% ami. The project receives Section 8 PBV rental subsidy (21 units).

- Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. Total Operating Revenue is \$851,391, which is 2.15% higher than budget.
- Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$402,365, which is 6.48% lower than budget, and is at \$10,317 pupy or \$860 pupm.
- Total Operating Income is \$449,026, which is 11.37% higher than budget.
- Mandatory hard debt service and reserve deposits requirement is \$132,974 and dscr is 3.38.
- Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$316,052, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.
- No extraordinary events have occurred to report at this time.

Park Alameda- 2428 Central Avenue

Park Alameda is a 62-unit Low Income Housing Tax Credit (LIHTC) development for families. Resources for Community Development (RCD) is the managing Co-GP and ICD is the Co-GP. John Stewart Company (JSCo) provides property management services. Operations Dignity provides resident services. The project was placed in service December 27, 2012.

Unit matrix: 0Bed- 61 units, 2Bed- 1 unit. Income and rent limits are set at 50%-120% ami. The project receives Section 8 PBV rental subsidy (15 units).

- Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. Total Operating Revenue is \$747,600, which is .49% higher than



budget.

-Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$561,604, which is 12.44% lower than budget, and is at \$9,058 pupy or \$755 pupm.

-Total Operating Income is \$185,996, which is 81.4% higher than budget.

-Mandatory hard debt service (\$0) and reserve deposits requirement is \$31,930 and dscr is 5.83.

-Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$149,057, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.

-No extraordinary events have occurred to report at this time.

Jack Capon Villa- 2216 Lincoln Avenue

Jack Capon Villa is a 19-unit Low Income Housing Tax Credit (LIHTC) development for Persons with Developmental Disabilities. Satellite Affordable Housing Associates (SAHA) is the managing Co-GP and AHA is the Co-GP. SAHA Property Management provides property management services. Housing Consortium East Bay (HCEB) provides resident services. The project was placed in service January 09, 2014.

Unit matrix: 1Bed- 16 units, 2Bed- 3 unit. Income and rent limits are set at 50% ami. The project receives Section 8 PBV rental subsidy (19 units).

-Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. Total Operating Revenue is \$426,386, which is 13% higher than budget.

-Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$278,342, which is 16.51% lower than budget, and is at \$14,650 pupy or \$1,221 pupm.

-Total Operating Income is \$148,044, which is 237.27% higher than budget.

-Mandatory hard debt service and reserve deposits requirement is \$44,758 and dscr is 3.31.

-Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$103,286, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.

-No extraordinary events have occurred to report at this time.

Littlejohn Commons- 1301 Buena Vista Avenue

Littlejohn Commons is a 31-unit Low Income Housing Tax Credit (LIHTC) development for Seniors. ICD is the GP. John Stewart Company (JSCo) provides property management services. LifeSteps provides resident services. The project was placed in service July 31, 2018.

Unit matrix: 1Bed- 30 units, 2Bed- 1 unit. Income and rent limits are set at 30%-50% ami. The project receives Section 8 PBV rental subsidy (25 units).

-Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income,



and interest on accounts. Total Operating Revenue is \$612,413, which is 2.62% higher than budget, despite \$19,688 of vacancy loss.

-Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$264,624, which is 5.48% higher than budget, and is at \$8,536 pupy or \$711 pupm.

-Total Operating Income is \$347,789, which is .54% higher than budget.

-Mandatory hard debt service and reserve deposits requirement is \$286,444 and dscr is 1.21.

-Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$61,345, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.

-No extraordinary events have occurred to report at this time.

Stargell Commons- 2700 Bette Street

Stargell Commons is a 32-unit Low Income Housing Tax Credit (LIHTC) development for families. Resources for Community Development (RCD) is the GP and ICD is the Sp-LP. John Stewart Company (JSCo) provides property management services. Operations Dignity provides resident services. The project was built in May 2017.

Unit matrix: 1Bed- 5 units, 2Bed- 17 units, 3Bed- 10 units. Income and rent limits are set at 30%-60% ami. The project receives Section 8 PBV rental subsidy (7 units).

-Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. Total Operating Revenue is \$568,171, which is 4.66% higher than budget.

-Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$299,461, which is 5.81% lower than budget, and is at \$9,358 pupy or \$780 pupm.

-Total Operating Income is \$268,710, which is 19.47% higher than budget.

-Mandatory hard debt service and reserve deposits requirement is \$119,653 and dscr is 2.25.

-Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$149,057, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.

-No extraordinary events have occurred to report at this time.

Everett Commons- 2437 Eagle Avenue

Everett Commons is a 20-unit Low Income Housing Tax Credit (LIHTC) development project for families. ICD is the GP. John Stewart Company (JSCo) provides property management services. LifeSteps provides resident services. The project was placed in service December 17, 2018.

Unit matrix: 1Bed- 4 units, 2Bed- 11 units, 3Bed- 5 units. Income and rent limits are set at 30%-60% ami. The project receives Section 8 PBV rental subsidy (12 units) and VASH rental subsidy (5 units.)



-Total Operating Revenue includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. Total Operating Revenue is \$523,762, which is .34% higher than budget.

-Operating Expense includes marketing, administrative, property management fee, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. Total Operating Expense is \$216,784, which is 3.74% higher than budget, and is at \$10,839 pupy or \$903 pupm.

-Total Operating Income is \$306,978, which is 1.92% lower than budget.

-Mandatory hard debt service and reserve deposits requirement is \$243,517 and dscr is 1.26.

-Total Net Cash Flow or Surplus Cash/ Residual Receipts, after mandatory hard debt service and reserve deposits is \$63,461, which will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.

-No extraordinary events have occurred to report at this time.

Overall, the portfolio is performing strong and stabilized. All the assets are able to fulfill mandatory hard debt service and deposit reserves with debt service coverage ratio averaging at 2.1, ranging from 1.21-5.83. Also, all assets produce surplus cash/ residual receipts for distribution.

FISCAL IMPACT

None

CEQA

n/a

RECOMMENDATION

Accept the LIHTC Portfolio Asset Management Annual Financial Report for the Fiscal Year 2020.

ATTACHMENTS

1. LIHTC Portfolio Financial Performance 2020
2. LIHTC Portfolio Asset Management Annual Report Presentation 2020

Respectfully submitted,

Cheley Quiambao

Cheley Quiambao, Asset Manager



LIHTC Portfolio Financial Performance
2020

	Breakers at Bayport		Shinsei Gardens		Park Alameda		Jack Capon Villa		Littlejohn Commons		Stargell Commons		Everett Commons	
	Family Budget	52 Actuals	Family Budget	39 Actuals	Family Budget	62 Actuals	Senior/ Sp Budget	19 Actuals	Senior Budget	31 Actuals	Family Budget	32 Actuals	Family Budget	20 Actuals
Rental Revenue	539,306	542,619	340,446	355,519	470,650	766,314	387,084	101,971	147,108	162,807	334,639	560,495	121,992	139,945
Subsidy Revenue	472,716	488,506	498,636	515,701	272,827		0	337,649	454,236	466,742	209,304		403,524	376,242
Vacancy Loss	(13,225)	(14,139)	(13,235)	(27,350)	(6,096)	(25,851)	(11,613)	(15,631)	(5,011)	(19,688)	(7,125)		(5,255)	
Other Income	0	8,851	7,608	7,521	6,560	7,137	1,795	2,397	468	2,552	6,037	7,676	1,714	7,575
Total Operating Revenue	\$ 998,797	\$ 1,025,837	\$ 833,455	\$ 851,391	\$ 743,942	\$ 747,600	\$ 377,266	\$ 426,386	\$ 596,801	\$ 612,413	\$ 542,855	\$ 568,171	\$ 521,975	\$ 523,762
Administrative and Marketing	68,086	75,298	67,304	62,011	134,434	87,937	69,063	53,901	56,245	84,112	47,127	49,335	42,249	50,374
Property Management Fee	41,808	41,808	29,484	29,484	46,872	46,872	15,960	15,960	20,460	22,128	22,656	22,656	13,200	14,003
Payroll, Benefits, Taxes	138,751	137,400	98,443	83,642	176,738	151,165	33,445	21,321	78,555	63,952	94,173	53,968	53,634	48,976
Utilities	91,916	85,491	50,319	61,593	70,252	62,337	20,646	19,939	27,549	22,917	27,173	39,614	8,256	10,899
Operating and Maintenance	125,677	131,157	114,712	97,211	88,692	82,332	107,883	85,618	32,914	34,524	63,580	66,311	27,269	28,078
Taxes and Insurance	52,280	51,634	40,631	39,930	43,706	43,843	21,326	23,909	16,120	17,491	32,474	32,875	17,640	18,984
Resident services	10,000	10,000	29,360	28,494	80,714	87,118	65,048	57,694	19,040	19,500	30,756	34,702	46,724	45,470
Total Operating Expense	\$ 528,518	\$ 532,788	\$ 430,254	\$ 402,365	\$ 641,407	\$ 561,604	\$ 333,371	\$ 278,342	\$ 250,883	\$ 264,624	\$ 317,938	\$ 299,461	\$ 208,972	\$ 216,784
Total Operating Income	\$ 470,279	\$ 493,049	\$ 403,201	\$ 449,026	\$ 102,535	\$ 185,996	\$ 43,895	\$ 148,044	\$ 345,918	\$ 347,789	\$ 224,916	\$ 268,710	\$ 313,003	\$ 306,978
Debt Service, Reserve Depos	187,722	187,722	132,974	132,974	31,930	31,930	44,758	44,758	286,444	286,444	119,653	119,653	243,517	243,517
Net cash flow	\$ 282,557	\$ 305,327	\$ 270,227	\$ 316,052	\$ 70,605	\$ 154,066	\$ (863)	\$ 103,286	\$ 59,474	\$ 61,345	\$ 105,263	\$ 149,057	\$ 69,486	\$ 63,461
Debt Service Coverage Ratio	2.5052	2.6265	3.0322	3.3768	3.2112	5.8251	0.9807	3.3077	1.2076	1.2142	1.8797	2.2457	1.2853	1.2606
Operating Expense PUPY	\$ 10,164	\$ 10,246	\$ 11,032	\$ 10,317	\$ 10,345	\$ 9,058	\$ 17,546	\$ 14,650	\$ 8,093	\$ 8,536	\$ 9,936	\$ 9,358	\$ 10,449	\$ 10,839
Operating Expense PUPM	\$ 847	\$ 854	\$ 919	\$ 860	\$ 862	\$ 755	\$ 1,462	\$ 1,221	\$ 674	\$ 711	\$ 828	\$ 780	\$ 871	\$ 903

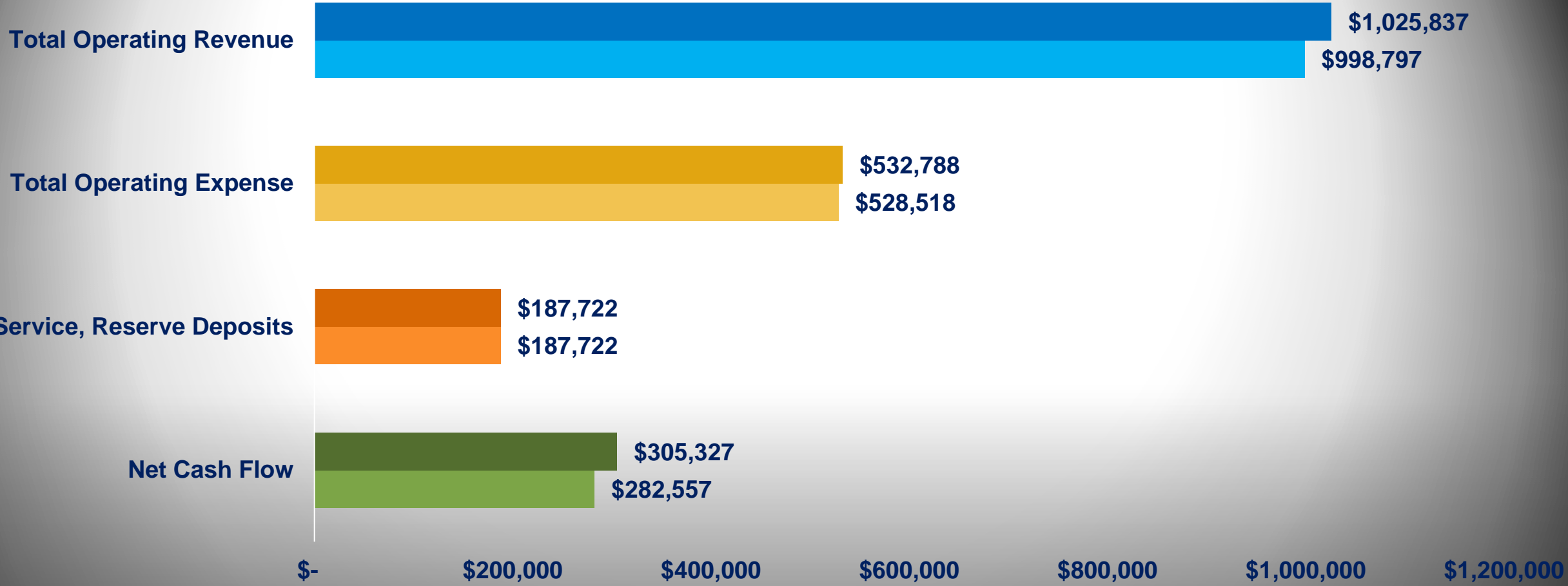
LIHTC PORTFOLIO ASSET MANAGEMENT ANNUAL REPORT 2020

PREPARED BY
CHELEY QUIAMBAO
ASSET MANAGER

LIHTC PORTFOLIO

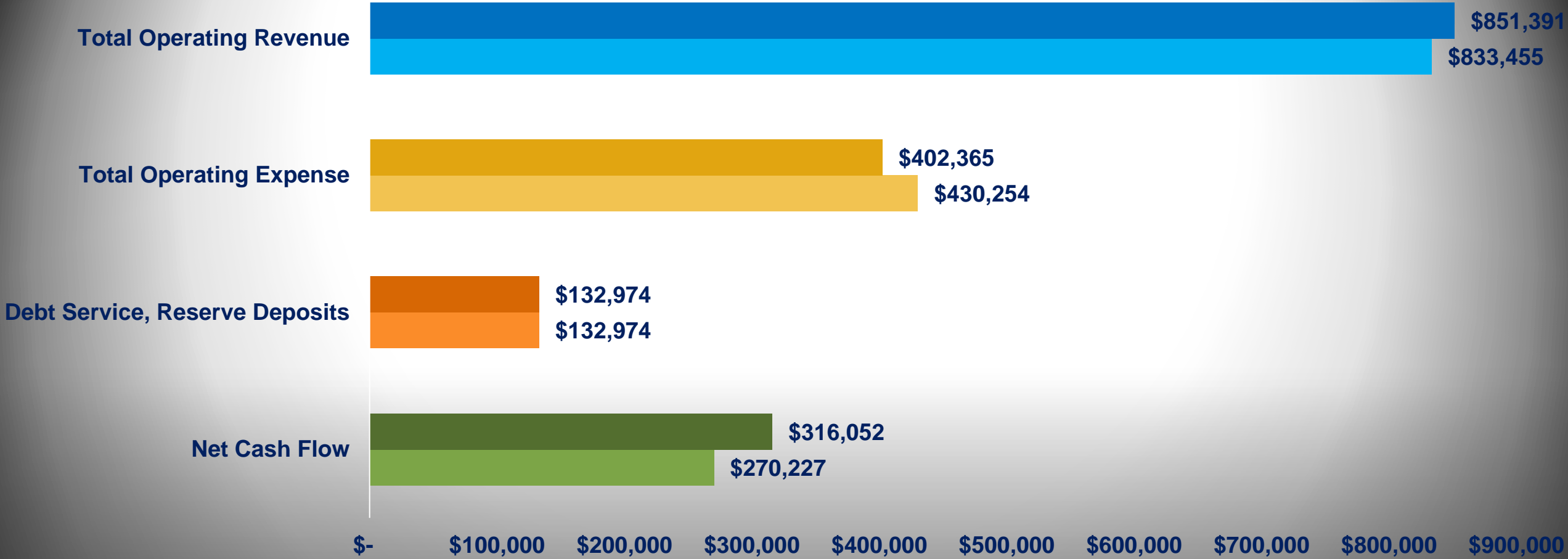
**Breakers at Bayport
Shinsei Gardens
Park Alameda
Jack Capon Villa
Littlejohn Commons
Stargell Commons
Everett Commons**

Breakers at Bayport 52 Family



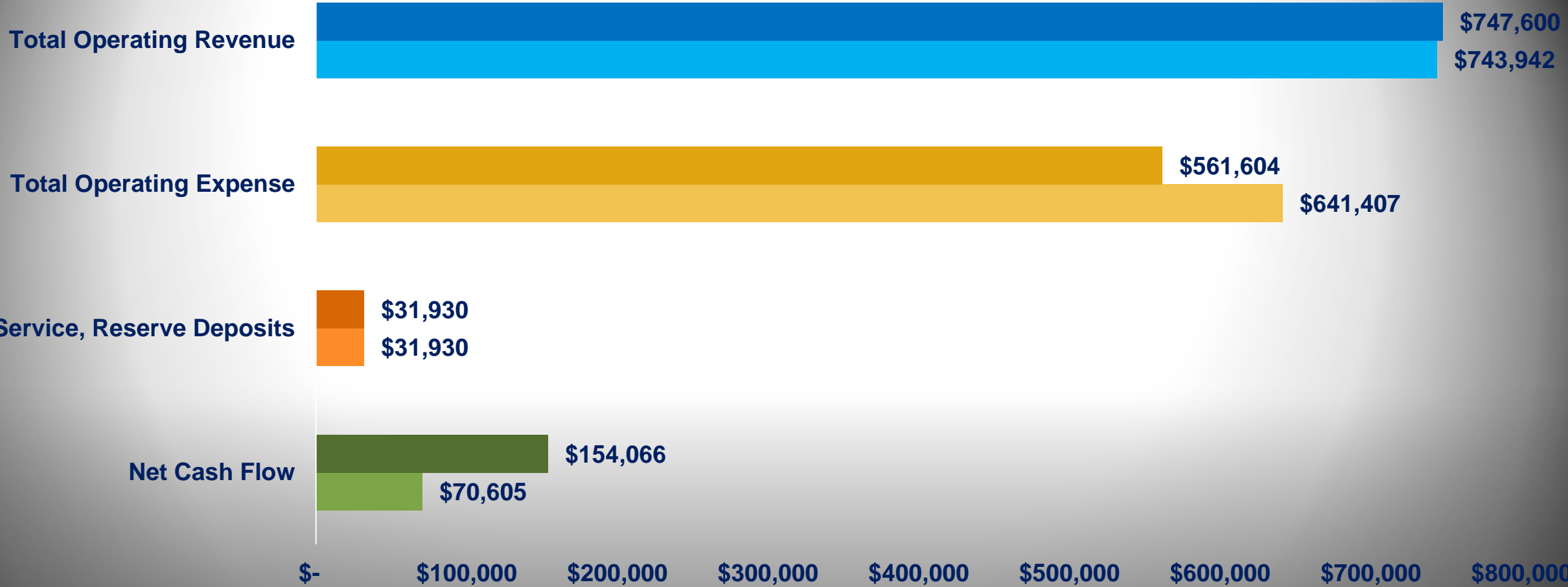
	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$305,327	\$187,722	\$532,788	\$1,025,837
Budget (Bottom)	\$282,557	\$187,722	\$528,518	\$998,797

Shinsei Gardens 39 Family



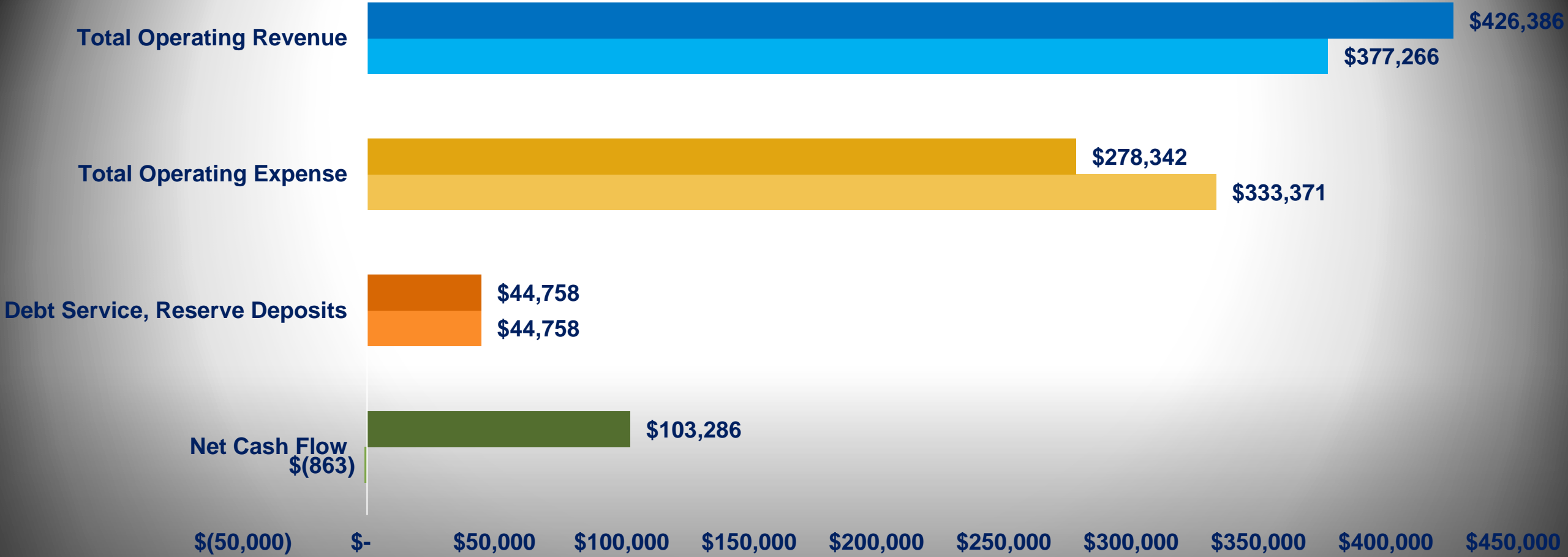
	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$316,052	\$132,974	\$402,365	\$851,391
Budget (Bottom)	\$270,227	\$132,974	\$430,254	\$833,455

Park Alameda 62 Family



	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$154,066	\$31,930	\$561,604	\$747,600
Budget (Bottom)	\$70,605	\$31,930	\$641,407	\$743,942

Jack Capon Villa 19 Special Needs



	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$103,286	\$44,758	\$278,342	\$426,386
Budget (Bottom)	\$(863)	\$44,758	\$333,371	\$377,266

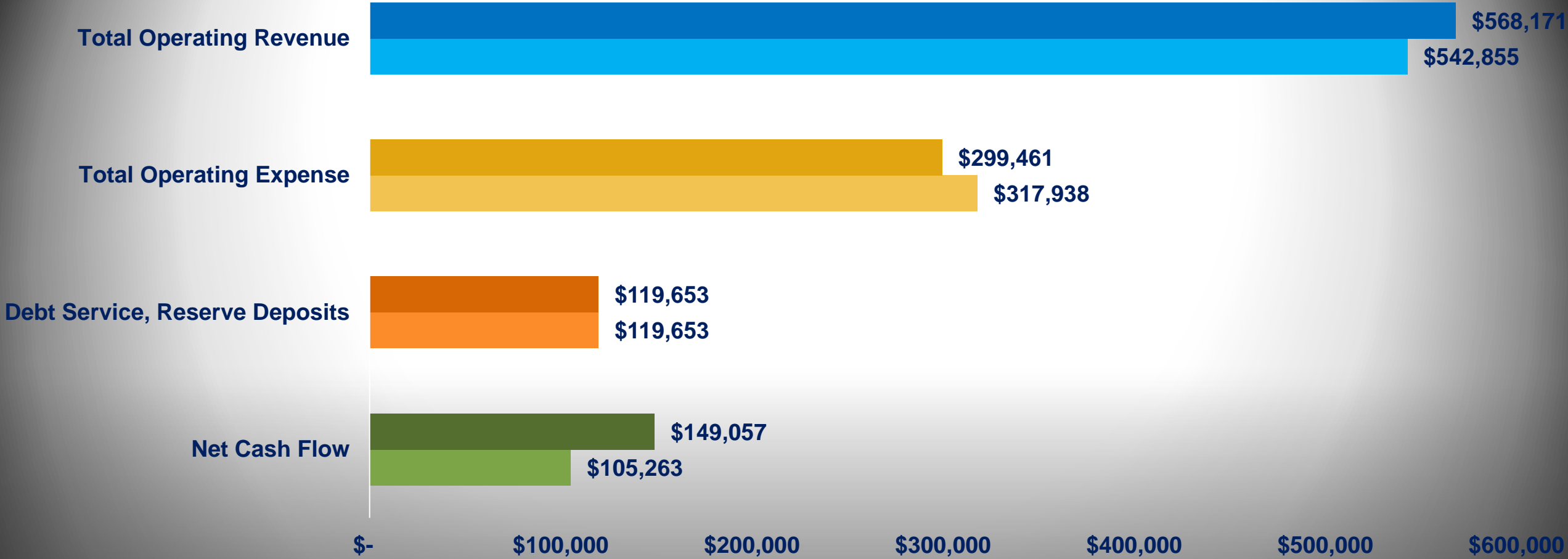
Littlejohn Commons 31 Senior



\$- \$100,000 \$200,000 \$300,000 \$400,000 \$500,000 \$600,000 \$700,000

	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$61,345	\$286,444	\$264,624	\$612,413
Budget (Bottom)	\$59,474	\$286,444	\$250,883	\$596,801

Stargell Commons 32 Family



	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$149,057	\$119,653	\$299,461	\$568,171
Budget (Bottom)	\$105,263	\$119,653	\$317,938	\$542,855

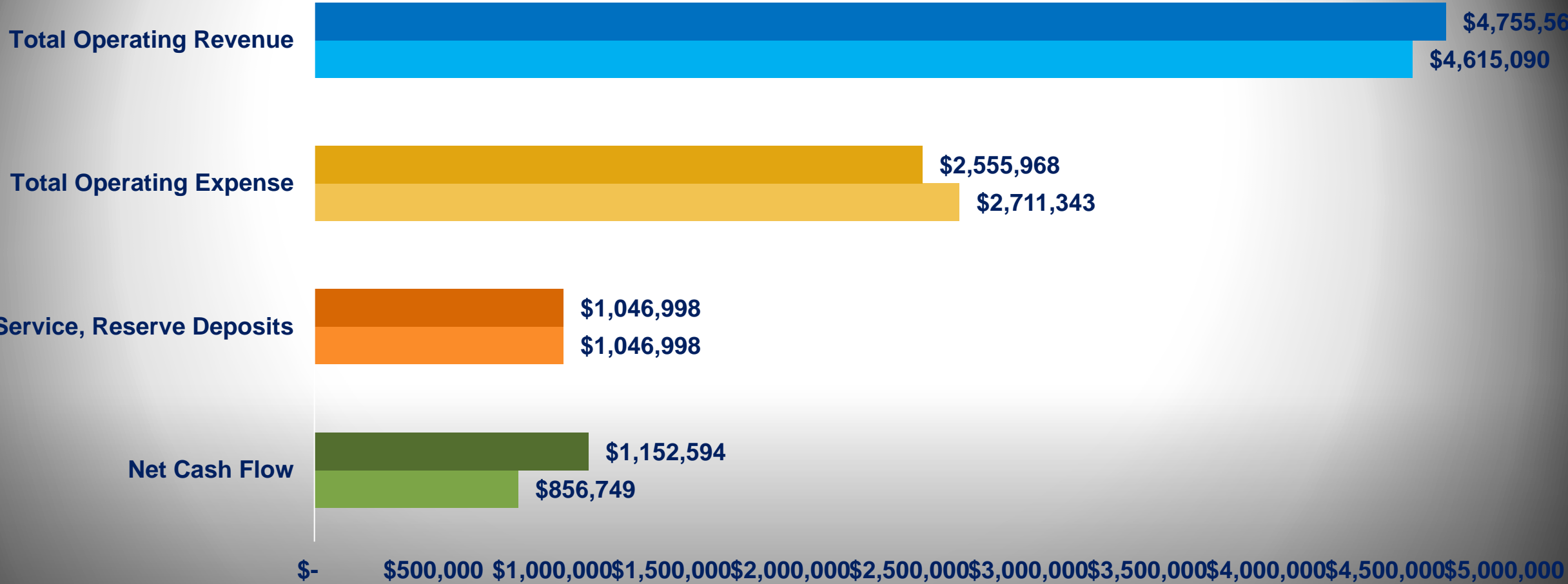
Everett Commons 20 Family



\$- \$100,000 \$200,000 \$300,000 \$400,000 \$500,000 \$600,000

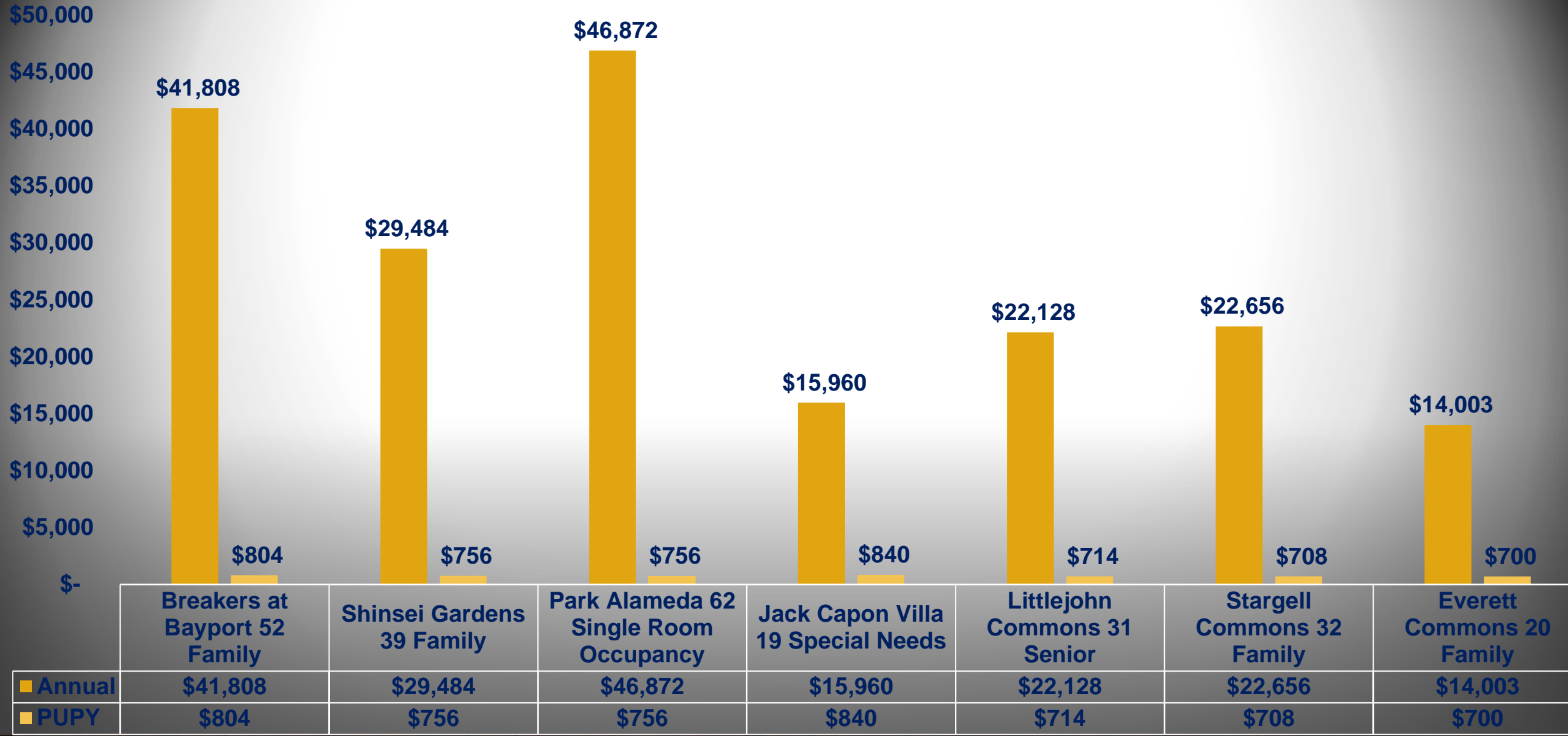
	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$63,461	\$243,517	\$216,784	\$523,762
Budget (Bottom)	\$69,486	\$243,517	\$208,972	\$521,975

Portfolio Performance

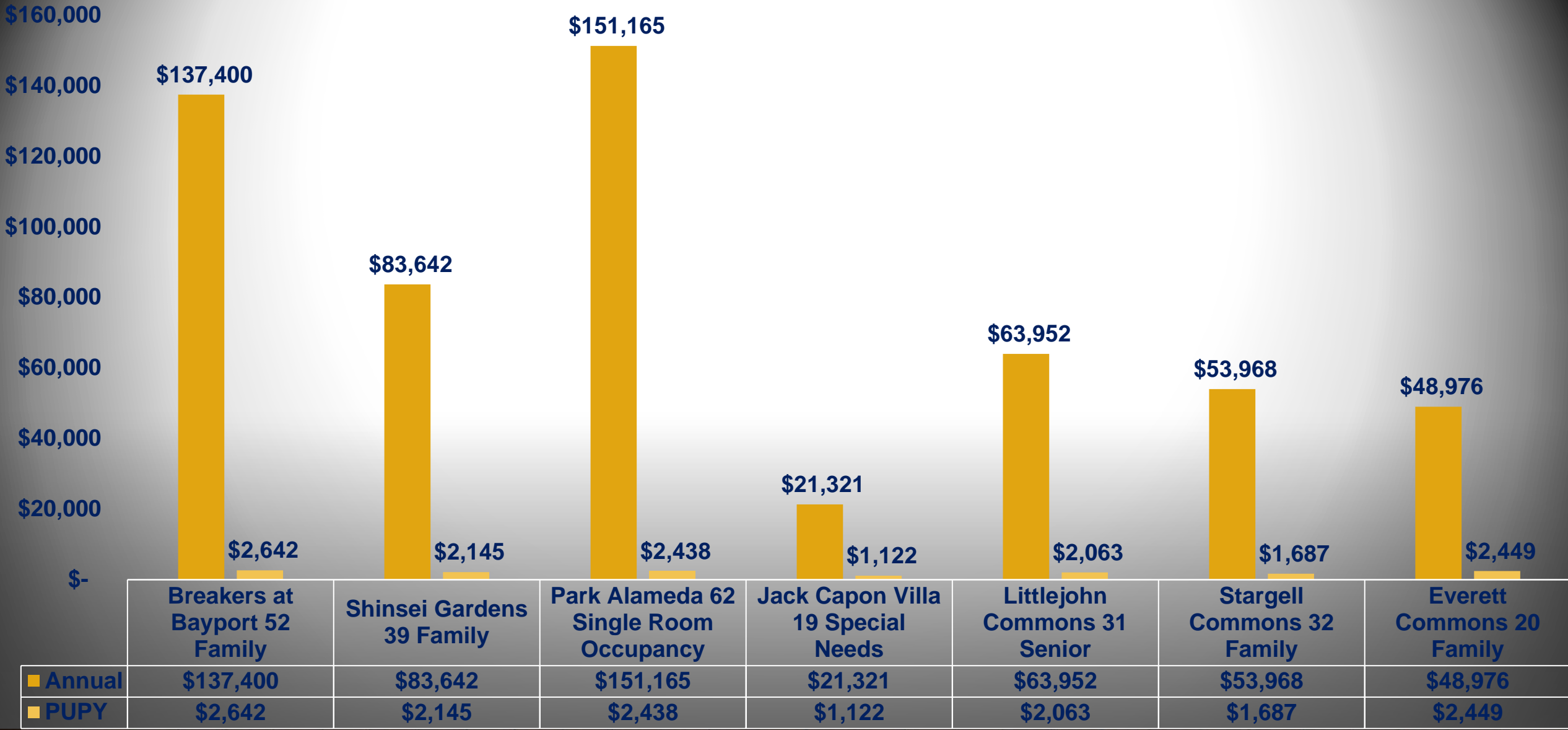


	Net Cash Flow	Debt Service, Reserve Deposits	Total Operating Expense	Total Operating Revenue
Actual (Top)	\$1,152,594	\$1,046,998	\$2,555,968	\$4,755,560
Budget (Bottom)	\$856,749	\$1,046,998	\$2,711,343	\$4,615,090

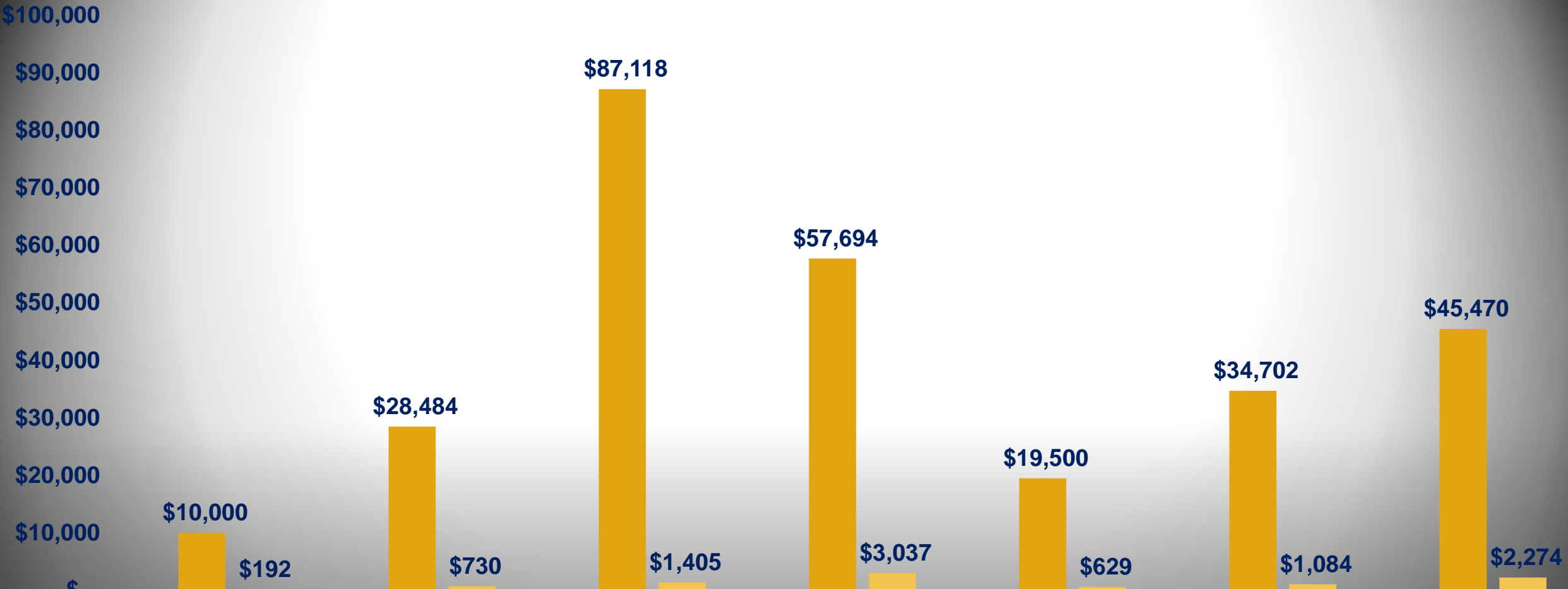
Property Management Fees



Property Staff Salaries and Benefits

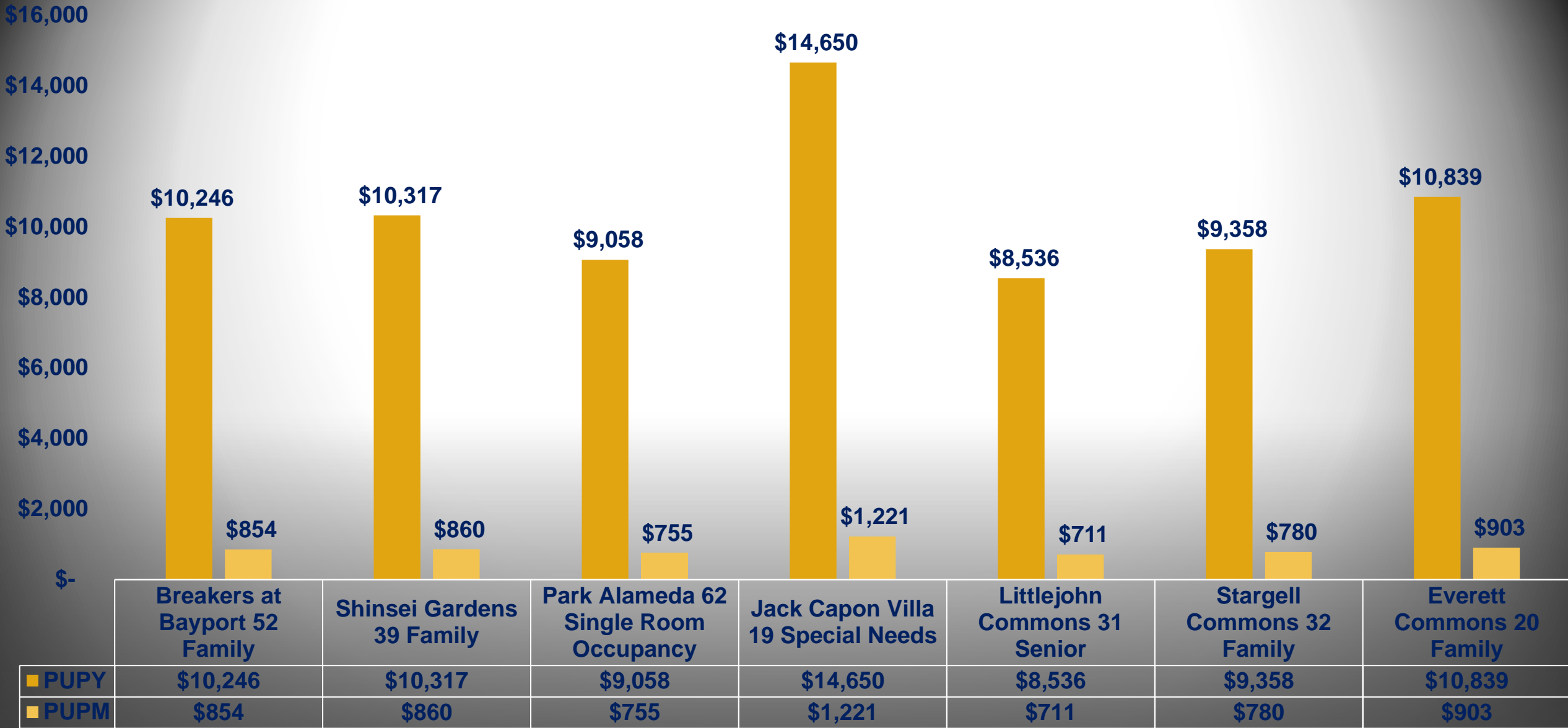


Resident Services



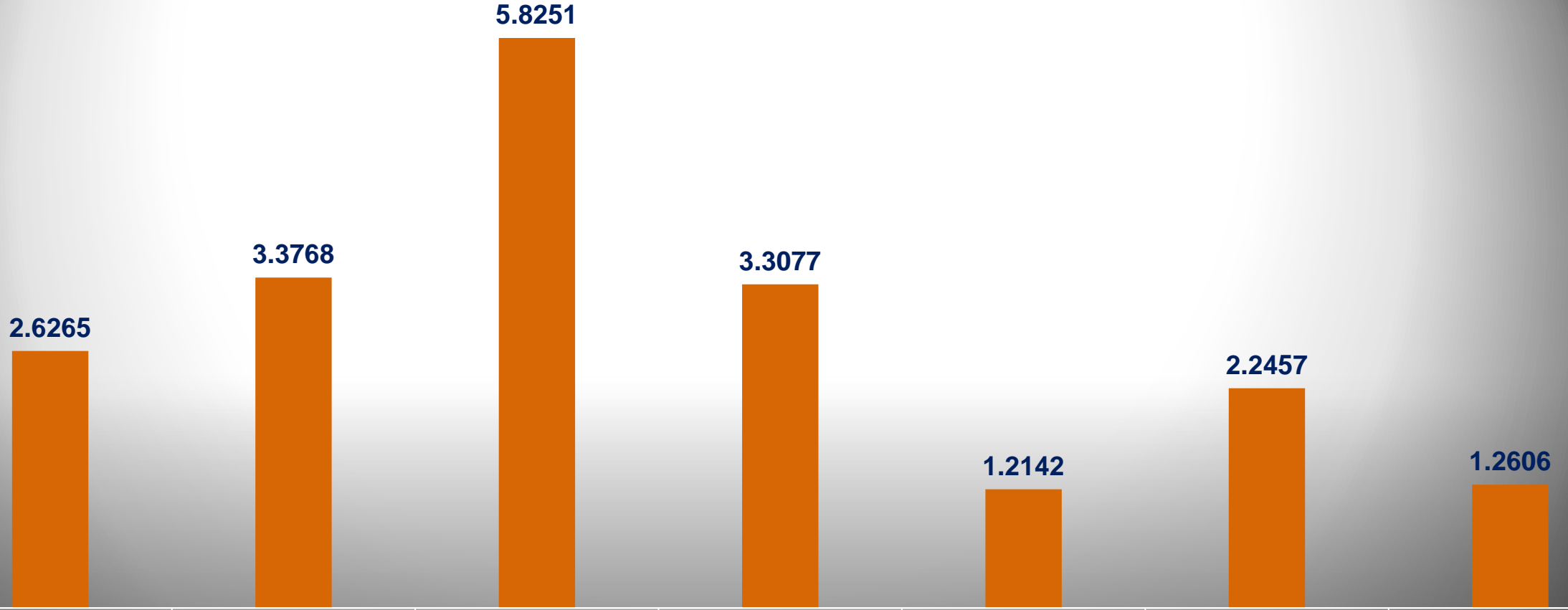
	Breakers at Bayport 52 Family	Shinsei Gardens 39 Family	Park Alameda 62 Single Room Occupancy	Jack Capon Villa 19 Special Needs	Littlejohn Commons 31 Senior	Stargell Commons 32 Family	Everett Commons 20 Family
Annual	\$10,000	\$28,484	\$87,118	\$57,694	\$19,500	\$34,702	\$45,470
PUPY	\$192	\$730	\$1,405	\$3,037	\$629	\$1,084	\$2,274

Operating Expense PUPY (Operating Expense/ Unit)



Debt Service Coverage Ratio (Debt Service/ Total Operating Income)

7
6
5
4
3
2
1
0



	Breakers at Bayport 52 Family	Shinsei Gardens 39 Family	Park Alameda 62 Single Room Occupancy	Jack Capon Villa 19 Special Needs	Littlejohn Commons 31 Senior	Stargell Commons 32 Family	Everett Commons 20 Family
DSCR	2.6265	3.3768	5.8251	3.3077	1.2142	2.2457	1.2606

Reserve Balances

\$700,000
 \$600,000
 \$500,000
 \$400,000
 \$300,000
 \$200,000
 \$100,000
 \$-

	Breakers at Bayport 52 Family	Shinsei Gardens 39 Family	Park Alameda 62 Single Room Occupancy	Jack Capon Villa 19 Special Needs	Littlejohn Commons 31 Senior	Stargell Commons 32 Family	Everett Commons 20 Family
■ Replacement Reserve	\$381,783	\$246,003	\$324,303	\$112,600	\$27,125	\$56,088	\$16,000
■ Reserve/ Unit	\$7,342	\$6,308	\$5,231	\$5,926	\$875	\$1,753	\$800
■ Operating Reserve	\$217,997	\$596,110	\$328,865	\$110,329	\$245,668	\$303,890	\$50,068
■ Reserve/ Unit	\$4,192	\$15,285	\$5,304	\$5,807	\$7,925	\$9,497	\$2,503
■ Other Reserve	\$11,833	\$109,156	\$96,299	\$22,296		\$100,194	\$13,869
■ Reserve/ Unit	\$228	\$2,799	\$1,553	\$1,173		\$3,131	\$693

Thank you!



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

ITEM 4.C

To: Board of Directors
Island City Development

From: Cheley Quiambao, Asset Manager

Date: November 16, 2021

Re: Accept and Approve the Low- Income Housing Tax Credit (LIHTC)
Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for
Sherman and Buena Vista LP aka Littlejohn Commons

BACKGROUND

This memo provides an overview of the annual operating budget for the fiscal year 2022 for the Low-Income Housing Tax Credit (LIHTC) properties where Island City Development is the Managing General Partner. Sherman and Buena Vista LP, also known as Littlejohn Commons, a 31-unit senior building, National Equity Fund (NEF) is the Limited Partner. The John Stewart Company (JSCo) provides property management and LifeSTEPS provides resident services. Current financing is as follows: California Community Reinvestment Corporation (CCRC), City of Alameda HOME, and Housing Authority of the City of Alameda.

DISCUSSION

Asset Management’s role is to ensure compliance with applicable regulatory agreements and financial performance. The third- party property management company prepares and submits the annual operating budget to staff for review. The operating budget includes a projection of the upcoming fiscal year’s operating revenue and expenses including administrative and marketing, utilities, operating and maintenance, taxes and insurance, resident services. The budget also includes hard debt service and reserve deposit requirements, partnership expenses such as asset management fee and partnership management fee, and capital expenditures.

Asset Management has reviewed and now submits the draft budget to the ICD Board of Directors for approval. Upon approval, Asset Management will submit the budget to the appropriate limited partners, lenders, and regulatory agencies. Staff will bring any investor requested revisions over 10% of total budget back to the Board of Directors.

FISCAL IMPACT

Sherman and Buena Vista LP, also known as Littlejohn Commons

Operating Revenue

- Total operating revenue is budgeted at \$698,687/ year \$58,224/ month.
- Monthly rents range from \$1,187-\$1,970, depending on size and affordability range
- The annual recertification and rent increases are scheduled for 08/22. Unsubsidized units



budgeted 1.5% rent increase.

-Subsidized units with Section 8 PBV rental subsidy (25 units). Rents have been set the Payment Standard each year in the past. Due to the Fair Market Rent's lowering this year, no increase was budgeted for 2022.

-Vacancy loss is assumed at 2%.

Operating Expense

-Total operating expense is \$310,560/ year at \$10,018 per unit per year, \$25,880/ month at \$835 per unit per month.

-Staffing pattern: Property Manager .35 Full Time Equivalent, Assistant Property Manager .35 Full Time Equivalent, Maintenance Specialist .35 Full Time Equivalent, Janitor .35 Full Time Equivalent.

Total Operating Income

-Total annual debt service and reserve deposits requirement is \$252,004.

-DSCR is 1.5402

-Projected cash flow is \$136,123.

LIHTC Portfolio Annual Operating Budget	Littlejohn Commons			31	
	Actual 2020	Forecast 2021	Proforma 2022	Budget 2022	Budget vs Profor
Total Operating Revenue	\$ 612,413	\$ 658,290	\$ 559,069	\$ 698,687	124.97%
Total Operating Expense	\$ 264,624	\$ 269,120	\$ 262,236	\$ 310,560	118.43%
Total Operating Income	\$ 347,789	\$ 389,170	\$ 296,833	\$ 388,127	130.76%
Debt Service, Reserve Dep	\$ 286,444	\$ 286,444	\$ 287,223	\$ 252,004	87.74%
Net cash flow	\$ 61,345	\$ 102,726	\$ 9,610	\$ 136,123	1416.47%
Debt Service Coverage Ra	1.2142	1.3586	1.0335	1.5402	149.03%
Operating Expense PUPY	\$ 8,536	\$ 8,681	\$ 8,459	\$ 10,018	118.43%
Operating Expense PUPM	\$ 711	\$ 723	\$ 705	\$ 835	118.43%

Tracking our performance and trajectory with the proforma and actuals, the 2022 budgeted operating revenue is 24.97% higher than 2022 proforma, 6.14% higher than forecast 2021, and 14.09% higher than 2020 actuals. This is due to higher than projected payment standards with the Section 8 PBV units. The 2022 budgeted operating expense is 18.43% higher than 2022 proforma, 15.40% higher than forecast 2021, and 17.36% higher than 2020 actuals. This is largely due to effects of the covid 19 pandemic. Operations experience increase in utilities expense (due to increase in consumption and rates), increase in supplies expenses (mostly PPEs and cleaning supplies), increase in maintenance contracts. Insurance premiums have significantly increased between 10%-28%. In addition, the property's building systems (such as elevator, fire protection systems, etc.) are now out of the development and original warranty period. Therefore, systems are inspected and serviced as needed.

CEQA

N/A

RECOMMENDATION

Accept and Approve the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for Sherman and Buena Vista LP aka Littlejohn Commons.

ATTACHMENTS

1. 2022 Budget - Little John Draft 5



Island City Development
November 16, 2021

Page 3

Respectfully submitted,

Cheley Quiambao

Cheley Quiambao, Asset Manager



Little John

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 31, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
PROJECT REVENUE								
Gross Income Potential								
5120-000	Rental Income - Tenant	151,771.00	254,158.00		-39.18%	154,574.42	12,881.20	2,803.41
5122-000	Housing Authority Income	463,709.00	435,932.00		25.06%	545,168.48	45,430.71	81,459.48
Total Gross Income Potential		615,480.00	690,090.00		1.40%	699,742.89	58,311.91	84,262.89
Vacancies and Concessions								
5220-000	Vacancy-Residential	6,974.00	13,802.00	2.00%	-48.46%	7,113.48	592.79	139.48
Total Vacancies and Concessions		6,974.00	13,802.00		-48.46%	7,113.48	592.79	139.48
Financial Revenue								
5410-000	Interest Inc - Operating	630.00	615.00		2.44%	630.00	52.50	0.00
Total Financial Revenue		630.00	615.00		2.44%	630.00	52.50	0.00
Other Income								
5910-000	Laundry Income	428.00	842.00		-49.17%	428.00	35.67	0.00
Total Other Income		428.00	842.00		-49.17%	428.00	35.67	0.00
TOTAL REVENUE		609,564.00	677,745.00		2.35%	693,687.41	57,807.28	84,123.41
PROJECT EXPENSES								
Marketing Expenses								
6250-000	Marketing-Credit Reports	296.00	414.00		-28.50%	296.00	24.67	0.00
Total Marketing Expenses		296.00	414.00		-28.50%	296.00	24.67	0.00
Administrative Expenses								
6310-000	On-Site Administrative PR	6,899.00	7,201.00	3.00%	61.36%	11,619.30	968.28	4,720.30
6311-000	Office Expenses	976.00	217.00		349.77%	976.00	81.33	0.00
6313-000	Postage & Copies	120.00	92.00		30.43%	120.00	10.00	0.00
6314-000	Copier Lease	1,145.00	835.00	3.00%	41.24%	1,179.35	98.28	34.35
6319-000	Payroll Processing Fee	1,018.00	1,184.00		-3.59%	1,141.52	95.13	123.52

Little John

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 31, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
6320-000	Management Fees	26,400.00	27,604.00		0.37%	27,705.18	2,308.76	1,305.18
6330-000	Payroll - Manager	21,195.00	21,951.00	3.00%	0.52%	22,066.24	1,838.85	871.24
6331-000	Administrator's Unit	20,088.00	20,088.00		42.35%	28,596.00	2,383.00	8,508.00
6335-000	Compliance Monitoring	0.00	800.00		-100.00%	0.00	0.00	0.00
6340-000	Legal/Mediation Expenses	720.00	1,417.00		-49.19%	720.00	60.00	0.00
6350-000	CPA/Audit Services	22,008.00	15,000.00		46.72%	22,008.00	1,834.00	0.00
6351-000	Bookkeeping Services	3,912.00	3,906.00		0.00%	3,906.00	325.50	-6.00
6360-000	Tel. & Answering Service	2,296.00	1,817.00	3.00%	30.15%	2,364.88	197.07	68.88
6385-000	Mileage/Travel	120.00	153.00		-21.57%	120.00	10.00	0.00
6390-000	Misc. Admin. Expenses	1,000.00	1,000.00		0.00%	1,000.00	83.33	0.00
6392-000	Seminars / Training	1,000.00	776.00		28.87%	1,000.00	83.33	0.00
6396-000	Computer Charges	2,052.00	1,800.00	3.00%	17.42%	2,113.56	176.13	61.56
Total Administrative Expenses		110,949.00	105,841.00		19.65%	126,636.03	10,553.00	15,687.03
Utilities								
6450-000	Electricity	12,167.00	9,706.00	4.00%	30.37%	12,653.68	1,054.47	486.68
6451-000	Water	7,067.00	6,177.00	4.00%	18.98%	7,349.68	612.47	282.68
6452-000	Gas	481.00	553.00	4.00%	-9.54%	500.24	41.69	19.24
6453-000	Sewer	1,008.00	2,770.00	4.00%	-62.15%	1,048.32	87.36	40.32
6453-020	Storm Drain	564.00	572.00	4.00%	2.55%	586.56	48.88	22.56
Total Utilities		21,287.00	19,778.00		11.93%	22,138.48	1,844.87	851.48
Operating and Maintenance Expenses								
6510-000	Payroll - Maintenance	16,780.00	16,676.00	3.00%	1.02%	16,846.48	1,403.87	66.48
6512-000	Payroll - Janitor	13,141.00	12,886.00	3.00%	0.00%	12,886.00	1,073.83	-255.00
6515-000	Janitorial Supplies	1,193.00	1,347.00	3.00%	-8.78%	1,228.79	102.40	35.79
6519-000	Pest -Supp & Contracts	3,270.00	1,740.00	3.00%	93.57%	3,368.10	280.68	98.10
6525-000	Garbage Removal	10,472.00	10,685.00	4.00%	1.93%	10,890.88	907.57	418.88
6532-010	Lock and Keys	200.00	0.00	3.00%	0.00%	206.00	17.17	6.00
6533-000	Fire Protection Expenses	5,566.00	3,650.00		52.49%	5,566.00	463.83	0.00
6537-000	Landscape Contracts	4,950.00	4,944.00	5.00%	5.13%	5,197.50	433.13	247.50
6541-000	Repairs Materials/Supp	600.00	579.00	3.00%	6.74%	618.00	51.50	18.00
6542-000	Repairs Contract	6,375.00	3,405.00		87.22%	6,375.00	531.25	0.00
6543-010	Plumbing Contract	300.00	0.00	3.00%	0.00%	309.00	25.75	9.00

Little John

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 31, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
6543-020	Plumbing Supplies	100.00	0.00	3.00%	0.00%	103.00	8.58	3.00
6545-000	Elevator Maintenance	10,185.00	3,300.00		208.64%	10,185.00	848.75	0.00
6545-020	Electrical Supplies	100.00	0.00	3.00%	0.00%	103.00	8.58	3.00
6560-000	Deco/Painting Contract	2,200.00	72.00		2955.56%	2,200.00	183.33	0.00
6561-000	Deco/Painting Supplies	300.00	16.00		1775.00%	300.00	25.00	0.00
6573-000	Uniforms/Laundry	144.00	153.00		-5.88%	144.00	12.00	0.00
Total Operating and Maintenance Expenses		75,876.00	59,453.00		28.72%	76,526.75	6,377.23	650.75
Taxes and Insurance								
6710-000	Real Estate Taxes	234.00	168.00		39.29%	234.00	19.50	0.00
6711-000	Payroll Taxes	6,127.00	6,732.00	3.00%	3.71%	6,982.00	581.83	855.00
6715-000	Cal Lmt Partnership Tax	0.00	0.00	0.00%	0.00%	3,350.00	279.17	3,350.00
6720-000	Property Insurance	14,038.00	13,893.00	68.00%	112.44%	29,514.24	2,459.52	15,476.24
6721-000	Fidelity Bond	114.00	94.00	3.00%	24.91%	117.42	9.79	3.42
6722-000	Workers Comp.	2,341.00	2,573.00	3.00%	67.63%	4,313.00	359.42	1,972.00
6723-000	Health Ins. / EE Benefits	8,274.00	9,747.00	3.00%	37.43%	13,395.02	1,116.25	5,121.02
6723-010	401K Matching/EE Benefits	640.00	1,155.00	3.00%	5.60%	1,219.73	101.64	579.73
6724-000	Local Taxes	5,216.00	9,296.00	3.00%	-42.21%	5,372.48	447.71	156.48
6790-000	Misc.Licenses/Permits	1,750.00	800.00	3.00%	-100.00%		0.00	-1,750.00
Total Taxes and Insurance		38,734.00	44,458.00		45.08%	64,497.89	5,374.82	25,763.89
Non Deferred Financial Expense								
6820-000	Interest on Mortgage	113,291.00	107,373.00		3.42%	111,050.52	9,254.21	-2,240.48
6826-000	Ground Lease	34,444.80	0.00	0.00%	0.00%	0.00	0.00	-34,444.80
Total Non Deferred Financial Expense		147,735.80	107,373.00		3.42%	111,050.52	9,254.21	-36,685.28
Service Expense								
6980-010	Resident Services Supply	600.00	84.00		614.29%	600.00	50.00	0.00
6981-000	Social Services	19,092.00	19,096.00	3.00%	2.98%	19,664.76	1,638.73	572.76
Total Service Expense		19,692.00	19,180.00		5.66%	20,264.76	1,688.73	572.76
Corporate Expenses								
7109-000	Investor Service Fee	0.00	0.00	3.00%	0.00%	5,628.00	469.00	5,628.00

Little John

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 31, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
7133-000	Partnership Mgmt Fee	0.00	0.00	3.00%	0.00%	22,510.65	1,875.89	22,510.65
7133-040	Partnership Admin Fee	22,510.65	0.00	3.00%	0.00%	0.00	0.00	-22,510.65
7137-000	Asset Management Fee	5,628.00	5,464.00	3.00%	-100.00%	0.00	0.00	-5,628.00
Total Corporate Expenses		28,138.65	5,464.00		414.98%	28,138.65	2,344.89	0.00
Reserve Expenditures								
7230-000	Interior Replacements	3,280.00	0.00	0.00%	0.00%	0.00	0.00	-3,280.00
Total Reserve Expenditures		3,280.00	0.00		0.00%	0.00	0.00	-3,280.00
TOTAL OPERATING EXPENSES		445,988.45	361,961.00		24.20%	449,549.08	37,462.42	3,560.63
OPERATING INCOME (LOSS)		163,575.55	315,784.00		-22.69%	244,138.33	20,344.86	80,562.78
OTHER CASH REQUIREMENTS								
	Reserve Funding	0.00	15,500.04	0.00%	0.00%	15,500.04	1,291.67	15,500.04
	Mortgage Principal	0.00	236,504.40	0.00%	-46.95%	125,454.00	10,454.50	125,454.00
	Fixed Asset Purchases	0.00	0.00	0.00%	0.00%	1,190.00	99.17	1,190.00
	Add back for Reserve Eligible Purchases	0.00	0.00	0.00%	0.00%	-1,190.00	-99.17	-1,190.00
	<i>Other Cash Requirements:</i>							
				0.00%		0.00	0.00	0.00
	Entry 2			0.00%		0.00	0.00	0.00
	Entry 3			0.00%		0.00	0.00	0.00
Total Other Cash (Available) Requirements		0.00	252,004.44		-44.07%	140,954.04	11,746.17	140,954.04
TOTAL CASH FLOW		163,575.55	63,779.56			103,184.29	8,598.69	-60,391.26

Before allowance for Depreciation, amortization and Deferred Financial Expenses

Debt Service Coverage Ratio

Principal and Interest	147,735.80	343,877.40			236,504.52	19,708.71	88,768.72
Reserves	0.00	15,500.04			15,500.04	1,291.67	15,500.04
NOI (Add int+reserve + Corp Expenses)	342,730.00	428,621.00			383,327.50	31,943.96	40,597.50
Debt Service Coverage	2.32	1.25			1.62	1.62	0.00
DCR Inc Reserves	2.32	1.19			1.52	1.52	0.00
DCR Inc. Reserves, P&I and Corp Exp	1.95	1.17			1.37	1.37	0.00
Vacancy Percentage (Vacancy / Scheduled Gross)	1.13%	2.00%			1.02%	1.02%	0.00%

Little John

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 31, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
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Little John

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 31, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
TOTAL DEFERRED FINANCIAL EXPENSES		0.00	0.00		0.00%	0.00	0.00	0.00
Amortization and Depreciation								
6610-060	Amort-Land Lease	0.00	0.00	0.00%	0.00%	34,444.44	2,870.37	34,444.44
Total Amortization and Depreciation		0.00	0.00		0.00%	34,444.44	2,870.37	34,444.44
NET CASH SURPLUS (DEFICIT)		163,575.55	63,779.56		-57.98%	68,739.85	5,728.32	-94,835.70

after allowance for deferred financial expenses, depreciation and amortization



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

ITEM 4.D

To: Board of Directors
Island City Development

From: Cheley Quiambao, Asset Manager

Date: November 16, 2021

Re: Accept and Approve the Low- Income Housing Tax Credit (LIHTC)
Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for
Constitution and Eagle LP aka Rosefield Village

BACKGROUND

This memo provides an overview of the annual operating budget for the fiscal year 2022 for the Low-Income Housing Tax Credit (LIHTC) properties where Island City Development is the Managing General Partner. For Constitution and Eagle LP, also known as Rosefield Village, Enterprise Neighborhood Impact Fund LLC is the Limited Partner. The John Stewart Company (JSCo) provides property management and LifeSTEPS provides resident services. Current financing is as follows: Bank of America, City of Alameda HOME, County of Alameda A1 funds, and Housing Authority of the City of Alameda.

DISCUSSION

Asset Management’s role is to ensure compliance with applicable regulatory agreements and financial performance. The third- party property management company prepares and submits the annual operating budget to staff for review. The operating budget includes a projection of the upcoming fiscal year’s operating revenue and expenses including administrative and marketing, utilities, operating and maintenance, taxes and insurance, resident services. The budget also includes hard debt service and reserve deposit requirements, partnership expenses such as asset management fee and partnership management fee, and capital expenditures.

Asset Management has reviewed and now submits the draft budget to the ICD Board of Directors for approval. Upon approval, Asset Management will submit the budget to the appropriate limited partners, lenders, and regulatory agencies. Staff will bring any investor requested revisions over 10% of total budget back to the Board of Directors.

FISCAL IMPACT

Constitution and Eagle LP, also known as Rosefield Village

Operating Revenue

- Total operating revenue is budgeted at \$1,900,428/ year \$158,369/ month.
- Monthly rents range from \$513-\$3,306, depending on size and affordability range
- The projected lease up starts on 06/22. No annual recertification and rent increases are



- Subsidized units with Section 8 PBV rental subsidy (23 units). Rents have been set the Payment Standard each year in the past. Due to the Fair Market Rent's lowering this year, no increase was budgeted for 2022.
- Vacancy loss is assumed at 2%.

Operating Expense

- Total operating expense is \$905,547/ year at \$9,843 per unit per year, \$75,462/ month at \$820 per unit per month.
- Staffing pattern: Property Manager .72 Full Time Equivalent, Assistant Property Manager .72 Full Time Equivalent, Maintenance Specialist .72 Full Time Equivalent, Janitor .72 Full Time Equivalent.

Total Operating Income

- Projected total annual debt service and reserve deposits requirement is \$736,717. *Please note debt service commences at perm conversion.
- DSCR is 1.3504
- Projected cash flow is \$258,164

LIHTC Portfolio	Rosefield Village		92	
Annual Operating Budget	Proforma	Budget	Budget vs Proforma	
	2022	2022		
Total Operating Revenue	\$ 1,787,828	\$ 1,900,428	106.30%	
Total Operating Expense	\$ 828,892	\$ 905,547	109.25%	
Total Operating Income	\$ 958,936	\$ 994,881	103.75%	
Debt Service, Reserve Dep	\$ 736,717	\$ 736,717	100.00%	
Net cash flow	\$ 222,219	\$ 258,164	116.18%	
Debt Service Coverage Ra	1.3016	1.3504	103.75%	
Operating Expense PUPY	\$ 9,010	\$ 9,843	109.25%	
Operating Expense PUPM	\$ 751	\$ 820	109.25%	

Tracking our trajectory with the proforma, the 2022 budgeted operating revenue is 6.3% higher than 2022 proforma. This is due to higher than projected payment standards with the Section 8 PBV units. The 2022 budgeted operating expense is 9.25% higher than 2022 proforma.

CEQA

n/a

RECOMMENDATION

Accept and Approve the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for Constitution and Eagle LP aka Rosefield Village.

ATTACHMENTS

1. 2022 Budget - Rosefield Village Draft 8

Respectfully submitted,

Cheley Quiambao

Cheley Quiambao, Asset Manager





Rosefield Village

Annual Operating Budget for the Year Ending
December 31, 2022

Total Units: 92

Forecast based on Current Forecast

Proposed

Status: Proposed
Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)	2021 6-month Budget	PUPY	PUPM
PROJECT REVENUE											
Gross Income Potential											
5120-000	Rental Income - Tenant	111,905.00	65,448.00		2184.23%	1,494,982.80	124,581.90	1,383,077.80	747,491.40	16,249.81	1,354.15
5122-000	Housing Authority Income	77,619.00	43,261.00		924.50%	443,209.20	36,934.10	365,590.20	221,604.60	4,817.49	401.46
5123-010	Lease Gain/Loss-Resident	0.00	0.00		0.00%	0.00	0.00	0.00	0.00	0.00	0.00
5191-000	Excess Rent	2,679.00	0.00		0.00%	0.00	0.00	-2,679.00	0.00	0.00	0.00
										0.00	0.00
Total Gross Income Potential		192,203.00	108,709.00		1682.92%	1,938,192.00	161,516.00	1,745,989.00	969,096.00	21,067.30	1,755.61

Rosefield Village

Annual Operating Budget for the Year Ending
December 31, 2022

Total Units: 92

Forecast based on Current Forecast

Status: Proposed
Prepared: August 30, 2021

Proposed

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)	2021 6-month Budget	PUPY	PUPM
Vacancies and Concessions											
5220-000	Vacancy-Residential	93,886.00	2,174.00		1683.07%	38,763.84	3,230.32	-55,122.16	19,381.92	421.35	35.11
Total Vacancies and Concessions		93,886.00	2,174.00		1683.07%	38,763.84	3,230.32	-55,122.16	19,381.92	421.35	35.11
Financial Revenue											
Total Financial Revenue		0.00	0.00		0.00%	0.00	0.00	0.00	0.00	0.00	0.00
Other Income											
5910-000	Laundry Income	220.00	0.00		0.00%	1,000.00	83.33	780.00	500.00	10.87	0.91
5925-000	Keys	6.00	0.00		0.00%	0.00	0.00	-6.00	0.00	0.00	0.00
Total Other Income		226.00	0.00		0.00%	1,000.00	83.33	774.00	500.00	10.87	0.91
TOTAL REVENUE		98,543.00	106,535.00		1683.85%	1,900,428.16	158,369.01	1,801,885.16	950,214.08	20,656.83	1,721.40
PROJECT EXPENSES										0.00	0.00
Marketing Expenses											
Total Marketing Expenses		0.00	0.00		0.00%	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Expenses											
6310-000	On-Site Administrative PR	0.00	0.00		0.00%	33,667.20	2,805.60	33,667.20	16,833.60	365.95	30.50
6311-000	Office Expenses	5,089.00	307.00		223.65%	993.60	82.80	-4,095.40	496.80	10.80	0.90
6313-000	Postage & Copies	18.00	14.00		12757.14%	1,800.00	150.00	1,782.00	900.00	19.57	1.63
6314-000	Copier Lease	380.00	173.00		2147.40%	3,888.00	324.00	3,508.00	1,944.00	42.26	3.52
6319-000	Payroll Processing Fee	248.00	322.00		879.50%	3,154.00	262.83	2,906.00	1,577.00	34.28	2.86
6320-000	Management Fees	3,579.00	9,498.00		600.31%	66,514.99	5,542.92	62,935.99	33,257.49	722.99	60.25
6330-000	Payroll - Manager	5,549.00	8,288.00		495.60%	49,363.20	4,113.60	43,814.20	24,681.60	536.56	44.71
6331-000	Administrator's Unit	0.00	0.00		0.00%	28,596.00	2,383.00	28,596.00	14,298.00	310.83	25.90
6335-000	Compliance Monitoring	0.00	0.00	0.00%	0.00%	36,429.00	3,035.75	36,429.00	18,214.50	395.97	33.00
6340-000	Legal/Mediation Expenses	9.00	2,385.00		-16.14%	2,000.00	166.67	1,991.00	1,000.00	21.74	1.81
6350-000	CPA/Audit Services	2,960.00	9,220.00		333.84%	40,000.00	3,333.33	37,040.00	20,000.00	434.78	36.23
6351-000	Bookkeeping Services	1,401.00	2,529.00		358.36%	11,592.00	966.00	10,191.00	5,796.00	126.00	10.50
6360-000	Tel. & Answering Service	419.00	1,235.00		200.83%	3,715.20	309.60	3,296.20	1,857.60	40.38	3.37
6385-000	Mileage/Travel	0.00	70.00		1328.57%	1,000.00	83.33	1,000.00	500.00	10.87	0.91
6390-000	Misc. Admin. Expenses	174.00	560.00		-100.00%	0.00	0.00	-174.00	0.00	0.00	0.00
6390-010	Bank Charges	0.00	0.00		0.00%	960.00	80.00	960.00	480.00	10.43	0.87
6392-000	Seminars / Training	8.00	286.00		724.48%	2,358.00	196.50	2,350.00	1,179.00	25.63	2.14
6396-000	Computer Charges	1,637.00	120.00		1264.17%	1,637.00	136.42	0.00	818.50	17.79	1.48
Total Administrative Expenses		21,471.00	35,007.00		721.74%	287,668.19	23,972.35	266,197.19	143,834.09	3,126.83	260.57
Utilities											
6450-000	Electricity	9,898.00	3,976.00		209.29%	12,297.48	1,024.79	2,399.48	6,148.74	133.67	11.14

Rosefield Village

Annual Operating Budget for the Year Ending
December 31, 2022

Total Units: 92

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021	2021	2022 Percent	2022 Percent	2022	2022	2022	2021		
		Forecast	Budget	Increase	Increase	Budget	Budget	Increase	6-month Budget	PUPY	PUPM
		Annual	Annual	(Decrease)	(Decrease)	Annual	Monthly	(Decrease)			
6451-000	Water	1,745.00	10,283.00		507.52%	62,471.07	5,205.92	60,726.07	31,235.53	679.03	56.59
6452-000	Gas	0.00	10,161.00		-89.35%	1,082.63	90.22	1,082.63	541.32	11.77	0.98
6453-000	Sewer	1,594.00	3,704.00		1546.92%	61,001.75	5,083.48	59,407.75	30,500.88	663.06	55.26
6453-020	Storm Drain	0.00	0.00	0.00%	0.00%	3,790.40	315.87	3,790.40	1,895.20	41.20	3.43
										0.00	0.00
Total Utilities		13,237.00	28,124.00		400.08%	140,643.33	11,720.28	127,406.33	70,321.66	1,528.73	127.39
Operating and Maintenance Expenses											
6510-000	Payroll - Maintenance	3,164.00	7,042.00		-100.00%	0.00	0.00	-3,164.00	0.00	0.00	0.00
6510-010	PR - Maint. Supervisor	0.00	0.00		0.00%	40,017.60	3,334.80	40,017.60	20,008.80	434.97	36.25
6512-000	Payroll - Janitor	0.00	0.00		0.00%	31,989.60	2,665.80	31,989.60	15,994.80	347.71	28.98
6515-000	Janitorial Supplies	0.00	0.00	0.00%	0.00%	3,000.00	250.00	3,000.00	1,500.00	32.61	2.72
6519-000	Pest -Supp & Contracts	0.00	170.00		3076.47%	5,400.00	450.00	5,400.00	2,700.00	58.70	4.89
6525-000	Garbage Removal	12,108.00	13,735.00		749.81%	116,721.78	9,726.82	104,613.78	58,360.89	1,268.72	105.73
6533-000	Fire Protection Expenses	900.00	145.00		3168.97%	4,740.00	395.00	3,840.00	2,370.00	51.52	4.29
6537-000	Landscape Contracts	2,128.00	5,205.00		111.34%	11,000.00	916.67	8,872.00	5,500.00	119.57	9.96
6541-000	Repairs Materials/Supp	248.00	342.00		46.20%	500.00	41.67	252.00	250.00	5.43	0.45
6542-000	Repairs Contract	700.00	2,101.00		-100.00%	0.00	0.00	-700.00	0.00	0.00	0.00
6543-000	Plumbing Maintenance	0.00	0.00	0.00%	0.00%	500.00	41.67	500.00	250.00	5.43	0.45
6544-000	Electrical Maintenance	0.00	0.00		0.00%	500.00	41.67	500.00	250.00	5.43	0.45
6545-000	Elevator Maintenance	0.00	0.00		0.00%	1,000.00	83.33	1,000.00	500.00	10.87	0.91
6554-000	Window and Glass Repairs	0.00	0.00	0.00%	0.00%	500.00	41.67	500.00	250.00	5.43	0.45
6573-000	Uniforms/Laundry	0.00	0.00	0.00%	0.00%	288.00	24.00	288.00	144.00	3.13	0.26
										0.00	0.00
Total Operating and Maintenance Expenses		19,248.00	28,740.00		652.11%	216,156.98	18,013.08	196,908.98	108,078.49	2,349.53	195.79
Taxes and Insurance											
6710-000	Real Estate Taxes	0.00	0.00	0.00%	0.00%	27,730.00	2,310.83	27,730.00	13,865.00	301.41	25.12
6711-000	Payroll Taxes	1,097.00	2,319.00		516.34%	14,293.00	1,191.08	13,196.00	7,146.50	155.36	12.95
6715-000	Cal Lmt Partnership Tax	0.00	0.00	0.00%	0.00%	3,350.00	279.17	3,350.00	1,675.00	36.41	3.03
6720-000	Property Insurance	0.00	7,035.00		920.36%	71,782.20	5,981.85	71,782.20	35,891.10	780.24	65.02
6721-000	Fidelity Bond	36.00	83.00		502.41%	500.00	41.67	464.00	250.00	5.43	0.45
6722-000	Workers Comp.	1,039.00	333.00		2967.87%	10,216.00	851.33	9,177.00	5,108.00	111.04	9.25
6723-000	Health Ins. / EE Benefits	1,727.00	983.00		2708.36%	27,606.22	2,300.52	25,879.22	13,803.11	300.07	25.01
6723-010	401K Matching/EE Benefits	807.00	125.00		2380.60%	3,100.75	258.40	2,293.75	1,550.38	33.70	2.81
6790-000	Misc.Licenses/Permits	0.00	470.00		-100.00%	0.00	0.00	0.00	0.00	0.00	0.00
										0.00	0.00
Total Taxes and Insurance		4,706.00	11,348.00		1297.41%	158,578.17	13,214.85	153,872.17	79,289.09	1,723.68	143.64
Non Deferred Financial Expense											
										0.00	0.00
Total Non Deferred Financial Expense		0.00	0.00		0.00%	0.00	0.00	0.00	0.00	0.00	0.00
Service Expense											
6980-000	Resident Services	0.00	0.00	0.00%	0.00%	9,000.00	750.00	9,000.00	4,500.00	97.83	8.15
6981-000	Social Services	0.00	2,100.00		4185.71%	90,000.00	7,500.00	90,000.00	45,000.00	978.26	81.52
										0.00	0.00

Rosefield Village

Annual Operating Budget for the Year Ending
December 31, 2022

Total Units:	92
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Forecast based on Current Forecast
Proposed

Status: Proposed
Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)	2021 6-month Budget	PUPY	PUPM
Total Service Expense		0.00	2,100.00		4614.29%	99,000.00	8,250.00	99,000.00	49,500.00	1,076.09	89.67
Corporate Expenses											
7109-000	Investor Service Fee	0.00	0.00	0.00%		7,500.00	625.00	7,500.00	3,750.00	81.52	6.79
7131-000	State Income Tax	1,600.00	0.00		0.00%		0.00	-1,600.00	0.00	0.00	0.00
7133-040	Partnership Admin Fee	0.00	0.00	0.00%		7,000.00	583.33	7,000.00	3,500.00	76.09	6.34
Total Corporate Expenses		1,600.00	0.00		0.00%	14,500.00	1,208.33	12,900.00	7,250.00	157.61	13.13
Reserve Expenditures											
7230-000	Interior Replacements	2,104.00	0.00		0.00%	3,500.00	291.67	1,396.00	1,750.00	38.04	3.17
Total Reserve Expenditures		2,104.00	0.00		0.00%	3,500.00	291.67	1,396.00	1,750.00	38.04	3.17
TOTAL OPERATING EXPENSES		62,366.00	105,319.00		773.58%	920,046.67	76,670.56	857,680.67	460,023.33	10,000.51	833.38
OPERATING INCOME (LOSS)		36,177.00	1,216.00		80523.48%	980,381.49	81,698.46	944,204.49	490,190.75	10,656.32	888.03
OTHER CASH REQUIREMENTS											
	Reserve Funding	0.00	0.00	0.00%		55,200.00	4,600.00	55,200.00	27,600.00	600.00	50.00
	Mortgage Principal	0.00	0.00	0.00%		0.00	0.00	0.00	0.00	0.00	0.00
	Fixed Asset Purchases	0.00	0.00	0.00%		0.00	0.00	0.00	0.00	0.00	0.00
	Add back for Reserve Eligible Purchases	0.00	0.00	0.00%		0.00	0.00	0.00	0.00	0.00	0.00
	<i>Other Cash Requirements:</i>										
	Entry 1			0.00%		0.00	0.00	0.00	0.00	0.00	0.00
	Entry 2			0.00%		0.00	0.00	0.00	0.00	0.00	0.00
	Entry 3			0.00%		0.00	0.00	0.00	0.00	0.00	0.00
Total Other Cash (Available) Requirements		0.00	0.00		0.00%	55,200.00	4,600.00	55,200.00	27,600.00	600.00	50.00
TOTAL CASH FLOW		36,177.00	1,216.00			925,181.49	77,098.46	889,004.49	462,590.75	10,056.32	838.03
Before allowance for Depreciation, amortization and Deferred Financial Expenses											
Debt Service Coverage Ratio											
	Principal and Interest	0.00	0.00			0.00	0.00	0.00		0.00	0.00
	Reserves	0.00	0.00			55,200.00	4,600.00	55,200.00	27,600.00	600.00	50.00
	NOI (Add int+reserve + Corp Expenses)	39,881.00	1,216.00			998,381.49	83,198.46	958,500.49	499,190.75	10,851.97	904.33
	Debt Service Coverage	#DIV/0!	#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!	#DIV/0!
	DCR Inc Reserves	#DIV/0!	#DIV/0!			18.09	18.09	0.00	9.04	0.20	0.02
	DCR Inc. Reserves, P&I and Corp Exp	24.93	#DIV/0!			14.32	14.32	0.00	7.16	0.16	0.01
	Vacancy Percentage	48.85%	2.00%			2.00%	2.00%	0.00%		0.00	0.00
	(Vacancy / Scheduled Gross)										

Rosefield Village

Annual Operating Budget for the Year Ending
December 31, 2022

Total Units: 92

Forecast based on Current Forecast
Proposed

Status: Proposed
Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)	2021 6-month Budget	PUPY	PUPM
										0.00	0.00
										0.00	0.00
	TOTAL DEFERRED FINANCIAL EXPENSES	0.00	0.00		0.00%	0.00	0.00	0.00	0.00	0.00	0.00
Amortization and Depreciation											
										0.00	0.00
	Total Amortization and Depreciation	0.00	0.00		0.00%	0.00	0.00	0.00	0.00	0.00	0.00
										0.00	0.00
	NET CASH SURPLUS (DEFICIT)	36,177.00	1,216.00		2457.37%	925,181.49	77,098.46	889,004.49	462,590.75	10,056.32	838.03

after allowance for deferred financial expenses, depreciation and amortization



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

ITEM 4.E

To: Board of Directors
Island City Development

From: Cheley Quiambao, Asset Manager

Date: November 16, 2021

Re: Accept and Approve the Low- Income Housing Tax Credit (LIHTC)
Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for
Everett and Eagle LP aka Everett Commons

BACKGROUND

This memo provides an overview of the annual operating budget for the fiscal year 2022 for the Low-Income Housing Tax Credit (LIHTC) properties where Island City Development is the Managing General Partner. For Everett and Eagle LP, also known as Everett Commons, a 20-unit family building, Enterprise Neighborhood Impact Fund LLC is the Limited Partner. The John Stewart Company (JSCo) provides property management and LifeSTEPS provides resident services. Current lender financing is as follows: Chase Bank, City of Alameda HOME, Housing Authority of the City of Alameda, and County of Alameda A 1 funds.

DISCUSSION

Asset Management’s role is to ensure compliance with applicable regulatory agreements and financial performance. The third- party property management company prepares and submits the annual operating budget to staff for review. The operating budget includes a projection of the upcoming fiscal year’s operating revenue and expenses including administrative and marketing, utilities, operating and maintenance, taxes and insurance, resident services. The budget also includes hard debt service and reserve deposit requirements, partnership expenses such as asset management fee and partnership management fee, and capital expenditures.

Asset Management has reviewed and now submits the draft budget to the ICD Board of Directors for approval. Upon approval, Asset Management will submit the budget to the appropriate limited partners, lenders, and regulatory agencies. Staff will bring any investor requested revisions over 10% of total budget back to the Board of Directors.

FISCAL IMPACT

Everett and Eagle LP, also known as Everett Commons

Operating Revenue

- Total operating revenue is budgeted at \$562,368/ year \$46,864/ month.
- Monthly rents range from \$1,413-\$3,121, depending on size and affordability range
- The annual recertification and rent increases are scheduled for 12/22. Unsubsidized units



budgeted 1.5% rent increase.

-Subsidized units with Section 8 PBV rental subsidy (12 units) and VASH rental subsidy (5 units.) Rents have been set the Payment Standard each year in the past. Due to the Fair Market Rent's lowering this year, no increase was budgeted for 2022.

-Vacancy loss is assumed at 1%.

Operating Expense

-Total operating expense is \$253,072/ year at \$12,654 per unit per year, \$21,089 month at \$1,054 per unit per month.

-Staffing pattern: Property Manager .4 Full Time Equivalent, Maintenance Specialist .4 Full Time Equivalent.

Total Operating Income

-Total annual debt service and reserve deposits requirement is \$252,351.

-Debt Service Coverage Ratio is 1.2257.

-Projected cash flow is \$56,945.

LIHTC Portfolio Annual Operating Budget	Everett Commons		20		Budget vs Profit
	Actual 2020	Forecast 2021	Proforma 2022	Budget 2022	
Total Operating Revenue	\$ 523,762	\$ 558,933	\$ 472,913	\$ 562,368	118.92%
Total Operating Expense	\$ 216,784	\$ 236,448	\$ 202,397	\$ 253,072	125.04%
Total Operating Income	\$ 306,978	\$ 322,485	\$ 270,516	\$ 309,296	114.34%
Debt Service, Reserve Dep	\$ 243,517	\$ 248,269	\$ 252,451	\$ 252,351	99.96%
Net cash flow	\$ 63,461	\$ 74,216	\$ 18,065	\$ 56,945	315.22%
Debt Service Coverage Ra	1.2606	1.2989	1.0716	1.2257	114.38%
Operating Expense PUPY	\$ 10,839	\$ 11,822	\$ 10,120	\$ 12,654	125.04%
Operating Expense PUPM	\$ 903	\$ 985	\$ 843	\$ 1,054	125.04%

Tracking our performance and trajectory with the proforma and actuals, the 2022 budgeted operating revenue is 18.92% higher than 2022 proforma .61% higher than forecast 2021, and 7.37% higher than 2020 actuals. This is due to higher than projected payment standards with the Section 8 PBV and VASH units. The 2022 budgeted operating expense is 25.04% higher than 2022 proforma, 7.03% higher than forecast 2021, and 16.74% higher than 2020 actuals. This is largely due to increase in utilities expense (due to increase in consumption and rates), increase in supplies expenses (mostly PPEs and cleaning supplies due to covid 19) and an increase in maintenance contracts due to a plumbing issue that has since been resolved and will not carry into 2022. Insurance premiums have significantly increased between 10%-28%. In addition, the property's building systems (such as elevator, fire protection systems, etc) are now out of the development and original warranty period. Therefore, systems are inspected and serviced as needed.

CEQA

N/A

RECOMMENDATION

Accept and Approve the Low- Income Housing Tax Credit (LIHTC) Annual Operating Budget for the Fiscal Year and Calendar Year 2022 for Everett and Eagle LP aka Everett Commons.

ATTACHMENTS

1. 2022 Budget - Everett Draft 5



Island City Development
November 16, 2021

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Respectfully submitted,

Cheley Quiambao

Cheley Quiambao, Asset Manager



Everett Commons

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
PROJECT REVENUE								
Gross Income Potential								
5120-000	Rental Income - Tenant	161,136.00	201,629.00	0.00%	-32.30%	136,502.93	11,375.24	-24,633.08
5122-000	Housing Authority Income	386,330.00	350,961.00	0.00%	20.42%	422,611.00	35,217.58	36,281.00
Total Gross Income Potential		547,466.00	552,590.00		1.18%	559,113.93	46,592.83	11,647.93
Vacancies and Concessions								
5220-000	Vacancy-Residential	4,934.00	11,052.00	0.00%	-55.36%	4,934.00	411.17	0.00
5220-020	Vacancy - Housing Reimb	-6,000.00	0.00	0.00%	0.00%	-6,000.00	-500.00	0.00
5250-000	Rental Concessions	404.00	0.00	0.00%	0.00%	0.00	0.00	-404.00
Total Vacancies and Concessions		-662.00	11,052.00		-109.65%	-1,066.00	-88.83	-404.00
Financial Revenue								
5410-000	Interest Inc - Operating	271.00	423.00	0.00%	-35.93%	271.00	22.58	0.00
5440-000	Interest Inc - Reserves	29.00	39.00	0.00%	-25.64%	29.00	2.42	0.00
Total Financial Revenue		300.00	462.00		-35.06%	300.00	25.00	0.00
Other Income								
5910-000	Laundry Income	4,020.00	3,808.00	0.00%	5.57%	4,020.00	335.00	0.00
Total Other Income		4,020.00	3,808.00		5.57%	4,020.00	335.00	0.00
TOTAL REVENUE		551,124.00	567,912.00		-0.98%	562,367.93	46,863.99	11,243.93
PROJECT EXPENSES								
Marketing Expenses								
6250-000	Marketing-Credit Reports	211.00	414.00	3.00%	-42.03%	240.00	20.00	29.00
Total Marketing Expenses		211.00	414.00		-42.03%	240.00	20.00	29.00
Administrative Expenses								
6311-000	Office Expenses	2,350.00	444.00	3.00%	224.32%	1,440.00	125.00	-910.00
6313-000	Postage & Copies	23.00	45.00	3.00%	888.89%	445.00	37.08	422.00

Everett Commons

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
6314-000	Copier Lease	395.00	957.00	3.00%	-100.00%	0.00	0.00	-395.00
6319-000	Payroll Processing Fee	719.00	796.00	3.00%	2.24%	813.85	67.82	94.85
6320-000	Management Fees	16,052.00	16,578.00	3.00%	0.99%	16,741.44	1,395.12	689.44
6330-000	Payroll - Manager	21,658.00	21,356.00	3.00%	15.40%	24,644.78	2,053.73	2,986.78
6331-000	Administrator's Unit	20,088.00	20,088.00	3.00%	42.35%	28,596.00	2,383.00	8,508.00
6335-000	Compliance Monitoring	330.00	800.00	3.00%	200.00%	2,400.00	200.00	2,070.00
6340-000	Legal/Mediation Expenses	5,272.00	1,000.00	3.00%	-48.40%	516.00	43.00	-4,756.00
6350-000	CPA/Audit Services	15,919.00	15,921.00	3.00%	-3.30%	15,396.17	1,283.01	-522.83
6351-000	Bookkeeping Services	2,520.00	2,520.00	3.00%	0.00%	2,520.00	210.00	0.00
6360-000	Tel. & Answering Service	2,476.00	3,142.00	3.00%	-4.52%	3,000.00	250.00	524.00
6385-000	Mileage/Travel	465.00	120.00	3.00%	87.50%	225.00	18.75	-240.00
6390-000	Misc. Admin. Expenses	688.00	0.00	3.00%	0.00%	860.00	71.67	172.00
6392-000	Seminars / Training	414.00	888.00	3.00%	-51.98%	426.42	35.54	12.42
6396-000	Computer Charges	1,030.00	485.00	3.00%	64.95%	800.00	66.67	-230.00
Total Administrative Expenses		90,399.00	85,140.00		16.07%	98,824.67	8,240.39	8,425.67
Utilities								
6450-000	Electricity	3,515.00	2,835.00	3.00%	27.71%	3,620.45	301.70	105.45
6451-000	Water	4,927.00	5,497.00	4.00%	-6.78%	5,124.08	427.01	197.08
6453-000	Sewer	670.00	928.00	4.00%	-24.91%	696.80	58.07	26.80
6453-020	Storm Drain	800.00	565.00	4.00%	47.26%	832.00	69.33	32.00
Total Utilities		9,912.00	9,825.00		4.56%	10,273.33	856.11	361.33
Operating and Maintenance Expenses								
6510-000	Payroll - Maintenance	18,474.00	16,924.00	3.00%	21.54%	20,569.31	1,714.11	2,095.31
6515-000	Janitorial Supplies	772.00	600.00	3.00%	16.67%	700.00	58.33	-72.00
6519-000	Pest -Supp & Contracts	1,630.00	1,620.00	3.00%	7.41%	1,740.00	145.00	110.00
6525-000	Garbage Removal	11,026.00	8,807.00	3.00%	44.72%	12,745.30	1,062.11	1,719.30
6532-010	Lock and Keys	0.00	0.00	0.00%	0.00%	300.00	25.00	300.00
6533-000	Fire Protection Expenses	4,163.00	2,960.00	3.00%	-5.84%	2,787.00	232.25	-1,376.00
6537-000	Landscape Contracts	4,634.00	4,944.00	3.00%	-29.21%	3,500.00	291.67	-1,134.00
6541-000	Repairs Materials/Supp	3,774.00	2,622.00	3.00%	-8.47%	2,400.00	200.00	-1,374.00
6543-000	Plumbing Maintenance	2,164.00	0.00	3.00%	0.00%	1,000.00	83.33	-1,164.00
6543-020	Plumbing Supplies	0.00	0.00	0.00%	0.00%	400.00	33.33	400.00

Everett Commons

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
6544-000	Electrical Maintenance	306.00	0.00	3.00%	0.00%	500.00	41.67	194.00
6558-000	Carpentry Repairs	0.00	0.00	0.00%	0.00%	500.00	41.67	500.00
6561-000	Deco/Painting Supplies	5.00	21.00	3.00%	2757.14%	600.00	50.00	595.00
6569-000	COVID-19 Pandemic	16.00	0.00	3.00%	0.00%	300.00	25.00	284.00
6573-000	Uniforms/Laundry	60.00	148.00	3.00%	102.70%	300.00	25.00	240.00
6590-000	Miscellaneous Maintenance	415.00	1,000.00	3.00%	-100.00%	0.00	0.00	-415.00
6598-000	Unit Turnover Preparation	0.00	0.00	0.00%	0.00%	1,000.00	83.33	1,000.00
Total Operating and Maintenance Expenses		56,246.00	44,943.00		9.79%	49,341.61	4,111.80	-6,904.39
Taxes and Insurance								
6710-000	Real Estate Taxes	-55.00	178.00	3.00%	-100.00%	0.00	0.00	55.00
6711-000	Payroll Taxes	3,755.00	4,049.00	3.00%	14.47%	4,635.00	386.25	880.00
6715-000	Cal Lmt Partnership Tax	0.00	0.00	0.00%	0.00%	3,350.00	279.17	3,350.00
6720-000	Property Insurance	16,283.00	16,572.00	3.00%	70.35%	28,230.70	2,352.56	11,947.70
6721-000	Fidelity Bond	89.00	73.00	3.00%	25.58%	91.67	7.64	2.67
6722-000	Workers Comp.	2,220.00	3,105.00	3.00%	-20.35%	2,473.00	206.08	253.00
6723-000	Health Ins. / EE Benefits	5,555.00	6,924.00	3.00%	10.57%	7,655.73	637.98	2,100.73
6723-010	401K Matching/EE Benefits	11.00	753.00	3.00%	20.09%	904.28	75.36	893.28
6724-000	Local Taxes	1,245.00	2,999.00	3.00%	-100.00%	0.00	0.00	-1,245.00
6790-000	Misc.Licenses/Permits	330.00	800.00	3.00%	-100.00%		0.00	-330.00
Total Taxes and Insurance		29,433.00	35,453.00		33.53%	47,340.38	3,945.03	17,907.38
Non Deferred Financial Expense								
6820-000	Interest on Mortgage	182,879.00	182,583.00	3.00%	0.00%	182,583.16	15,215.26	-295.84
6851-010	Bond Expenses	1,000.00	2,400.00	3.00%	-100.00%		0.00	-1,000.00
Total Non Deferred Financial Expense		183,879.00	184,983.00		-1.30%	182,583.16	15,215.26	-1,295.84
Service Expense								
6980-014	RS/Travel	175.00	422.00	3.00%	-57.29%	180.25	15.02	5.25
6981-000	Social Services	44,557.00	45,546.00	3.00%	2.91%	46,872.00	3,906.00	2,315.00
Total Service Expense		44,732.00	45,968.00		2.36%	47,052.25	3,921.02	2,320.25
Corporate Expenses								

Everett Commons

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
7109-000	Investor Service Fee	0.00	0.00	0.00%	0.00%	5,627.54	468.96	5,627.54
7131-000	State Income Tax	2,550.00	0.00	3.00%	0.00%		0.00	-2,550.00
7133-000	Partnership Mgmt Fee	0.00	0.00	0.00%	0.00%	11,254.81	937.90	11,254.81
Total Corporate Expenses		2,550.00	0.00		0.00%	16,882.35	1,406.86	14,332.35
Reserve Expenditures								
7230-000	Interior Replacements	1,750.00	0.00	3.00%	0.00%	0.00	0.00	-1,750.00
7252-000	Developers Fees	176,473.00	0.00	3.00%	0.00%	0.00	0.00	-176,473.00
Total Reserve Expenditures		178,223.00	0.00		0.00%	0.00	0.00	-178,223.00
TOTAL OPERATING EXPENSES		595,585.00	406,726.00		11.26%	452,537.75	37,716.48	-143,047.25
OPERATING INCOME (LOSS)		-44,461.00	161,186.00		-31.86%	109,830.17	9,147.51	154,291.17
OTHER CASH REQUIREMENTS								
	Reserve Funding	0.00	28,026.12	0.00%	-57.18%	12,000.00	1,000.00	12,000.00
	Mortgage Principal	0.00	33,330.24	0.00%	0.00%	33,330.20	2,777.52	33,330.20
	Fixed Asset Purchases	0.00	0.00	0.00%	0.00%	0.00	0.00	0.00
	Add back for Reserve Eligible Purchases	0.00	0.00	0.00%	0.00%	0.00	0.00	0.00
	<i>Other Cash Requirements:</i>							
	Entry 1			0.00%		24,438.00	2,036.50	24,438.00
	Entry 2			0.00%		0.00	0.00	0.00
	Entry 3			0.00%		0.00	0.00	0.00
Total Other Cash (Available) Requirements		0.00	61,356.36		13.71%	69,768.20	5,814.02	69,768.20
TOTAL CASH FLOW		-44,461.00	99,829.64			40,061.97	3,333.50	84,522.97
Before allowance for Depreciation, amortization and Deferred Financial Expenses								
Debt Service Coverage Ratio								
	Principal and Interest	183,879.00	218,313.24			215,913.36	17,992.78	32,034.36
	Reserves	0.00	28,026.12			12,000.00	1,000.00	12,000.00
	NOI (Add int+reserve + Corp Expenses)	320,191.00	346,169.00			309,295.68	25,769.64	-10,895.32
	Debt Service Coverage	1.74	1.59			1.43	1.43	0.00
	DCR Inc Reserves	1.74	1.41			1.36	1.36	0.00
	DCR Inc. Reserves, P&I and Corp Exp	1.72	1.41			1.26	1.26	0.00
	Vacancy Percentage	-0.12%	2.00%			-0.19%	-0.19%	0.00%

Everett Commons

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
	(Vacancy / Scheduled Gross)							

Everett Commons

Annual Operating Budget for the Year Ending December 31, 2022

Forecast based on Current Forecast

Status: Proposed

Proposed

Prepared: August 30, 2021

Acct#	Account Name	2021 Forecast Annual	2021 Budget Annual	2022 Percent Increase (Decrease)	2022 Percent Increase (Decrease)	2022 Budget Annual	2022 Budget Monthly	2022 Increase (Decrease)
6890-010	Deferred Misc Financ Exp	0.00	0.00	0.00%	0.00%	342,677.00	28,556.42	342,677.00
TOTAL DEFERRED FINANCIAL EXPENSES		0.00	0.00		0.00%	342,677.00	28,556.42	342,677.00
Amortization and Depreciation								
6610-060	Amort-Land Lease	0.00	0.00	0.00%	0.00%	100.00	8.33	100.00
Total Amortization and Depreciation		0.00	0.00		0.00%	100.00	8.33	100.00
NET CASH SURPLUS (DEFICIT)		-44,461.00	99,829.64		580.86%	-302,715.03	-25,231.25	-258,254.03

after allowance for deferred financial expenses, depreciation and amortization



ISLAND CITY DEVELOPMENT

Fax (510) 522-7848 | TTY/TRS 711

To: Board of Directors
Island City Development

From: Tony Weng, Senior Project Manager

Date: November 16, 2021

Re: Accept the North Housing Project Update Report, Authorize the Creation of Three Limited Partnership and Three Limited Liability Company entities, Ratify the Executed HKIT Architects Contract for Architectural and Engineering Services, Approve the Architect's Additional Services Request and Authorize the President, or designee to negotiate and sign the Architect's Contract Amendment #1, and Ratify the Executed CBG Contract for Civic Engineering Services.

BACKGROUND

Island City Development (ICD) performs real estate development services for the North Housing project.

The North Housing Project is the redevelopment of approximately 12 acres of land at the former Alameda Naval Air Station (NAS) at the site known as Coast Guard Housing. The Housing Authority is leading the development under a homeless accommodation conveyance, alongside partners Alameda Point Collaborative (APC) and Building Futures. The North Housing parcel was successfully transferred to Housing Authority ownership on May 30, 2019. The Housing Authority Board of Commissions approved the Agency's Vision for the North Housing site at its August 2019 meeting. On August 17, 2020, the Planning Board approved the Development Plan, and on September 15, 2020, the City Council approved the Tentative Map.

Please see previous monthly Housing Authority Board of Commissioners reports for project details. Documentation of the master planning process may be found at www.northhousing.org.

DISCUSSION

Demolition of the existing buildings is complete, and the demolition permits were finalized on September 20, 2021. Subsequently, staff filed the Notice of Completion with the Alameda County Recorder's Office on September 22, 2021, related to the demolition contract. On September 2, 2021, staff submitted the North Housing Block A design review submittal to the City. On September 16, 2021, staff submitted three proposals to the Housing Authority in response to the Request for Proposal for Project-Based Voucher Program published on



Create Tax Credit Entities

For upcoming funding applications, staff is requesting authorization to form three Limited Partnership (LP) and three Limited Liability Company (LLC) entities for the three projects at North Housing Block A. A sample ownership structure is included with this memo for visual reference.

Ratify HKIT Contract

Previously, the ICD Board of Directors approved the HKIT Architect's contract from \$114,230.00 to \$1,689,100.00. The contract extends the scope of services to include design work for all three buildings proposed in Block A from schematic design, design development, construction documents, permit processing, bidding, and construction administration. The executed Architect's contract is in the amount of \$1,727,100.00, including all expenses. The not-to-exceed contracted amount includes a \$38,000.00 contingency, which can only be utilized and billed with written approval from ICD.

Approve HKIT Contract Amendment #1

To help expedite the overall design process at North Housing, the Architect's scope will be expanded to include planting and irrigation design for the streetscape portion of the master plan development adjacent to the three projects at North Housing Block A. The Architect's fee for the expanded offsite scope is in the amount of \$50,500. The revised total Architect's contract, including contract amendment #1 for \$50,500 to include offsite streetscape design work will be in the amount of \$1,777,600.

Ratify CBG Contract

In moving forward with the predevelopment work for this project, staff procured Carlson, Barbee, and Gibson, Inc. through a Request for Proposal (RFP) for Civil Engineering Services. The not-to-exceed contracted amount is \$221,000.00, including all expenses.

FISCAL IMPACT

The North Housing project has a \$6,238,000 pre-development loan for costs associated with master planning, carrying costs, demolition, and pre-development work for the first 90 units of permanent supportive housing. Pre-development loan funds are disbursed from AHA to ICD on an as-needed basis. As of October 31, 2021, the available predevelopment loan balance is \$1,430,437.

As master developers, AHA and ICD can be expected to carry some of the architectural and engineering costs for 2-4 years depending on the development schedule. The contract amounts discussed previously are covered within the budget for the proposed projects at North Housing Block A.

CEQA

Not Applicable

RECOMMENDATION

Accept the North Housing Project Update Report, Authorize the Creation of Three Limited Partnership and Three Limited Liability Company entities, Ratify the Executed HKIT



Architects Contract for Architectural and Engineering Services, Approve the Architect's Additional Services Request and Authorize the President, or designee to negotiate and sign the Architect's Contract Amendment #1, and Ratify the Executed CBG Contract for Civic Engineering Services.

ATTACHMENTS

1. 4C - Attachment_Sample Org Chart

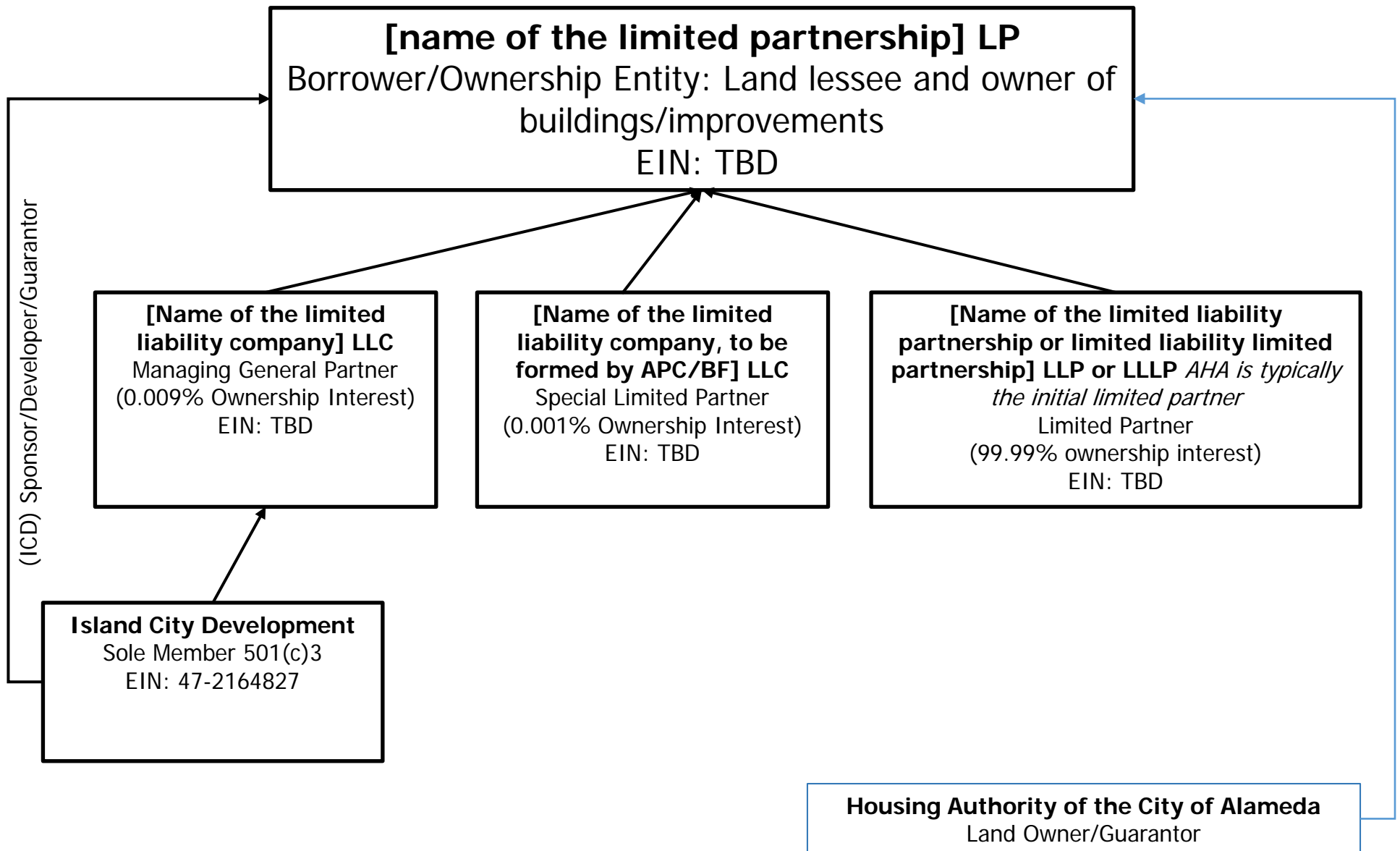
Respectfully submitted,

A handwritten signature in blue ink that reads "Tony Weng". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tony Weng, Senior Project Manager

Sample Organizational Chart

(for the two Permanent Supportive Housing projects)



Sample Organizational Chart

(for the senior housing project)

