



## ISLAND CITY DEVELOPMENT AGENDA

### **AGENDA**            **REGULAR MEETING OF ISLAND CITY DEVELOPMENT**

**DATE & TIME**       **Wednesday, November 20, 2024 - 6:02 PM**

### **LOCATION**

Independence Plaza, 703 Atlantic Avenue, Alameda, CA 94501 - Ruth Rambeau Memorial Community Room

### **PUBLIC PARTICIPATION**

Public access to this meeting is available as follows: Join Zoom Meeting  
<https://us06web.zoom.us/j/83030077310?pwd=fv5xIYAEFr5k4f7GI6KQMDOK4vRw4g.1>

Meeting ID: 830 3007 7310

Passcode: 790402

Persons wishing to address the Board of Directors are asked to submit comments for the public speaking portion of the Agenda as follows:

- Send an email with your comment(s) to [sraskin@alamedahsg.org](mailto:sraskin@alamedahsg.org) prior to or during the Board of Directors meeting
- Call and leave a message at (510) 571-1700.

When addressing the Board, on agenda items or business introduced by Directors, members of the public may speak for a maximum of three minutes per agenda item when the subject is before the Board.

Persons in need of special assistance to participate in the meetings of the Island City Development Board of Directors, please contact (510) 747-4325 (voice), TTY/TRS: 711, or [sraskin@alamedahsg.org](mailto:sraskin@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 or language assistance.

1. CALL TO ORDER & ROLL CALL
2. AB2449 COMPLIANCE - The Chair will confirm that there are 2 members in the same, properly noticed meeting room within the jurisdiction of the City of Alameda. Each board member who is accessing the meeting remotely must disclose verbally whether they are able to be remote under AB2449: (1) just cause (max. 2 per year), or (2) emergency circumstances." For Emergency Circumstances, the request must be approved by a majority vote of the Board of Directors for the emergency circumstances to be used as a justification to



participate remotely. Remote Directors must provide a general description of the circumstances relating to need to appear remotely at the given meeting. Directors must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member's relationship with such individuals. Note: A Director cannot participate in meetings of the Board of Directors solely by teleconference from a remote location for a period of more than 3 consecutive months or 20% of the regular meetings for ICD within a calendar year, or more than 2 meetings if the Board of Directors regularly meets fewer than 10 times per calendar year.

3. PUBLIC COMMENT (Non-Agenda)
4. CONSENT CALENDAR (Action)
  - A. Approve Minutes of the Special Board of Directors Meeting held on October 16, 2024.
  - B. Accept the Quarterly Development Report for The Estuary II.
  - C. Accept the Quarterly Overview Report for the Housing Development Department.
  - D. Accept the Quarterly LIHTC Portfolio Asset Management Fiscal Year-to-Date Financial Report through September 30, 2024.
  - E. Approve and Adopt the 2025 ICD Annual Budget
  - F. Approve Extension to the Holthouse, Carlin, & Van Tright, LLP Contract
  - G. Accept and Approve the Shinsei Gardens Annual Operating Budget for the Fiscal Year and Calendar Year 2025.
  - H. Accept the Island City Development Audited Financial Statements and Tax Returns for 2023.
  - I. Approve Extension to the Novogradac and Company LLP Contract
  - J. Accept the Update on Initial Development and Financing Plan and Project Timeline for The Poplar (2615 Eagle Avenue).
5. NEW BUSINESS
6. NON-AGENDA (Public Comment)
7. WRITTEN COMMUNICATIONS
8. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF
9. 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 Sarah Raskin at (510) 747-4360 (TTY/TRS: 711) or [sraskin@alamedahsg.org](mailto:sraskin@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 or language assistance.

- 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, October 16, 2024

In person at Independence Plaza Community Room, 703  
Atlantic Avenue, Alameda CA 94501, and Teleconference  
via Zoom

1. CALL TO ORDER & ROLL CALL

*Director Cooper called the meeting to order at 8:09 PM. The following Board members were present: Director Vanessa Cooper, Director Alicia Southern, and Director Carly Grob; quorum established. Staff in attendance: Radha Mehta, Ani Ryder, Jasmine Polar, Sean Prevette, Paris Howze, Sarah Raskin, Shanon Lampkins, Sylvia Martinez, Tony Weng, Jie Liang, Louie So, Janet Lee, and Leon Ko.*

2. PUBLIC COMMENT (Non-Agenda) **NONE**

3. AB2449 COMPLIANCE - The Chair confirmed that there were 2 members in the same, properly noticed meeting room within the jurisdiction of the City of Alameda. Each board member who is accessing the meeting remotely must disclose verbally whether they are able to be remote under AB2449: (1) just cause (max. 2 per year), or (2) emergency circumstances.” For Emergency Circumstances, the request must be approved by a majority vote of the Board of Directors for the emergency circumstances to be used as a justification to participate remotely. Remote Directors must provide a general description of the circumstances relating to need to appear remotely at the given meeting. Directors must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member’s relationship with such individuals. Note: A Director cannot participate in meetings of the Board of Directors solely by teleconference from a remote location for a period of more than 3 consecutive months or 20% of the regular meetings for ICD within a calendar year, or more than 2 meetings if the Board of Directors regularly meets fewer than 10 times per calendar year.

4. CLOSED SESSION – **Director Cooper adjourned to Closed Session at 8:09 PM**

A. **Conference with Real Property Negotiations**

(Government Code § 54956.8)

**Property:** 501 Mosley Street, Alameda, CA 94501, APN 074-0905-012-09  
Portion of 074-0905-010-12 and Portion 074-0905-010-03

**Agency Negotiation:** Vanessa Cooper, Executive Director, Sylvia Martinez, Director of Housing Development, Alison Torbitt (Nixon and Peabody – counsel)

**Negotiating Parties:** Housing Authority of the City of Alameda

**Under Negotiation:** Price and terms payment



*Director Cooper adjourned Closed Session at 8:23 PM.*

**Announcement of Action Taken in Closed Session, if any:**

*Informal action was taken. During Closed Session the Board discussed Item 4A.*

5. CONSENT CALENDAR (Action)

- A. Approve the Minutes of the Special ICD Board Meeting on August 21, 2024 and October 7, 2024.
- B. Accept the Monthly Construction Report for The Estuary I.
- C. Accept the Monthly Construction Report for Linnet Corner.
- D. Accept the Monthly Report for North Housing Offsites.
- E. Accept and Approve the Regular Meeting Schedule for Island City Development Board of Directors Meeting.
- F. Accept and Approve the Constitution & Eagle L.P. Annual Operating Budget for the Fiscal Year and Calendar Year 2025.
- G. Accept and Approve the Sherman & Buena Vista L.P. Annual Operating Budget for the Fiscal Year and Calendar Year 2025.
- H. Accept and Approve the Everett & Eagle L.P. Annual Operating Budget for the Fiscal Year and Calendar Year 2025.
- I. Ratify Three Contract Amendments No. 1 Totaling Up to \$10,650 to Carlson, Barbee, & Gibson, Inc. and Approve Three Contract Amendments No.2 Totaling Up to \$4,200 to Carlson, Barbee, & Gibson for Additional Civil Engineering Services for The Estuary I, The Estuary II, and Linnet Corner.
- J. Approve Contract Amendment No.2 Not to Exceed \$166,699.00 with Gubb and Barshay for Linnet Corner, Approve Contract Amendment No.2 Not to Exceed \$156,699.00 with Gubb and Barshay for Estuary I, and Approve Contract Amendment No.2 Not to Exceed \$166,699.00 with Gubb and Barshay for Estuary II.

*Director Southern motioned to accept Consent Calendar items 5A-5J. Director Grob seconded. A call for all in favor, the motion passed.*

6. NEW BUSINESS

7. NON-AGENDA (Public Comment) **NONE**

8. WRITTEN COMMUNICATIONS **NONE**

9. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF **NONE**

10. ADJOURNMENT

*Director Cooper adjourned the meeting at 8:24 PM.*





**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 20, 2024

Re: Accept the Quarterly Development Report for The Estuary II.

**BACKGROUND**

The Estuary II is one of the three projects within North Housing Block A. Block A is the first phase of the larger 12-acre North Housing parcel redevelopment at the former Alameda Naval Air Station (NAS) site known as Coast Guard Housing. The Estuary II is expected to have 46 units of permanent supportive housing for formerly homeless individuals and/or households.

The Housing Authority of the City of Alameda (AHA) is leading the development under a homeless accommodation conveyance, alongside partners Alameda Point Collaborative and Building Futures. Island City Development (ICD) is the developer.

The North Housing parcel was successfully transferred to AHA ownership on May 30, 2019. The AHA Board of Commissioners (the Board) approved the Agency's Vision for the North Housing site at its August 2019 meeting. All entitlements were approved in 2020. In October 2023, the first phase Final Map was recorded to create the parcels and the streets within Block A. Estuary II was designed and planned as a condominium project for vertical construction on vacant land. The building permit is ready to be issued upon payment of the building permit fees. Once issued the permit is good for 12 months or 12 months from the last approved inspection by the Building Department.

Please see previous Board reports for project details before this month's update.

**DISCUSSION**

Funding

AHA has made a funding commitment through its Reserve Policy for \$3,750,000 which is flowing through the Alameda Affordable Housing Trust Fund (AAHTF) administered by the Alameda Affordable Housing Corporation (AAHC). The AAHTF commitment has been awarded matching funds from the State Local Housing Trust Fund (LHTF) Program with \$1,250,000 of the matching funds committed to The Estuary II project. Together, the AAHTF commitment is \$5,000,000. Per the Standard Agreement, the final disbursement request for this funding is due by March 31, 2031. The Board also approved an option to ground lease the land, at a subsidized rate in 2021. If and when State of California Department of Housing and Community Development (HCD) funding is awarded to this project that requires a below



market land lease or land donation the ground lease for up to the Fair Market Value (FMV) evidenced by the seller carryback financing may be converted to land contribution to the project for a nominal fee of \$1 per year for 99 years. This similar financing structure was used on the Linnet Corner project with HCD funding.

On June 23, 2023, the Federal Home Loan Bank of San Francisco awarded \$690,000 in Affordable Housing Program (AHP) funds to the project. Projects with an AHP award have 4 years from the award to use the AHP funds, and our AHP award will expire on or about June 23, 2027.

On April 4, 2024, HCD awarded \$9,761,541 from the National Housing Trust Fund (NHTF) program for this project. On October 24, 2024, the Standard Agreement was signed to allow HCD to secure the NHTF from the Department of Housing and Urban Development (HUD). Per the terms of the commitment and milestones, HCD allows the proposed project to commence construction by January 31, 2026. This timeline allows the project to apply for tax credits and other anticipated HCD Notice of Funding Availability (NOFA) in 2025.

On June 10, 2024, the City of Alameda awarded approximately \$550,000 in Permanent Local Housing Allocation (PLHA) funding to this project. On October 28, 2024, the City of Alameda awarded this project approximately \$89,000 in HOME loan funding. Together, the City of Alameda combined funding commitment is approximately \$641,000. The commitment from the City is valid through June 30, 2025.

On December 13, 2021, AHA conditionally awarded forty (40) Section 8 Project-Based Vouchers (PBV) for this project. The initial Housing Assistance Payment (HAP) Contract for a total of forty (40) PBVs over twenty (20) years is expected to be approximately \$10 million. On April 17, 2024, AHA approved an extension for the project to enter into an Agreement To Enter Into A Housing Assistance Payment Contract (AHAP) to December 31, 2024. On October 28, 2024, staff requested an extension of the PBV award to January 31, 2026, to allow a full TCAC/CDLAC/HCD review and potential awards necessary to start construction.

On June 28, 2024, staff submitted an Apple Affordable Housing Fund application for \$3,050,000, and on August 12, 2024, staff received notification that the Estuary II project was not selected to progress to underwriting.

Estuary II continues to need its final tax credits and/or bonds. On April 23, 2024, staff submitted a joint tax-exempt bond and 4 percent tax credit application to the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee (CTCAC). CTCAC staff informed AHA staff that Estuary II was not being considered for bonds and tax credit allocations. Hence, staff withdrew the 4 percent coupled with the tax-exempted bonds application, and submitted the 9 percent tax credit application on July 2, 2024. However, the project did not appear to have a high enough tiebreaker to win an award for that round. Subsequently, staff withdrew the July 9% application and submitted a 4% application on August 27, 2024, with the allocation meeting scheduled for December 11, 2024.

### Timing

This development will not start construction until 2025 at the earliest, as it is still waiting for its final financing commitments.



As shown in the applications submitted and the awards received to date, staff is actively pursuing all viable options. However, some of the current awards/commitments are expiring as noted above, unless extended by written agreements from the awarding agency. In addition, the State of California is facing a budget deficit in the coming 2024-25 fiscal year. The final state budget includes cuts of over \$1 billion of funding related to affordable housing and homelessness programs. Previously, the Bay Area Housing Finance Authority (BAHFA) Board decided to withdraw the \$20 billion general obligation bond measure for the production and preservation of affordable housing from the 2024 general election ballot in all nine Bay Area counties. The BAHFA bond measure was a potential regional approach toward solving the Bay Area's housing crisis, and the withdrawal of this bond measure, coupled with the state budget shortfall makes future affordable housing projects, including Estuary II more challenging to fund.

The Estuary II project has an estimated gap of approximately \$20 million necessary to start construction and hopes to fill this gap with one remaining option for 2024. However, based on preliminary as-submitted applications, the probability of an award is low. Staff plans to apply for tax credits in 2025. In 2022, projects located in zip code 94501, which is the majority of the City of Alameda, lost the difficult to development area (DDA) and qualified census tracts (QCT) designation as determined by HUD every year. In December 2022, staff submitted several DDA preservation applications to CDLAC, including Estuary II. Projects like Estuary II with a DDA/QCT preservation status have two years from the time the DDA/QCT preservation application was submitted to secure a bond allocation and issue the bond, typically at construction loan closing. The last chance to take advantage of the DDA/QCT preservation status was the 4% tax credit and bond application submitted in April 2024, but it was unsuccessful due to the scarcity of state tax credits. The loss of DDA/QCT designation translates to a financing gap of approximately \$4 million. This gap may be filled with additional state tax credit requests in the 4% and bond option discussed below, although additional reliance on the state tax credit reduces a project's tiebreaker.

The project could be funded by \$20 million in tax credits and bond financing from CTCAC/CDLAC. Staff plans to apply for 9 percent tax credits or 4 percent tax credits and bond financing in 2025, and if awarded, the project will start construction in mid to late 2025 and complete construction in 2027. Alternatively, based on the published HCD NOFA calendar, HCD plans to issue a SuperNOFA in early 2025 and staff is exploring all potential awards. The Board should be aware that the chances of being funded are low relative to prior projects, due to the state funding outlook and other changes outlined above. It is very possible that development may need to wait several years.

The Estuary II project has sufficient pre-development funding for the expected soil off-haul costs to be split pro rata between the North Housing Block A projects, with Estuary II responsible for 17% of the costs (estimated to be approximately \$510,000). These costs will be built into the proforma budget.

### **FISCAL IMPACT**

The Board previously authorized a pre-development loan of \$7,500,000 for costs associated with master planning, carrying costs, demolition, and redevelopment work for the first phase of the North Housing project, which includes 155 units, including Estuary II. Please see separate monthly reports for The Estuary I and Linnet Corner projects. The total pre-



development loan available for the Estuary II project is \$3,750,000 of which \$1,333,703 is spent. Funds are disbursed to ICD on an as-needed basis. The Board previously approved \$1,500,000 in AHA funding commitment for the pro rata share of the site preparation and offsites costs for this project. Please refer to the attached chart summarizing expenses through October 31, 2024 (Attachment 1).

**CEQA**

Not applicable.

**RECOMMENDATION**

Accept the Quarterly Development Report for The Estuary II.

**ATTACHMENTS**

1. Att1\_North Housing Block A Estuary II Expenses Chart

Respectfully submitted,



Tony Weng, Senior Project Manager



Predevelopment Expenses Chart Through October 31, 2024

The Estuary II	Amount	Amount
Predevelopment loan funds (AAHTF) available for the Estuary II project	\$3,750,000	\$3,750,000
Predevelopment expenses to-date includes predevelopment costs, pro rata shares of master plan, demolition, and land carrying costs)	\$1,467,233	
Anticipated Soil Off Haul Costs - Estuary II's Pro Rata Share	\$510,000	
Predevelopment Funds Remaining	\$1,772,767	
The Estuary II	Amount	
AHA funded site preparation costs as the master developer for the pro rata share costs of ground improvement and offsite improvement for Estuary II. *Shown for informational purposes only	\$1,500,000	\$1,500,000
Cumulative Total AHA Funds for Estuary II		\$5,250,000



# 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 20, 2024

Re: Accept the Quarterly Overview Report for the Housing Development Department.

## **BACKGROUND**

This memo provides an overview of the Housing Development departmental activities for the prior quarter.

## **DISCUSSION**

### Island City Development

Currently, the Housing Authority of the City of Alameda (AHA) has a direct pre-development loan to Island City Development (ICD) for The Poplar, and another loan to Estuary II through its affiliate Alameda Affordable Housing Corporation (AAHC) via the Alameda Affordable Housing Trust Fund (AAHTF). AHA has also provided options for ground leases for ICD pipeline projects (Estuary II & The Poplar). The loan balance and project details are discussed in the subsequent project specific Board reports.

In September 2023, ICD signed two Agreements of Housing Assistance Payment Contract (AHAP) with the AHA for eighty vouchers at Estuary I and Linnet Corner. There is an outstanding voucher commitment to Estuary II, for forty vouchers as well, pending full financing of the projects.

### Affordable Housing Project Pipeline

- **Rosefield Village** – Rosefield is waiting for its final tax forms (IRS 8609) to be able to deliver tax credits to its investor. These forms may be available in either late 2024 or early 2025. At that time, a deferred and held back developer fee will be released to ICD and AHA.
- **Estuary I, Linnet Corner** – Estuary I and Linnet Corner are under construction. An update report on these projects is presented as a separate Board item.
- **Estuary II** – Staff submitted seven major funding applications this year for Estuary II. The limiting factors in terms of competitiveness have been twofold: (1) Not being in a high opportunity area, and (2) reliance on limited state tax credits. Staff was successful in obtaining a nearly \$10 million award from the National Housing Trust Fund and also an award of local funds from the City of Alameda.



- **North Master Plan** – AHA has contracted offsite work to support Block A and an update report is presented as a separate Board item. Additional soil disposal will be needed and is contemplated in the reports of the projects in construction.
- **The Poplar (2615 Eagle)** – An updated report on the project is presented as a separate Board item.
- **Feasibility Studies** – Housing Development (HD) and Data and Policy staff continue to collaborate to utilize the AHA's Faircloth voucher allocation.

### Acquisitions

Staff continues to evaluate potential real estate development and acquisition opportunities throughout Alameda as they become available.

### New Funding Opportunities

The outlook for funding opportunities for new construction in the State of California is increasingly constrained, with only two major programs (The SuperNofa and Homekey+) with limited available funding for 2025. Estuary II is vulnerable to losing existing financing commitments if it does not receive tax credits in early 2025. The Poplar will not come online for a few more years, allowing this funding slowdown to clear. Major renovations can still be funded, as they typically do not rely on state funding.

### Electric Vehicle (EV) Charging

- Independence Plaza has been the subject of a pilot feasibility program with Alameda Municipal Power to add EV charging stations. The goal is to add at least two charging stations that would be available for residents and staff. These charging stations would not need to be available to the public. The engineering feasibility has been conducted and staff is discussing leasing opportunities that would potentially offset the cost of installation.
- Staff is working with the City of Alameda and a selected EV car charging vendor, Itselectric (see attached overview). Itselectric is looking to phase in car charging sites on public streets, with an emphasis on underserved areas of Alameda. The AHA portfolio of properties, which are located throughout the main island, can potentially be a host for these chargers. This system benefits the community and AHA residents, without requiring parking spaces on private property. AHA is evaluating the host participation agreement and proposed locations, which will be brought to the Board for approval.

### Construction in Progress

A separate report to the Board tracks the many different activities that are underway to improve the portfolio and prepare sites for development. Housing Development, Asset Management, and Property Management staff brought an update on overall CIP to the Board in October.

### Community Relations

All Project Managers (PMs) are assigned to City working groups (Design Review Team, Human Services, Sustainability) and are encouraged to participate and report out. Housing Development worked with the City and AMP to submit a decarbonization proposal in 2023,



and is also in conversation with the City regarding car charging systems and other initiatives. Staff publishes a periodic pipeline newsletter to communicate with interested parties. The most recent newsletter was released in September 2024.

Staffing

While the Housing Development Department is fully staffed at this time, the department seeks to add a new Construction Project Manager this year for future work.

**FISCAL IMPACT**

Not applicable.

**CEQA**

Not applicable.

**RECOMMENDATION**

Accept the Monthly Overview Report for Housing Development.

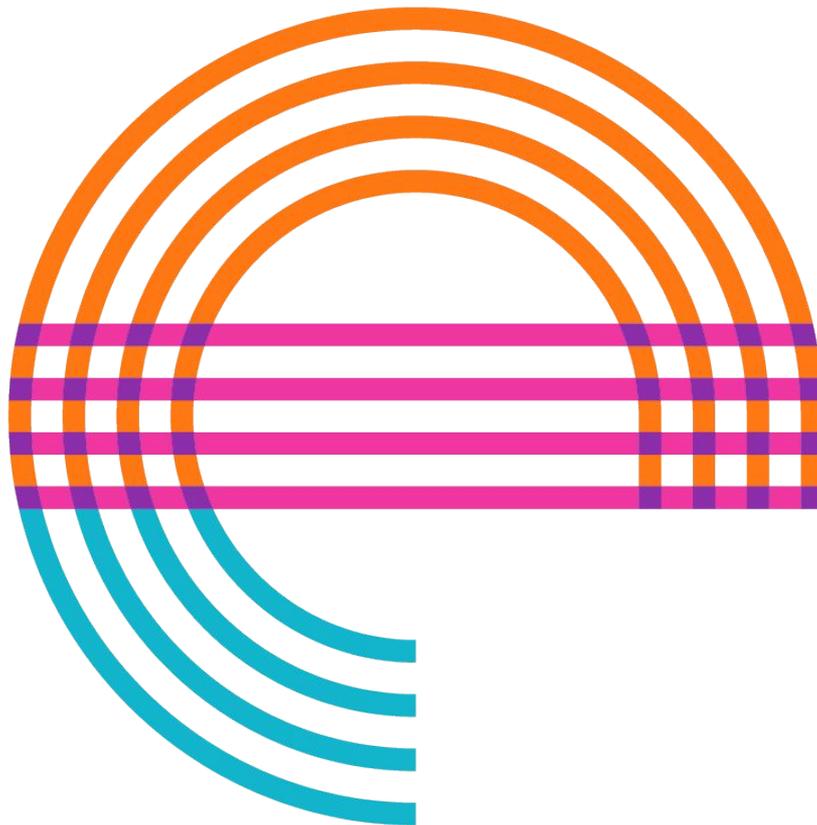
**ATTACHMENTS**

1. itselectric\_INTRO

Respectfully submitted,



Sylvia Martinez, Director of Housing Development



Solving the biggest barriers cities face in the deployment of public EV charging

SARAH MARSHALL | MATT SIMON | BUSINESS | JAN 24, 2022 7:00 AM

## Wait, So Where Will Urbanites Charge Their EVs?

Homeowners with garages can easily charge their electric cars, but not apartment dwellers. Here's what it'll take to get plugs everywhere in cities.



## 'Charger Desert' in Big Cities Keeps Electric Cars From Mainstream

For city dwellers who would love an E.V., the biggest hurdle might be keeping it juiced up without a garage or other convenient charging stations.



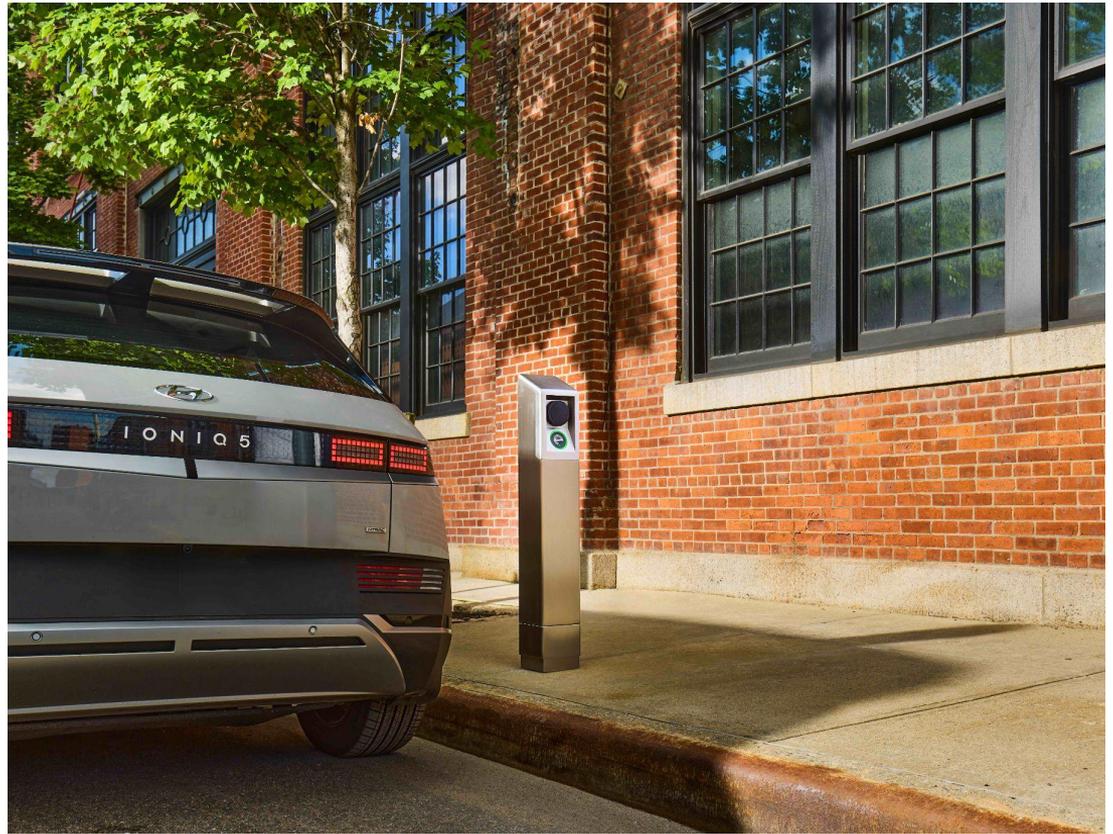
# 1M public L2 chargers are needed in the US by 2030

For the 48 million EVs expected  
on the road by the same date

(Currently the US has 126,000 chargers)

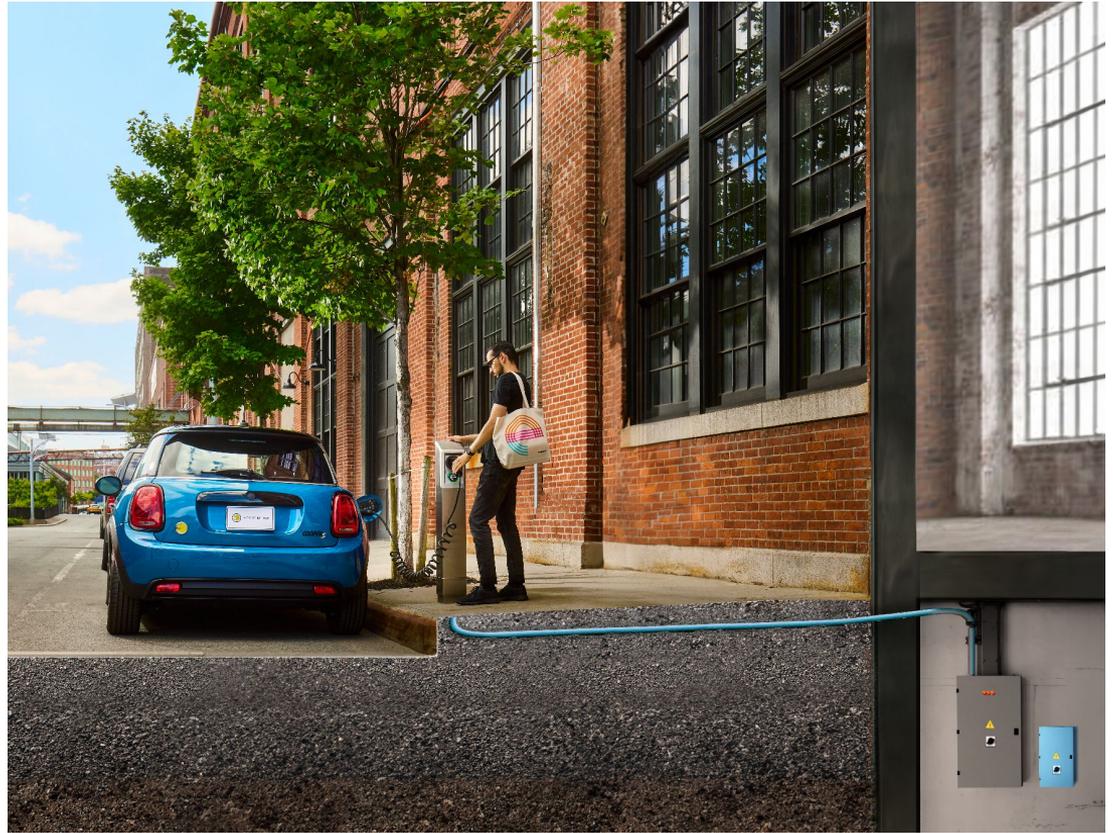
itselectric is the  
world's first public  
charging system  
powered by  
buildings

Solving the  
biggest barrier  
cities face in the  
deployment of  
chargers



We utilize existing residential and commercial infrastructure to power our chargers

We simply run a shallow conduit from the building's panel to the curb to power a public charger



We are also the first US company to offer a detachable cable



Keeping streets free of cables when a car is not charging



There are **no hardware or installation costs** for cities or for property owners

We are the only curbside charging company with **revenue share**



**Forbes**

FORBES > INNOVATION > TRANSPORTATION

**Hyundai And Itslectric Pilot Curbside EV Charging In Brooklyn**

**U.S. News** & WORLD REPORT

**New York to Pilot Revenue-Sharing EV Charging**

The U.S. has many "charging deserts" where EV owners have no place to plug in. itslectric is proposing an urban model where property owners gain revenue from free chargers installed at their locations. New York City has a pilot program.

# A simple but revolutionary idea



**CRAIN'S**  
NEW YORK BUSINESS

*The Atlantic*

**Forbes**



MONOCLE

THE  
WALL STREET  
JOURNAL

Clear⊗Technica

**U.S. News**  
& WORLD REPORT

**Grist**

**n p r**

The future  
**it's electric**

[hello@itselectric.us](mailto:hello@itselectric.us)





Housing Authority  
of the  
City of Alameda

**PHONE:** (510) 747-4300  
**FAX:** (510) 522-7848  
**TTY/TRS:** 711

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701 Atlantic Avenue • Alameda, California 94501-2161

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To: Honorable Chair and Members of the Board of Commissioners

From: Trevor Jones, Asset Manager

Date: November 20, 2024

Re: Accept the Quarterly LIHTC Portfolio Asset Management Fiscal Year-to-Date Financial Report through September 30, 2024.

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## **BACKGROUND**

The portfolio includes eight Low Income Housing Tax Credit (LIHTC) Partnership properties: Breakers at Bayport, Shinsei Gardens, Park Alameda, Jack Capon Villa, Littlejohn Commons, Stargell Commons, Rosefield Village, and Everett Commons. The projects were placed in service between 2006 and 2022 with a cumulative unit count of 347 units (85.6% family, 8.9% senior, and 5.5% for persons with disabilities), of which, 41% of the units are supported by a combination of various rental subsidy programs (Project-Based Voucher and Veterans Affairs Supportive Housing Project-Based Voucher).

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

## **DISCUSSION**

This memo provides an overview of the Low-Income Housing Tax Credit (LIHTC) partnership properties' Year-to-Date financial report through September 30, 2024. These properties run on a fiscal year ending December 31st. This report tracks performance per the budget and includes achievements, items of note, and upcoming events or changes. Please note the figures used in this report may change and not match the audit.

Statements that apply to all properties:

- Operating Revenue- Includes tenant rent, rental subsidy, vacancy loss, laundry income, and interest on accounts. This is accounted for on a cash basis.
- Tenant Receivables- Property Management and Resident Services assist residents with applying for assistance and repayment agreements.



- Operating Expense- Includes marketing, administrative, property management fees, salaries and benefits, utilities, operating and maintenance, taxes and insurance, and resident services. This is accounted for on an accrual basis.
- Net Operating Income (NOI) Operating Revenue minus Operating Expense
- Debt Service Coverage Ratio will be denoted by DSCR. DSCR is calculated by dividing (NOI-Operating Expenses-Replacement Reserves) by Debt Service.
- Total Surplus Cash Flow will be distributed per the waterfall in accordance with the LPA, lender, and regulatory agreements.
- Conservice is a utility management provider that will be employing at select properties in Q2 2024.

### 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 General Partner (GP) and The Breakers at Bayport L.P. is the Limited Partner (LP). The Housing Authority of the City of Alameda (AHA) owns the land. The Housing Authority of the City of Alameda (AHA) provided an original loan of \$2,015,000 and has a current balance of \$1,408,790, that bears no interest and matures in January 2059. John Stewart Company (JSCo) provides property management services. Operation Dignity provides resident services. The project was placed in service on March 29, 2006.

Unit matrix: 2Bed- 34 units, 3Bed- 18 units (1 Manager Unit)

Section 8 PBV: 15 units

Income and rent limits: 50%-60% AMI

- Operating Revenue is \$872,940, which is 2% (\$15,387) lower than budget. - Occupancy is 99.1% (averaged less than 1 vacant unit over the first three quarters). As of June 30th the property was 100% occupied.
- Tenant Revenue is \$451,671 and Subsidy Revenue is \$424,231.
- Tenant Accounts Receivable are \$45,818. No tenants are currently facing termination for nonpayment. This includes residents with balances over 6 months delinquent.
- Operating Expenses are \$504,035, which is 10% (\$45,806) higher than budget due to collection loss being coded as an expense.
- Net Operating Income is \$368,905, which is 14% (\$61,193) lower than budget primarily as a result of collection loss being coded in Administrative Expenses.
- Replacement Reserve deposit requirement is \$15,500 annually.
- Mandatory hard debt service is \$139,152 annually.
- Total Net Cash Flow is \$252,916, which is \$61,193 lower than budget.
- DSCR is 3.42x.
- Asset Management Fee of \$3,460 is paid annually to AHA.

## Shinsei Gardens- 401 Willie Stargell Avenue

Shinsei Gardens is a 39-unit Low Income Housing Tax Credit (LIHTC) development for families. RCD is the GP, and ICD is in the LP. AHA owns the land, and has a continuing operating agreement with RCD to manage the property along with AHA. AHA closed on the investor Limited Partner buyout in March 2024 and has an option to buyout the GP within the next ten years. JSCo provides property management services. Operation Dignity provides resident services. There is a loan of \$2,129,336 from AHA/CIC that bears no interest and matures on March 23, 2063. The project was placed in service on September 3, 2009.

Unit matrix: 1Bed- 6 units, 2Bed- 18 units, 3Bed- 12 units (1 Manager Unit), 4Bed- 3 units

Section 8 PBV: 21 units

Income and rent limits: 20%-60% AMI

- Operating Revenue is \$653,083, which is 6% (\$42,113) lower than budget due to Occupancy being lower than budget.
- Occupancy averaged 95% (2> vacant units).
- Tenant Revenue is \$278,138 and Subsidy Revenue is \$402,445.
- Tenant Accounts receivable are \$2,996. No tenants are currently facing termination for non-payment.
- Operating Expenses are \$344,448, which is 12% (\$47,682) lower than budget due to low turnover and payroll being allocated correctly.
- Net Operating Income is \$308,635, which is 2% (\$5,569) higher than budget due to lower than budgeted occupancy.
- Replacement Reserve deposit requirement is \$23,400 annually.
- No mandatory hard debt service.
- Total Net Cash Flow is \$291,085, which is \$5,569 higher than budget.
- DSCR is N/A due to no hard loans.

## Park Alameda- 2428 Central Avenue

Park Alameda is a 62-unit Low Income Housing Tax Credit (LIHTC) development for families. RCD is the managing Co-GP, AHA is the Co-GP, and Union Bank (UB) is the LP. AHA holds an Option to exercise the Right of First Refusal (ROFR) in which can be executed on or after January 2025. AHA will be starting shortly on this and expects to make a similar arrangement as was done at Shinsei. RCD, the GP, owns both the land and the property. There is a loan of \$8,600,000 from AHA/CIC that bears no interest and matures September 2068. JSCo provides property management services.

Operation Dignity provides resident services. The project was placed in service on December 27, 2012.

Unit matrix: 0Bed- 61 units, 2Bed- 1 unit (manager unit)

Section 8 PBV: 15 units

#### Income and rent limits: 50%-120% AMI

- Operating Revenue is \$555,724, which is 2% (\$13,750) lower than budget as a result of loss to lease being higher than budget.
- Occupancy averaged 94% (4 Vacant Units) during the first three quarters.
- Tenant Revenue \$336,899 and Subsidy Revenue are \$253,747.
- Tenant Accounts Receivable are \$127,867. No tenants are currently facing termination for nonpayment.
- Operating Expenses are \$490,782, which is 12% (\$51,876) higher than budget. The primary reasons for expenses being over budget are legal expenses and unplanned plumbing issues. We are currently investigating a potential water leak at the property that has caused utilities to nearly double our budget.
- Net Operating Income is \$64,942, which is 50% (\$65,626) lower than budget. However, we budgeted aggressively to get this project back on track and this Quarter does reflect significant improvements over 2023.
- Replacement Reserve deposit requirement \$31,932 annually.
- No Mandatory Hard Debt Service.
- Total Net Cash Flow is \$40,995.
- DSCR is N/A due to no hard loans.

#### Stargell Commons- 2700 Bette Street

Stargell Commons is a 32-unit Low Income Housing Tax Credit (LIHTC) development for families. RCD is the GP, Wells Fargo Bank (WFB) is the LP, and ICD is the SLP. AHA owns the land and also provided a loan of \$2,000,000 at 3% interest payable through excess/distributable cash with a maturity date of December 2072. As of December 2023, no principal payments have been made and \$238,298 of interest has accrued. AHA holds an Option to exercise the Right of First Refusal (ROFR), which can be exercised on or after December 31, 2031. JSCo provides property management services. Operation Dignity provides resident services. The project was built in May 2017.

Unit matrix: 1Bed- 5 units, 2Bed- 17 units (1 Manager Unit), 3Bed- 10 units

Section 8 PBV: 7 units

#### Income and rent limits: 30%-60% AMI

- Operating Revenue is \$381,052, which is 9% (\$39,324) lower than budget as a result of higher vacancy.
- Occupancy averaged 91.6% (Less than 3 vacant units) over the first three quarters. A number of residents chose to move-out instead of agreeing to a payment plan.
- Tenant Revenue is \$287,256 and Subsidy Revenue is \$125,049.
- Tenant Accounts Receivable are \$36,478. No tenants are currently facing termination for nonpayment.
- Operating Expenses are \$294,090, which is 7% (18,325) higher than budget due

higher than budgeted fire protection expenses and HVAC maintenance.

- Net Operating Income is \$86,962 which is 40% (\$57,649) lower than budget due to unanticipated expenses and lower than budgeted occupancy.
- Replacement Reserve deposit requirement is \$19,200 annually.
- Mandatory hard debt service is \$69,156 annually.
- Total Net Cash Flow is \$20,695.
- DSCR is 1.4.

#### 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, AHA is the Co-GP, and Bank of America (BoFA) is the LP. AHA owns the land and also holds an Option to exercise the Right of First Refusal (ROFR), which can be executed on or after December 31, 2028. AHA has 3 current loans secured by the property. The first loan was for \$225,000 with an interest rate of 5% and current balance of \$52,238 with a maturity of November 1, 2024. The second AHA/CIC loan was for \$1,400,000 with an interest rate of 3% and December 2023 balance of \$1,400,000 excluding accrued interest of \$331,285. The third AHA loan was for \$200,000 with an interest rate of 3% and deferred payments until 2070. SAHA Property Management provides property management services. Housing Consortium of East Bay (HCEB) provides resident services. The project was placed in service on January 9, 2014.

Unit matrix: 1Bed- 16 units, 2Bed- 3 units (1 Manager Unit)

Section 8 PBV: 18 units

Income and rent limits: 50% AMI

- Operating Revenue is \$403,466 which is 14% (\$50,883) higher than budget due to the property being 100% occupied over the first three quarters.
- Occupancy averaged 100% (0 vacant units) over the first three quarters. Vacancy appears positive due to a reclass.
- Tenant Revenue is \$79,458 and Subsidy Revenue is \$306,012.
- Tenant Accounts Receivable are \$1,629.
- Operating Expenses are \$273,259, which is 10% (\$28,749) lower than budget due to conservative budgeting.
- Total Net Operating Income is \$130,207, which is 387% (\$79,632) higher than budget.
- Replacement Reserve deposit requirement is \$11,400 annually.
- Mandatory hard debt service is \$28,632 annually.
- DSCR is 5.67.
- Total Net Cash Flow is \$100,183.
- The property ended 2023 fully occupied and maintained 100% occupancy over the first three quarters. This allowed the property to save on expenses that

would normally accompany turning units.

#### 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 and NEF is the LP. ICD also holds an Option/ Right of First Refusal which can be executed on or after August 1, 2030. The Partnership entered a ground lease with the landowner, AHA, which expires December 31, 2115. FPI Management provides property management services. LifeSTEPS provides resident services. The project was placed in service on July 31, 2018.

Unit matrix: 1Bed- 30 units, 2Bed- 1 unit (manager's unit)

Section 8 PBV: 25 units

Income and rent limits: 30%-50% AMI

- Operating Revenue is \$486,364, which is 2% (\$9,711) lower than budget as a result of writing off \$53,952 in the Third Quarter.
- Occupancy is 91% (2.8 vacant units) and there was only 1 vacant unit at the end of the Third Quarter.
- Tenant Revenue is \$146,451 and Subsidy Revenue is \$425,866.
- Tenant Accounts receivable are \$3,322. Nonpayment is being actively addressed.
- Operating Expenses are \$262,533, which is 5% (14,690), lower than budget due to lower payroll as we hired two new office staff. Additionally, some large budgeted items, such as Auditing Expenses, were budgeted in Q2, but have not been paid for yet.
- Net Operating Income is \$223,831, which is 2% (\$4,979) higher than budget due to high occupancy and lower than budgeted expenses.
- Replacement Reserve deposit requirement is \$15,500 annually.
- Mandatory hard debt service is \$236,508 annually.
- Total Net Cash Flow is \$34,825.
- DSCR is 1.2 and will be monitored closely.

#### 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 and Enterprise is the LP. ICD also holds an Option to exercise the Right of First Refusal (ROFR) which can be executed on or after the end of the compliance period in 2033. The Partnership entered a ground lease with the landowner, AHA, which expires June 1, 2116. FPI Management provides property management services. LifeSTEPS provides resident services. The project was placed in service on December 17, 2018.

Unit matrix: 1Bed- 4 units, 2Bed- 11 units (1 Manager Unit), 3Bed- 5 units

Section 8 PBV: 12 units

VASH PBV: 5 units

Income and rent limits: 30%-60% AMI

- Operating Revenue is \$446,684, which is 4% (\$16,672) higher than budget. This is primarily due to budgeting for \$23,813 of bad debt, but only writing off \$404 over the first Three Quarters. More write offs are expected in the next quarter.
- Occupancy averaged 96.3% (Less than 1 vacant unit) over the first Three Quarters.
- Tenant Revenue is \$93,249 and Subsidy Revenue is \$351,423.
- Tenant Accounts Receivables are \$30,037 with \$29,833 occurring during the moratorium. Nonpayment is being actively addressed.
- Operating Expenses are \$219,892, which is 2% (5,000) lower than budget.
- Net Operating Income is \$226,792, which is 11% (\$21,672) higher than budget due to the timing of expenses and bad debt write-offs. .
- Replacement Reserve deposit requirement is \$13,508 annually.
- Mandatory hard debt service is \$215,916.
- Total Net Cash Flow is \$54,725.
- DSCR is 1.34. AHA will continue to monitor this property closely due to the low DSCR.

Rosefield Village – 727 Buena Vista Avenue

Rosefield Village is a 92-unit Low Income Housing Tax Credit (LIHTC) development project for families. ICD also holds an Option to exercise the Right of First Refusal (ROFR) which can be executed on or after the end of the compliance period in 2033.

The Partnership entered a ground lease with the landowner, AHA, which expires December 31, 2115. FPI Management provides property management services. LifeSTEPS provides resident services. The project was placed in service in 2022.

Please note 2024 is the first full year of operating so some numbers are skewed by the 2023 conversion to permanent financing.

Unit matrix: Studio- 8 units, 1Bed- 35 units, 2Bed- 26 units (1 Manager Unit), 3Bed- 23 units

Section 8 PBV: 23 units

Income and rent limits: 20%-80% AMI

- Operating Revenue is \$1,401,452, which is 1% (\$8,671) lower than budget.
- Occupancy averaged 92.2% (7 vacant units) over the first three quarters. Rosefield was affected significantly by non-payment during the moratorium. While property management could not serve notices during the COVID Moratorium, residents let their delinquency build-up and many opted to move-out with large outstanding balances instead of going through the court process or working with LifeSTEPS. Staff have payment plans with those who are willing to work with LifeSTEPS and AHA. FPI and AHA are working hard to lease those

units that vacated. Staff are holding weekly meetings with FPI. Leasing is ongoing and is expected to improve in 2024. As of September 30th, 2024, there were 2 unrented vacant units and 2 rented vacant units.

- Tenant Revenue is \$832,758 and Subsidy Revenue is \$582,576.
- Tenant Accounts receivable are \$253,544. Nonpayment is being actively addressed.
- Operating Expenses are \$785,126, which is 11% (75,108) higher than budget due to a number of invoices incurred in 2023 being paid in the first Two Quarters. The property has been covered by a regional manager as well as temporary labor that contributed to overages in Payroll. Additionally, the property utilized third party cleaners and temporary maintenance to help turn 10 units so they would be ready for move-ins. A new Community Manager is starting in July and the site will be fully staffed.
- Net Operating Income is \$616,326, which is 12% (\$83,779) lower than budget due to higher than budgeted expenses and an enhanced focus on leasing units back up.
- Replacement Reserve deposit requirement is \$55,200 annually.
- Mandatory hard debt service is \$724,692 annually.
- Total Net Cash Flow is \$31,407.
- DSCR is 1.06. AHA will continue to monitor this property closely due to the low DSCR.

Overall, the portfolio is performing strongly and AHA has established watch lists with FPI and JSCO to address issues stemming from issues with tenant balances from the moratoriums put in place during the pandemic. As these moratoriums are peeled back, AHA is working creatively with LifeSTEPS, legal, and FPI to create payment plans and keep our units occupied and in good standing. All the assets are able to fulfill mandatory hard debt service and deposit reserves with a debt service coverage ratio averaging at 2.35, ranging from 1.06 to 5.67. Also, most assets produce surplus cash/residual receipts for distribution. Reserve balances are attached.

### **FISCAL IMPACT**

None

### **CEQA**

N/A

### **RECOMMENDATION**

Accept the Quarterly LIHTC Portfolio Asset Management Fiscal Year-to-Date Financial Report through September 30, 2024.

### **ATTACHMENTS**

1. AHA LIHTC Q3 2024
2. Q3\_LIHTC\_Quarterly Financials

Respectfully submitted,  
Trevor Jones  
Trevor Jones, Asset Manager

# LIHTC Q3 2024 REPORT

Income is on an Accrual Basis  
 Expenses are on an Accrual Basis  
 Income Variance is calculated Actual-Budget  
 Expense Variance is calculated Actual-Budget  
 PUPY refers to Per Unit Per Year to Date

TREVOR JONES  
 ASSET MANAGER

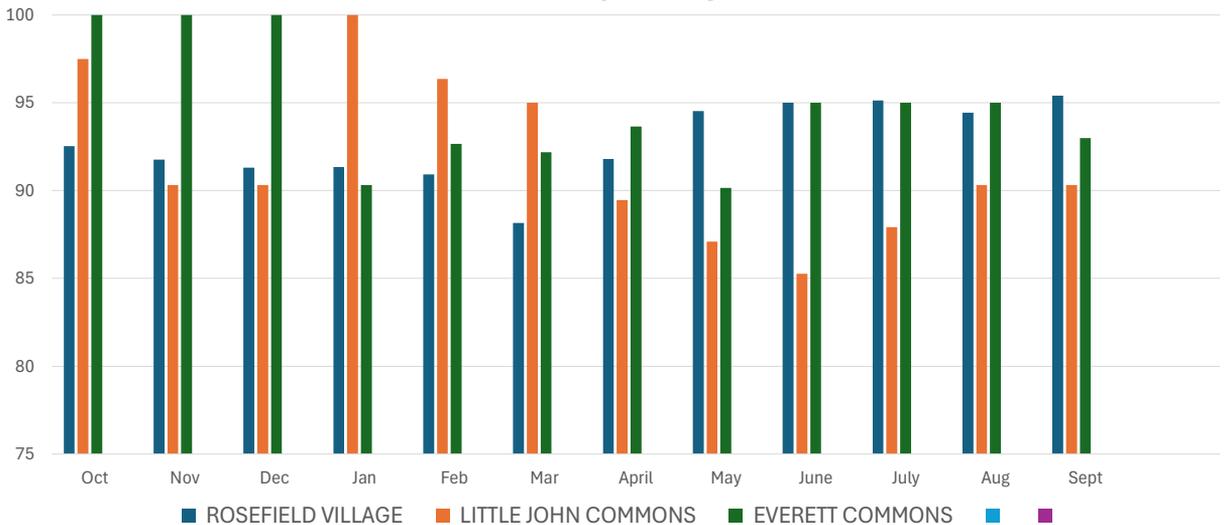


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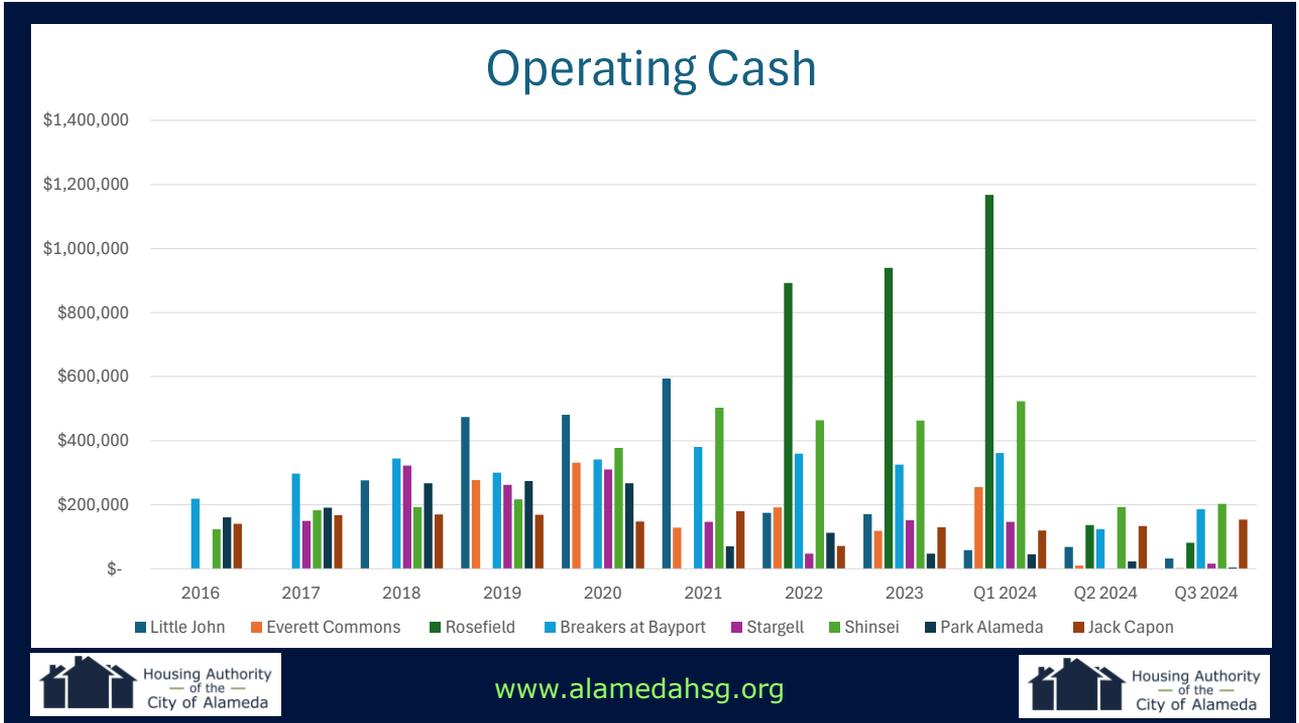
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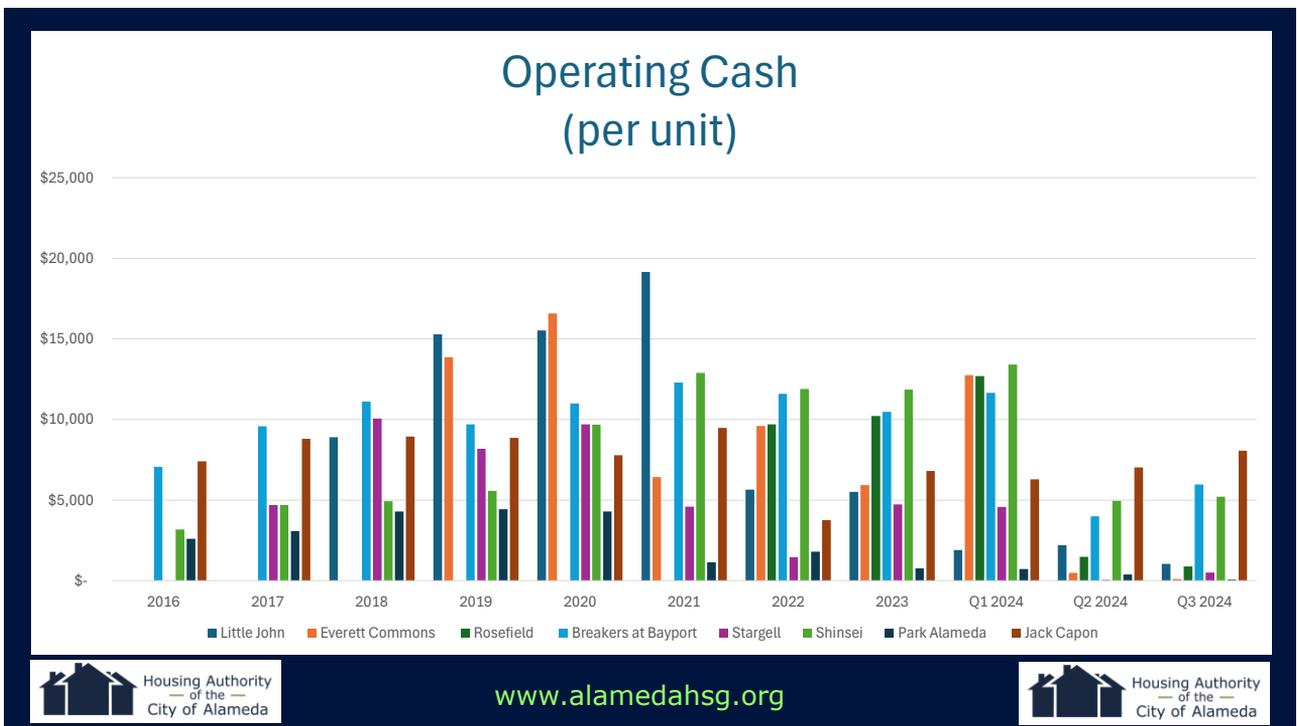
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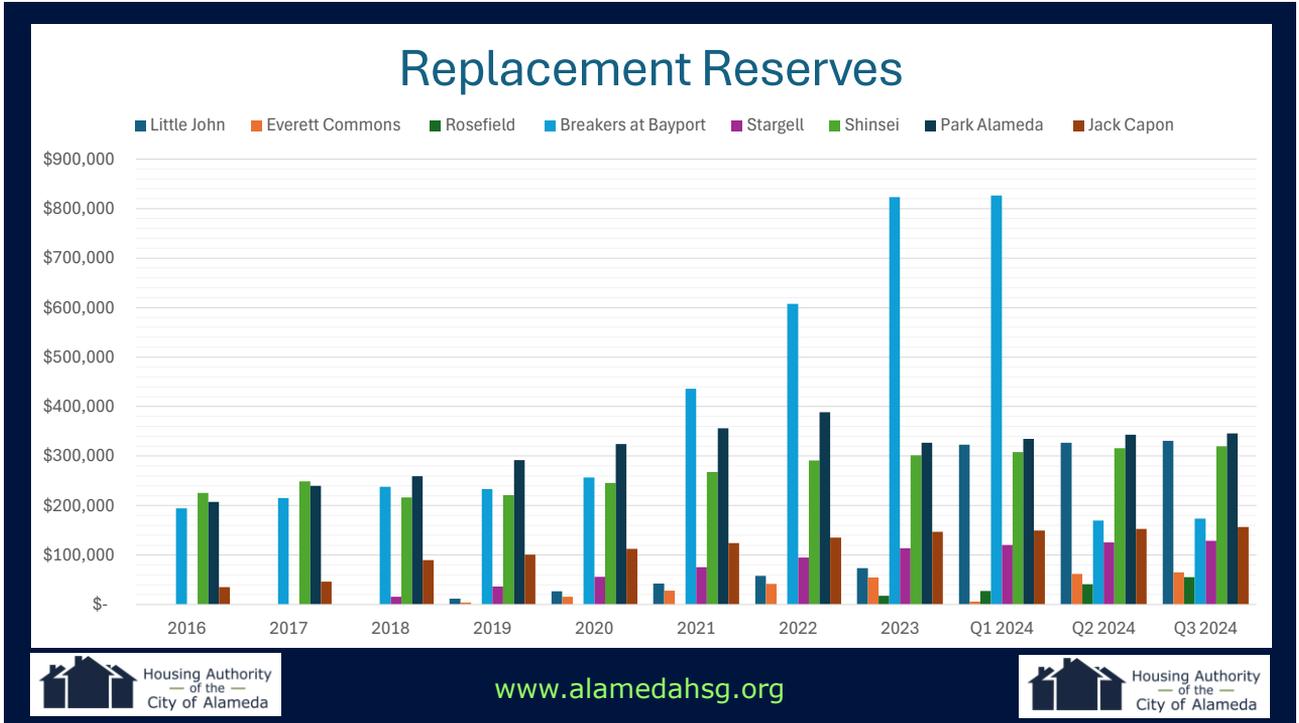
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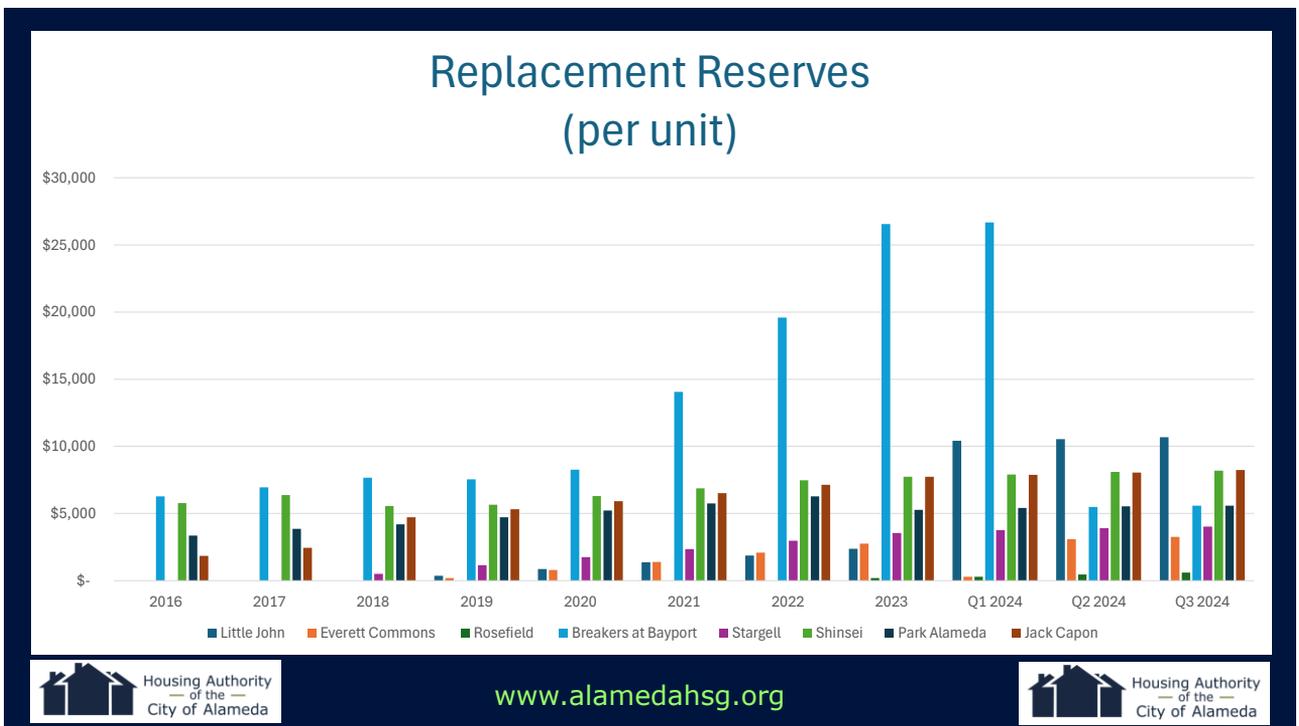
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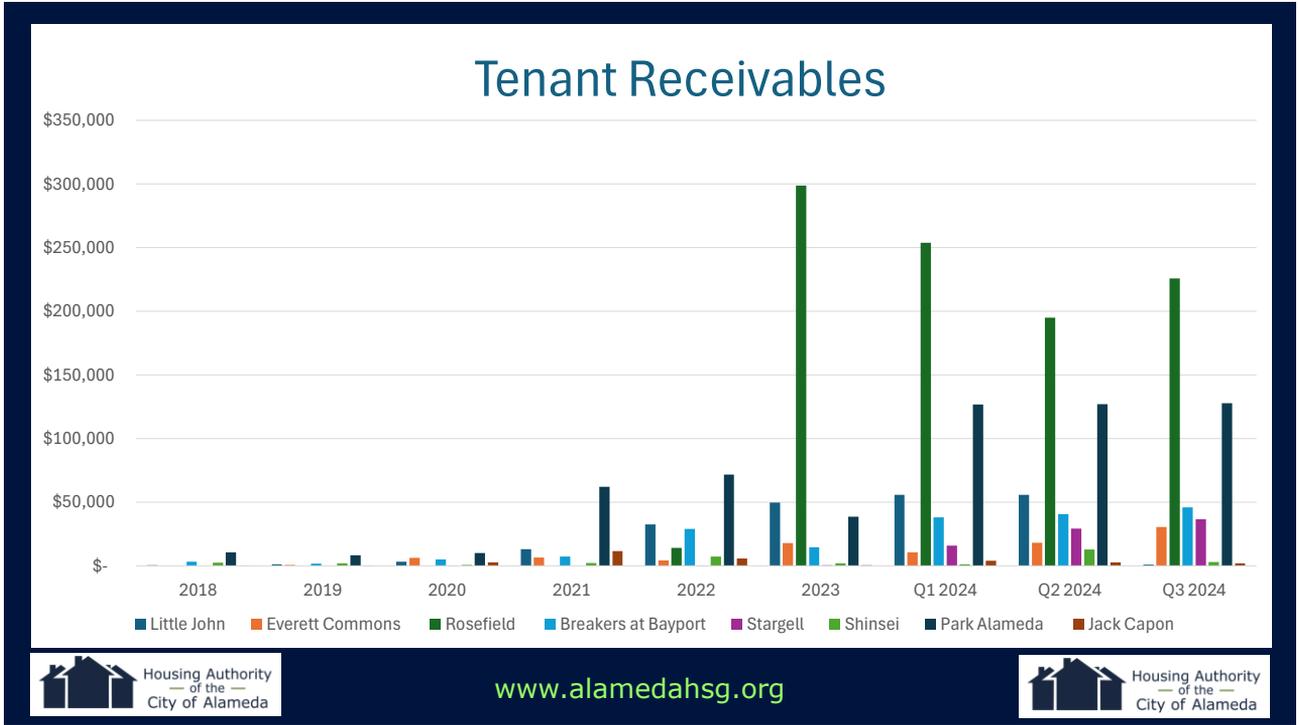
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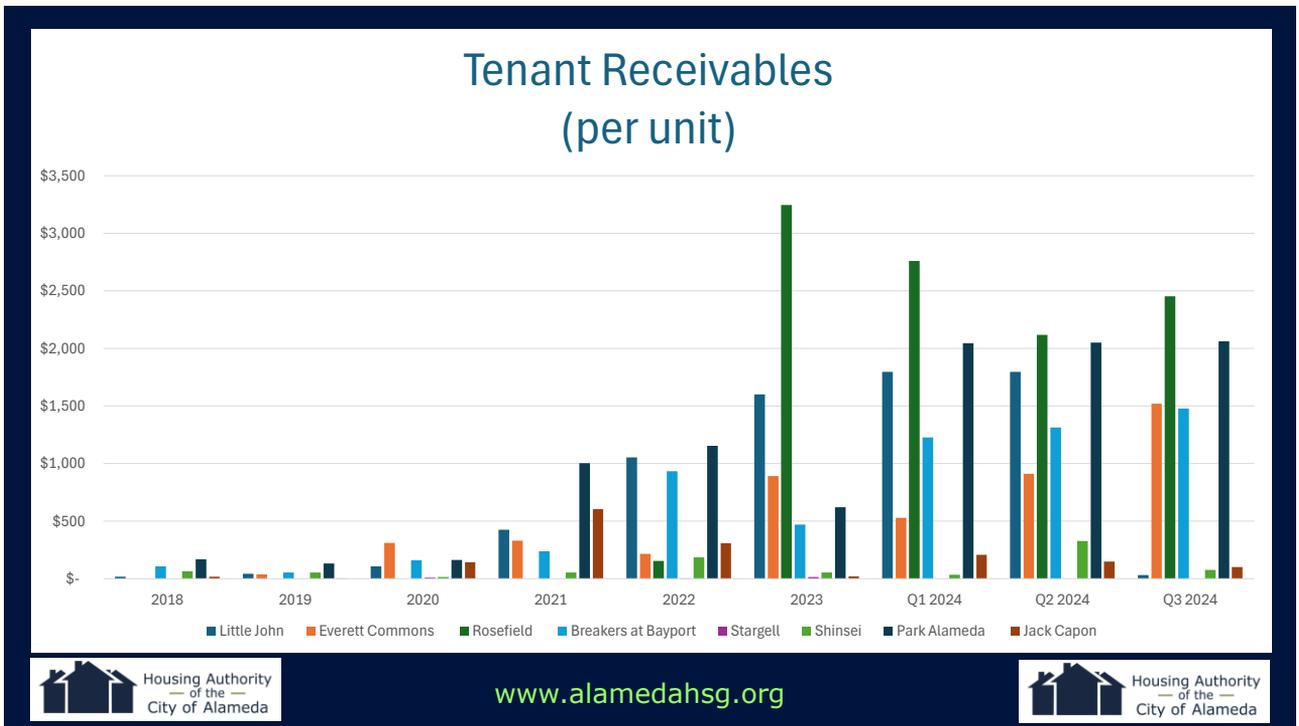
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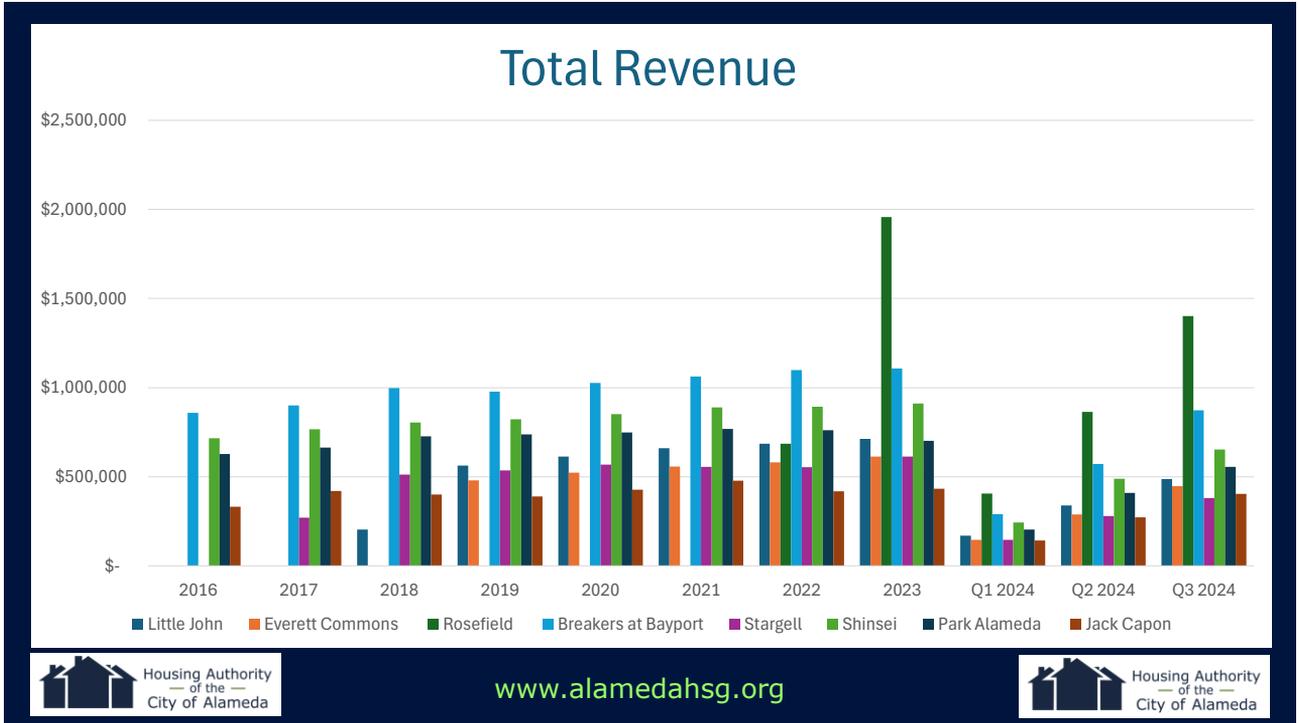
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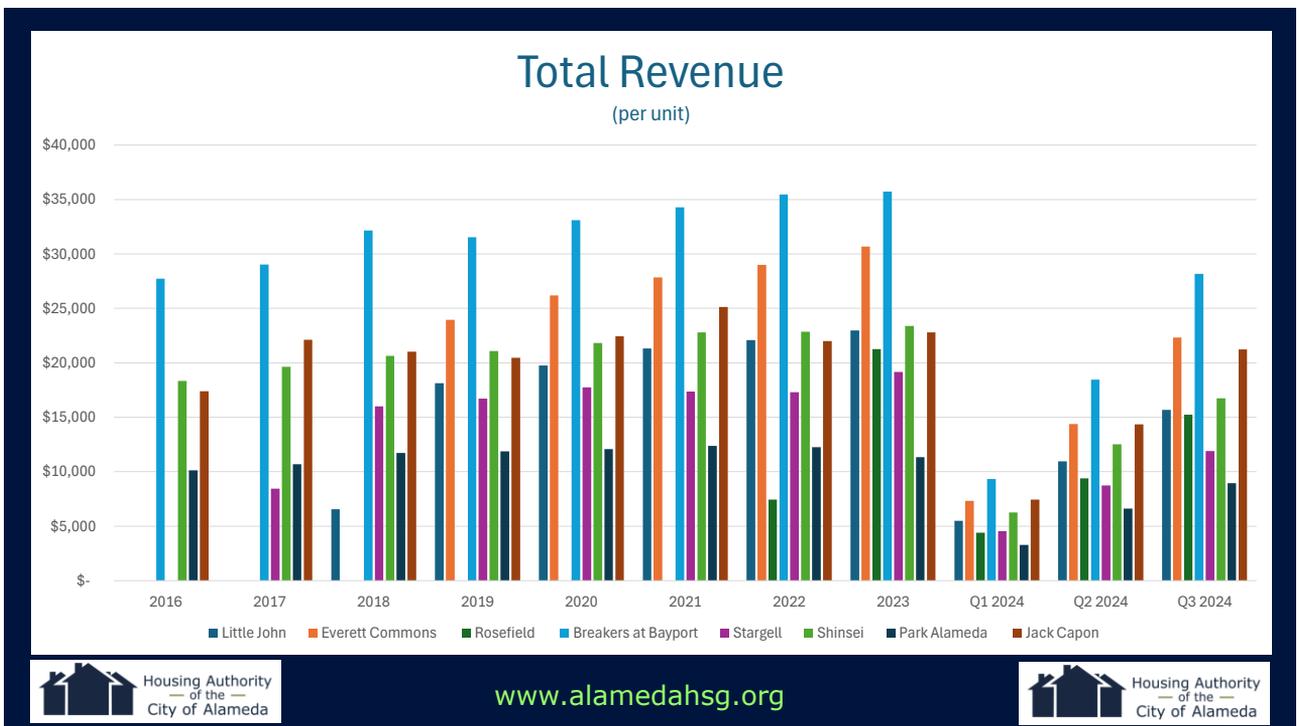
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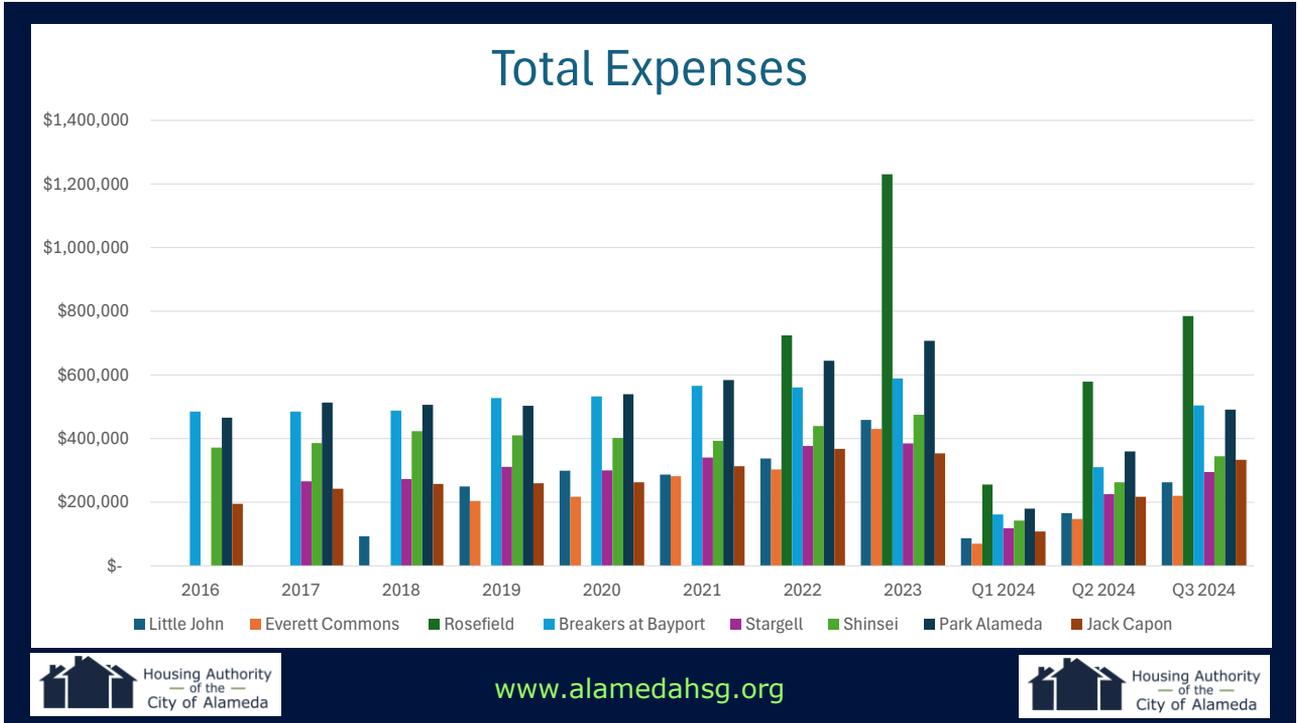
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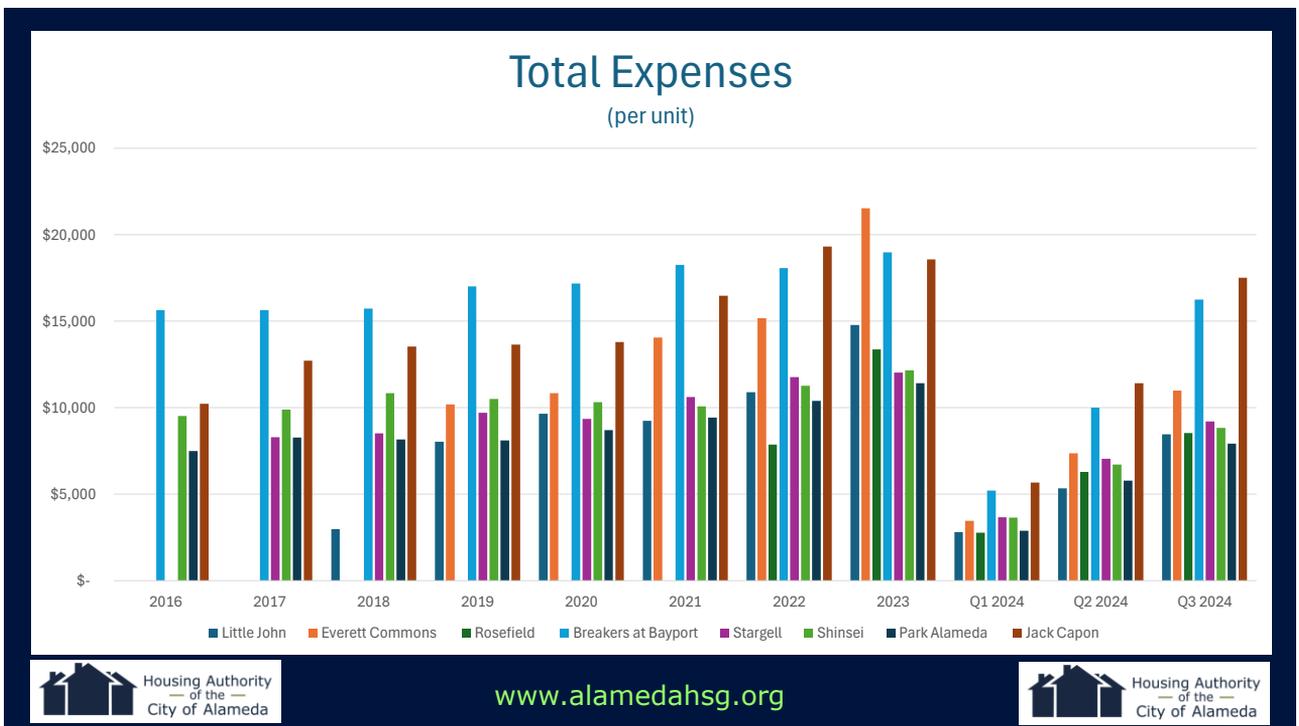
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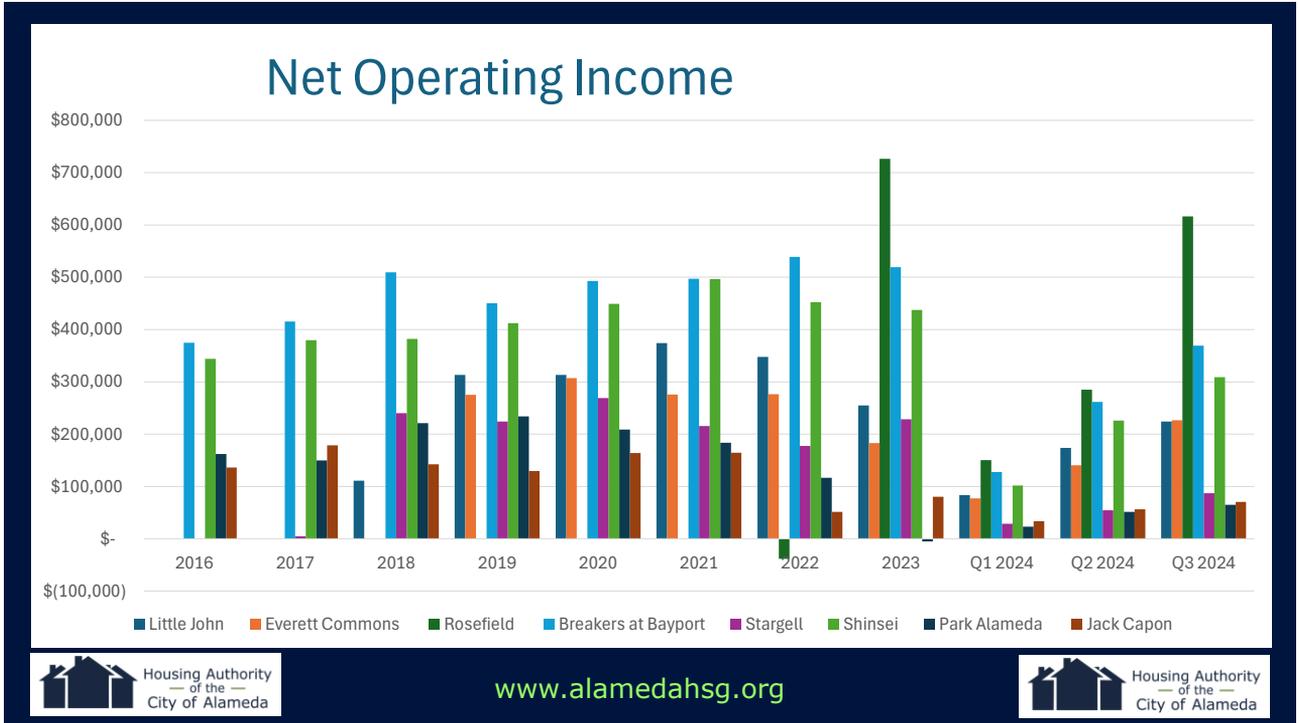
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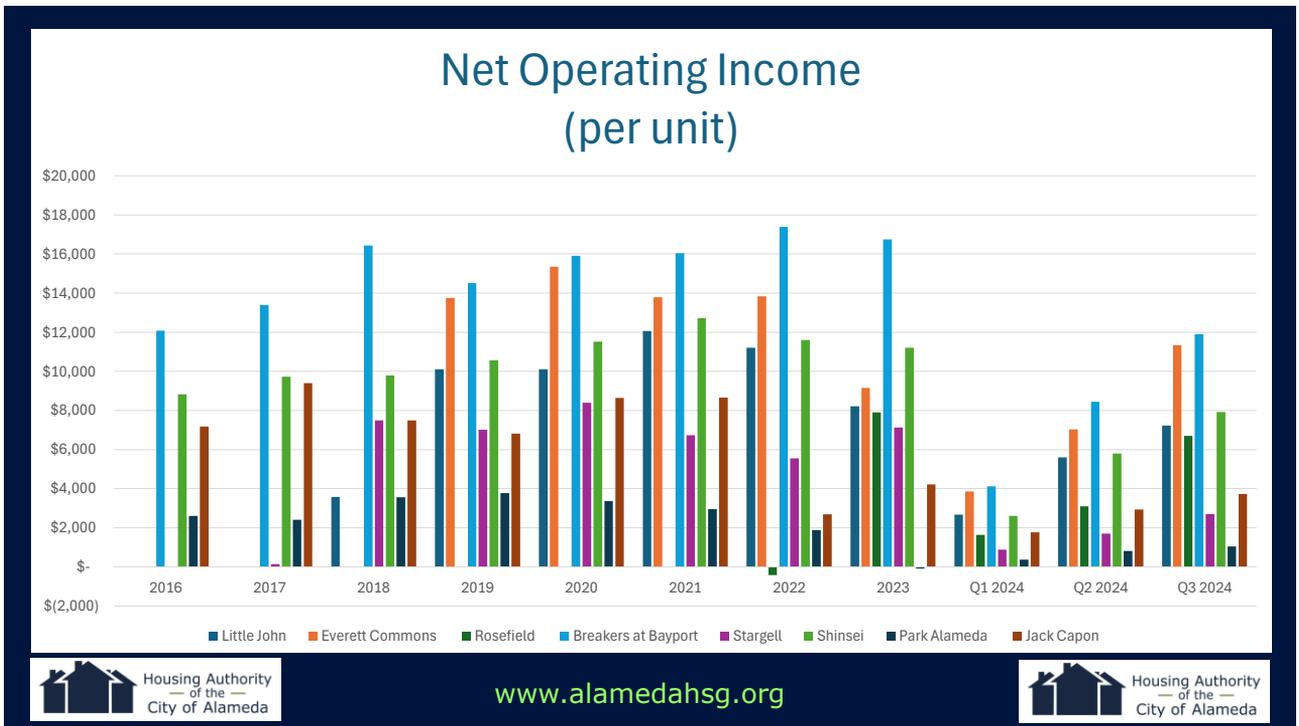
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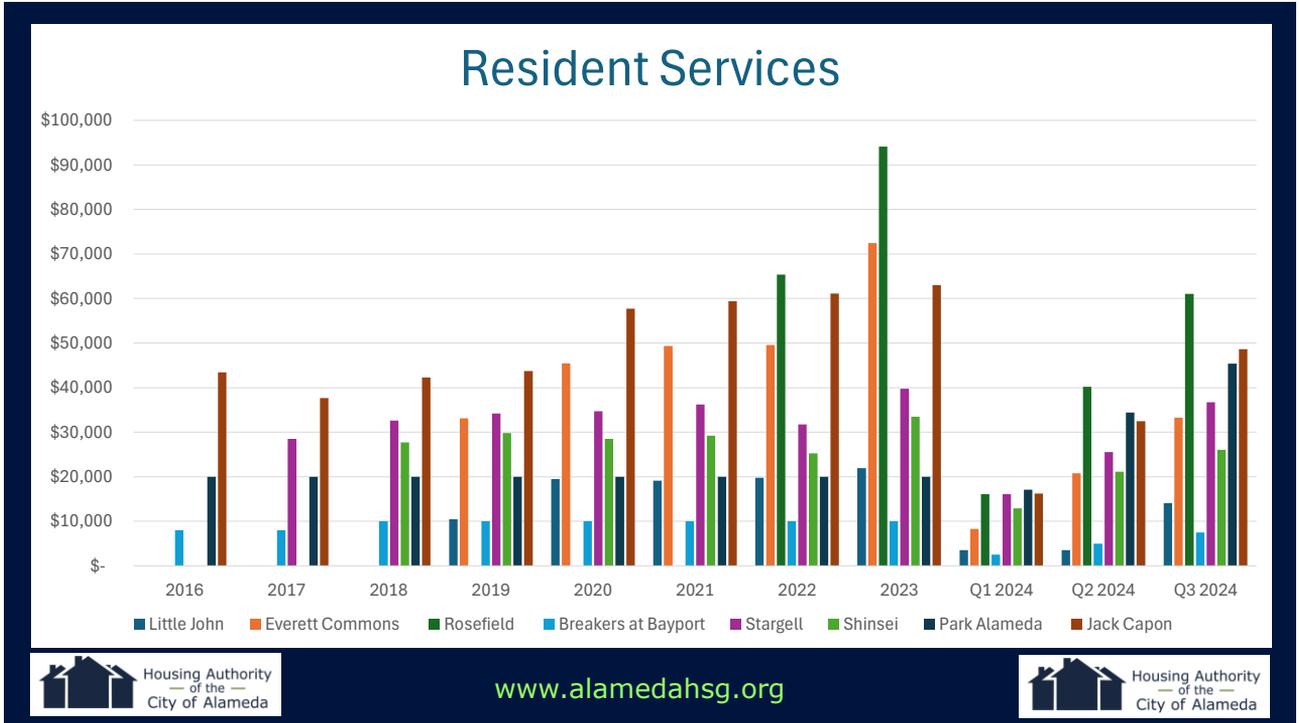
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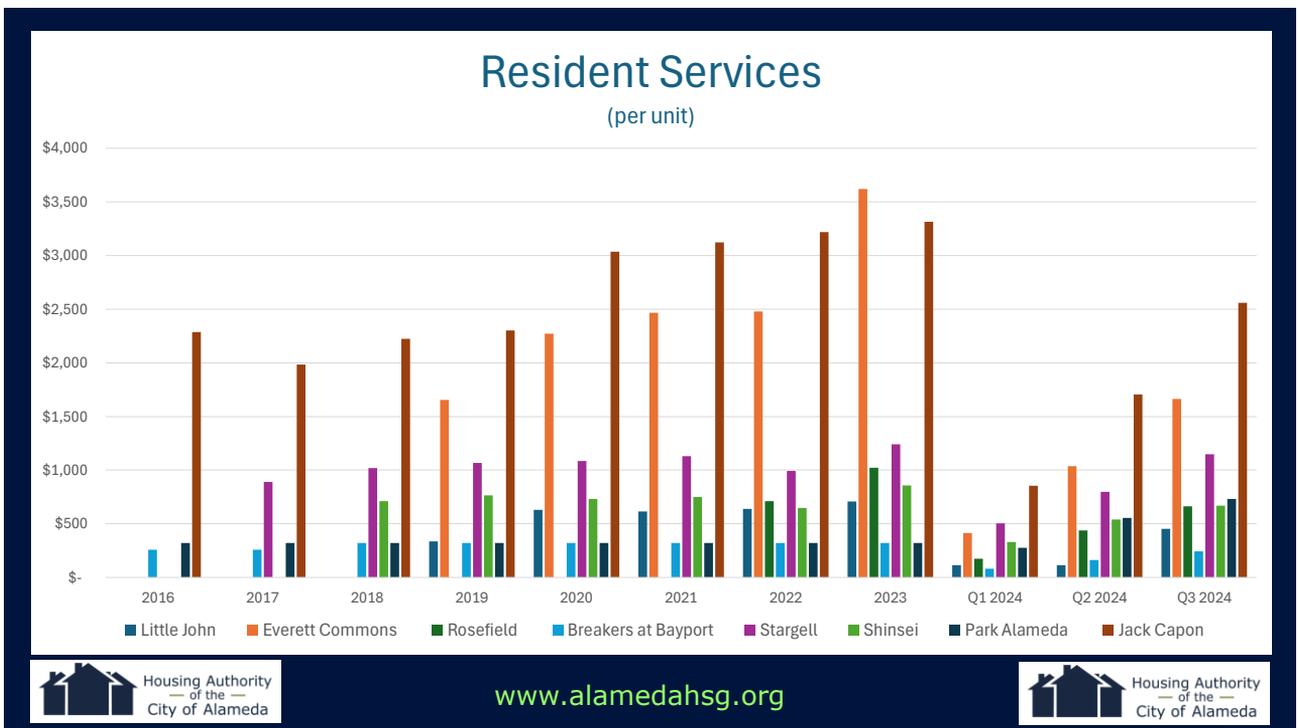
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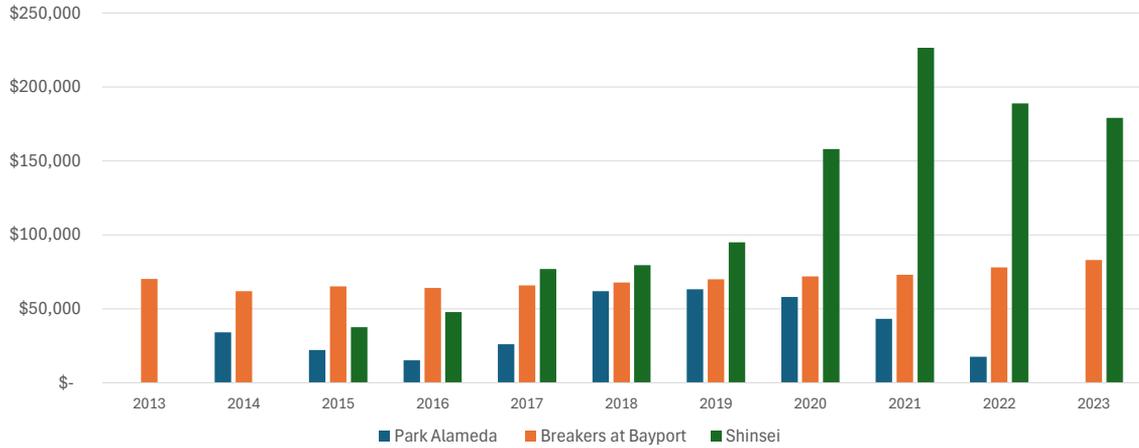


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### Incentive Management Fee



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## Breakers at Bayport

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 451,671	\$ 517,869	\$ (66,198)	-13%	\$ 11,581
Subsidy Revenue	\$ 424,231	\$ 388,485	\$ 35,746	9%	\$ 10,878
Vacancy Loss	\$ (8,265)	\$ (18,127)	\$ 9,862	-54%	\$ (212)
Other Income	\$ 5,303	\$ 100	\$ 5,203	N/A	\$ 136
<b>Total Operating Revenue</b>	<b>\$ 872,940</b>	<b>\$ 888,327</b>	<b>\$ (15,387)</b>	<b>-2%</b>	<b>\$ 22,383</b>
Administrative Expenses	\$ 172,377	\$ 135,673	\$ 36,704	27%	\$ 4,420
Utilities Expense	\$ 73,916	\$ 70,986	\$ 2,930	4%	\$ 1,895
Operating and Maintenance	\$ 158,598	\$ 153,967	\$ 4,631	3%	\$ 4,067
Taxes and Insurance	\$ 91,644	\$ 90,102	\$ 1,542	2%	\$ 2,350
Resident Services	\$ 7,500	\$ 7,501	\$ (1)	0%	\$ 192
<b>Total Operating Expenses</b>	<b>\$ 504,035</b>	<b>\$ 458,229</b>	<b>\$ 45,806</b>	<b>10%</b>	<b>\$ 12,924</b>
<b>Net Operating Income</b>	<b>\$ 368,905</b>	<b>\$ 430,098</b>	<b>\$ (61,193)</b>	<b>-14%</b>	<b>\$ 9,459</b>
<b>Replacement Reserves</b>	\$ 11,625	\$ 11,625			
<b>Debt Service</b>	\$ 104,364	\$ 104,364			
<b>Net Cash Flow</b>	<b>\$ 252,916</b>	<b>\$ 314,109</b>	<b>\$ (61,193)</b>	<b>-19%</b>	<b>\$ 6,485</b>
<b>Debt Service Coverage Ratio</b>	3.42	4.01			
Operating Expense PUPY	\$ 12,924	\$ 11,749			
Operating Expense PUPM	\$ 1,436	\$ 1,305			
Number of Units	52				
Months In YTD	9				

## Shinsei Gardens

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 278,138	\$ 255,478	\$ 22,660	9%	\$ 9,509
Subsidy Revenue	\$ 402,445	\$ 452,794	\$ (50,349)	-11%	\$ 13,759
Vacancy Loss	\$ (32,346)	\$ (16,015)	\$ (16,331)	102%	\$ (1,106)
Other Income	\$ 4,846	\$ 2,939	\$ 1,907	65%	\$ 166
<b>Total Operating Revenue</b>	<b>\$ 653,083</b>	<b>\$ 695,196</b>	<b>\$ (42,113)</b>	<b>-6%</b>	<b>\$ 22,328</b>
Administrative Expenses	\$ 106,462	\$ 94,740	\$ 11,722	12%	\$ 3,640
Utilities Expense	\$ 59,623	\$ 48,482	\$ 11,141	23%	\$ 2,038
Operating and Maintenance	\$ 93,624	\$ 163,301	\$ (69,677)	-43%	\$ 3,201
Taxes and Insurance	\$ 58,682	\$ 62,046	\$ (3,364)	-5%	\$ 2,006
Resident Services	\$ 26,057	\$ 23,561	\$ 2,496	11%	\$ 891
<b>Total Operating Expenses</b>	<b>\$ 344,448</b>	<b>\$ 392,130</b>	<b>\$ (47,682)</b>	<b>-12%</b>	<b>\$ 11,776</b>
<b>Net Operating Income</b>	<b>\$ 308,635</b>	<b>\$ 303,066</b>	<b>\$ 5,569</b>	<b>2%</b>	<b>\$ 10,552</b>
<b>Replacement Reserves</b>	\$ 17,550	\$ 17,550			
<b>Debt Service</b>	None	None			
<b>Net Cash Flow</b>	<b>\$ 291,085</b>	<b>\$ 285,516</b>	<b>\$ 5,569</b>	<b>2%</b>	<b>\$ 9,952</b>
<b>Debt Service Coverage Ratio</b>	None	None			
Operating Expense PUPY	\$ 11,776	\$ 13,406			
Operating Expense PUPM	\$ 1,308	\$ 1,490			
Number of Units	39				
Months In YTD	9				

## Park Alameda

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 336,899	\$ 389,631	\$ (52,732)	-14%	\$ 7,245
Subsidy Revenue	\$ 253,747	\$ 238,480	\$ 15,267	6%	\$ 5,457
Vacancy Loss	\$ (37,581)	\$ (65,449)	\$ 27,868	-43%	\$ (808)
Other Income	\$ 2,659	\$ 6,812	\$ (4,153)	-61%	\$ 57
<b>Total Operating Revenue</b>	<b>\$ 555,724</b>	<b>\$ 569,474</b>	<b>\$ (13,750)</b>	<b>-2%</b>	<b>\$ 11,951</b>
Administrative Expenses	\$ 145,336	\$ 147,500	\$ (2,164)	-1%	\$ 3,126
Utilities Expense	\$ 76,384	\$ 47,459	\$ 28,925	61%	\$ 1,643
Operating and Maintenance	\$ 134,573	\$ 115,409	\$ 19,164	17%	\$ 2,894
Taxes and Insurance	\$ 89,096	\$ 81,743	\$ 7,353	9%	\$ 1,916
Resident Services	\$ 45,393	\$ 46,795	\$ (1,402)	-3%	\$ 976
<b>Total Operating Expenses</b>	<b>\$ 490,782</b>	<b>\$ 438,906</b>	<b>\$ 51,876</b>	<b>12%</b>	<b>\$ 10,554</b>
<b>Net Operating Income</b>	<b>\$ 64,942</b>	<b>\$ 130,568</b>	<b>\$ (65,626)</b>	<b>-50%</b>	<b>\$ 1,397</b>
<b>Replacement Reserves</b>	\$ 23,948	\$ 23,948			
<b>Debt Service</b>	None	None			
<b>Net Cash Flow</b>	<b>\$ 40,995</b>	<b>\$ 106,621</b>	<b>\$ (65,626)</b>	<b>-62%</b>	<b>\$ 882</b>
<b>Debt Service Coverage Ratio</b>	None	None			
Operating Expense PUPY	\$ 10,554	\$ 9,439			
Operating Expense PUPM	\$ 1,173	\$ 1,049			
Number of Units	62				
Months In YTD	9				

## Stargell Commons

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 287,256	\$ 253,344	\$ 33,912	13%	\$ 11,969
Subsidy Revenue	\$ 125,049	\$ 170,203	\$ (45,154)	-27%	\$ 5,210
Vacancy Loss	\$ (34,513)	\$ (6,505)	\$ (28,008)	431%	\$ (1,438)
Other Income	\$ 3,260	\$ 3,334	\$ (74)	-2%	\$ 136
<b>Total Operating Revenue</b>	<b>\$ 381,052</b>	<b>\$ 420,376</b>	<b>\$ (39,324)</b>	<b>-9%</b>	<b>\$ 15,877</b>
Administrative Expenses	\$ 87,145	\$ 81,772	\$ 5,373	7%	\$ 3,631
Utilities Expense	\$ 38,579	\$ 39,157	\$ (578)	-1%	\$ 1,607
Operating and Maintenance	\$ 73,935	\$ 67,454	\$ 6,481	10%	\$ 3,081
Taxes and Insurance	\$ 57,695	\$ 59,645	\$ (1,950)	-3%	\$ 2,404
Resident Services	\$ 36,736	\$ 27,737	\$ 8,999	32%	\$ 1,531
<b>Total Operating Expenses</b>	<b>\$ 294,090</b>	<b>\$ 275,765</b>	<b>\$ 18,325</b>	<b>7%</b>	<b>\$ 12,254</b>
<b>Net Operating Income</b>	<b>\$ 86,962</b>	<b>\$ 144,611</b>	<b>\$ (57,649)</b>	<b>-40%</b>	<b>\$ 3,623</b>
<b>Replacement Reserves</b>	\$ 14,400	\$ 14,400			
<b>Debt Service</b>	\$ 51,867	\$ 51,867			
<b>Net Cash Flow</b>	<b>\$ 20,695</b>	<b>\$ 78,344</b>	<b>\$ (57,649)</b>	<b>-74%</b>	<b>\$ 862</b>
<b>Debt Service Coverage Ratio</b>	1.40	2.51			
Operating Expense PUPY	\$ 12,254	\$ 11,490			
Operating Expense PUPM	\$ 1,362	\$ 1,277			
Number of Units	32				
Months In YTD	9				

## Jack Capon Villas

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 79,458	\$ 73,395	\$ 6,063	8%	\$ 5,576
Subsidy Revenue	\$ 306,012	\$ 316,062	\$ (10,050)	-3%	\$ 21,475
Vacancy Loss	\$ 3,738	\$ (38,946)	\$ 42,684	-110%	\$ 262
Other Income	\$ 14,258	\$ 2,072	\$ 12,186	588%	\$ 1,001
<b>Total Operating Revenue</b>	<b>\$ 403,466</b>	<b>\$ 352,583</b>	<b>\$ 50,883</b>	<b>14%</b>	<b>\$ 28,313</b>
Administrative Expenses	\$ 77,217	\$ 80,285	\$ (3,068)	-4%	\$ 5,419
Utilities Expense	\$ 22,057	\$ 24,396	\$ (2,339)	-10%	\$ 1,548
Operating and Maintenance	\$ 99,644	\$ 116,616	\$ (16,972)	-15%	\$ 6,993
Taxes and Insurance	\$ 25,688	\$ 32,058	\$ (6,370)	-20%	\$ 1,803
Resident Services	\$ 48,653	\$ 48,653	\$ -	0%	\$ 3,414
<b>Total Operating Expenses</b>	<b>\$ 273,259</b>	<b>\$ 302,008</b>	<b>\$ (28,749)</b>	<b>-10%</b>	<b>\$ 19,176</b>
<b>Net Operating Income</b>	<b>\$ 130,207</b>	<b>\$ 50,575</b>	<b>\$ 79,632</b>	<b>157%</b>	<b>\$ 9,137</b>
<b>Replacement Reserves</b>	\$ 8,550	\$ 8,550			
<b>Debt Service</b>	\$ 21,474	\$ 21,474			
<b>Net Cash Flow</b>	<b>\$ 100,183</b>	<b>\$ 20,551</b>	<b>\$ 79,632</b>	<b>387%</b>	<b>\$ 7,030</b>
<b>Debt Service Coverage Ratio</b>	5.67	1.96			
Operating Expense PUPY	\$ 19,176	\$ 21,194			
Operating Expense PUPM	\$ 2,131	\$ 2,355			
Number of Units	19				
Months In YTD	9				

## Littlejohn Commons

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 146,451	\$ 93,843	\$ 52,608	56%	\$ 6,299
Subsidy Revenue	\$ 425,866	\$ 492,660	\$ (66,794)	-14%	\$ 18,317
Vacancy Loss	\$ (52,363)	\$ (11,730)	\$ (40,633)	346%	\$ (2,252)
Other Gain/Loss	\$ 14,283	\$ (10,026)	\$ 24,309	NA	\$ 614
Other Income	\$ (47,873)	\$ (68,672)	\$ 20,799	-30%	\$ (2,059)
<b>Total Operating Revenue</b>	<b>\$ 486,364</b>	<b>\$ 496,075</b>	<b>\$ (9,711)</b>	<b>-2%</b>	<b>\$ 20,919</b>
Administrative Expenses	\$ 79,036	\$ 90,886	\$ (11,850)	-13%	\$ 3,399
Utilities Expense	\$ 38,534	\$ 41,332	\$ (2,798)	-7%	\$ 1,657
Operating and Maintenance	\$ 72,824	\$ 73,367	\$ (543)	-1%	\$ 3,132
Taxes and Insurance	\$ 58,061	\$ 55,293	\$ 2,768	5%	\$ 2,497
Resident Services	\$ 14,078	\$ 16,345	\$ (2,267)	-14%	\$ 606
<b>Total Operating Expenses</b>	<b>\$ 262,533</b>	<b>\$ 277,223</b>	<b>\$ (14,690)</b>	<b>-5%</b>	<b>\$ 11,292</b>
<b>Net Operating Income</b>	<b>\$ 223,831</b>	<b>\$ 218,852</b>	<b>\$ 4,979</b>	<b>2%</b>	<b>\$ 9,627</b>
<b>Replacement Reserves</b>	\$ 11,625	\$ 11,625			
<b>Debt Service</b>	\$ 177,381	\$ 177,381			
<b>Net Cash Flow</b>	<b>\$ 34,825</b>	<b>\$ 29,846</b>	<b>\$ 4,979</b>	<b>17%</b>	<b>\$ 1,498</b>
<b>Debt Service Coverage Ratio</b>	1.20	1.17			
Operating Expense PUPY	\$ 11,292	\$ 11,924			
Operating Expense PUPM	\$ 1,255	\$ 1,325			
Number of Units	31				
Months In YTD	9				

## Everett Commons

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 93,249	\$ 134,046	\$ (40,797)	-30%	\$ 6,217
Subsidy Revenue	\$ 351,423	\$ 350,739	\$ 684	0%	\$ 23,428
Vacancy Loss	\$ (16,516)	\$ (9,695)	\$ (6,821)	70%	\$ (1,101)
Other Gain/Loss	\$ 23,101	\$ (8,515)	\$ 31,616	NA	\$ 1,540
Other Income	\$ (4,573)	\$ (36,563)	\$ 31,990	-87%	\$ (305)
<b>Total Operating Revenue</b>	<b>\$ 446,684</b>	<b>\$ 430,012</b>	<b>\$ 16,672</b>	<b>4%</b>	<b>\$ 29,779</b>
Administrative Expenses	\$ 57,433	\$ 58,244	\$ (811)	-1%	\$ 3,829
Utilities Expense	\$ 23,308	\$ 46,276	\$ (22,968)	-50%	\$ 1,554
Operating and Maintenance	\$ 59,632	\$ 44,201	\$ 15,431	35%	\$ 3,975
Taxes and Insurance	\$ 46,265	\$ 38,950	\$ 7,315	19%	\$ 3,084
Resident Services	\$ 33,254	\$ 37,221	\$ (3,967)	-11%	\$ 2,217
<b>Total Operating Expenses</b>	<b>\$ 219,892</b>	<b>\$ 224,892</b>	<b>\$ (5,000)</b>	<b>-2%</b>	<b>\$ 14,659</b>
<b>Net Operating Income</b>	<b>\$ 226,792</b>	<b>\$ 205,120</b>	<b>\$ 21,672</b>	<b>11%</b>	<b>\$ 15,119</b>
<b>Replacement Reserves</b>	\$ 10,130	\$ 10,130			
<b>Debt Service</b>	\$ 161,937	\$ 161,937			
<b>Net Cash Flow</b>	<b>\$ 54,725</b>	<b>\$ 33,053</b>	<b>\$ 21,672</b>	<b>66%</b>	<b>\$ 3,648</b>
<b>Debt Service Coverage Ratio</b>	1.34	1.20			
Operating Expense PUPY	\$ 14,659	\$ 14,993			
Operating Expense PUPM	\$ 1,629	\$ 1,666			
Number of Units	20				
Months In YTD	9				

## Rosefield Village

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 832,758	\$ 1,088,541	\$ (255,783)	-23%	\$ 12,069
Subsidy Revenue	\$ 582,576	\$ 533,412	\$ 49,164	9%	\$ 8,443
Vacancy Loss	\$ (109,781)	\$ (48,658)	\$ (61,123)	126%	\$ (1,591)
Other Gain/Loss	\$ 186,111	\$ (1,189)	\$ 187,300	NA	\$ 2,697
Other Income	\$ (90,212)	\$ (161,983)	\$ 71,771	-44%	\$ (1,307)
<b>Total Operating Revenue</b>	<b>\$ 1,401,452</b>	<b>\$ 1,410,123</b>	<b>\$ (8,671)</b>	<b>-1%</b>	<b>\$ 20,311</b>
Administrative Expenses	\$ 299,392	\$ 227,767	\$ 71,625	31%	\$ 4,339
Utilities Expense	\$ 130,184	\$ 166,530	\$ (36,346)	-22%	\$ 1,887
Operating and Maintenance	\$ 164,342	\$ 102,860	\$ 61,482	60%	\$ 2,382
Taxes and Insurance	\$ 130,198	\$ 142,829	\$ (12,631)	-9%	\$ 1,887
Resident Services	\$ 61,010	\$ 70,032	\$ (9,022)	-13%	\$ 884
<b>Total Operating Expenses</b>	<b>\$ 785,126</b>	<b>\$ 710,018</b>	<b>\$ 75,108</b>	<b>11%</b>	<b>\$ 11,379</b>
<b>Net Operating Income</b>	<b>\$ 616,326</b>	<b>\$ 700,105</b>	<b>\$ (83,779)</b>	<b>-12%</b>	<b>\$ 8,932</b>
<b>Replacement Reserves</b>	\$ 41,400	\$ 41,400			
<b>Debt Service</b>	\$ 543,519	\$ 543,519			
<b>Net Cash Flow</b>	<b>\$ 31,407</b>	<b>\$ 115,186</b>	<b>\$ (83,779)</b>	<b>-73%</b>	<b>\$ 455</b>
<b>Debt Service Coverage Ratio</b>	1.06	1.21			
Operating Expense PUPY	\$ 11,379	\$ 10,290			
Operating Expense PUPM	\$ 1,264	\$ 1,143			
Number of Units	92				
Months In YTD	9				



# ISLAND CITY DEVELOPMENT

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

ITEM 4.E

To: Board of Directors  
Island City Development

From: Sylvia Martinez, Director of Housing Development

Date: November 20, 2024

Re: Approve and Adopt the 2025 ICD Annual Budget

## **BACKGROUND**

The ICD fiscal year ends December 31. When ICD participates in real estate development projects, predevelopment costs are managed from predevelopment loans. 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. Notably in 2024, two large projects at North Housing (Linnet Corner and Estuary I went into construction and thus have come off the ICD annual financials as they transitioned to their permanent tax credit structures. Estuary II continues to be held as a predevelopment loan on ICD's books. A predevelopment loan was made from the Housing Authority to ICD on behalf of the Poplar development, but that loan is not anticipated to see much if any use in 2025 due to the availability of other resources.

## **DISCUSSION**

### Income:

In 2025, ICD expects to receive at least \$100,000 in developer fees from the Rosefield Village development. Per the development agreement with the AHA, ICD will provide 10% of the fees to AHA once received. ICD does not expect to receive developer fees from Linnet Corner and Estuary I, as those projects will not meet the milestones required until 2026.

The Linnet Corner and Estuary fees are shared with AHA 50%/50% per the development agreements for each of those properties.

ICD also receives partnership administration fees from its limited partnerships. These fees are conservatively estimated at \$25,000 for 2025.

### Expenses:

The proposed budget for 2025 includes ICD capital costs related to the proposed housing projects in the predevelopment phase as well as the administrative operating expenses of the



non-profit corporation. In June of 2023, the ICD Board approved an increase in the annual amount that it pays the Housing Authority of the City of Alameda for administration and staffing to \$300,000/year and that is reflected in this budget. A small amount of costs are allocated for feasibility, and professional services.

### Balanced Budget

Like most development companies, ICD's financials can change from year to year depending on the phases of development. In 2025, for instance, it will need to use cash reserves from previous years activities to maintain a balanced budget. With two projects completing construction and receiving developer fees in 2026, that next year could help replenish the reserves. This ebb and flow is very typical of small development entities.

### Proposed Activity - 2025

In 2025, the ICD administrative expenses will include \$300,000 payable to the Housing Authority for staffing services. Additionally, it includes estimated audit, tax return, insurance and professional service expenses of approximately \$350,000. The professional services expenses assume estimated costs for 2-4 feasibility studies for new projects. Estuary II will continue utilizing its previously approved predevelopment loan for costs incurred. As mentioned, a predevelopment loan was made from the Housing Authority to ICD on behalf of the Poplar development, but that loan is not anticipated to be utilized in 2025 due to the availability of other resources.

The attached 2025 budget for ICD follows the format of the past few years. The cash developer fee split is 90% ICD and 10% AHA pr 50% ICD and 50% AHA per the most recent negotiated deals.

The active new construction projects for ICD include:

1. Estuary 1 – In construction, expected to complete and lease up
2. Linnet Corner – In construction, expected to complete and lease up
3. Estuary II – In predevelopment
4. The Poplar – In design and environmental remediation

If a major portfolio renovation is anticipated planned, ICD will request a predevelopment loan from AHA to ICD. These budgets and plans will come before the Board as new activities in 2025..

### FISCAL IMPACT

This budget will allow ICD to complete its anticipated activities for the upcoming year.

### CEQA

Not applicable

### RECOMMENDATION

Approve and Adopt the 2025 ICD Annual Budget

### ATTACHMENTS

1. Attachment 1 - ICD Budget 2025



Island City Development  
November 20, 2024  
Respectfully submitted,



Sylvia Martinez, Director of Housing Development







**ISLAND CITY DEVELOPMENT**

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

To: Board of Directors  
Island City Development

From: Louie So, Chief Financial Officer

Date: November 20, 2024

Re: Approve Extension to the Holthouse, Carlin, & Van Tright, LLP Contract

**BACKGROUND**

Island City Development entered into a Consultant Services Agreement dated January 31, 2022 to provide audited financial statement, tax preparation and other consultation services. The termination date is January 31, 2025. Staff is requesting the Island City Development Board of Directors to extend this contract to the maximum 60 months (5 years) to January 31, 2027.

**DISCUSSION**

The Consultant has provided services to Island City Development and the low-income housing tax credit partnerships. As the investors/lenders and other stakeholders require an independent public accounting firm to produce these reports, staff is recommending extending this contract. Additionally, additional budget authority will be needed for future projects (e.g. The Poplar, Shinsei Gardens, Park Alameda). These projects will need separate audits, tax returns and cost certifications.

**FISCAL IMPACT**

The increase of the budget authority of \$125,000 over 5 years will be borne by Island City Development and the low-income housing tax credit limited partnerships.

**CEQA**

N/A

**RECOMMENDATION**

Approve the Extension to the Holthouse, Carlin, & Van Tright, LLP Contract

**ATTACHMENTS**

1. ICD + HCVT Extension

Respectfully submitted,  
Louie So  
Louie So, Chief Financial Officer





**FIRST AMENDMENT TO CONSULTANT  
SERVICES AGREEMENT**

**THIS FIRST AMENDMENT TO CONSULTANT SERVICES AGREEMENT** (“**Amendment**”) is entered into as of \_\_\_\_\_, (“**Amendment Effective Date**”) by and between the ISLAND CITY DEVELOPMENT, a nonprofit corporation (“**Company**”), and HOLTHOUSE, CARLIN & VAN TRIGHT, a (“**Consultant**”). The Company and the Consultant are individually referred to in this Amendment as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

A. The Company and Consultant entered into that certain Consultant Services Agreement dated January 31, 2022 (“**Agreement**”) to provide audited financial statement, tax preparation and other consultation services to Company as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on January 31, 2022 with a termination date of January 31, 2025, with an option to extend the term to January 31, 2025 upon the Parties execution of a written amendment to the Agreement (maximum 60 months).

C. The compensation currently authorized under the Agreement is the not to exceed maximum total amount of Three Hundred Thousand Dollars (\$125,000).

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Term.** A new sentence will be added at the end of the paragraph in Section 1. of the Agreement titled “**TERM**” which will be the following:

The parties choose by mutual agreement to extend the term of this Agreement up to the maximum of 60 months (5 years total) to January 31, 2027.

2. **Compensation to Consultant.** The maximum total amount to be paid by Company to Consultant under the Agreement shall be increased from a maximum total amount of \$125,000 to \$250,000. The second sentence in Section 3. of the Agreement titled, “**COMPENSATION TO CONSULTANT**” which reads, “Total compensation under this contract shall not exceed \$125,000,” is hereby deleted in its entirety and replaced with the following:

“Total compensation under this contract shall not exceed \$250,000.00.”

2. **Miscellaneous.**

- a. **Further Cooperation.** The Parties agree to execute such other instruments, Agreements and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

- b. **Interpretation.** This Amendment, when combined with the Agreement,

sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. Attachments. Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. Effectiveness of Agreement. Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. Counterparts. This Amendment may be signed by the Parties in counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Company and Consultant have executed this **First** Amendment as of the Amendment Effective Date.

**COMPANY:**

ISLAND CITY DEVELOPMENT, a  
nonprofit corporation

By: \_\_\_\_\_

Vanessa Cooper

President

**CONSULTANT:**

HOLTHOUSE, CARLIN AND VANT TRIGHT,  
a limited liability partnership

By: \_\_\_\_\_

David L. Bierhorst

Partner



# ISLAND CITY DEVELOPMENT

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

To: Board of Directors  
Island City Development

From: Trevor Jones, Asset Manager

Date: November 20, 2024

Re: Accept and Approve the Shinsei Gardens Annual Operating Budget for the Fiscal Year and Calendar Year 2025.

## **BACKGROUND**

This memo provides an overview of the annual operating budgets for the fiscal year 2024 for the Low-Income Housing Tax Credit (LIHTC) property, Shinsei, where Resources for Community Development is the GP and Island City Development is the LP.

## **DISCUSSION**

Asset Management’s role is to ensure compliance with applicable regulatory agreements and underwritten financial performance. The John Stewart Company, a 3rd party property management company, has prepared and submitted the annual operating budget for the following LIHTC property to asset management staff for Shinsei Gardens, a 39-unit LIHTC property, located at 401 Willie Stargell Avenue in Alameda, serving low-income families including disabled persons. The project receives rental subsidy from twenty-one (21) Project-Based Vouchers (PBV).

The operating budget is a projection of the upcoming fiscal year’s operating revenue and expenses including administrative, marketing, utilities, operating and maintenance, taxes and insurance, and resident services. The budget also includes other required financial expenses such as the monthly debt service payments and replacement reserve deposits for projecting the amount of cash flow available for distribution. Note that partnership expenses such as limited partner’s asset management fee, partnership management fee, etc. are taken from surplus cash flow if any. Asset Management has reviewed and now submits the FY 2025 draft budget to the ICD Board of Directors for approval. Upon the Board’s approval, Aset Management will submit the budget to the appropriate investor limited partners, lenders, and regulatory agencies. Staff will bring any investor requested revisions over 10% of total budget back to the Board of Directors.

Below is a summary table of the budget.

<b>FY2025 Budget Summary for Rosefield Commons</b>	
<i>Units</i>	39
Total Revenue	\$ 1,078,297



Total Operating Expenses	\$ 479,381
PUPY Operating Expense	\$ 12,292
Net Operating Income	\$ 598,915
Annual Debt Service	None
RR Deposit	\$ 23,400
Capital Expenses	\$ 170,000
Partnership Expenses	\$ 35,690
DSCR	None
Cash Flow	\$ 371,659

**FISCAL IMPACT**

See attached budget.

**CEQA**

Not Applicable

**RECOMMENDATION**

Accept and Approve the Shinsei Gardens Annual Operating Budget for the Fiscal Year and Calendar Year 2025.

**ATTACHMENTS**

1. Shinsei-CY 2025-AHA

Respectfully submitted,  
Trevor Jones  
Trevor Jones, Asset Manager



# Shinsei Gardens

## Annual Operating Budget for the Year Ending December 31, 2025

Status: Proposed  
Prepared: October 15, 2024

Acct#	Account Name	2025 Budget Annual	2025 Budget Monthly
<b>PROJECT REVENUE</b>			
<b>Gross Income Potential</b>			
5120-000	Rent - Tenant	424,133.00	35,344.42
5122-000	Subsidy - PHA PBV	675,353.00	56,279.42
<b>Total Gross Income Potential</b>		1,099,486.00	91,623.83
<b>Vacancies and Concessions</b>			
5220-000	Vacancy - Residential	32,984.58	2,748.72
5220-020	Vacancy - Subsidy Reimbrs	-7,800.33	-650.03
<b>Total Vacancies and Concessions</b>		25,184.25	2,098.69
<b>Financial Revenue</b>			
5410-000	Int - Operations	0.00	0.00
5435-000	Int - Operating Reserves	0.00	0.00
5436-000	Int - Other Reserves	0.00	0.00
5440-000	Int - Replacemnt Reserves	0.00	0.00
<b>Total Financial Revenue</b>		0.00	0.00
<b>Other Income</b>			
5910-000	Laundry Revenue	3,995.00	332.92
5920-000	NSF & Late Charges	0.00	0.00
5930-000	Clean/Damage/Maint Charge	0.00	0.00
5990-000	Miscellaneous Revenue	0.00	0.00
<b>Total Other Income</b>		3,995.00	332.92
<b>TOTAL REVENUE</b>		<b>1,078,296.75</b>	<b>89,858.06</b>
<b>PROJECT EXPENSES</b>			
<b>Marketing Expenses</b>			
6250-000	Marketing & Leasing	500.00	41.67
<b>Total Marketing Expenses</b>		500.00	41.67

**Administrative Expenses**

6311-000	Office Expenses	7,642.00	636.83
6319-000	Payroll Processing Fee	1,765.00	147.08
6320-000	Management Fees	35,844.12	2,987.01
6325-000	Outside Consultant	0.00	0.00
6326-000	Temp Services-Admin	0.00	0.00
6330-000	Payroll - Manager	36,473.24	3,039.44
6331-000	Administrator's Unit	21,782.00	1,815.17
6340-000	Legal/Mediation Expenses	591.00	49.25
6350-000	CPA/Audit Services	17,820.00	1,485.00
6351-000	Bookkeeping Services	6,084.00	507.00
6360-000	Phone, Internet, Cable TV	12,000.00	1,000.00
6360-030	Answering Service	728.00	60.67
6370-000	Collection Loss	0.00	0.00
6385-000	Mileage/Travel	100.00	8.33
6390-000	Misc. Admin. Expenses	0.00	0.00
6392-000	Seminars / Training	259.00	21.58
6396-000	Computer Charges	1,224.00	102.00

**Total Administrative Expenses** 142,312.36 11,859.36**Utilities**

6450-000	Electricity	15,000.00	1,250.00
6451-000	Water	39,918.90	3,326.58
6452-000	Gas	1,910.65	159.22
6453-000	Sewer	21,632.06	1,802.67

**Total Utilities** 78,461.61 6,538.47**Operating and Maintenance Expenses**

6510-000	Payroll - Maintenance	28,898.26	2,408.19
6510-010	Payroll - MaintSupervisor	2,610.80	217.57
6515-000	Janitorial Supplies	500.00	41.67
6517-000	Janitorial Contract	982.00	81.83
6519-000	Pest Control	2,867.52	238.96
6525-000	Garbage Removal	35,681.10	2,973.43
6530-000	Security Contract	2,186.00	182.17
6533-000	Fire Protection Expenses	6,008.00	500.67
6537-000	Landscape Contracts	25,011.49	2,084.29
6541-000	Repairs Materials/Supp	9,364.00	780.33
6542-000	Repair & Maint Contracts	16,418.20	1,368.18
6543-000	Plumbing Maintenance	5,229.31	435.78
6544-000	Electrical Maintenance	820.00	68.33

6545-000	Elevator Maintenance	6,336.56	528.05
6546-000	HVAC Maintenance	3,456.68	288.06
6552-000	Furniture & Appliances	2,998.00	249.83
6559-000	Flooring Expense	8,713.00	726.08
6562-000	Roof Maintenance	0.00	0.00
6590-000	Miscellaneous Maintenance	0.00	0.00

<b>Total Operating and Maintenance Expenses</b>		158,080.92	13,173.41
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**Taxes and Insurance**

6710-000	Real Estate Taxes	0.00	0.00
6711-000	Payroll Taxes	6,121.00	510.08
6720-000	Property Insurance	75,611.65	6,300.97
6721-000	Fidelity Bond	176.00	14.67
6722-000	Workers Comp.	3,413.00	284.42
6723-000	Health Ins. / EE Benefits	12,047.58	1,003.97
6723-010	401K Matching/EE Benefit	1,307.43	108.95
6790-000	Misc.Licenses/Permits	1,350.00	112.50

<b>Total Taxes and Insurance</b>		100,026.66	8,335.55
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**Non Deferred Financial Expense**

6820-012	Interest - HCD/MHP	14,712.00	1,226.00
6826-000	Ground Lease	2,054.00	171.17
6851-000	Bond Admin Fee-must pay	3,996.00	333.00

<b>Total Non Deferred Financial Expense</b>		20,762.00	1,730.17
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**Service Expense**

6885-000	Resident-Credit Reporting	348.00	29.00
6940-000	Services - Coordinator	0.00	0.00
6981-000	Services - Contract Fees	35,342.00	2,945.17

<b>Total Service Expense</b>		35,690.00	2,974.17
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**Corporate Expenses**

7115-000	Incentive Mgmt Fee	0.00	0.00
7131-000	FTB Tax & Fee	804.00	67.00
7133-000	Partnership Mgmt Fee	0.00	0.00
7137-000	Asset Mgmt Fee - Investor	0.00	0.00

<b>Total Corporate Expenses</b>		804.00	67.00
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**Reserve Expenditures**

7220-000	Appliance Replacements	20,000.00	1,666.67
7230-000	Interior Replacements	100,000.00	8,333.33
7240-000	Exterior Replacements	0.00	0.00
7250-000	Electrical Replacements	50,000.00	4,166.67

<b>Total Reserve Expenditures</b>		170,000.00	14,166.67
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<b>TOTAL OPERATING EXPENSES</b>		<b>706,637.55</b>	<b>58,886.46</b>
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<b>OPERATING INCOME (LOSS)</b>		<b>371,659.20</b>	<b>30,971.60</b>
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**OTHER CASH REQUIREMENTS**

Reserve Funding	23,400.00	1,950.00
Mortgage Principal	0.00	0.00
Fixed Asset Purchases	0.00	0.00
Add back for Reserve Eligible Purchases	-170,000.00	-14,166.67
<i>Other Cash Requirements:</i>		
Entry 1	0.00	0.00
Entry 2	0.00	0.00
Entry 3	0.00	0.00

<b>Total Other Cash (Available) Requirements</b>	23,400.00	1,950.00
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<b>TOTAL CASH FLOW</b>	<b>348,259.20</b>	<b>29,021.60</b>
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## ISLAND CITY DEVELOPMENT

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

To: Board of Directors  
Island City Development

From: Louie So, Chief Financial Officer

Date: November 20, 2024

Re: Accept the Island City Development Audited Financial Statements and Tax Returns for 2023.

---

### **BACKGROUND**

The public accounting firm Holthouse Carlin and Van Tright has been engaged to complete the 2023 Audited Financial Statements and Tax Returns for Island City Development. The audited financial statement reports includes consolidated information of the low-income housing tax credit partnerships.

### **DISCUSSION**

The financial statements showcases an unqualified audit opinion which means that the audited financial statements are free of material misstatements. The final audit comment letter to the Board of Directors are also attached (AU-260 Auditors Communication with those charged with governance) and showcases no difficulties during the audit process.

The informational tax returns for Island City Development must be filed by the extended deadline of November 2024 to the Internal Revenue Service and Franchise Tax Board and presented as public record. The finalized audited financial statements and tax returns will also be posted on the [www.islandcitydevelopment.org](http://www.islandcitydevelopment.org) website.

### **FISCAL IMPACT**

For reporting purposes only.

### **CEQA**

N/A

### **RECOMMENDATION**

Accept the Island City Development Audited Financial Statements and Tax Returns for 2023.

### **ATTACHMENTS**

1. 01 ICD Development and Subsidiaries-2023 FS (FINAL AUDIT)
2. 02 ICD Development and Subsidiaries-2023 AU-260 Letter (FINAL AUDIT COMMENT LETTER)
3. 03 ICD 990 Federal Tax Return



Island City Development  
November 20, 2024  
4. 04 ICD 199 CA Tax Return

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Respectfully submitted,  
Louie So  
Louie So, Chief Financial Officer



**ISLAND CITY DEVELOPMENT  
AND SUBSIDIARIES**  
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)  
CONSOLIDATED FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION,  
AND  
INDEPENDENT AUDITOR'S REPORT  
DECEMBER 31, 2023 AND 2022



**ISLAND CITY DEVELOPMENT AND SUBSIDIARIES**  
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)  
DECEMBER 31, 2023 AND 2022  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Island City Development:

### **Report on the Consolidated Financial Statements**

#### ***Opinion***

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, 2023 and 2022, and the related consolidated statements of activities, functional expenses, change in net assets (deficit), and cash flows, for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Island City Development as of December 31, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Island City Development and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Island City Development's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

#### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that,

individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Island City Development's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Island City Development's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audits findings, and certain internal control-related matters that we identified during the audit.

### ***Report on Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary 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 audit 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.



Westlake Village, California  
October 24, 2024

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

<b>DECEMBER 31,</b>	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Property, at cost		
Land improvements	\$ 5,370,720	\$ 5,370,720
Buildings and improvements	68,022,062	67,947,759
Furniture and equipment	2,632,875	2,632,875
Construction-in-progress	7,780,757	5,741,001
<b>Total property</b>	<b>83,806,414</b>	<b>81,692,355</b>
Less: accumulated depreciation	(7,178,614)	(4,692,548)
<b>Net property</b>	<b>76,627,800</b>	<b>76,999,807</b>
Cash and cash equivalents	3,403,084	4,057,436
Investments	15	14
Tenant accounts receivable, net	126,711	63,807
Other receivables	40,014	9,296
Right-of-use assets	15,636,742	15,845,181
Restricted funds:		
Reserves	753,567	629,509
Tenant security deposits	122,210	128,679
Other prepaids	217,214	1,892
Deposits	93,084	370,244
Deferred costs - TCAC fees	114,792	123,706
<b>Total assets</b>	<b>\$ 97,135,233</b>	<b>\$ 98,229,571</b>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>		
Notes payable, net	\$ 70,131,336	\$ 87,837,236
Accounts payable and accrued expenses	527,835	214,351
Accrued construction and development costs	773,027	45,786
Accrued interest payable	3,068,135	2,331,950
Developer fees payable	61,000	337,500
Accrued Asset Management Fee payable	15,967	4,375
Prepaid rents	7,627	18,536
Tenant security deposits	119,354	128,104
<b>Total liabilities</b>	<b>74,704,281</b>	<b>90,917,838</b>
Commitments and contingencies		
<b>Net assets (deficit)</b>		
Without donor restrictions		
Controlling interests	(2,231,704)	(4,326,075)
Noncontrolling interests	24,662,656	11,637,808
<b>Total net assets (deficit)</b>	<b>22,430,952</b>	<b>7,311,733</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 97,135,233</b>	<b>\$ 98,229,571</b>

See notes to consolidated financial statements.

**ISLAND CITY DEVELOPMENT AND SUBSIDIARIES**

(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)

## CONSOLIDATED STATEMENTS OF ACTIVITIES

<b>FOR THE YEARS ENDED DECEMBER 31,</b>	<b>2023</b>	<b>2022</b>
<b>Revenue:</b>		
Residential rent	\$ 1,539,739	\$ 768,298
Tenant subsidies	1,690,153	1,215,633
Other revenue	2,346,195	14,962
<b>Total revenue</b>	<b>5,576,087</b>	<b>1,998,893</b>
<b>Expenses:</b>		
Program services-housing	8,164,408	5,067,264
Supporting services	348,384	233,242
<b>Total expenses</b>	<b>8,512,792</b>	<b>5,300,506</b>
<b>Change in net assets</b>	<b>\$ (2,936,705)</b>	<b>\$ (3,301,613)</b>

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,****2023**

	<u>Program Services</u>	<u>Supporting Services</u>	
	Permanent Housing Operations	Management and General	Total
<b>Administrative</b>			
Manager's salaries	\$ 129,269	\$ -	\$ 129,269
Manager's unit	80,137	-	80,137
Office expense	219,239	-	219,239
Tenant services	94,102	-	94,102
Professional fees - accounting	75,726	45,636	121,362
Professional fees - legal	32,924	544	33,468
Property management fees	93,084	-	93,084
Bad debt expense	229,003	-	229,003
<b>Total administrative expenses</b>	<b>953,484</b>	<b>46,180</b>	<b>999,664</b>
<b>Utilities</b>			
Electricity	27,415	-	27,415
Water and sewer	110,513	2,000	112,513
Gas	1,612	-	1,612
<b>Total utilities</b>	<b>139,540</b>	<b>2,000</b>	<b>141,540</b>
<b>Operating and maintenance</b>			
Maintenance salaries	125,786	-	125,786
Repairs and maintenance	280,246	-	280,246
Trash removal	133,409	-	133,409
<b>Total operating and maintenance</b>	<b>539,441</b>	<b>-</b>	<b>539,441</b>
<b>Taxes and insurance</b>			
Payroll taxes	31,469	-	31,469
Property and liability insurance	162,747	-	162,747
Employee benefits	29,245	-	29,245
State taxes	19,754	204	19,958
<b>Total taxes and insurance</b>	<b>243,215</b>	<b>204</b>	<b>243,419</b>
<b>Other expenses</b>			
Depreciation	2,486,066	-	2,486,066
Amortization	8,914	-	8,914
Advertising and lease-up	29,659	-	29,659
Interest expense	3,515,123	-	3,515,123
Asset Management Fees	11,592	-	11,592
AHA consulting services	-	300,000	300,000
Ground lease	208,438	-	208,438
Miscellaneous financial expenses	28,936	-	28,936
<b>Total other expenses</b>	<b>6,288,728</b>	<b>300,000</b>	<b>6,588,728</b>
<b>Total functional expenses</b>	<b>\$ 8,164,408</b>	<b>\$ 348,384</b>	<b>\$ 8,512,792</b>

*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,

2022

	<u>Program Services</u>		<u>Supporting Services</u>	
	Permanent Housing Operations		Management and General	Total
<b>Administrative</b>				
Manager's salaries	\$ 85,783	\$	-	\$ 85,783
Manager's unit	52,938		-	52,938
Office expense	188,543		22	188,565
Tenant services	65,359		-	65,359
Professional fees - accounting	31,071		27,018	58,089
Professional fees - legal	1,582		916	2,498
Property management fees	69,975		-	69,975
Bad debt expense	27,420		-	27,420
<b>Total administrative expenses</b>	<b>522,671</b>		<b>27,956</b>	<b>550,627</b>
<b>Utilities</b>				
Electricity	35,443		-	35,443
Water and sewer	85,172		-	85,172
Gas	6,492		-	6,492
<b>Total utilities</b>	<b>127,107</b>		<b>-</b>	<b>127,107</b>
<b>Operating and maintenance</b>				
Maintenance salaries	97,423		-	97,423
Repairs and maintenance	141,746		-	141,746
Trash removal	78,672		-	78,672
<b>Total operating and maintenance</b>	<b>317,841</b>		<b>-</b>	<b>317,841</b>
<b>Taxes and insurance</b>				
Payroll taxes	12,811		-	12,811
Property and liability insurance	87,328		-	87,328
Employee benefits	32,318		-	32,318
State taxes	17,980		226	18,206
<b>Total taxes and insurance</b>	<b>150,437</b>		<b>226</b>	<b>150,663</b>
<b>Other expenses</b>				
Depreciation	1,775,917		-	1,775,917
Amortization	8,854		-	8,854
Advertising and lease-up	146,571		-	146,571
Interest expense	1,863,590		5,060	1,868,650
Asset Management Fees	15,630		-	15,630
AHA consulting services	-		200,000	200,000
Ground lease	136,007		-	136,007
Miscellaneous financial expenses	2,639		-	2,639
<b>Total other expenses</b>	<b>3,949,208</b>		<b>205,060</b>	<b>4,154,268</b>
<b>Total functional expenses</b>	<b>\$ 5,067,264</b>	<b>\$</b>	<b>233,242</b>	<b>\$ 5,300,506</b>

See notes to consolidated financial statements.

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

		<b>Controlling Interests</b>	<b>Noncontrolling Interests</b>	<b>Total</b>
<b>Balance, December 31, 2021</b>	\$	(4,247,112)	\$ 14,655,378	\$ 10,408,266
Contributions		-	205,080	205,080
Change in net assets		(78,963)	(3,222,650)	(3,301,613)
<b>Balance, December 31, 2022</b>		(4,326,075)	11,637,808	7,311,733
Contributions		-	18,055,924	18,055,924
Change in net assets		2,094,371	(5,031,076)	(2,936,705)
<b>Balance, December 31, 2023</b>	\$	(2,231,704)	\$ 24,662,656	\$ 22,430,952

*See notes to consolidated financial statements.*

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

<b>FOR THE YEARS ENDED DECMEBER 31,</b>	<b>2023</b>	<b>2022</b>
<b>Cash flow from operating activities:</b>		
Change in net assets	\$ (2,936,705)	\$ (3,301,613)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	2,486,066	1,775,917
Amortization of deferred costs	8,914	8,854
Amortization of debt discount and issuance costs	197,721	27,804
Amortization of right-of-use assets	208,439	265,933
Allowance for doubtful accounts	229,003	27,164
Changes in operating assets and liabilities:		
Tenant accounts receivable	(291,907)	(70,649)
Other receivables	(30,658)	-
Other prepaids	(215,382)	14,880
Accounts payable and accrued expenses	313,484	(6,213)
Accrued interest payable	736,185	142,684
Accrued Asset Management Fee payable	11,592	4,375
Prepaid rents	(10,909)	(2,268)
Tenant security deposits - liability	(8,750)	82,870
<b>Net cash provided by (used in) operating activities</b>	<b>697,093</b>	<b>(1,030,262)</b>
<b>Cash flows from investing activities:</b>		
Expenditures for property	(1,663,319)	(18,064,026)
<b>Cash used in investing activities</b>	<b>(1,663,319)</b>	<b>(18,064,026)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from notes payable	20,962,292	20,315,795
Repayments on notes payable	(38,751,253)	(1,264,268)
Expenditures for debt issuance costs	(114,660)	(374,555)
Expenditures for deferred costs - TCAC fees	-	(36,430)
Repayment of affiliate advance	-	(197,000)
Lender deposit	277,160	-
Contributions	18,055,924	205,080
<b>Net cash provided by financing activities</b>	<b>429,463</b>	<b>18,648,622</b>
<b>Net change in cash, cash equivalents, and restricted cash</b>	<b>(536,763)</b>	<b>(445,666)</b>
Cash, cash equivalents, and restricted cash, at beginning of year	4,815,624	5,261,290
<b>Cash, cash equivalents, and restricted cash, at end of year</b>	<b>\$ 4,278,861</b>	<b>\$ 4,815,624</b>

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,** **2023** **2022**

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**Supplemental disclosure of cash activities:**

Cash paid for interest, net of capitalized interest	\$	2,581,217	\$	302,022
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**Supplemental disclosure of non-cash activities:**

Recognition of right-of-use assets	\$	-	\$	15,879,785
Derecognition of remaining prepaid rent asset	\$	-	\$	(16,111,114)

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

Cash and cash equivalents	\$	3,403,084	\$	4,057,436
Reserves		753,567		629,509
Tenant security deposits		122,210		128,679
	\$	4,278,861	\$	4,815,624

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*See notes to consolidated financial statements.*

# ISLAND CITY DEVELOPMENT AND SUBSIDIARIES

(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

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## 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization** Island City Development is a California nonprofit public benefit corporation (the Company or ICD) and is exempt from income taxes 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 Projects.

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, 2023 and 2022, 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, 2023, the Company, through its Subsidiaries, owns the following Projects:

<b>Partnership Name</b>	<b>Project Name</b>	<b>City, State</b>	<b>Units</b>
Sherman and Buena Vista LP	Littlejohn Commons	Alameda, California	31
Everett and Eagle L.P.	Everett Commons	Alameda, California	20
Constitution and Eagle, L.P.	Rosefield Village	Alameda, California	92

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

Company	0.01%
Limited Partner (noncontrolling)	99.99%

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

Del Monte Senior LLC	ICD Mosley LLC
2437 Eagle Avenue LLC	ICD Mabuhay LLC
Rosefield LLC	Lakehurst and Mosley LP
ICD Webster, LLC	Mosley and Mabuhay LP
ICD Lakehurst LLC	Mabuhay and Lakehurst LP

### ***Principles of Consolidation and Accounting for Investments in a Limited Partnership***

Accounting principles generally accepted in the United States of America (U.S. GAAP) establishes the presumption that the general partner 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 participation rights. If the presumption of control cannot be overcome, then the general partner is required to consolidate the limited partnership. For the years ended December 31, 2023 and 2022, ICD or its wholly owned Subsidiaries, as the 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, 2023 AND 2022

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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:

<b>Project Name</b>	<b>City, State</b>	<b>Acquisition Date</b>	<b>Units</b>
Stargell Commons	Alameda, California	2015	32*

\*The project was placed in service in June 2017 and ICD's investment is \$0 as of December 31, 2023 and 2022.

**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 U.S. GAAP and include the accounts of ICD and all of its wholly owned and controlled affiliates. 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, 2023 and 2022, there were no donor-imposed restrictions on net assets. Accordingly, the net assets of the Company without donor restrictions and changes therein are classified and reported as follows:

**Controlling interests** 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.

**Noncontrolling 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.

**Revenue** Revenue include tenant rents from operating leases (generally one year), recognized as revenue, including tenant subsidies, when they become due. Revenues also include income from developer fees to the extent it is a reimbursement of development costs, laundry, interest, and miscellaneous income. These revenues are recognized as earned and as costs are 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. ICD's major program service is operation of permanent affordable housing.

**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.

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**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. 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 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 Projects.

**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 (\$15 and \$14 as of December 31, 2023 and 2022, respectively). The CAMP Pool invests in asset-backed 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 consolidated 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 not active;
- 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, considering 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.

**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:

<b>Description</b>	<b>Life</b>
Buildings and improvements	40 years
Land improvements	Shorter of estimated useful life or life of lease
Furniture and equipment	5 - 7 years

ICD capitalizes development costs, including interest (\$0 and \$499,242 during 2023 and 2022, respectively) 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.

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 years ended December 31, 2023 and 2022.

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**Tenant Accounts Receivable** The Company reviews tenant accounts receivable for collectability, and if it is determined that collection is not probable, an allowance for doubtful accounts is provided. As of December 31, 2023 and 2022, the Projects' allowance for doubtful accounts was \$260,059 and \$31,056, respectively.

**Concentration of Credit and Business Risk** The Company's cash and cash equivalents are maintained in more than one financial institution. The Partnership maintains the majority of their cash and cash equivalents at major financial institutions in the United States, and deposits with these financial institutions may exceed the amount of insurance provided on such deposits; however, the Company regularly monitors the financial stability of these financial institutions and believe the Company is not currently exposed to any significant default risk with respect to their deposits.

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.

**Debt Discount and Issuance Costs** Debt discount and issuance costs of \$1,192,976 and \$1,003,789, net of accumulated amortization as of December 31, 2023 and 2022, respectively, are reported as a direct reduction of the obligation to which such costs relate. While the projects are under development, the amortization of the debt discount and issuance costs are capitalized. Thereafter, the amortization is reported as a component of interest expense using a method that approximates the effective interest method.

## 2. RIGHT-OF-USE ASSETS

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 originally recorded as a prepaid ground lease which is evidenced by a note secured by a leasehold deed of trust, see Note 7. The prepaid ground lease is reflected as an right-of-use (ROU) asset and will be amortized over the remaining lease term of the agreement. During the term of the ground lease, the Subsidiary will annually amortize the ROU asset by \$34,444. As of December 31, 2023 and 2022, the unamortized ROU asset was \$3,168,890 and \$3,203,335, respectively.

Everett Commons entered into a ground lease agreement with AHA commencing June 2017 for a period of 99 years ending June 1, 2116. The prepaid ground lease is reflected as an ROU asset and will be amortized over the remaining lease term of the agreement. Beginning January 1, 2022, in accordance with ASC 842 (Note 1), the prepaid ground lease and related deferred costs – ground lease are reflected as a ROU asset in the accompanying consolidated statements of financial position and will be amortized over the remaining lease term of the Agreement. During the term of the ground lease, the Subsidiary will annually amortize the ROU asset by \$160 annually. As of December 31, 2023 and 2022, the unamortized ROU asset was \$15,033 and \$15,193, respectively.

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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. Beginning January 1, 2022, in accordance with ASC 842 (Note 1), the prepaid ground lease and related deferred costs – ground lease are reflected as a ROU asset in the accompanying consolidated statements of financial position and will be amortized over the remaining lease term of the Agreement. During the term of the ground lease, the Subsidiary will annually amortize the ROU asset by \$173,834. As of December 31, 2023 and 2022, the unamortized ROU asset was \$12,452,819 and \$12,626,653, 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, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Reserves	\$ 753,567	\$ 629,509

### 4. PREACQUISITION COSTS

ICD capitalizes preacquisition costs until management determines the proposed development is not feasible, which is included in construction-in-progress in the accompanying consolidated financial statements. 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 costs are reclassified to construction-in-progress to be reimbursed by a newly formed consolidated entity using third party loans and capital contributions.

### 5. DEFERRED COSTS – TCAC FEES

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, 2023 and 2022, unamortized TCAC costs were \$114,792 and \$123,706, respectively.

### 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, 2023 and 2022, deposits were \$93,084 and \$370,244, respectively.

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**7. NOTES PAYABLE**

	2023	2022
A summary of ICD's financing arrangements as of December 31, 2023 and 2022 is as follows:		
<b>AHA North Housing loan</b> Various unsecured promissory notes payable to AHA for the purpose of funding development efforts of a project known as North Housing with maximum borrowings in the amount of \$6,108,000, with simple interest accruing at a rate of 3.00% commencing January 1, 2024. All unpaid principal and interest are due December 31, 2074. During 2022, the note was voided, and the unpaid balance was transferred to the \$7,500,000 AHA North Housing loan.	\$ -	\$ -
<b>AHA North Housing – additional loan</b> Note payable to AHA in the amount of \$130,000. Note shall bear simple interest at the rate of 3.00% annually. Interest payments will begin on January 1, 2024. All unpaid principal and interest are due on December 31, 2074. During 2022, the note was voided, and the unpaid balance was transferred to the \$7,500,000 AHA North Housing loan.	-	-
<b>AHA North Housing loan</b> Note payable to AHA for the purpose of funding development efforts of a project known as North Housing with maximum borrowings in the amount of \$7,500,000, with simple interest accruing at a rate of 3.00% commencing January 1, 2025. All unpaid principal and interest are due January 1, 2080.	7,500,000	7,500,000
<b>AHA Rosefield loan</b> Unsecured promissory note payable to AHA for the purpose of funding development efforts of Rosefield Village in the amount of \$1,026,000. The loan accrues interest at the rate of 2.00% and all unpaid principal and interest were due July 29, 2051. The loan was repaid during 2022.	-	-
<b>Total ICD notes payable</b>	<b>7,500,000</b>	<b>7,500,000</b>

A summary of the Littlejohn Commons financing arrangements as of December 31, 2023 and 2022 is as follows:

Note payable to California Community Reinvestment Corporation (CCRC) secured by a leasehold deed of trust with absolute assignment of leases and rents, security agreement and fixture filing. The CCRC note accrues and interest rate of 5.39% and requires monthly payments of principal and interest of \$19,709. All unpaid principal and interest are due March 1, 2034.	1,859,407	1,991,793
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.	174,589	195,740

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	2023	2022
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 and all unpaid principal and interest are due December 31, 2073.	3,520,516	3,520,516
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; and all unpaid principal and interest are due December 31, 2073.	3,410,000	3,410,000
Total Littlejohn Commons notes payable	8,964,512	9,118,049

A summary of the Rosefield Village financing arrangements as of December 31, 2023 and 2022 is as follows:

Note payable in the amount of \$16,576,088 dated August 1, 2020, payable to AHA (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 from Residual Receipts, all unpaid principal and interest are due December 31, 2077.	16,576,088	16,576,088
Note payable in the amount of \$515,683 dated March 24, 2021, and payable to the City of Alameda (HOME Fund) and secured by a subordinate deed of trust. The loan bears simple interest at a rate of 3.00% per annum. Principal and interest payments are made on May 1 from Residual Receipts and all unpaid principal and interest are due August 5, 2075.	516,683	515,683
Note payable to Bank of America N.A. with maximum borrowings of \$40,322,758 (the Construction Loan), secured by a deed of trust with interest accruing at 2.20%, payable monthly during construction. The Construction Loan was extended to October 10, 2023. In conjunction with the extension, the Partnership paid loan extension fees of \$100,807, which are included in interest expense in the accompanying statements of operations. The Construction loan was repaid on August 31, 2023 with proceeds from limited partner capital contributions and permanent loans.	-	36,663,151
Note payable to Greystone Servicing Company LLC (Greystone Loan) with maximum borrowings of \$13,858,000, secured by a deed of trust, accrues interest at 3.44% and requires monthly payments of \$51,113. The Greystone Loan is due on September 1, 2040.	12,426,982	-

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	2023	2022
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 County A1 Loan accrues simple interest at 3.00%. Principal and interest payments are made on May 1 from Residual Receipts and all unpaid principal and interest are due on August 1, 2075.	8,093,414	7,993,414
Note payable to HACA (AHA Funds Loan), secured by a subordinate deed of trust, bears no interest, payable from Residual Receipts. Unpaid principal is due on December 31, 2077.	8,018,052	1,483,052
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 City CDBG Loan bears simple interest at a rate of 2.33%, principal and interest payments are made on May 1 from Residual Receipts and all unpaid principal and interest are due April 1, 2074	633,912	633,912
<b>Total Rosefield Village notes payable</b>	<b>46,265,131</b>	<b>63,865,300</b>

A summary of the Everett Commons financing arrangements as of December 31, 2023 and 2022 is as follows:

Note payable to JPMorgan Chase Bank, N.A. (the Chase Loan), in the maximum amount of \$3,330,168, secured by a deed of trust, assignment of rents, security agreement and fixture filing, accrues interest at 5.55% and monthly payments of principal and interest of \$17,993. All unpaid principal and interest are due September 21, 2039.	3,191,387	3,226,642
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, accrues simple interest at 3.00%, payable from residual receipts and all 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, accrues interest at 2.68%, principal and interest payable annually from residual receipts; and all unpaid principal and interest are due December 31, 2074.	4,250,000	4,250,000

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	2023	2022
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	1,000,000
Total Everett Commons notes payable	8,594,669	8,629,924
<b>Total notes payable</b>	71,324,312	89,113,273
Less: unamortized debt discount and issuance costs	(1,192,976)	(1,276,037)
<b>Total notes payable, net</b>	\$ 70,131,336	\$ 87,837,236

Principal payments on notes payable are required as follows:

Year Ending December 31,	Amount
2024	\$ 365,305
2025	382,259
2026	399,509
2027	417,581
2028	436,026
Thereafter	69,323,632
	\$ 71,324,312

**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. In May 2022, the agreement was amended to extend through December 31, 2024, and during 2023 and 2022, ICD was charged and paid \$300,000 and \$200,000, respectively, for consulting services.

**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, 2023 and 2022, the Developers have entered into developer fee agreements in the amounts of \$7,290,000. ICD's portion (90.00%) has been eliminated during consolidation. As of December 31, 2023 and 2022, developer fees owed to AHA of \$61,000 and \$337,500, respectively, remain unpaid.

**Due to Affiliate** During 2021, AHA advanced \$197,000 to ICD. This advance is unsecured, does not bear interest, and is payable as cash flow permits. During 2022, the advance was repaid in full.

**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. COMMITMENTS**

In connection with the development and operations of the Projects, AHA and the Company, together as Guarantor, made certain guaranties regarding the duties and performance obligations of the

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Subsidiaries' general partners. These duties include, but are not limited to, ensuring complete development of the Projects, ensuring tax credit delivery, maintaining the Projects' 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.

### 10. 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:

<b>As of December 31,</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 3,403,084	\$ 4,057,436
Investments - CAMP Pool	15	14
Restricted funds	875,777	758,188
Less: Subsidiaries operating cash due to partnership and lender restrictions	(2,404,862)	(2,017,442)
Estimated financial assets available to meet general expenditures within one year	\$ 1,874,014	\$ 2,798,196

In addition to the financial assets available in the above table, for the years ended December 31, 2023 and 2022, AHA has committed an additional \$0 and \$0, 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, together as Guarantor, have provided limited guarantees to fund operating deficits (Note 9). As of December 31, 2023, ICD's management believes they have sufficient liquidity availability to meet its obligations for the coming year.

### 11. SALE OF STATE TAX CREDITS

During 2023, in connection with the development of Rosefield Village, the Company sold the TCAC reserved state tax credits of \$2,691,000 for \$2,287,350. The sale was recorded as other revenue in the accompanying consolidated statements of activities and the proceeds were concurrently loaned to the Constitution and Eagle, L.P. partnership. The loan was eliminated in consolidation.

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### **12. 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 consolidated financial statements, except as disclosed below.

On January 18, 2024, the Company created ICD Shinsei LLC, a California limited liability company (ICD Shinsei). On March 30, 2024, ICD Shinsei acquired a partnership interest for \$1 and was admitted as the substitute limited partner in Shinsei Gardens Apartments, L.P., a 39-unit affordable housing complex located in Alameda, California.

In 2024, the Company purchased and syndicated two phases of The North Housing master plan project through its subsidiaries and received approximately \$3,034,000 of capital contributions and \$82,192,000 of loan proceeds.

During 2024, the Company and the hotel owner mutually agreed to not move forward with the sale of the project to be known as Poppy Place. In connection with the terminated acquisition, the Company plans to dissolve ICD Webster, LLC in 2024.

**ISLAND CITY DEVELOPMENT AND SUBSIDIARIES**  
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CONSOLIDATING STATEMENT OF FINANCIAL POSITION

**SCHEDULE I**

**AS OF DECEMBER 31,**

**2023**

**Assets**

	Island City Development	Housing (a)	Pre- Consolidation	Eliminating Entries	Consolidated
Property, at cost:					
Land improvements	\$ -	\$ 5,370,720	\$ 5,370,720	\$ -	\$ 5,370,720
Buildings and improvements	-	74,187,130	74,187,130	(6,165,068)	68,022,062
Furniture and equipment	-	2,632,875	2,632,875	-	2,632,875
Construction-in-progress	7,780,757	-	7,780,757	-	7,780,757
<b>Total property</b>	<b>7,780,757</b>	<b>82,190,725</b>	<b>89,971,482</b>	<b>(6,165,068)</b>	<b>83,806,414</b>
Less accumulated depreciation	-	(7,505,596)	(7,505,596)	326,982	(7,178,614)
<b>Net property</b>	<b>7,780,757</b>	<b>74,685,129</b>	<b>82,465,886</b>	<b>(5,838,086)</b>	<b>76,627,800</b>
Cash and cash equivalents	1,873,999	1,529,085	3,403,084	-	3,403,084
Investments	15	-	15	-	15
Tenant accounts receivable, net	-	126,711	126,711	-	126,711
Other receivables	40,014	-	40,014	-	40,014
Note receivable	2,287,350	-	2,287,350	(2,287,350)	-
Due from affiliates	5,600	-	5,600	(5,600)	-
Right-of-use assets	-	15,636,742	15,636,742	-	15,636,742
Restricted funds:					
Reserves	-	753,567	753,567	-	753,567
Tenant security deposits	-	122,210	122,210	-	122,210
Developer fee receivable	2,435,000	-	2,435,000	(2,435,000)	-
Investment (deficit) in affiliates	(2,450,647)	-	(2,450,647)	2,450,647	-
Other prepaids	-	217,214	217,214	-	217,214
Deposits	-	93,084	93,084	-	93,084
Deferred costs - TCAC fees	-	114,792	114,792	-	114,792
<b>Total assets</b>	<b>\$ 11,972,088</b>	<b>\$ 93,278,534</b>	<b>\$ 105,250,622</b>	<b>\$ (8,115,389)</b>	<b>\$ 97,135,233</b>

(a) Sherman and Buena Vista, LP, 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,**

**2023**

**LIABILITIES AND NET ASSETS (DEFICIT)**

	<b>Island City Development</b>	<b>Housing (a)</b>	<b>Pre- Consolidation</b>	<b>Eliminating Entries</b>	<b>Consolidated</b>
Notes payable, net	\$ 7,500,000	\$ 64,918,686	\$ 72,418,686	\$ (2,287,350)	\$ 70,131,336
Accounts payable and accrued expenses	103,837	431,339	535,176	(7,341)	527,835
Accrued construction and development costs	702,612	70,415	773,027	-	773,027
Accrued Partnership Management Fee payable	-	45,434	45,434	(45,434)	-
Accrued interest payable	-	3,068,135	3,068,135	-	3,068,135
Developer fees payable	61,000	2,435,000	2,496,000	(2,435,000)	61,000
Accrued Asset Management Fee payable	-	15,967	15,967	-	15,967
Prepaid rents	-	7,627	7,627	-	7,627
Tenant security deposits	-	119,354	119,354	-	119,354
<b>Total liabilities</b>	<b>8,367,449</b>	<b>71,111,957</b>	<b>79,479,406</b>	<b>(4,775,125)</b>	<b>74,704,281</b>
<b>Net assets (deficit)</b>					
Net assets without donor restrictions					
Controlling interests	3,604,639	(2,496,079)	1,108,560	(3,340,264)	(2,231,704)
Noncontrolling interests	-	24,662,656	24,662,656	-	24,662,656
<b>Total net assets (deficit)</b>	<b>3,604,639</b>	<b>22,166,577</b>	<b>25,771,216</b>	<b>(3,340,264)</b>	<b>22,430,952</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 11,972,088</b>	<b>\$ 93,278,534</b>	<b>\$ 105,250,622</b>	<b>\$ (8,115,389)</b>	<b>\$ 97,135,233</b>

(a) Sherman and Buena Vista, LP, 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 (DEFICIT)

**FOR THE YEAR ENDED DECEMBER 31,**
**2023**

	Island City Development	Housing (a)	Pre- Consolidation	Eliminating Entries	Consolidated
<b>Revenue:</b>					
Residential rent	\$ -	\$ 1,539,739	\$ 1,539,739	\$ -	\$ 1,539,739
Tenant subsidies	-	1,690,153	1,690,153	-	1,690,153
Total rental revenue	-	3,229,892	3,229,892	-	3,229,892
Equity in earnings (loss) of investments	(503)	-	(503)	503	-
Other revenue	2,334,558	52,988	2,387,546	(41,351)	2,346,195
Total other revenue	2,334,055	52,988	2,387,043	(40,848)	2,346,195
<b>Total revenue</b>	<b>2,334,055</b>	<b>3,282,880</b>	<b>5,616,935</b>	<b>(40,848)</b>	<b>5,576,087</b>
<b>Expenses:</b>					
Program services-housing	-	8,273,108	8,273,108	(108,700)	8,164,408
Supporting services	348,384	41,351	389,735	(41,351)	348,384
<b>Total operating expenses</b>	<b>348,384</b>	<b>8,314,459</b>	<b>8,662,843</b>	<b>(150,051)</b>	<b>8,512,792</b>
Change in net assets	1,985,671	(5,031,579)	(3,045,908)	109,203	(2,936,705)
Contributions - noncontrolling interests	-	18,055,924	18,055,924	-	18,055,924
Total changes in net assets	1,985,671	13,024,345	15,010,016	109,203	15,119,219
Net assets (deficits), beginning of the year	1,618,968	9,142,232	10,761,200	(3,449,467)	7,311,733
<b>Net assets (deficits), end of the year</b>	<b>\$ 3,604,639</b>	<b>\$ 22,166,577</b>	<b>\$ 25,771,216</b>	<b>\$ (3,340,264)</b>	<b>\$ 22,430,952</b>

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

See independent auditor's report.

**PERSONAL & CONFIDENTIAL**

October 24, 2024

Mr. Louie So  
Chief Financial Officer  
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, 2023, and have issued our report thereon dated October 24, 2024. 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 agreement dated August 22, 2024. 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 2023. 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 2023.

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 24, 2024.

*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.

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,

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

HOLTHOUSE CARLIN & VAN TRIGT LLP

Client: 0900022.0 - Island City Development, Inc.  
 Engagement: 2023 AUD - Island City Development  
 Period Ending: 12/31/2023  
 Trial Balance: A.40.1 - ICD TB  
 Workpaper: A.30.01 - ICD - AJE Report

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 101</b>		<b>C-1</b>		
To record investment income for pass through of partnership management fees on C&E.				
1320010	Investments - Other		7,210.00	
7150020	Other Management Fees			7,210.00
<b>Total</b>			<b>7,210.00</b>	<b>7,210.00</b>

<b>Adjusting Journal Entries JE # 102</b>		<b>E-1</b>		
to record note receivable for C&E sponsor loan and recognize revenue for sale of credits				
1350106	Loan Receivable - ICD		2,287,350.00	
7110090	Other Miscellaneous Revenue			2,287,350.00
<b>Total</b>			<b>2,287,350.00</b>	<b>2,287,350.00</b>

Client: 0900022.0 - Island City Development, Inc.  
 Engagement: 2023 AUD - Island City Development  
 Period Ending: 12/31/2023  
 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
<b>Eliminating Journal Entries JE # 301</b>		<b>X-1</b>		
To eliminate developer fee revenue, capitalized developer fees, related depreciation expense and accumulated depreciation.				
1660030	Accumulated Deprecation		106,959.00	
3330300	Developer Fee Payable		2,435,000.00	
1210000	Accounts Receivable - PHA			2,435,000.00
9740000	Depreciation Expense			106,959.00
<b>Total</b>			<b>2,541,959.00</b>	<b>2,541,959.00</b>

<b>Eliminating Journal Entries JE # 302</b>		<b>A.10.1</b>		
to rollforward PY EJE				
1320010	Investments - Other		2,495,578.00	
1660030	Accumulated Deprecation		220,023.00	
5090000	Unrestricted		3,449,467.00	
1620030	Buildings			6,165,068.00
<b>Total</b>			<b>6,165,068.00</b>	<b>6,165,068.00</b>

<b>Eliminating Journal Entries JE # 303</b>		<b>E-1</b>		
To eliminate intercompany (due to/from) with subsidiaries.				
3470050	Interprogram (Due to)	7,341.00		
1440110	Interprogram (Due From)		5,600.00	
9500200	Other Expense		1,741.00	
<b>Total</b>		<b><u>7,341.00</u></b>	<b><u>7,341.00</u></b>	
<b>Eliminating Journal Entries JE # 304</b>		<b>C-1</b>		
To eliminate Partnership Management Fee Income/Expense, Partnership Management Fee Payables/Receivables, and Investments in Subsidiaries.				
3330010	Account Payable - Other Government	45,434.00		
7150020	Other Management Fees	41,351.00		
1320010	Investments - Other		45,434.00	
9160281.2	AHA Management Fee (GP)		41,351.00	
<b>Total</b>		<b><u>86,785.00</u></b>	<b><u>86,785.00</u></b>	
<b>Eliminating Journal Entries JE # 305</b>		<b>E-1</b>		
to eliminate note payable/receivable for C&E state credit loan				
3510120	Mortgage Loan #2	2,287,350.00		
1350106	Loan Receivable - ICD		2,287,350.00	
<b>Total</b>		<b><u>2,287,350.00</u></b>	<b><u>2,287,350.00</u></b>	
<b>Eliminating Journal Entries JE # 307</b>		<b>C-1</b>		
To eliminate equity in Earnings/Loss.				
1320010	Investments - Other	503.00		
8100200	(Gain)/Loss Disposal of Assets		503.00	
<b>Total</b>		<b><u>503.00</u></b>	<b><u>503.00</u></b>	

# IRS E-file Signature Authorization for a Tax Exempt Entity

For calendar year 2023, or fiscal year beginning \_\_\_\_\_, 2023, and ending \_\_\_\_\_, 20\_\_\_\_\_

# 2023

Department of the Treasury  
Internal Revenue Service

**Do not send to the IRS. Keep for your records.**  
Go to [www.irs.gov/Form8879TE](http://www.irs.gov/Form8879TE) for the latest information.

Name of filer <b>ISLAND CITY DEVELOPMENT</b>	EIN or SSN <b>47-2164827</b>
Name and title of officer or person subject to tax <b>VANESSA COOPER, PRESIDENT</b>	

## Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a 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, 7b, 8b, 9b, or 10b, 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.

<b>1a</b> Form 990 check here <input checked="" type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990, Part VIII, column (A), line 12)	<b>1b</b> 2,334,055.
<b>2a</b> Form 990-EZ check here <input type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990-EZ, line 9)	<b>2b</b> _____
<b>3a</b> Form 1120-POL check here <input type="checkbox"/>	<b>b</b> Total tax (Form 1120-POL, line 22)	<b>3b</b> _____
<b>4a</b> Form 990-PF check here <input type="checkbox"/>	<b>b</b> Tax based on investment income (Form 990-PF, Part IV, line 5)	<b>4b</b> _____
<b>5a</b> Form 8868 check here <input type="checkbox"/>	<b>b</b> Balance due (Form 8868, line 3c)	<b>5b</b> _____
<b>6a</b> Form 990-T check here <input type="checkbox"/>	<b>b</b> Total tax (Form 990-T, Part III, line 4)	<b>6b</b> _____
<b>7a</b> Form 4720 check here <input type="checkbox"/>	<b>b</b> Total tax (Form 4720, Part III, line 1)	<b>7b</b> _____
<b>8a</b> Form 5227 check here <input type="checkbox"/>	<b>b</b> FMV of assets at end of tax year (Form 5227, Item D)	<b>8b</b> _____
<b>9a</b> Form 5330 check here <input type="checkbox"/>	<b>b</b> Tax due (Form 5330, Part II, line 19)	<b>9b</b> _____
<b>10a</b> Form 8038-CP check here <input type="checkbox"/>	<b>b</b> Amount of credit payment requested (Form 8038-CP, Part III, line 22)	<b>10b</b> _____

## 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 entity or  I am a person subject to tax with respect to (name of entity) \_\_\_\_\_ (EIN) \_\_\_\_\_ and that I have examined a copy of the 2023 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 CARLSON & 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 2023 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 entity, I will enter my PIN as my signature on the tax year 2023 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 2023 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 11/05/2024

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

Return of Organization Exempt From Income Tax

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

2023

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

Header section A-M containing organization details: ISLAND CITY DEVELOPMENT, 701 ATLANTIC AVENUE, ALAMEDA, CA 94501. Includes tax-exempt status (501(c)(3)), website (https://www.islandcitydevelopment.org), and year of formation (2014).

Part I Summary

Table with 4 columns: Line number, Description, Prior Year, Current Year. Rows include mission statement (LOW-INCOME HOUSING), governance questions, revenue (Total: 2,334,055), expenses (Total: 1,985,671), and net assets (Total: 3,604,639).

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.

Signature of officer: VANESSA COOPER, PRESIDENT. Date: 11/05/2024.

Paid Preparer Use Only section: Preparer JONATHAN SIAO, FIRM HOLTHOUSE CARLIN & VAN TRIGT LLP, 11444 W OLYMPIC BLVD, LOS ANGELES, CA 90064.

May the IRS discuss this return with the preparer shown above? See instructions. [X] 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

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  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  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 \$ 23,186.)

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 \$ 10,955.)

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.

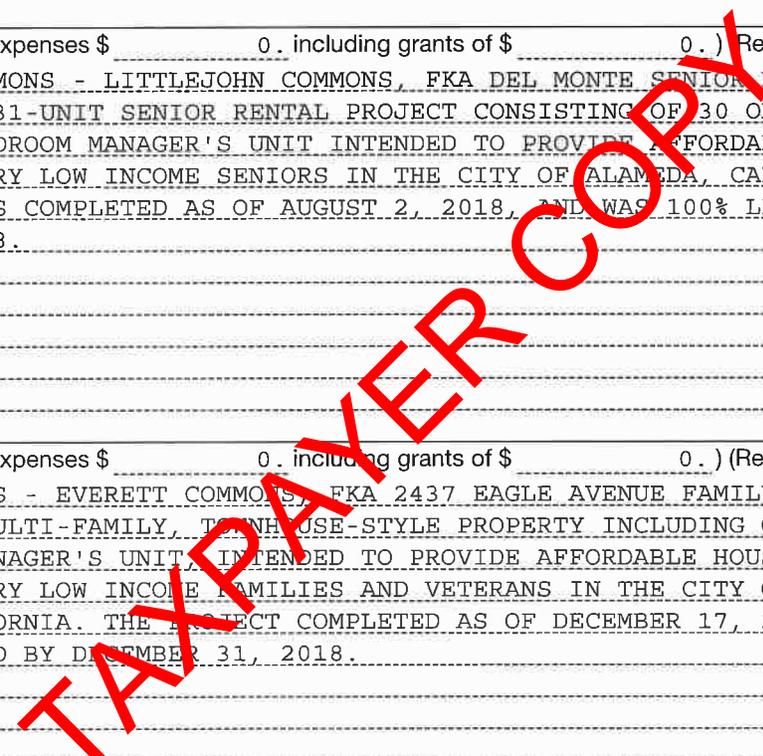
4c (Code: ) (Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 7,211.)

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. THE PROJECT WAS PLACED IN SERVICE IN 2022.

4d Other program services (Describe on Schedule O.)

(Expenses \$ 0. including grants of \$ 0.) (Revenue \$ 0.) See Statement

4e Total program service expenses 0.



Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Question text, Yes, No. Rows include questions 1 through 21 regarding various organizational requirements and schedules.

TAXPAYER COPY

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question, Yes, No. Rows 22-38 covering various organizational requirements and schedules.

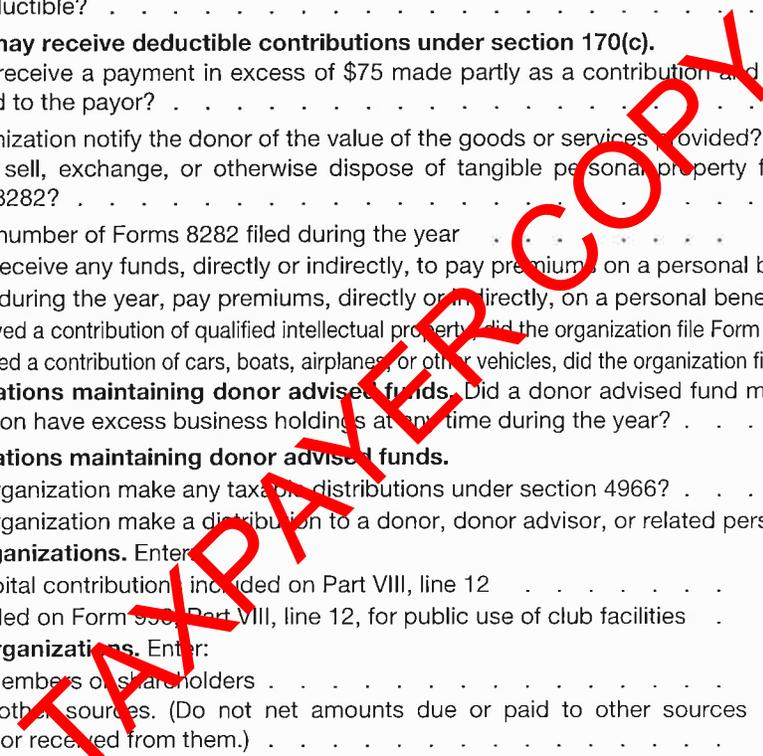
Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with 3 columns: Question, Yes, No. Rows 1a-1c regarding Form 1096, Forms W-2G, and backup withholding rules.

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 sections for employee reporting, 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 [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year. 1b Enter the number of voting members included on line 1a, above, who are independent. 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? 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? 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 5 Did the organization become aware during the year of a significant diversion of the organization's assets? 6 Did the organization have members or stockholders? 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? 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? 8b Each committee with authority to act on behalf of the governing body? 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? 10b 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? 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11b Describe on 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. 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done. 13 Did the organization have a written whistleblower policy? 14 Did the organization have a written document retention and destruction policy? 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? 15a The organization's CEO, Executive Director, or top management official. 15b Other officers or key employees of the organization. If "Yes" to line 15a or 15b, describe the process on 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? 16b 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?

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. [X] Own website [X] Another's website [X] 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 the 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, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) 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 the 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 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/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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.	341,829.	78,064.
(2) GREGORY KATS SECRETARY/TREASURER	0.25 36.00	X		X				0.	207,772.	41,267.
(3) CARLY GROB VICE PRESIDENT	0.25 36.00	X		X				0.	500.	0.
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

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**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/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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)										
<b>1b Subtotal</b>							0.	550,101.	119,331.	
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>							0.	550,101.	119,331.	

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**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

	Yes	No
<b>3</b> 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
<b>4</b> 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	
<b>5</b> 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

**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 . . . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . . .	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f . . . . .	1g	\$				
	h	<b>Total.</b> Add lines 1a-1f . . . . .						
Program Service Revenue	2a	MANAGEMENT FEES	Business Code 541640	41,352.	41,352.	0.	0.	
	b							
	c							
	d							
	e							
	f	All other program service revenue . . . . .						
	g	<b>Total.</b> Add lines 2a-2f . . . . .			41,352.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .			0.	0.	1.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties . . . . .						
	6a	Gross rents . . . . .	6a	(i) Real				
				(ii) Personal				
	b	Less: rental expenses	6b					
	c	Rental income or (loss)	6c					
	d	Net rental income or (loss)						
	7a	Gross amount from sales of assets other than inventory	7a	(i) Securities				
				(ii) Other	2,287,350.			
	b	Less: cost or other basis and sales expenses . . . . .	7b		0.			
	c	Gain or (loss) . . . . .	7c		2,287,350.			
	d	Net gain or (loss)		2,287,350.	0.	0.	2,287,350.	
8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 . . . . .	8a						
b	Less: direct expenses . . . . .	8b						
c	Net income or (loss) from fundraising events . . . . .							
9a	Gross income from gaming activities. See Part IV, line 19 . . . . .	9a						
b	Less: direct expenses . . . . .	9b						
c	Net income or (loss) from gaming activities . . . . .							
10a	Gross sales of inventory, less returns and allowances . . . . .	10a						
b	Less: cost of goods sold . . . . .	10b						
c	Net income or (loss) from sales of inventory . . . . .							
Miscellaneous Revenue	11a	EQUITY IN EARNINGS (LOSS) ON INVESTMENT	Business Code 541640	-503.	0.	0.	-503.	
	b	INTEREST ADJUSTMENT	541640	5,855.	0.	0.	5,855.	
	c							
	d	All other revenue . . . . .						
	e	<b>Total.</b> Add lines 11a-11d . . . . .			5,352.			
12	<b>Total revenue.</b> See instructions . . . . .			2,334,055.	41,352.	0.	2,292,703.	

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**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
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	0.	0.	0.	0.
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	0.	0.	0.	0.
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
<b>9</b> Other employee benefits				
<b>10</b> Payroll taxes				
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management				
<b>b</b> Legal	544.	0.	544.	0.
<b>c</b> Accounting	45,636.	0.	45,636.	0.
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees				
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)				
<b>12</b> Advertising and promotion				
<b>13</b> Office expenses				
<b>14</b> Information technology				
<b>15</b> Royalties				
<b>16</b> Occupancy	2,000.	0.	2,000.	0.
<b>17</b> Travel				
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings				
<b>20</b> Interest				
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization				
<b>23</b> Insurance				
<b>24</b> 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.)				
<b>a</b> DEVELOPMENT CONSULTING	300,000.	0.	300,000.	0.
<b>b</b> STATE TAXES	204.	0.	204.	0.
<b>c</b>				
<b>d</b>				
<b>e</b> All other expenses				
<b>25 Total functional expenses.</b> Add lines 1 through 24e	348,384.	0.	348,384.	0.
<b>26 Joint costs.</b> 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)				

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**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	<b>1</b> Cash—non-interest-bearing . . . . .	2,798,182.	<b>1</b>	1,873,999.
	<b>2</b> Savings and temporary cash investments . . . . .	14.	<b>2</b>	15.
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	9,296.	<b>4</b>	40,014.
	<b>5</b> 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 . . . . .		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .	0.	<b>7</b>	2,287,350.
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .		<b>9</b>	
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b>		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b>		<b>10c</b>
	<b>11</b> Investments—publicly traded securities . . . . .		<b>11</b>	
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	6,762,416.	<b>15</b>	7,770,710.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 33) . . . . .	9,569,908.	<b>16</b>	11,972,088.	
Liabilities	<b>17</b> Accounts payable and accrued expenses . . . . .	111,524.	<b>17</b>	164,837.
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> 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 . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> 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 . . . . .	7,839,416.	<b>25</b>	8,202,612.
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	7,950,940.	<b>26</b>	8,367,449.
Net Assets or Fund Balances	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions . . . . .	1,618,968.	<b>27</b>	3,604,639.
	<b>28</b> Net assets with donor restrictions . . . . .		<b>28</b>	
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds . . . . .		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>31</b>	
<b>32</b> Total net assets or fund balances . . . . .	1,618,968.	<b>32</b>	3,604,639.	
<b>33</b> Total liabilities and net assets/fund balances . . . . .	9,569,908.	<b>33</b>	11,972,088.	

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**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	2,334,055.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	348,384.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	1,985,671.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	1,618,968.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	3,604,639.

**Part XII Financial Statements and Reporting**

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

		Yes	No
<b>1</b>	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 on Schedule O.		
<b>2a</b>	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>b</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	
<b>c</b>	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	
<b>3a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?		X
<b>b</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.		

REV 05/09/24 PRO

Form **990** (2023)

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Form 990: Return of Organization Exempt from Income Tax

Part III: Line 4d (continued)

Continuation Statement

(Code: ) (Expenses \$0 including grants of \$0) (Revenue \$0)
NORTH HOUSING- NORTH HOUSING PROJECT INCLUDES THE DEVELOPMENT OF 12 ACRES OF FORMER MILITARY LAND INTO A NEW NEW AFFORDABLE MIXED INCOME NEIGHBORHOOD WITH A TARGET OF 586 NEW RENTAL HOMES BY 2030. THIS PROJECT IS IN THE PREDEVELOPMENT STAGE AS OF DECEMBER 31, 2022.
IN 2022 ICD CREATED THE FOLLOWING LEGAL ENTITIES FOR
(Code: ) (Expenses \$0 including grants of \$0) (Revenue \$0)
FOR PLANNED FUTURE AFFORDABLE HOUSING ACQUISITION AND LOW-INCOME HOUSING TAX CREDIT DEVELOPMENT: LAKEHURST AND MOSELY LP ICD LAKEHURST LLC MOSELY AND MABUHAY LP ICD MOSELY LLC MABUHAY AND LAKEHURST LP
(Code: ) (Expenses \$0 including grants of \$0) (Revenue \$0)
ICD MABUHAY LLC ICD WEBSTER LLC

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**SCHEDULE A  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public  
Inspection**

Name of the organization <b>ISLAND CITY DEVELOPMENT</b>	Employer identification number <b>47-2164827</b>
--	---

**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).)
- 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)(vi).** (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 33 1/3% 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 33 1/3% 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 on 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)						
<b>Total</b>					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) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(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 <b>Total.</b> 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 <b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(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 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions) . . . . .					12	
13 <b>First 5 years.</b> 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 <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f)) . . . . .	14	%
15 Public support percentage from 2022 Schedule A, Part II, line 14 . . . . .	15	%
16a <b>33 1/3% support test—2023.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
b <b>33 1/3% support test—2022.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
17a <b>10%-facts-and-circumstances test—2023.</b> 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 <b>stop here.</b> 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 <b>10%-facts-and-circumstances test—2022.</b> 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 <b>stop here.</b> 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 <b>Private foundation.</b> 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) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> 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 . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . .						
<b>6 Total.</b> Add lines 1 through 5 . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . .						
<b>b</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 . . . .						
<b>c</b> Add lines 7a and 7b . . . .						
<b>8 Public support.</b> (Subtract line 7c from line 6.) . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
<b>9</b> Amounts from line 6 . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources . . . .						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . .						
<b>c</b> Add lines 10a and 10b . . . .						
<b>11</b> Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . . . .						
<b>13 Total support.</b> (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**

<b>15</b> Public support percentage for 2023 (line 8, column (f), divided by line 13, column (f)) . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2022 Schedule A, Part III, line 15 . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f)) . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from 2022 Schedule A, Part III, line 17 . . . .	<b>18</b>	%

**19a 33 1/3% support tests—2023.** 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—2022.** 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 on line 12 of 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? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	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)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		X
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer lines 3b and 3c below.		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)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.		X
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		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)? If "Yes," explain in <b>Part VI</b> 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.		X
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in <b>Part VI</b> , 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).		X
b <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		X
c <b>Substitutions only.</b> 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? If "Yes," provide detail in <b>Part VI</b> .		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? If "Yes," complete Part I of Schedule L (Form 990).		X
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? If "Yes," complete Part I of Schedule L (Form 990).		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))? If "Yes," provide detail in <b>Part VI</b> .		X
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .		X
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .		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)? If "Yes," answer line 10b below.		X
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		X

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**Part IV Supporting Organizations (continued)**

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

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> 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 <b>Part VI</b> 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.	X	
<b>2</b> 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 <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		X

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> 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 <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<b>1</b>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> 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?		
<b>1</b>		
<b>2</b> 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 <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>2</b>		
<b>3</b> By reason of the relationship described on 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 <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<b>3</b>		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a governmental entity (see instructions).		
<b>2</b> Activities Test. Answer lines 2a and 2b below.	Yes	No
<b>a</b> 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 <b>Part VI</b> 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.		
<b>2a</b>		
<b>b</b> Did the activities described on 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 <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
<b>2b</b>		
<b>3</b> Parent of Supported Organizations. Answer lines 3a and 3b below.		
<b>a</b> 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 <b>Part VI</b> .		
<b>3a</b>		
<b>b</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 <b>Part VI</b> the role played by the organization in this regard.		
<b>3b</b>		

**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	<b>Adjusted Net Income</b> (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	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):		
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 (or 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	<b>Minimum Asset Amount</b> (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	<b>Distributable Amount.</b> 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	<b>Total annual distributions.</b> 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 2023 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-2023	(iii) Distributable Amount for 2023
1	Distributable amount for 2023 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2023 (reasonable cause required—explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2023		
a	From 2018 . . . . .		
b	From 2019 . . . . .		
c	From 2020 . . . . .		
d	From 2021 . . . . .		
e	From 2022 . . . . .		
f	<b>Total</b> of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2023 distributable amount		
i	Carryover from 2018 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2023 from Section D, line 7:		
a	Applied to underdistributions of prior years		
b	Applied to 2023 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2023, 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 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	<b>Excess distributions carryover to 2024.</b> Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2019 . . . . .		
b	Excess from 2020 . . . . .		
c	Excess from 2021 . . . . .		
d	Excess from 2022 . . . . .		
e	Excess from 2023 . . . . .		

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**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.

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2023

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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.

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, and questions about donor advisement.

Part II Conservation Easements

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

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include purpose(s) of conservation easements, total number, acreage, and monitoring expenses.

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.

Table with 2 columns: Description, Amount. Rows include questions about reporting art and historical treasures under FASB ASC 958.

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?

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?
b If "Yes," explain the arrangement in Part XIII and complete the following table.
Table with columns: Amount, and rows: c Beginning balance, d Additions during the year, e Distributions during the year, f Ending balance.
2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?
b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds

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

- Table with columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a-1g (Beginning of year balance, Contributions, Net investment earnings, gains, and losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, 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?
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.

Table with columns: Description of property, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 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, line 10c, column (B))

**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) . . . . .		
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 12, col. (B)) . . . . .		

**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)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 13, col. (B)) . . . . .		

**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	7,780,757.
(2) DEVELOPER FEE RECEIVABLE	2,435,000.
(3) INVESTMENT IN AFFILIATES	-2,450,647.
(4) DUE FROM AFFILIATES	5,600.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 15, col. (B)) . . . . .	7,770,710.

**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	7,500,000.
(3) ACCRUED DEVELOPER FEE	702,612.
(4) DUE TO/FROM AFFILIATES	0.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 25, col. (B)) . . . . .	8,202,612.

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 . . . . .		<b>1</b>	5,576,087.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>		
b	Donated services and use of facilities . . . . .	<b>2b</b>		
c	Recoveries of prior year grants . . . . .	<b>2c</b>		
d	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	3,242,032.	
e	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	3,242,032.
3	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	2,334,055.
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 . . . . .	<b>4a</b>		
b	Other (Describe in Part XIII.) . . . . .	<b>4b</b>		
c	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	
5	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) . . . . .		<b>5</b>	2,334,055.

**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 . . . . .		<b>1</b>	8,512,792.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities . . . . .	<b>2a</b>		
b	Prior year adjustments . . . . .	<b>2b</b>		
c	Other losses . . . . .	<b>2c</b>		
d	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	8,164,408.	
e	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	8,164,408.
3	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	348,384.
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 . . . . .	<b>4a</b>		
b	Other (Describe in Part XIII.) . . . . .	<b>4b</b>		
c	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	
5	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) . . . . .		<b>5</b>	348,384.

**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. THERE ARE NO CURRENT TAX EXAMINATIONS PENDING.

Pt XI, Line 2d: INCOME (\$3,282,880) AND EXPENSES (\$8,314,459) FROM AFFILIATES INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS AS PER GAAP, AND THEIR ELIMINATING ENTRIES (\$109,203) 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

**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public  
Inspection**

Name of the organization

Employer identification number

ISLAND CITY DEVELOPMENT

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:

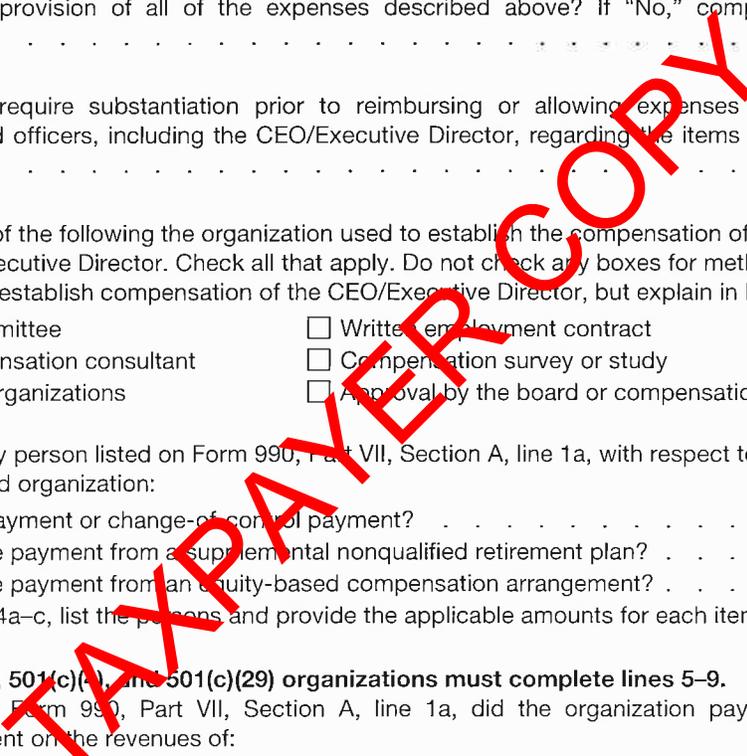
- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" on line 6a or 6b, describe in Part III.

**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 and/or 1099-NEC compensation						(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	(C) Retirement and other deferred compensation	(D) Nontaxable benefits			
1 VANESSA COOPER PRESIDENT	0. 341,829.	0. 0.	0. 0.	41,144.	0. 36,920.	0. 419,893.	0. 0.	
2 GREGORY KATS SECRETARY/TREASURER	0. 207,772.	0. 0.	0. 0.	13,794.	0. 27,473.	0. 249,039.	0. 0.	
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								

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**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.

Lined area for supplemental information.

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**SCHEDULE L  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c; or Form 990-EZ, Part V, line 38a or 40b.

Attach to Form 990 or Form 990-EZ.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public Inspection**

Name of the organization <b>ISLAND CITY DEVELOPMENT</b>	Employer identification number <b>47-2164827</b>
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**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only)  
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b; or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 \$ \_\_\_\_\_

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons**  
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 32a, or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
			(1)									
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
<b>Total</b>						\$						

**Part III Grants or Assistance Benefiting Interested Persons**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

For Paperwork Reduction Act Notice, see the instructions for Form 990 or 990-EZ.

Schedule L (Form 990) 2023

BAA

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**Part IV Business Transactions Involving Interested Persons**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) VANESSA COOPER	BOARD MEMBER	419,893.	ALSO SERVES ON BOARDS OF AFFILIATED ENTITIES		X
(2) GREGORY KATS	BOARD MEMBER	249,039.	ALSO SERVES ON BOARDS OF AFFILIATED ENTITIES		X
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

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

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**SCHEDULE O  
(Form 990)**

**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.

**2023**

Attach to Form 990 or Form 990-EZ.

**Open to Public Inspection**

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization

ISLAND CITY DEVELOPMENT

Employer identification number

47-2164827

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

SALARY AND OTHER COMPENSATION ARE PAID AND REPORTED BY AFFILIATE.

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

Pt VI, Line 19: THE FORMS 990 ARE AVAILABLE TO THE PUBLIC AT [WWW.ISLANDCITYDEVELOPMENT.ORG](http://WWW.ISLANDCITYDEVELOPMENT.ORG).,

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 REVIEWED BY THE BOARD OF

DIRECTORS.

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 VII, Col (E): SEE EXPLANATION FOR Pt VI, Line 15a, ABOVE.

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 NEW AFFORDABLE MIXED INCOME NEIGHBORHOOD WITH A TARGET

OF 586 NEW RENTAL HOMES BY 2030. THIS PROJECT IS IN THE PREDEVELOPMENT STAGE AS OF DECEMBER 31, 2022.

IN 2022 ICD CREATED THE FOLLOWING LEGAL ENTITIES FOR

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

Description: FOR PLANNED FUTURE AFFORDABLE HOUSING ACQUISITION

AND LOW-INCOME HOUSING TAX CREDIT DEVELOPMENT: LAKEHURST AND MOSELY LP

ICD LAKEHURST LLC MOSELY AND MABUHAY LP

ICD MOSELY LLC MABUHAY AND LAKEHURST LP

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

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

Description: ICD MABUHAY LLC

ICD WEBSTER LLC

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**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**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	11,015.	37,620.	ISLAND CITY DEVELOPMENT
(2) DEL MONTE SENIOR LLC 38-4009678 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	23,255.	317,457.	ISLAND CITY DEVELOPMENT
(3) ROSEFIELD LLC 32-0583648 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	7,403.	2,006,819.	ISLAND CITY DEVELOPMENT
(4) ICD WEBSTER LLC 88-2791426 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	0.	0.	ISLAND CITY DEVELOPMENT
(5) ICD MOSLEY LLC 88-2370668 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	0.	0.	ISLAND CITY DEVELOPMENT
(6) See Statement			0.	0.	

**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	23,137.	4,380,023.		X	0.	X		0.01
(2) EVERETT AND EAGLE LP 37-1854574 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD	RELATED	10,888.	138,665.		X	0.	X		0.01
(3) STARBELL COMMONS, L.P. 47-3210229 2220 OXFORD STREET BERKELEY CA 94704	LOW INCOME HOUSING	CA	STARBELL COMMONS, LP	RELATED	0.	4,926.		X	0.		X	0.10
(4) CONSTITUTION AND EAGLE LP 83-2961811 701 ATLANTIC AVENUE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD	RELATED	-134,281.	3,824,549.		X	0.	X		0.01
(5) MOSLEY AND MABUHAY LP 88-2394919 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD MOSLEY LLC	RELATED	0.	0.		X	0.	X		0.01
(6) MABUHAY AND LAKEHURST LP 88-2433716 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD MABUHAY LLC	RELATED	0.	0.		X	0.	X		0.01
(7) LAKEHURST AND MOSLEY LP 88-2633882 701 ATLANTIC AVE ALAMEDA CA 94501	LOW INCOME HOUSING	CA	ICD LAKEHURST LLC	RELATED	0.	0.		X	0.	X		0.01

**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.

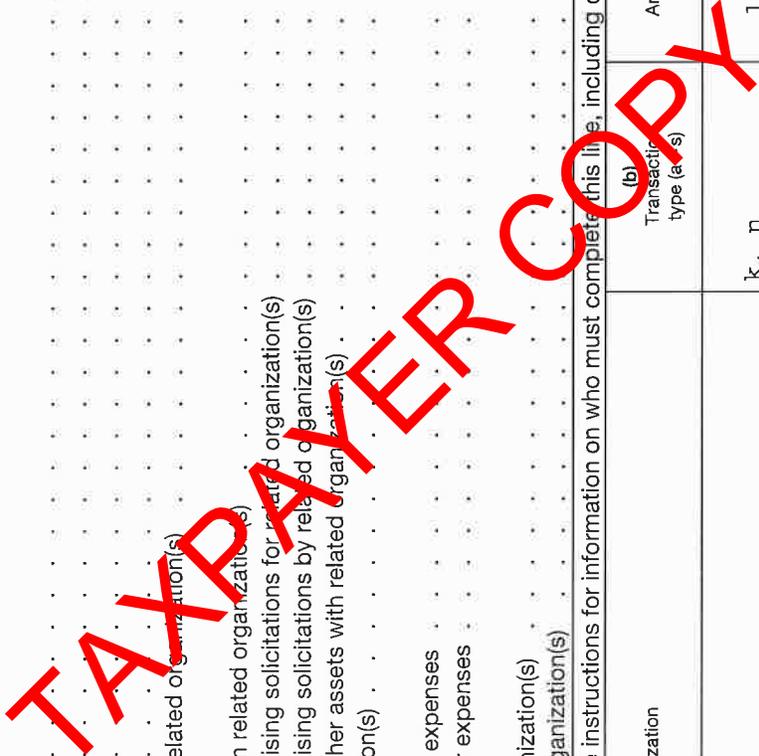
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled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

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**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	15,636,742.	COST
(2) ALAMEDA HOUSING AUTHORITY	o	669,432.	COST
(3) ALAMEDA HOUSING AUTHORITY	m	300,000.	COST
(4) ALAMEDA HOUSING AUTHORITY	m	61,000.	COST
(5) EVERETT & EAGLE LP	d	87,500.	COST
(6) CONSTITUTION AND EAGLE LP	d	189,000.	COST

**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)													

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**Part VII**

**Supplemental Information**

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

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Schedule R: Related Organizations and Unrelated Partnerships

Part I: Identification of Disregarded Entities

Continuation Statement

Name, address, and EIN (if applicable) of disregarded entity	Primary activity	Legal domicile (state or foreign country)	Total income	End-of-year assets	Direct controlling entity
ICD LAKEHURST LLC 88-1840815 701 ATLANTIC AVE ALAMEDA, CA 94501	LOW INCOME HOUSING	CA	0.	0.	ISLAND CITY DEVELOPMENT
ICD MABUHAY LLC 88-2412875 701 ATLANTIC AVE ALAMEDA, CA 94501	LOW INCOME HOUSING	CA	0.	0.	ISLAND CITY DEVELOPMENT
			0.	0.	

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Date Accepted \_\_\_\_\_

DO NOT MAIL THIS FORM TO THE FTB

TAXABLE YEAR

2023

# 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 or unrelated business taxable income (Form 199, line 4 or Form 109, line 5)	1	2,334,055.
2 Total gross income or total tax (Form 199, line 8 or Form 109, line 14)	2	2,334,055.
3 Total expenses and disbursements (Form 199, line 9)	3	348,384.
4 Tax due (Form 109, line 23)	4	
5 Overpayment (Form 109, line 24)	5	

### Part II Settle Your Account Electronically for Taxable Year 2023

6  Direct Deposit of refund (Form 109 only.)

7  Electronic funds withdrawal      7a Amount \_\_\_\_\_      7b Withdrawal date (mm/dd/yyyy) \_\_\_\_\_

### Part III Schedule of Estimated Tax Payments for Taxable Year 2024 (These are NOT installment payments for the current amount the exempt organization owes.)

	First Payment	Second Payment	Third Payment	Fourth Payment
8 Amount				
9 Withdrawal Date				

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

10 Routing number \_\_\_\_\_

11 Account number \_\_\_\_\_      12 Type of account:  Checking       Savings

### Part V Declaration of Officer

I authorize the exempt organization's account to be settled as designated in Part II. If I check Part II, box 6, I declare that the bank account specified in Part IV for the direct deposit refund agrees with the authorization stated on my return. If I check Part II, box 7, I authorize an electronic funds withdrawal for the amount listed on line 7a and any estimated payment amounts listed on Part III, line 8 from the bank account specified in Part IV.

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 2023 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 the Franchise Tax Board (FTB) does not receive full and timely payment of the exempt organization's tax liability, the exempt organization will remain liable for the tax liability and all applicable interest and penalties. I authorize the exempt organization return and accompanying schedules and statements to 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 or the date when the refund was sent.**

**Sign Here**      Signature of officer \_\_\_\_\_      Date \_\_\_\_\_      Title **PRESIDENT**

### Part VI 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, 2023 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 11/05/2024      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 11/05/2024      Check if self-employed       Paid preparer'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**

California Exempt Organization Annual Information Return

2023

199

Calendar Year 2023 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... 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 Payments. Includes columns for line number, description, and amount.

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 taxpayer) is based on all information of which preparer has any knowledge.

Sign Here section containing signature of officer (PRESIDENT), date (11-05-2024), telephone number ((510) 747-4300), and preparer 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.**

<b>Receipts from Other Sources</b>	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	2,287,350	00
	7	Other income. Attach schedule . . . . . See Stmt . . . . .	●	7	46,705	00
	8	<b>Total</b> gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1 . . . . .	●	8	2,334,055	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
	<b>Expenses and Disbursements</b>	12	Other salaries and wages . . . . .	●	12	0
13		Interest . . . . .	●	13		00
14		Taxes . . . . .	●	14		00
15		Rents . . . . .	●	15	2,000	00
16		Depreciation and depletion (See instructions) . . . . .	●	16		00
17		Other expenses and disbursements. Attach schedule . . . . . See Stmt . . . . .	●	17	346,384	00
18		<b>Total</b> expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9 . . . . .	●	18	348,384	00

<b>Schedule L Balance Sheet</b>		<b>Beginning of taxable year</b>		<b>End of taxable year</b>	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash . . . . .		2,798,195	●	1,874,014
2	Net accounts receivable . . . . .		9,295	●	40,014
3	Net notes receivable . . . . .		0	●	2,287,350
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	<b>a</b> Depreciable assets . . . . .				
	<b>b</b> Less accumulated depreciation . . . . .				
11	Land . . . . .			●	
12	Other assets. Attach schedule . . . . . SEE STMT . . . . .		6,762,416	●	7,770,710
13	<b>Total assets</b> . . . . .		9,569,908		11,972,088
<b>Liabilities and net worth</b>					
14	Accounts payable . . . . .		111,524	●	164,837
15	Contributions, gifts, or grants payable . . . . .			●	
16	Bonds and notes payable . . . . .			●	
17	Mortgages payable . . . . .			●	
18	Other liabilities. Attach schedule . . . . . SEE STMT . . . . .		7,839,416		8,202,612
19	Capital stock or principal fund . . . . .			●	
20	Paid-in or capital surplus. Attach reconciliation . . . . . SEE STMT . . . . .		1,618,968	●	3,604,639
21	Retained earnings or income fund . . . . .			●	
22	<b>Total liabilities and net worth</b> . . . . .		9,569,908		11,972,088

<b>Schedule M-1 Reconciliation of income per books with income per return</b>			
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 . . . . .	●	1,985,671
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	<b>Total.</b> Add line 1 through line 5 . . . . .		1,985,671
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	<b>Total.</b> Add line 7 and line 8 . . . . .		
10	<b>Net income per return.</b> Subtract line 9 from line 6 . . . . .		1,985,671

REV 06/05/24 PRO

Name as Shown on Return  
ISLAND CITY DEVELOPMENT

California Corporation No.  
3707008

Other Investments:	Beginning of Tax Year	End of Tax Year
<b>Totals to Form 199, Schedule L, line 9.</b> ▶		
Other Assets:	Beginning of Tax Year	End of Tax Year
CONSTRUCTION IN PROGRESS	5,741,001.	7,780,757.
DEVELOPER FEE RECEIVABLE	5,448,563.	2,435,000.
INVESTMENT IN AFFILIATES	-2,427,148.	-2,450,647.
DUE FROM AFFILIATES	0.	5,600.
<b>Totals to Form 199, Schedule L, line 12</b> ▶	6,762,416.	7,770,710.

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Name as Shown on Return  
ISLAND CITY DEVELOPMENT

California Corporation No.  
3707008

<b>Other Liabilities:</b>	Beginning of Tax Year	End of Tax Year
AHA PROPERTY LOAN	7,500,000.	7,500,000.
ACCRUED DEVELOPER FEE	337,500.	702,612.
DUE TO/FROM AFFILIATES	1,916.	0.
<b>Totals to Form 199, Schedule L, line 18 . . . . .</b>	<b>7,839,416.</b>	<b>8,202,612.</b>

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<b>Paid-in or Capital Surplus:</b>	Beginning of tax year	End of tax year
UNRESTRICTED NET ASSETS	1,618,968.	3,604,639.
<b>Totals to Form 199, Schedule L, line 20</b> . . . . . ▶	1,618,968.	3,604,639.

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## Additional Information From 2023 California Exempt Organization Business

### Form 199: CA Exempt Organization Annual Information

#### Part II, Line 7 - Other Income

#### Continuation Statement

Description	Amount
MANAGEMENT FEES	41,352
EQUITY IN EARNINGS(LOSS) ON INVESTMENT	-503
INTEREST ADJUSTMENT	5,855
INVESTMENT INCOME	1
<b>Total</b>	<b>46,705</b>

### Form 199: CA Exempt Organization Annual Information

#### Part II, Line 11 - Compensation

#### Continuation Statement

Description	Amount
VANESSA COOPER	0
	0
	0
VANESSA COOPER	419,893
GREGORY KATS	249,039
CARLY GROB	500
<b>Total</b>	<b>669,432</b>

### Form 199: CA Exempt Organization Annual Information

#### Part II, Line 17 - Expenses

#### Continuation Statement

Description	Amount
OTHER EXPENSES PROPERTY	0
LEGAL	544
ACCOUNTING	45,636
DEVELOPMENT CONSULTING	300,000
STATE TAXES	204
<b>Total</b>	<b>346,384</b>

Form 199: Line 11 Text-1

ALL OFFICERS ARE COMPENSATED AND REPORTED BY THE AFFILIATE.

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**ISLAND CITY DEVELOPMENT**

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

To: Board of Directors  
Island City Development

From: Louie So, Chief Financial Officer

Date: November 20, 2024

Re: Approve Extension to the Novogradac and Company LLP Contract

**BACKGROUND**

Island City Development entered into a Consultant Services Agreement dated April 5, 2022 to provide audited financial statement, tax preparation and other consultation services. The termination date is April 5, 2025. Staff is requesting the Island City Development Board of Directors to extend this contract to the maximum 60 months (5 years) to April 5, 2027.

**DISCUSSION**

The Consultant has provided services to Island City Development and the low-income housing tax credit partnerships. As the investors/lenders and other stakeholders require an independent public accounting firm to produce these reports, staff is recommending extending this contract. Additional budget authority will be needed for future projects (e.g. North Housing, The Poplar, Shinsei Gardens, Park Alameda, etc.). These projects will need separate audits, tax returns and cost certifications.

**FISCAL IMPACT**

The increase of the budget authority from \$125,000 to \$250,000 will be borne by projects.

**CEQA**

N/A

**RECOMMENDATION**

Approve Extension to the Novogradac and Company LLP Contract

**ATTACHMENTS**

1. ICD + Novogradac Extension

Respectfully submitted,  
Louie So  
Louie So, Chief Financial Officer



**FIRST AMENDMENT TO CONSULTANT  
SERVICES AGREEMENT**

**THIS FIRST AMENDMENT TO CONSULTANT SERVICES AGREEMENT** (“**Amendment**”) is entered into as of \_\_\_\_\_, (“**Amendment Effective Date**”) by and between the ISLAND CITY DEVELOPMENT, a nonprofit corporation (“**Company**”), and NOVOGRADAC AND COMPANY LLP, a (“**Consultant**”). The Company and the Consultant are individually referred to in this Amendment as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

A. The Company and Consultant entered into that certain Consultant Services Agreement date April 5, 2022 (“**Agreement**”) to provide audited financial statement, tax preparation and other consultation services to Company as more specifically set forth therein. All capitalized terms not defined in this Amendment will have the meaning ascribed to such terms in the Agreement.

B. The Agreement term commenced on April 5, 2022 with a termination date of March 25, 2025, with an option to extend the term to April 5, 2027 upon the Parties execution of a written amendment to the Agreement (maximum 60 months).

C. The compensation currently authorized under the Agreement is the not to exceed maximum total amount of Three Hundred Thousand Dollars (\$125,000).

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Term.** A new sentence will be added at the end of the paragraph in Section 1. of the Agreement titled “**TERM**” which will be the following:

The parties choose by mutual agreement to extend the term of this Agreement up to the maximum of 60 months (5 years total) to April 5, 2027.

2. **Compensation to Consultant.** The maximum total amount to be paid by Company to Consultant under the Agreement shall be increased from a maximum total amount of \$125,000 to \$250,000. The second sentence in Section 3. of the Agreement titled, “**COMPENSATION TO CONSULTANT**” which reads, “Total compensation under this contract shall not exceed \$125,000,” is hereby deleted in its entirety and replaced with the following:

“Total compensation under this contract shall not exceed \$250,000.00.”

2. **Miscellaneous.**

- a. **Further Cooperation.** The Parties agree to execute such other instruments, Agreements and amendments to documents as may be necessary or appropriate to effectuate the Agreement as amended by this Amendment.

- b. **Interpretation.** This Amendment, when combined with the Agreement,

sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Amendment or the Agreement.

c. Attachments. Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. Effectiveness of Agreement. Except as modified and amended by this Amendment, all other terms and conditions of the Agreement remain unmodified and in full force and effect.

e. Counterparts. This Amendment may be signed by the Parties in counterparts, each of which will be an original but all of which together will constitute one and the same Agreement.

**REMAINDER OF PAGE INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

**IN WITNESS WHEREOF**, Company and Consultant have executed this **First** Amendment as of the Amendment Effective Date.

**COMPANY:**

ISLAND CITY DEVELOPMENT, a  
nonprofit corporation

By: \_\_\_\_\_

Vanessa Cooper

President

**CONSULTANT:**

NOVOGRADAC AND COMPANY LLP,  
a limited liability partnership

By: \_\_\_\_\_

Melissa Chung

Partner



# ISLAND CITY DEVELOPMENT

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

ITEM 4.J

To: Board of Directors  
Island City Development

From: Jenny Wong, Senior Project Manager

Date: November 20, 2024

Re: Accept the Update on Initial Development and Financing Plan and Project Timeline for The Poplar (2615 Eagle Avenue).

## **BACKGROUND**

The Housing Authority of the City of Alameda (AHA) purchased the property at 2615 Eagle Avenue in March 2022. AHA has a goal of serving 50 families with affordable housing, with up to 25% supportive housing apartments if required by funding sources. The development will have a preference for Alameda Unified School District (AUSD) staff, as well as a live/work preference for Alamedans.

In December 2023, the Board agreed to enter into a \$3.4 million pre-development loan from Capital Impact Partners Bay’s Future Fund (BFF) to fund the acquisition and pre-development of this site for up to four years. In February 2024, the Board approved a \$2.1 million pre-development loan from the Reserve Policy to supplement the BFF loan amount.

In March 2024, the Board accepted an option to ground lease with a 20-year term from AHA. New requirements on the ground lease include biannual pre-development progress reporting and limitations on transfers to only ICD-controlled entities. The last project report was provided on August 2024.

Please see previous Board Reports for project details prior to this month’s update.

## **DISCUSSION**

The Poplar has amassed several short-term financing commitments that require it to make progress in entitlements and environmental clean up. In addition, staff is reviewing financial feasibility to see how this project can move forward in the future.

### Funding Commitments

AHA has received redevelopment funding from the City of Alameda for FY 24-25.

Redevelopment funding is available on a reimbursement basis. The project is required to spend an additional \$2,000,000 on work to further the project by June 2025.

In March 2024, the project was awarded \$534,565 in Equitable Community Revitalization Grant (ECRG) funds from the Department of Toxic Substances Control Office of Brownfields. The grant has a two-year term (March 2024 to March 2026). Grant funds are disbursed on a reimbursement basis and can only be used for environmental site investigation activities.



### FY 24-25 Activities

At this juncture, design and entitlement work, procurement, environmental testing and remediation, potential abatement, and demolition need to be accelerated to meet this deadline. The goal is to perform all work on site within a limited time frame to minimize the impact on the neighbors.

### Design and Entitlements

The development programming will be available after the architect is selected, but it will include site amenities and resident services programming that aim to support the future tenant's day-to-day life.

The development will not require CEQA review and is zoned for the planned use. The site will have to submit drawings for a ministerial design review process on objective design standards, and for offsite public works approvals. Staff anticipates the preliminary entitlements application will be ready to submit to the City of Alameda in May 2025. The City review process typically takes about a year and includes multiple rounds of interdepartmental review of the plans.

### Community Outreach

The ECRG funding requires the project to perform community engagement, which includes sharing regular project updates and facilitating community meetings. Prior to commencing testing on site, staff hand-delivered flyers around the neighborhood to encourage interested parties to visit the AHA website and sign up for the newsletter. Staff will provide regular updates regarding work anticipated and completed on site, as well as project details, via the AHA website and project newsletter. As part of the design and entitlements process, staff will host community meetings to ensure that members of the Alameda Community are made aware of The Poplar redevelopment project including the environmental cleanup occurring onsite and given the opportunity to get involved with the process and/or provide comment on and express preferences for how the Development Plan for the site takes shape. We anticipate community meetings will occur in Spring 2025.

### Procurement

In an effort to accelerate the project timeline, AHA anticipates solicitations for the NEPA Consultant, Architect, Geotechnical Consultant, Abatement and Demolition Contractor, and Community Engagement Consultant to be completed by February 2025. Solicitations for a Pre-development Contractor and a Construction Manager are anticipated to be published in late 2025 or early 2026.

### Environmental

The property, formerly used by AUSD as a maintenance and storage yard, has low levels of environmental concerns that require remediation. There was also a former leaking 550-gal gas underground storage tank (UST) which was successfully removed and cleaned up to commercial standards in 1991 under Alameda County Department of Environmental Health (ACDEH) regulatory oversight. Additional environmental testing will be performed by Rincon Consultants, Inc. to assess the full extent of the residual impacts from AUSD operations to determine the appropriate plan for remediation. Initial results from the hazardous building materials survey align with our understanding of the site, which shows the presence of asbestos, lead-based paint or materials, and polychlorinated biphenyls (PBCs) in every



building. Prior to demolishing the existing buildings, materials containing lead, asbestos, and/or PCBs will be properly abated and disposed of by a licensed contractor according to state and local regulations.

San Francisco Bay Regional Water Quality Control Board (SFBRWQCB) is serving as the regulatory oversight agency overseeing Rincon's environmental scope of work and ultimately providing case closure when the site is cleaned up to residential standards. The ECRG funding requires the site to be fully remediated, not just mitigated. This means any environmental concerns beyond safe residential standards are required to be removed from the site, not just capped in place by a vapor barrier, and the clean-up methodology cannot result in long-term monitoring controls.

#### Demolition

A NEPA study, hazardous building materials testing, potential abatement, and disposition of surplus property on site will be completed prior to demolition of the existing buildings. Demolition is expected to be completed by June 2025.

#### Financial Feasibility

The projected total development cost for The Poplar is \$51,030,618, or approximately \$1,020,612 per unit. In comparison, the total development costs for The Estuary I and Linnet Corner, which are comprised of primarily studio and one-bedroom units, are approximately \$954,000 and \$832,000 per unit, respectively. Land costs, including acquisition, holding, and demolition costs, are approximately \$3,313,700. Construction hard costs are approximately \$36,600,000 (\$732,000/unit). Compared to market rate multifamily projects, affordable housing developments in the Bay Area have much higher construction costs due to the regulatory requirements imposed by the funding, such as sustainability requirements above already high California standards, higher ADA standards, and payment of prevailing wages. Additionally, The Poplar has special features that result in higher costs than other AHA LIHTC projects, such as building at a high density on an awkward-shaped site and the higher ratio of larger unit sizes (at least 50% of units are two- or three-bedroom units). The projected hard costs also assume an inflation of 6% a year for three years, as contingency, since the earliest construction may commence is in late 2027. The balance of costs are for financing and soft costs.

Permanent funds committed to the project total approximately \$7,922,618. The project is anticipated to apply for the maximum amount of 9% LIHTC in 2027, which is currently \$2,500,000 in federal tax credits, yielding an estimated \$19,998,000 of tax credit equity to fund the project. The Poplar financials will sustain a first trust deed permanent loan of \$8,110,000 sized based on the income generated from tenant rent and subsidy payments. Additionally, approximately \$500,000 of the project's allowable developer fee is proposed to be deferred during the construction period, which serves as an offset on the sources and the uses side.

The initial pro forma estimates a \$22,400,000 (\$448,000/unit) in gap financing to support the financing of the development. In comparison, the Rosefield project used \$33,838,149 in gap financing (\$367,806/unit). Local sources for this project potentially include additional AUSD ROPS, City of Alameda funds and/or funding from the AHA. Once local funds are secured, remaining funding could be funded by State sources such as MHP, AHSC, and IIG funding. State funding is heavily dependent on voter-approved replenishment of the bond financing at



Staff will continue to explore all eligible avenues of local, State, Federal, and private funding available. Leveraging committed funds such as AUSD ROPS and ECRG will be important for the project to move forward with obtaining additional soft funding, winning tax credits, and ultimately starting construction. Staff expects the affordable housing funding environment will remain extremely competitive due to the limited resources currently available. The City of Alameda also recently applied for a pro-housing designation. If the designation is granted, this would give projects in Alameda such as The Poplar an advantage in the scoring on competitive funding programs.

Please refer to Attachment 1 for the proposed Financing Plan.

### **FISCAL IMPACT**

Pre-development expenses at the Poplar are currently being funded by AUSD ROPS funding and the Capital Impact BFF loan. Environmental specific costs can be reimbursed through the ECRG grant.

Please refer to Attachment 2 for the pre-development budget.

### **CEQA**

Not applicable.

### **RECOMMENDATION**

Accept the Update on Initial Development and Financing Plan and Project Timeline for The Poplar (2615 Eagle Avenue).

### **ATTACHMENTS**

1. Att1\_The Poplar Proposed Financing Plan
2. Att2\_The Poplar Predevelopment Budget
3. The Poplar PPT - Nov 2024

Respectfully submitted,



Jenny Wong, Senior Project Manager



**The Poplar – Proposed Financing Plan Estimated as of November 1, 2024**

<b>Sources</b>		<i>per unit costs</i>
9% Tax Credit Equity	\$19,998,000	\$399,960
Permanent Loan	\$8,110,000	\$162,200
Committed AUSD ROPS	\$4,888,053	\$97,761
Additional Gap Financing	\$17,000,000	\$340,000
ECRG Round 2 Grant	\$534,565	\$10,691
<u>Deferred Developer Fee</u>	<u>\$500,000</u>	<u>\$10,000</u>
Total Sources	\$51,030,618	\$1,020,612

<b>Uses</b>		<i>per unit costs</i>
Land	\$3,313,700	\$66,274
Construction	\$36,600,000	\$732,000
Architectural & Engineering	\$1,200,000	\$24,000
Financing Costs	\$4,000,000	\$80,000
Reserves	\$518,800	\$10,376
Permits and Impact Fees	\$1,075,000	\$21,500
Developer & Syndication Fees	\$2,640,000	\$52,800
<u>Other Soft Costs</u>	<u>\$1,683,118</u>	<u>\$33,662</u>
Total Development Cost	\$51,030,618	\$1,020,612

**The Poplar – Predevelopment Budget Estimated as of November 1, 2024**

Uses	Costs
Acquisition	\$2,500,000
Demolition & Carrying Costs	\$600,000
Design Consultants	\$800,000
Entitlements & Permitting	\$175,000
LIHTC and Financing Fees	\$206,000
Predevelopment Financing Fees	\$366,960
Environmental Costs	\$500,000
<u>Other Soft Costs &amp; Contingency</u>	<u>\$289,040</u>
Total	\$5,437,000

# The Poplar Project Timeline & Financing Plan

**November 2024 AHA BOC**



Housing Authority  
of the  
City of Alameda

[www.alamedahsg.org](http://www.alamedahsg.org)



Housing Authority  
of the  
City of Alameda

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# Development Program

- New construction of 50 rental units (1-3 bedroom units), including 1 onsite manager's unit
- Serving family households earning 20-60% of area median income and 25% special needs
- Up to four stories in height with one elevator
- Amenities: community room, laundry room, bike parking, surface or tuck-under car parking, and onsite resident services programming
- The project will be seeking project-based voucher rental subsidy
- Leasing preference for Alamedan residents and workers and AUSD staff



# Timeline

## 2022

- March Site acquisition
- May AHA Option to Ground Lease through December 2023
- June Awarded \$1,474,053 City ROPS FY 22-23

## 2023

- June Awarded \$1,664,000 City ROPS FY 23-24
- December Closed on \$3.3 million Capital Impact Partners predevelopment loan

## 2024

- February \$2.1 million AHA predevelopment loan
- March Renew AHA Option to Ground Lease for 20-year term;  
Awarded \$534,565 DTSC ECRG Grant
- June Awarded \$2,000,000 City ROPS FY 24-25
- August-December Selected environmental consultant, perform Phase I and Phase II ESA



# Timeline

## 2024 continued

- November Select NEPA consultant; Begin circulation of quarterly newsletter; Disposal of surplus property onsite
- December Demolition plan approval; Select architect; Select geotechnical engineer

## 2025

- January Select abatement and demo consultant
- February Begin neighborhood outreach meetings
- April (tentative) Perform abatement and demolition
- May Submit entitlements application to the City
- June Deadline to spend down \$2,000,000 City ROPS FY 24-25

## 2026

- March ECRG grant period ends (must complete site testing)
- May Obtain Entitlements approval; Start working drawings
- November Select predevelopment contractor; Select construction manager



# Timeline

## 2027

- February (target) Submit 9% LIHTC application; minimum 50% level working drawings
- May Obtain building permits
- May (target) 9% LIHTC Award
- November (target) Construction loan closing; Capital Impact loan payoff; construction start
- December Capital Impact predevelopment loan due

## 2028+

- August 2028 Lease-up begins\*
- May 2029 Construction completion (18 months)\*; Move-ins begin\*
- September 2029 100% Lease-up complete\*
- January 2030 Permanent financing conversion\*

*\*these milestones are dependent on the construction start date*

# Environmental Issues

- **Regulatory oversight agency:** San Francisco Bay Regional Water Quality Control Board (Regional Water Board)
- **Funding:** Department of Toxic Substance Control (DTSC) Equitable Community Revitalization Grant (ECRG) for site investigation
- **Goal:** ECRG funding requires the site to be fully remediated (cleaned up to residential standards), not just mitigated.
- **Site conditions:**
  - Former AUSD maintenance yard (1939-2021). A leaking 550-gal gas underground storage tank (UST) was removed in 1991 under Alameda County Department of Environmental Health (ACDEH) regulatory oversight. Case closed to 1991 commercial standards.
  - Prior environmental reports identified low levels of soil and soil vapor concerns from historic uses at the site. Additional testing is required to assess the type and locations of residual impacts. Test results will inform the cleanup method.

# Environmental Scope of Work

- August-December 2024
- December 2024-February 2025
- Throughout
- TBD

**Phase I ESA & Phase II ESA** – draft site investigation work plan; testing soil and groundwater using soil borings and testing soil vapor using probes; and performing geophysical and building materials surveys.

**Remedial Action Plan** – draft site cleanup plan. Regional Water Board to review and approve of plan. Test results will inform the cleanup scope.

**Quarterly reporting** to DTSC ECRG.

ECRG provides funding for a soil vapor extraction (SVE) **pilot study**, but the environmental consultant's initial review of the site shows that SVE is likely not required to achieve full cleanup. Full clean up is required by the ECRG grant.

# Financing Committed

## Short Term Funding

- Capital Impact predevelopment loan: \$3,337,000
  - Repayment required by January 1, 2028
- ECRG Round 2 Grant: \$534,565

## Permanent Funding

- AUSD ROPS funding: \$4,888,053

# Predevelopment Budget

as of November 1, 2024

Uses	Budget
Acquisition	\$2,500,000
Demolition & Carrying Costs	\$600,000
Design Consultants	\$800,000
Entitlements & Permitting	\$175,000
LIHTC Fees	\$206,000
Predevelopment Financing Fees	\$366,960
Environmental Costs	\$500,000
Other Soft Costs & Contingency	\$289,040
<b>Total</b>	<b>\$5,437,000</b>



# Proposed Sources & Uses Budget

as of November 1, 2024

<u>Sources</u>	<u>Amount</u>	<u>per unit</u>	<u>Uses</u>	<u>Amount</u>
9% Tax Credit Equity	\$19,998,000	\$399,960	Land	\$3,313,700
Permanent Loan*	\$8,110,000	\$162,200	Construction	\$36,600,000
Committed AUSD ROPS	\$4,888,053	\$97,761	Architectural & Engineering	\$1,200,000
Additional Gap Financing**	\$17,000,000	\$340,000	Financing Costs	\$4,000,000
ECRG Round 2 Grant	\$534,565	\$10,691	Reserves	\$518,800
Deferred Developer Fee	\$500,000	\$10,000	Permits and Impact Fees	\$1,075,000
			Developer & Syndication Fees	\$2,640,000
			Other Soft Costs	\$1,683,118
<b>Total</b>	<b>\$51,030,618</b>	<b>\$1,275,765</b>	<b>Total</b>	<b>\$51,030,618</b>

\*proforma anticipates up to 40 PBVs

\*\*potential sources include more AUSD ROPS, City funds, HCD LHTF/AAHTF match (limited), State funds, other

# Cost Justification

- Per unit cost is \$1,275,765
- High density on an awkward-shaped site
- Environmental clean up of site
- High construction costs in the Bay Area
- Larger unit sizes (25% 2-bedrooms and 25% 3-bedrooms) required by the state
- Funding and regulatory requirements such as high sustainability measures, higher ADA standards, and payment of prevailing wages

<u>Uses</u>	<u>Amount</u>
Land	\$3,313,700
Construction	\$36,600,000
Architectural & Engineering	\$1,200,000
Financing Costs	\$4,000,000
Reserves	\$518,800
Permits and Impact Fees	\$1,075,000
Developer & Syndication Fees	\$2,640,000
Other Soft Costs	\$1,683,118
<b>Total</b>	<b>\$51,030,618</b>

# Risks and Considerations

- Meeting funding deadlines
  - AUSD ROPS FY 24-25 – need to spend \$2,000,000 by June 2025
  - Environmental/ECRG – need to spend \$534,565 by March 2026
- Large funding gap. Competitive funding environment due to limited public financing available in CA
- Ongoing regulatory changes and scoring criteria impacts project competitiveness and requires consistent learning (TCAC, HCD, etc.)
- Long timeline to obtain City entitlements and building permits (2-year review period)

# Opportunities

- Over \$5.66 MM in permanent soft loans committed and available to use on the project.
- Remediation and demolition removes environmental risk and safety concerns.
- AHA's mission to is provide all types of housing. We are circling back to family housing. Other recent projects have focused on studios and 1-bedrooms for senior and homeless populations. Project aims to provide up to 50 affordable units for Alamedans when completed.
- Amenity rich, walkable neighborhood. City public improvement project along Tilden would benefit the future residents.
- Positive factors for financing - "high opportunity" neighborhood and City's pro-housing designation.



# Questions or Comments?

