



ISLAND CITY DEVELOPMENT AGENDA

AGENDA **SPECIAL MEETING OF ISLAND CITY DEVELOPMENT**

DATE & TIME **Wednesday, February 19, 2025 - 5:45 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/82617583123?pwd=BM3TenEVxEayocip8V0NHIZ9Qi0nYb.1>
Meeting ID: 826 1758 3123
Passcode: 406791

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 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. 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. CLOSED SESSION - Adjournment to Closed Session to Consider:
 - 4.A. **Conference with Real Property Negotiations**
(Government Code § 54956.8)
Property: 2000 Lakehurst Circle , Alameda, CA 94501, APN 074-0905-012-09.
Agency Negotiation: Vanessa Cooper, Executive Director, Tonya Schuler-Cummins, Director of Data and Policy, Adrian Guerra, Legal Counsel.
Negotiating Parties: Mabuhay and Lakehurst LP
Under Negotiation: Price and terms of payment.
5. CONSENT CALENDAR (Action)
 - A. Approve the Minutes of the Special Board of Directors Meeting held on January 15, 2025.
 - 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 the Quarterly Development Report for The Estuary II.
 - F. Accept the Quarterly Development Report for The Poplar.
 - G. Accept the Quarterly Overview Report for the Housing Development Department.
 - H. Accept the Quarterly LIHTC Portfolio Asset Management Fiscal Year-to-Date Financial Report through December 31, 2024.
 - I. Accept the Summary Memo on North Housing Predevelopment Funding.
 - J. Approve Contract Amendment No.3 Not to Exceed \$170,032.33 with Gubb and Barshay for Linnet Corner, Approve Contract Amendment No.3 Not to Exceed \$160,032.34 with Gubb and Barshay for Estuary I, and Approve Contract Amendment No.3 Not to Exceed \$170,032.33 with Gubb and Barshay for Estuary II.
6. NEW BUSINESS
7. NON-AGENDA (Public Comment)



- 8. WRITTEN COMMUNICATIONS
- 9. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF
- 10. ADJOURNMENT

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. 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, January 15, 2025

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 6:15 PM. The following Board members were present: Director Vanessa Cooper, Director Alicia Southern, and Director Carly Grob; quorum established. Staff in attendance: Sarah Raskin, Paris Howze, Jenny Wong, Jasmine Polar, Sylvia Martinez, Greg Kats, Stephanie Easter, Stephen Zhou, Nancy Gerardin, and Louie So.

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. CONSENT CALENDAR (Action)

- A. Approve Minutes of the Special Board of Directors ICD Meeting held on December 18, 2024.
- B. Approve and Authorize the President or Designee to Execute Consultant Services Contracts between Market Design Furniture, Inc. Not to Exceed \$439,000 for Interior Furnishings Services related to the North Housing Block A projects.
- C. Authorize the President to Negotiate and Execute Contracts Not to Exceed \$563,159 between ENGEO & Lakehurst and Mosley LP, Mosley and



No Comments. Director Grob motioned to accept consent calendar items 4A – 4C, Director Southern seconded. A call for all in favor, the motion passed.

5. NEW BUSINESS **NONE**
6. NON-AGENDA (Public Comment) **NONE**
7. WRITTEN COMMUNICATIONS **NONE**
8. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF

Director Cooper shared that staff led another successful site walk in December with service providers. Director Cooper urged any board members that have not yet visited the site to please arrange a time with staff S. Martinez, as construction is progressing quickly.

9. ADJOURNMENT

Director Cooper adjourned the meeting at 6:19 PM.





ISLAND CITY DEVELOPMENT

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

To: Board of Directors
Island City Development

From: Jocelyn Layte, Acting Associate Project Manager

Date: February 19, 2025

Re: Accept the Monthly Construction Report for The Estuary I.

BACKGROUND

The Housing Development Department provides monthly reports on projects under construction where either the Housing Authority of the City of Alameda (AHA) or Island City Development (ICD) is acting as developer and provides performance guarantees.

The Estuary I project is located at 500 Mosley Avenue. ICD is the developer. The project scope includes 45 new construction permanent supportive housing units for homeless or formerly homeless individuals or households, including one manager’s unit. Amenities include property management offices, social service coordination offices, a community room, a mail room, central laundry, central courtyard, and secure bike parking. J.H. Fitzmaurice, Inc. (JHF) initiated construction on January 30, 2024, and is scheduled to achieve completion on or before August 8, 2025.

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

DISCUSSION

Construction

The overall project completion and billing percentage, through January 28, 2025, is approximately 80%. The exterior wraps of the building have been completed with scaffolding removed. Solar installation has been completed on the roof top, interior finishes and paint are wrapping up this month. The elevator has been installed along with smoke doors on all floors. Unit flooring, cabinets, and counter tops are being installed on all floors and exterior work for landscaping prep and installation of concrete forms are under way. The site is anticipating a pre-punch walk by late April.

CCTV cameras and the live guard, patrolling the site after hours and weekends, provide security at the site as JHF continues to make good construction progress. Currently, the project is on-track to complete on time. This month’s construction activities include installation of vanity mirrors, plumbing finishes, wire shelving, counter tops and bathroom accessories, elevator installation, sunshade installation on the exterior of the building, excavation and installation of bio retention areas and drains, and exterior courtyard work preparing for concrete pours. .



Change orders over the past month total \$49,838, bringing the total approved change orders to \$438,017. An owner's hard cost contingency and a General Contractor's contingency (already budgeted within the GC contract) are available for upgrades, master-plan cost overruns, as well as unexpected costs detailed below. Owner contingency funds are held separately from the contract. Executed change orders have utilized 24% of available contingency.

The total projected use of owner contingency is 81%. Only the Executive Director can approve additional costs to the contract and staff closely reviews all prospective change orders at the site.

Operation and Lease Up Activities

Staff is working with cross-agency departments and external partners to prepare the project for leasing in 2025. Weekly All-hands meetings and coordination have begun and will continue through full lease up and transition of the property to Property Operations. This month, the team is focusing on the Memorandum of Understanding with the County of Alameda for referrals from the Coordinated Entry System, lease up and operating budgets and contracts with property management (FPI) and services (Building Futures).

FISCAL IMPACT

AHA and ICD have completion and lease up guarantees on this development. The construction is currently trending a few weeks early and is on budget. Operations and lease up planning activities are meeting project milestones. See attachment for the monthly budget update.

CEQA

Not Applicable.

RECOMMENDATION

Accept the Monthly Construction Report for The Estuary I.

ATTACHMENTS

1. Att 1_Estuary I Photo updates BOC 02.19.2025
2. Att 2_ The Estuary Monthly Budget Update

Respectfully submitted,



With support from Neil Saxby, Renew Urban, Consultant
Jocelyn Layte, Acting Associate Project Manager



The Estuary | Progress Photos January 2025



Aerial photo looking south showing the northern and western elevation exterior walls.



Aerial view looking down on NH Block A showing roof tops and exterior grading work.



Metal sunshades are installed at the building



kitchen faucets and cabinets installed.



Painting on all floors – 4th floor hallway



Painting on all floors – 2nd floor hallway

The Estuary I
Monthly Update - as of January 31,
2025

Total Development Costs to Date				
	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land & Holding Costs	\$2,444,510	\$2,444,510	100%	\$0
Hard Costs	\$28,906,749	\$18,324,889	63%	\$10,581,860
Soft Costs	\$11,597,407	\$3,658,956	31%	\$7,938,451
Total	\$42,948,666	\$24,428,355	57%	\$18,520,311

General Contract Status	
Total Contract Value	\$24,898,007
Change Orders	\$438,017
Revised Contract Value	\$25,336,024
Value of Work Completed to Date	\$20,270,403
Retention Withheld	\$1,975,671
Amount Paid to Date	\$18,294,733
Balance to Finish	\$5,065,621
% Construction Complete	80%

Contingency Utilization		
	Hard Cost	Soft Costs
Total Contingency Approved	\$1,394,525	\$250,000
Approved Change Orders to Date	\$438,017	\$0
Remaining Balance of Contingency	\$956,508	\$250,000
% of Contingency Used	31%	0%
Anticipated Soil Off-Haul Costs	\$687,700	
Projected Use of Contingency	\$268,808	
Remaining Balance of Contingency	\$0	
% use of Contingency Projected	100%	



ISLAND CITY DEVELOPMENT

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

To: Board of Directors
Island City Development

From: Paris Howze, Project Manager

Date: February 19, 2025

Re: Accept the Monthly Construction Report for Linnet Corner.

BACKGROUND

The Housing Development Department provides monthly reports on projects under construction where either the Housing Authority of the City of Alameda (AHA) or Island City Development (ICD) is acting as developer and provides performance guarantees.

Linnet Corner is located at 2000 Lakehurst Circle, Alameda, CA 94501. The project is the new construction of a single, four (4) story residential building, with 64 units. There will be 40 studio units and 23 one-bedroom units targeting seniors aged 62 and over. There will also be one two-bedroom dedicated as a manager’s unit. Affordability levels will range between 30% and 40% of the Area Median Income (AMI). The project will also have 25% or 16 units serving formerly homeless/homeless senior veterans. Amenities will include a community room, onsite property management and service provider offices, shared unassigned parking, a laundry room, a resident garden, and a roof terrace.

Staff delivered a notice to proceed on March 6, 2024, and J.H. Fitzmaurice, Inc. (JHF), commenced construction activities on March 14, 2024. The project is expected to achieve completion on or before October 30, 2025.

Please see previous Board of Commissioner reports for project details before this month’s update.

DISCUSSION

Construction

The overall project completion and billing percentage, through January 31, 2025, is approximately 70%. This month’s construction activities included cabinet installation throughout levels one and two, completion of texture and paint as well as gypcrete pouring on levels three and four, and completion of painting at all exterior facades.

Currently, the project is on track to be completed on time.

Change orders over the past month total \$21,770, bringing the total approved change orders to \$444,477. Owner contingency funds are held separately from the contract. Executed



change orders have utilized 27% of available hard cost contingency. Linnet Corner will pay a share of the expected soil off-haul costs, which will likely require from additional deferred developer fees as well as the lender-approved use of cost savings in the permit line item. It is not likely that these costs will require an additional cash infusion from AHA. Please see the explanation below in Fiscal Impact.

Only the Executive Director can approve additional costs to the contract, within the planned contingency amounts, and staff tightly reviews all prospective change orders at the site. Staff is also tracking soft cost savings and use of contingency, which can also be applied to hard cost uses later in the project's cycle.

Financial Updates

The project applied for \$400,000 to The Home Depot Foundations Grant with awards anticipated to be announced in May. If awarded, funds will be used towards hard costs including the enhancement of the outdoor recreational spaces.

Procurements & Contracts

Staff entered a contract with Market Design Furniture, Inc for interior furnishings services and is currently cross collaborating with property and asset management to select unit and common area furniture.

Additionally, the current Consultant Services Contract between AHA and ENGEO was approved to be trifurcated into separate standalone contracts, one per Partnership (partnerships of Estuary I, Estuary II, & Linnet Corner) for one-third of the total contracted amount and has been amended to account for prevailing wage and additional testing and observation. Please see previous board report for additional information.

Operation and Lease-Up Activities

Staff is working with cross-agency departments and external partners to prepare the project for leasing in 2025. The team has initiated a weekly all-hands meeting to coordinate the deliverables required for a smooth lease-up and transition to property management upon commencement of operations.

FISCAL IMPACT

AHA and ICD have completion and lease-up guarantees on this development. To date, the construction is on time, and likely to deliver one month early, weather permitting. At this time, any cost overruns are covered by contingency, savings, and deferred developer fees. Linnet Corner is a 4% tax credit project which is reliant on basis-eligible costs for part of its financing. In a conservative scenario, the project is anticipated to lose \$4 million in tax credit equity because of the changes during construction (including the soil offhaul cost, basis-eligible cost savings, and interest savings due to lower interest rates). This loss will be covered by cost savings, and also by additional deferred developer fee. The project has a \$3 million developer fee in total. \$1,295,000 was deferred at closing. The maximum additional deferred fee is \$1,705,000, of which the current projections show that \$1,450,000 will be used. At present, staff considers this the upper limit of what will be needed to complete the project.

CEQA



RECOMMENDATION

Accept the Monthly Construction Report for Linnet Corner.

ATTACHMENTS

- 1. Linnet Corner - Monthly Budget Tracking (January 2025)
- 2. Linnet Corner - Monthly Construction Progress Photos (January 2025)

Respectfully submitted,



Paris Howze, Project Manager



Linnet Corner
Monthly Update - as of January 31, 2025

Total Development Costs to Date				
	\$ Budget	\$ Disbursed	% Disbursed	\$ Balance
Land & Holding Costs	\$640,864	\$526,338	82%	\$114,526
Hard Costs	\$36,513,061	\$21,127,542	58%	\$15,385,519
Soft Costs	\$16,118,331	\$4,304,035	27%	\$11,814,296
Total	\$53,272,256	\$25,957,915	49%	\$27,314,341

General Contract Status	
Total Contract Value	\$29,561,507
Change Orders	\$466,247
Revised Contract Value	\$30,027,754
Value of Work Completed to Date	\$21,198,979
Retention Withheld	\$2,060,066
Amount Paid to Date	\$19,138,912
Balance to Finish	\$10,888,842
% Construction Complete	71%

Contingency Utilization		
	Hard Cost	Soft Costs
Total Contingency Approved	\$1,738,717	\$450,000
Approved Change Orders to Date	\$466,247	(\$61,874)
Remaining Balance of Contingency	\$1,272,470	\$511,874
% of Contingency Used	27%	-14%
Anticipated Master Plan Costs	\$573,433	
Projected Use of Contingency	\$699,037	
Remaining Balance of Contingency	\$0	
% of Contingency Projected	100%	

Linnet Corner
Progress Photos
(January 31, 2025)



Figure 1: Bird's-eye view of Linnet Corner & Estuary I



Figure 2: Bird's-eye view from Lakehurst Circle

Linnet Corner
Progress Photos
(January 31, 2025)



Figure 3: View from Mosley Avenue



Figure 4: View from corner of Lakehurst Circle & Mabuhay Street

Linnet Corner
Progress Photos
(January 31, 2025)



Figure 5: Completion of exterior paint at courtyard elevation



Figure 6: Cabinet installation at level 1

Linnet Corner
Progress Photos
(January 31, 2025)



Figure 7: Texture and Paint at level 4



ISLAND CITY DEVELOPMENT

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

ITEM 5.D

To: Board of Directors
Island City Development

From: Jocelyn Layte, Acting Associate Project Manager

Date: February 19, 2025

Re: Accept the Monthly Report for North Housing Offsites.

BACKGROUND

The Housing Development Department provides monthly reports on projects under construction, and the Housing Authority of the City of Alameda (AHA) is leading the North Housing Master-Plan work to prepare the sites and provide infrastructure for Linnet Corner and Estuary I. This report provides updates on the North Housing Block A offsite work.

DISCUSSION

Site: North Housing Block A Offsite Improvements, 501 Mosley Ave Alameda, CA 94501

Total cost: \$4,015,747

Source of funds: Budgeted within the North Housing Block A projects with Estuary I covering 23%, Linnet Corner covering 60%, and Estuary II covering 17% of the offsite improvement costs.

Purpose: AHA contracted with J.H. Fitzmaurice, Inc. (JHF) for offsite improvements for North Housing Block A, such as the realignment of Lakehurst Circle, the new water main extension, and the new Mabuhay Street. Offsite improvements work is expected to be on a parallel track to the two active housing development projects (Estuary I and Linnet Corner). Therefore, the contract end date is October 2025, which aligns with the later of the two housing projects' expected completion date. The contracted value for the offsite improvements is budgeted in each of the housing developments at Block A and funding was approved by the Board of Commissioners in December 2023. There is a 'contractor's contingency' of \$150,000 in the contract that is 78% used. To project for completion, staff has added \$450,000 in owner's contingency that is held outside of the construction contract. Pro rata shares of the \$450,000 owner's contingency are being planned for in the contingency trackers of Estuary I, Linnet Corner, and Estuary II. Staff anticipate that the contract contingency will be fully used at the end of construction.

The City of Alameda has approved a phasing plan so that appropriate levels of offsites are delivered with Estuary I, with the remainder completed concurrent with Linnet Corner, so that there is no hold up on certificates of completion for the earlier project.



February 19, 2025

Timeline: February 2024 to October 2025.

Status: As of the end of January 2025, offsite improvements work is about 68% complete. Contractor billing for January 2025 is at \$259,323 and consists of survey and staking, erosion control, dry utilities such as the joint trench for electricity, site work concrete for curbs and sidewalks, and contractor fees. The site was able to achieve EBMUD installation recently, which is a critical milestone. There are no change orders, and the project is on schedule. Details on the contract status and contingency used are attached.

FISCAL IMPACT

The Board of Commissioners approved the funding for the North Housing Master-Plan in August and December 2023.

CEQA

Not Applicable

RECOMMENDATION

Accept the Monthly Report for North Housing Offsites.

ATTACHMENTS

1. Att 1_NH Block A_Offsites_Contract_Tracking 01 2025

Respectfully submitted,



With support from Neil Saxby, Consultant, Renew Urban
Jocelyn Layte, Acting Associate Project Manager



**North Housing Block A - Offsite Improvements Contract Tracking
Update - as of January 31, 2025**

General Contract Status	
Total Contract Value	\$4,015,747
Change Orders	\$0
Revised Contract Value	\$4,015,747
Value of Work Completed to Date	\$2,723,300
Retention Withheld	\$262,771
Amount Paid to Date	\$2,460,528
Balance to Finish	\$1,555,218
% Construction Complete	61%

Contract Contingency Utilization	
	Hard Cost
Total Contract Contingency	\$150,000
Approved Contract Contingency Usage To Date	\$148,457
Remaining Balance of Contract Contingency	\$1,543
% of Contract Contingency Used	99%

Owner Contingency Utilization	
Total Owner Contingency Outside of Contract	\$450,000
Approved Owner Contingency Usage To Date	\$0
Remaining Balance of Owner Contingency	\$450,000
% of Owner Contingency Used	0%



ISLAND CITY DEVELOPMENT

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

ITEM 5.E

To: Board of Directors
Island City Development

From: Sylvia Martinez, Director of Housing Development

Date: February 19, 2025

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. However, if tax credits are not received by mid-2025, the NHTF award may be rescinded.

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.

Estuary II continues to need its final tax credits and/or bonds. In 2024, staff submitted several tax credit and tax credit bond applications but was not competitive due to 1) lack of soft funding, 2) lack of a "high opportunity" neighborhood designation and 3) high cost per unit. It is not likely that these three elements will change substantially in applications during 2025.

Timing

This development will not start construction until late 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. Both the federal and state funding landscape is expected to be limited in the next two years.

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. Other financial challenges include:

- Without SuperNOFA funding, the 4% scenario has a \$3 million gap.
- Some conditional funding awards will start to expire in 2026.
- Although the project has normal inflation estimates built in, any import tariffs would add a financial cost burden to the project. A 25% tax on soft lumber has been discussed, along with a 10% tax on other construction materials. Materials are typically 65% of the cost of construction, so a 10% increase in all material costs is approximately \$1.6 million.

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 are built into the proforma budget.

FISCAL IMPACT

The total pre-development loan available for the Estuary II project is \$3,750,000, of which \$3,200,000 is spent, including planned for soil offhaul costs. 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 January 30, 2025 (Attachment 1).

CEQA

Not applicable.

RECOMMENDATION

Accept the Quarterly Development Report for The Estuary II.

ATTACHMENTS

1. 25.0219_North Housing Block A - Estuary II Predev Chart

Respectfully submitted,



Sylvia Martinez, Director of Housing Development



Predevelopment Expenses Chart Through January 30, 2025

The Estuary II	Uses	Sources
Predevelopment loan funds (AAHTF) available for the Estuary II project		\$3,750,000
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
Predevelopment expenses to-date includes predevelopment costs, pro rata shares of master plan, demolition, and land carrying costs)	\$2,690,501	
Anticipated Soil Off Haul Costs - Estuary II's Pro Rata Share	\$510,000	
Predevelopment Funds Remaining	\$2,049,499	
Cumulative Total AHA Funds for Estuary II		\$5,250,000



ISLAND CITY DEVELOPMENT

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

ITEM 5.F

To: Board of Directors
Island City Development

From: Jenny Wong, Senior Project Manager

Date: February 19, 2025

Re: Accept the Quarterly Development Report for The Poplar.

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 approved an option to ground lease with a 20-year term to Island City Development (ICD).

AHA has received redevelopment funding from the City of Alameda totaling \$4,888,053. The project is able 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.

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

DISCUSSION

Design and entitlement work, procurement, environmental testing and remediation, potential abatement, and demolition are being accelerated to meet the funding deadlines of June 30, 2025 for ROPS funding and March 2026 for ECRG funding. 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. As an affordable housing project on an infill site, the project is seeking SB35 streamlined review. To qualify for SB35, the project must demonstrate the existing buildings are not on a historic register and the site will be cleared of hazardous waste for residential use, among other requirements. The preliminary entitlements application will be ready to submit to the City of Alameda by summer of 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. For all testing activities, staff sends fliers to neighbors to notify them and provide contact information for follow up. Staff is also drafting a communication plan that will provide regular updates 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 the Development Plan for the site as it takes shape. We anticipate community meetings will occur in Spring 2025.

Procurement

Global Environmental Permitting, Inc. was selected as the NEPA consultant to produce a NEPA Environmental Assessment report necessary to obtain HUD's Authority to Use Grant Funds (AUGF) by May 2025. HUD approval of the NEPA is required prior to any abatement, demolition, grading or construction work on site.

AHA has an active RFP for Geotechnical Services on the project. Proposals are due February 5, 2025. Staff has returned to a November 2022 RFQ for architects and has selected a team, who will be introduced to the Board next month. Staff anticipates publishing procurements for an Abatement and Demolition Contractor and a SB35 Entitlement Consultant in February 2025. Solicitations for a Pre-development Contractor and a Construction Manager are anticipated to be published later in 2025.

Environmental

Staff continues to work with Rincon Consultants, Inc. (Rincon) under the oversight of the San Francisco Bay Regional Water Quality Control Board (SFBRWQCB) to document the low levels of environmental concerns and prepare for remediation.

Findings from the first round of testing include pockets of metals detected in shallow soil (less than three feet below ground), petroleum hydrocarbons found generally in the center of the site and in the vicinity of the former UST, and chlorinated solvents found near the sewer line and storm drain. A second round of testing will be performed in February through March 2025 to understand the lateral extent of the impacted soil and its classification level, which determines how soil should be removed and safely disposed of, and to confirm the source of the soil vapor impacts, which identifies an impacted zone of soil that can then be targeted for excavation. Staff will present the findings along with a proposed remediation plan to the



Board in April 2025. Seasonal testing, if required by SFBRWQCB, will be conducted in May 2025 and serves to provide an additional data point.

Demolition

A NEPA study, abatement of hazardous building materials, and disposition of surplus property on site will be completed prior to demolition of the existing buildings. The HUD AUGF is required prior to taking any choice limiting actions on the site, which includes abatement and demolition activities. AHA has listed the surplus property for public auction. Any items that do not receive any interest will be hauled and disposed of by April 2025. Prior to demolishing the existing buildings, materials containing lead, asbestos, and/or PCBs need to be properly abated and disposed of by a licensed contractor according to state and local regulations. Abatement and demolition is expected to be completed by June 2025.

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 1 for the pre-development budget.

CEQA

Not applicable.

RECOMMENDATION

Accept the Quarterly Development Report for The Poplar (2615 Eagle Avenue).

ATTACHMENTS

1. Att1_The Poplar Predevelopment Budget

Respectfully submitted,



Jenny Wong, Senior Project Manager

The Poplar – Predevelopment Budget

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 & Contingency</u>	<u>\$289,040</u>
Total	\$5,437,000

	AUSD ROPS	Capital Impact BFF	ECRG
Total Budget	\$4,888,053	\$3,337,000	\$534,565
Amount Drawn through January 31, 2025	\$3,456,204	\$2,645,457	\$134,837
Remaining Loan Available	\$1,431,849*	\$691,543	\$399,728

**Amount required to be spent by June 30, 2025. AUSD ROPS is available on a reimbursement basis.*



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: February 19, 2025

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 non-active 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 Island City Development (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 a requested voucher commitment for Estuary II, for forty vouchers, pending full financing of the project.

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 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 updated report on these projects is presented as a separate Board item. The HD department is convening a weekly AHA All-Hands meeting on the leasing and start up operations for these two projects.
- **Estuary II** – Staff submitted seven major funding applications in 2024 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. Further applications are contemplated for 2025, although the project would need substantial additional soft funding to be competitive.

- **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** – None at present

Acquisitions

HD Staff assisted with the IP Faircloth to RAD transaction in late 2024. 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.

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 and are currently working on the priorities for the 2025-26 budget cycle.

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. Two AHA staff members, Radha Mehta and Sylvia Martinez, are serving as part of the working group to update the City of Alameda Inclusionary Housing Policy. This update is scheduled to be complete in 2025. Staff publishes a periodic pipeline newsletter to communicate with interested parties. The most recent newsletter was released in September 2024.

Staffing

The Housing Development Department has one position posted for the position of Associate Project Manager. The recently vacated Senior Project Manager position is being covered by a consultant.

FISCAL IMPACT

Not applicable.

CEQA

Not applicable.



RECOMMENDATION

Accept the Monthly Overview Report for Housing Development.

ATTACHMENTS

None

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: Trevor Jones, Asset Manager

Date: February 19, 2025

Re: Accept the Quarterly LIHTC Portfolio Asset Management Fiscal Year-to-Date Financial Report through December 31, 2024.

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 an 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 December 31, 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 employed 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 \$1,181,672, which is 0.2% (\$2,761) higher than budget.
- Economic Occupancy is 99.3% (averaging less than 1 vacant unit over the year).
- Tenant Revenue is \$611,210 and Subsidy Revenue is \$572,550.
- Tenant Accounts Receivable are \$64,605. No tenants are currently facing termination for nonpayment. This includes residents with balances over 6 months delinquent.
- Operating Expenses are \$660,043, which is 8% (\$49,136) higher than budget due to collection loss being coded as an expense.
- Net Operating Income is \$521,629, which is 9% (\$51,897) 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 \$366,977, which is \$51,897 lower than budget.
- DSCR is 3.64.
- 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 five 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 03, 2009.

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



February 19, 2025

Section 8 PBV: 21 units

Income and rent limits: 20%-60% AMI

- Operating Revenue is \$967,370, which is 7% (\$75,420) lower than budget due to occupancy being lower than budget.
- Economic Occupancy averaged 93% (2> vacant units) over the year.
- Tenant Revenue is \$437,724 and Subsidy Revenue is \$592,817.
- Tenant Accounts receivable are \$867. No tenants are currently facing termination for non-payment.
- Operating Expenses are \$518,479, which is 12% (\$69,718) lower than budget due to low turnover and payroll being allocated correctly.
- Net Operating Income is \$448,891, which is 1% (\$5,702) lower than budget due to vacancy averaging 93%.
- Replacement Reserve deposit requirement is \$23,400 annually.
- No mandatory hard debt service.
- Total Net Cash Flow is \$425,491, which is \$5,702 lower 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) 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 \$823,621, which is 4% (\$30,590) lower than budget as a result of loss to lease being higher than budget.
- Economic Occupancy averaged 92% (5 Vacant Units) over the year.
- Tenant Revenue is \$526,396 and Subsidy Revenue is \$370,167.
- Tenant Accounts Receivable are \$120,442. No tenants are currently facing termination for nonpayment.
- Operating Expenses are \$759,156, which is 15% (\$100,789) 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 \$64,465, which is 67% (\$131,379) lower than budget. However, we budgeted aggressively to get this project back on track and 2024 does reflect a year-over-year increase of \$69,486 over 2023.
- Replacement Reserve deposit requirement \$31,930 annually.



- No Mandatory Hard Debt Service.
- Total Net Cash Flow is \$32,535.
- 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 2024, no principal payments have been made. 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 \$606,575, which is 4% (\$23,976) lower than budget as a result of higher vacancy.
- Economic Occupancy averaged 93.5% (2 vacant units) over the year. A number of residents chose to move-out instead of agreeing to a payment plan.
- Tenant Revenue is \$429,331 and Subsidy Revenue is \$207,853.
- Tenant Accounts Receivable are \$42,960. No tenants are currently facing termination for nonpayment.
- Operating Expenses are \$448,164, which is 8% (34,623) higher than budget due to higher than budgeted fire protection expenses and HVAC maintenance.
- Net Operating Income is \$158,411 which is 27% (\$58,599) 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 \$70,055.
- DSCR is 2.01.

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 2 current loans secured by the property and 1 that was paid off in 2024. The first loan was for \$225,000 with an interest rate of 5% and was paid off November 1, 2024. The second AHA/CIC loan was for \$1,400,000 with an interest rate of 3% and December 2024 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. The Housing Consortium of East Bay (HCEB) provides resident services. The project was placed in service on January 09, 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 \$530,425, which is 13% (\$60,314) higher than budget due to the property being 100% occupied over the year.
- Economic Occupancy averaged 100% (0 vacant units) over the year. Vacancy appears positive due to a reclass on the financial statement.
- Tenant Revenue is \$107,037 and Subsidy Revenue is \$406,143.
- Tenant Accounts Receivable are \$1,502.
- Operating Expenses are \$346,392, which is 14% (\$56,285) lower than budget due to conservative budgeting.
- Total Net Operating Income is \$184,033, which is 173% (\$116,599) higher than budget of \$67,434.
- Replacement Reserve deposit requirement is \$11,400 annually.
- Mandatory hard debt service is \$28,632 annually.
- DSCR is 6.03.
- Total Net Cash Flow is \$144,001.
- The property ended 2024 fully occupied and maintained 100% occupancy over the year. 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 land owner, 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 \$710,786, which is 7% (\$49,274) higher than budget as a result of not writing off as much as was budgeted over the year.
- Economic Occupancy was 92% (3 vacant units) and the property was 100% Occupied at the end of the year.
- Tenant Revenue is \$196,329 and Subsidy Revenue is \$592,138.
- Tenant Accounts receivable are \$353. The primary two chronic late paying tenants moved-out and were written off in Q3.
- Operating Expenses are \$344,975, which is 6% (23,734), 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 \$365,811, which is 25% (\$73,008) 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 \$113,803.
- DSCR is 1.48 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 land owner, 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 \$574,891, which effectively meets budget and is only \$1,766 higher than budget. This is primarily due to a surplus budget of \$48,976 of bad debt, but only writing off \$22,686 over the year. This offset the higher than budget vacancy experienced over the year.
- Economic Occupancy averaged 93.9% (1.23 vacant units) over the year and ended 2024 with 80% occupied as a result of long-standing VASH units and an exhausted PBV waitlist.
- Tenant Revenue is \$130,662 and Subsidy Revenue is \$462,234.
- Tenant Accounts Receivables are \$19,669 with \$13,032 occurring during the moratorium. Nonpayment is being actively addressed.
- Operating Expenses are \$294,163, which is 1% (3,895) higher than budget.
- Net Operating Income is \$280,728, which is 2% (\$5,661) higher than budget due to utilities and bad debt being materially lower than budget.
- Replacement Reserve deposit requirement is \$13,506 annually.
- Mandatory hard debt service is \$215,916.
- Total Net Cash Flow is \$51,306.
- DSCR is 1.24. 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 land owner, 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 operations, 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 \$1,869,163, which is 1% (\$15,533) lower than budget.
- Economic Occupancy averaged 92.6% (7 vacant units) over the year. 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 vacant units. Staff are holding weekly meetings with FPI. Leasing is ongoing and is expected to improve in 2025.
- Tenant Revenue is \$1,027,777 and Subsidy Revenue is \$821,381.
- Tenant Accounts receivable are \$217,340. Nonpayment is being actively addressed.
- Operating Expenses are \$1,010,184, which is 6% (\$68,629) higher than budget due to temp staff invoices from 2023 in the amount of \$56,445 being paid in 2024. Staff is closely tracking the use of temp staff and the timely payment of invoices.
- Net Operating Income is \$858,979, which is 9% (\$84,162) lower than budget due to higher than budgeted expenses and an enhanced focus on leasing units.
- Replacement Reserve deposit requirement is \$55,200 annually.
- Mandatory hard debt service is \$724,692 annually.
- Total Net Cash Flow is \$79,087.
- DSCR is 1.11. AHA will continue to monitor this property closely due to the low DSCR.

Overall, all of the assets are able to fulfill mandatory hard debt service and deposit reserves with a debt service coverage ratio averaging at 2.6, and ranging from 1.11 to 6.03. Also, most assets produce surplus cash/ residual receipts for distribution.

FISCAL IMPACT

None

CEQA

N/A

RECOMMENDATION

Accept the Quarterly LIHTC Portfolio Asset Management Fiscal Year-to-Date Financial Report through December 31, 2024.

ATTACHMENTS

1. AHA LIHTC Q4 2024
2. Q4 LIHTC Quarterly Financials



Respectfully submitted,
Trevor Jones
Trevor Jones, Asset Manager



LIHTC Q4 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

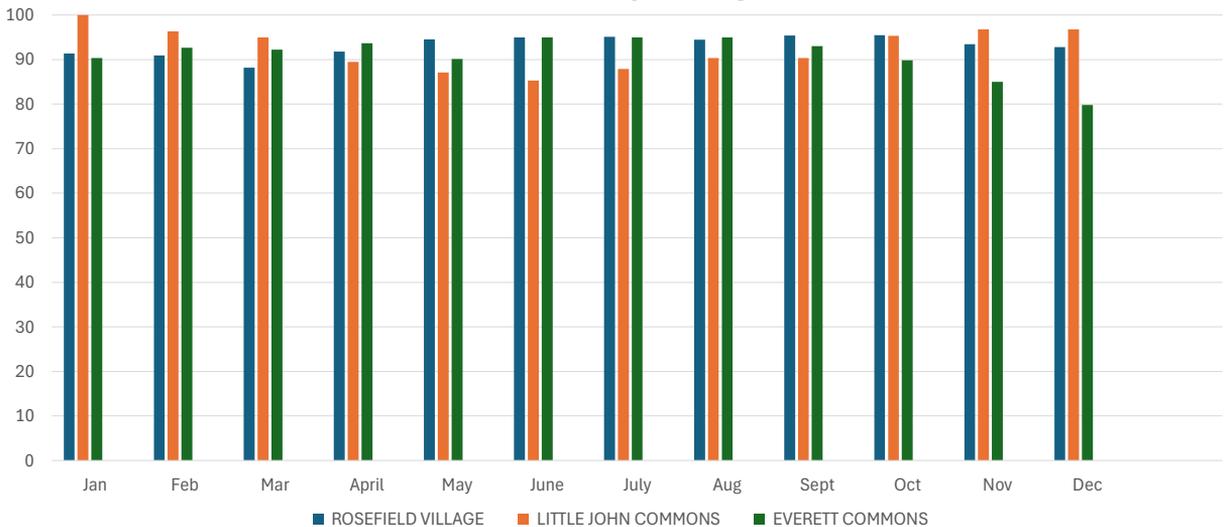


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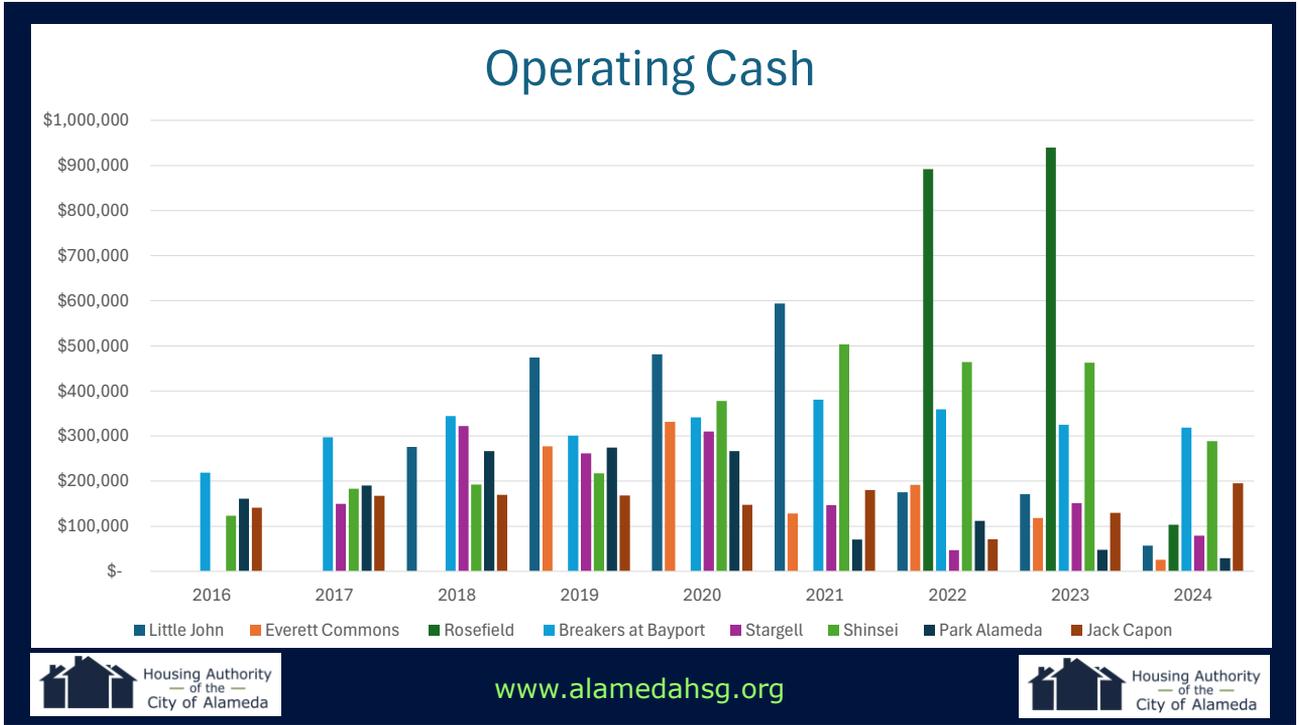
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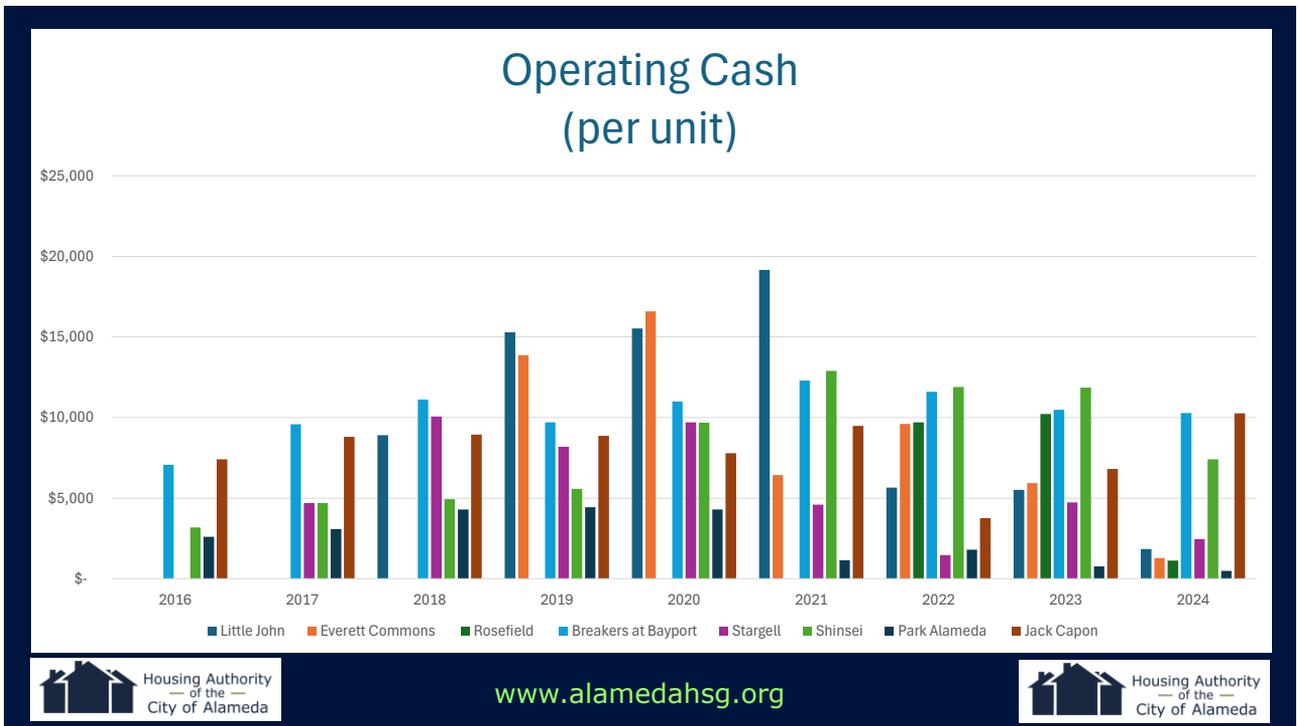
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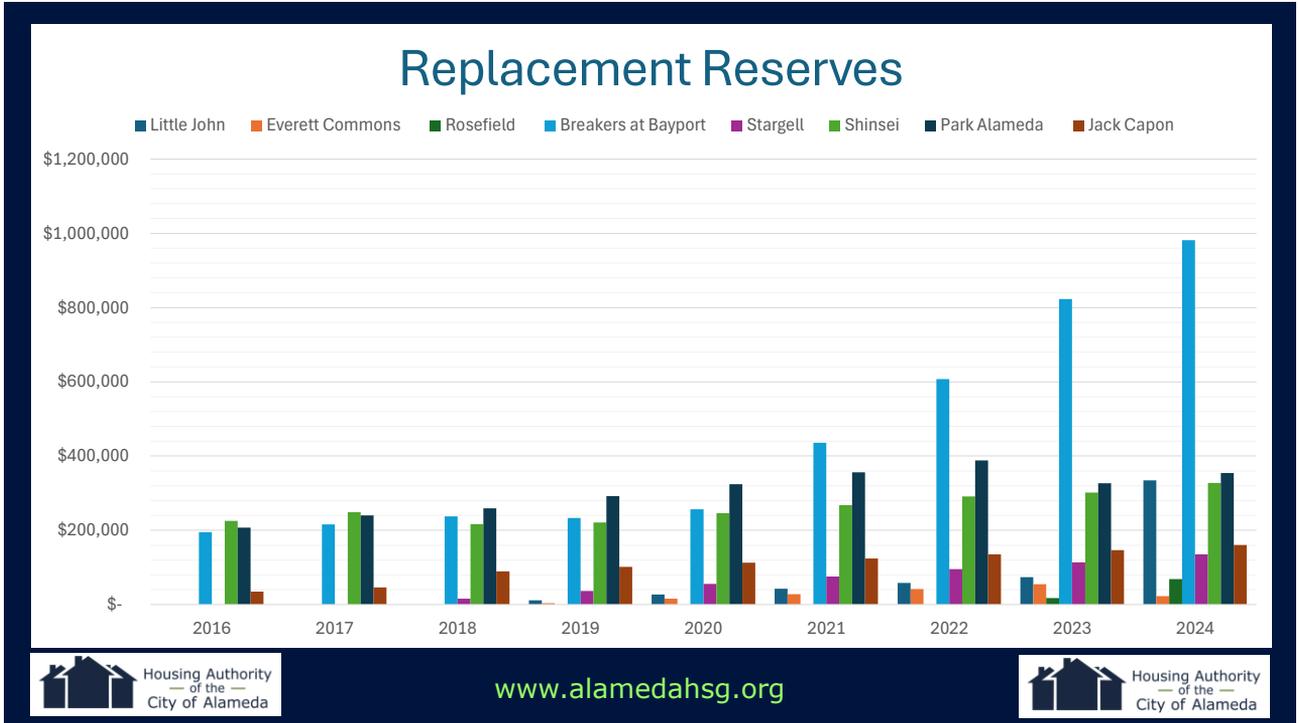
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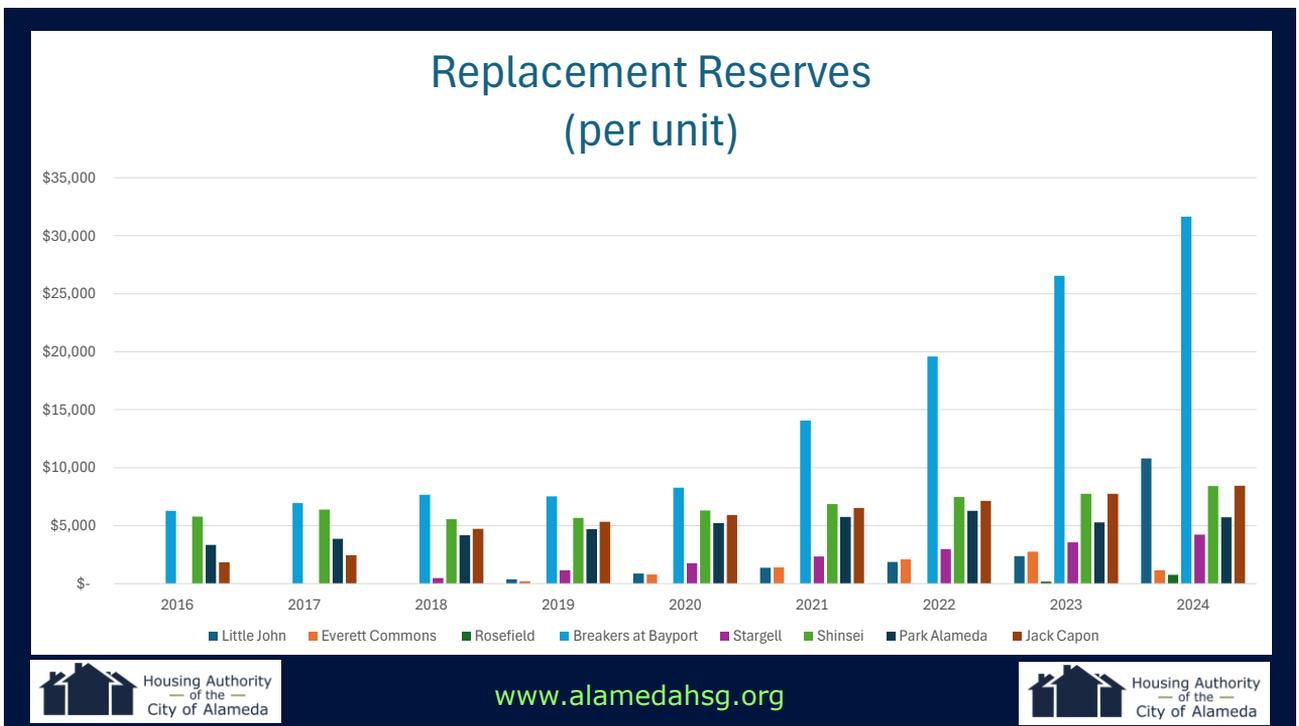
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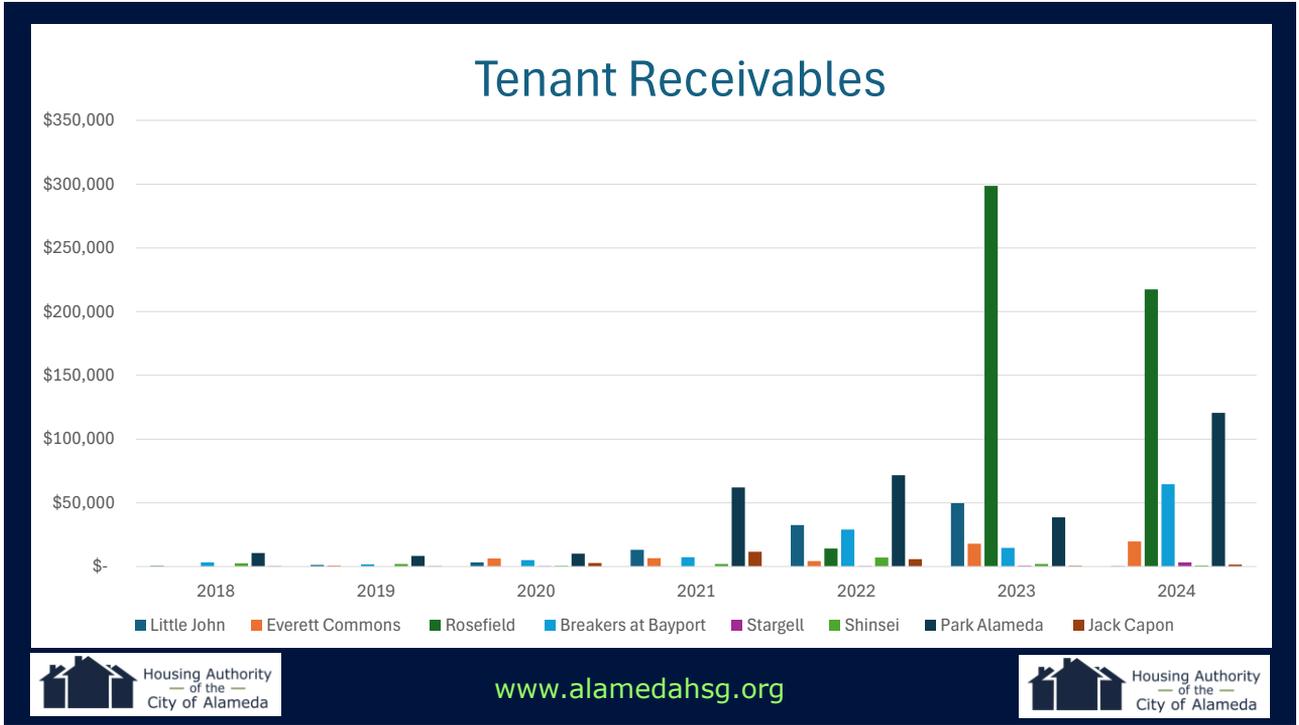
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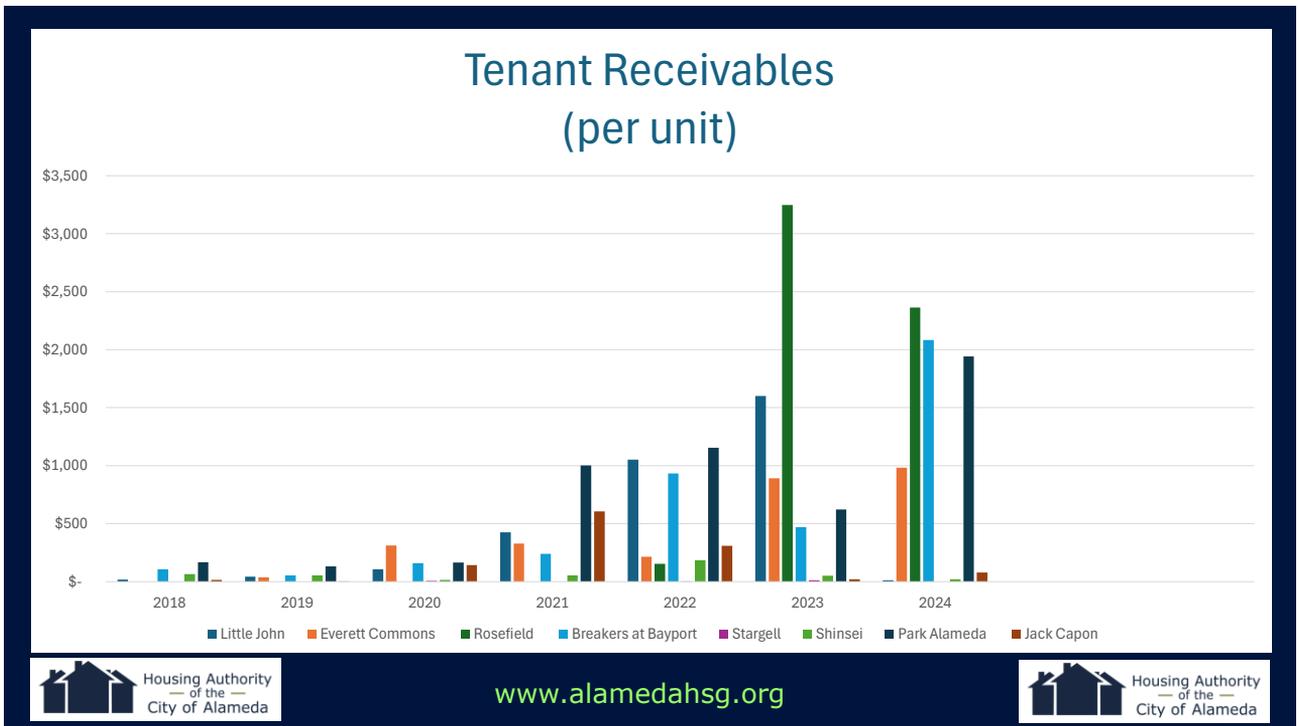
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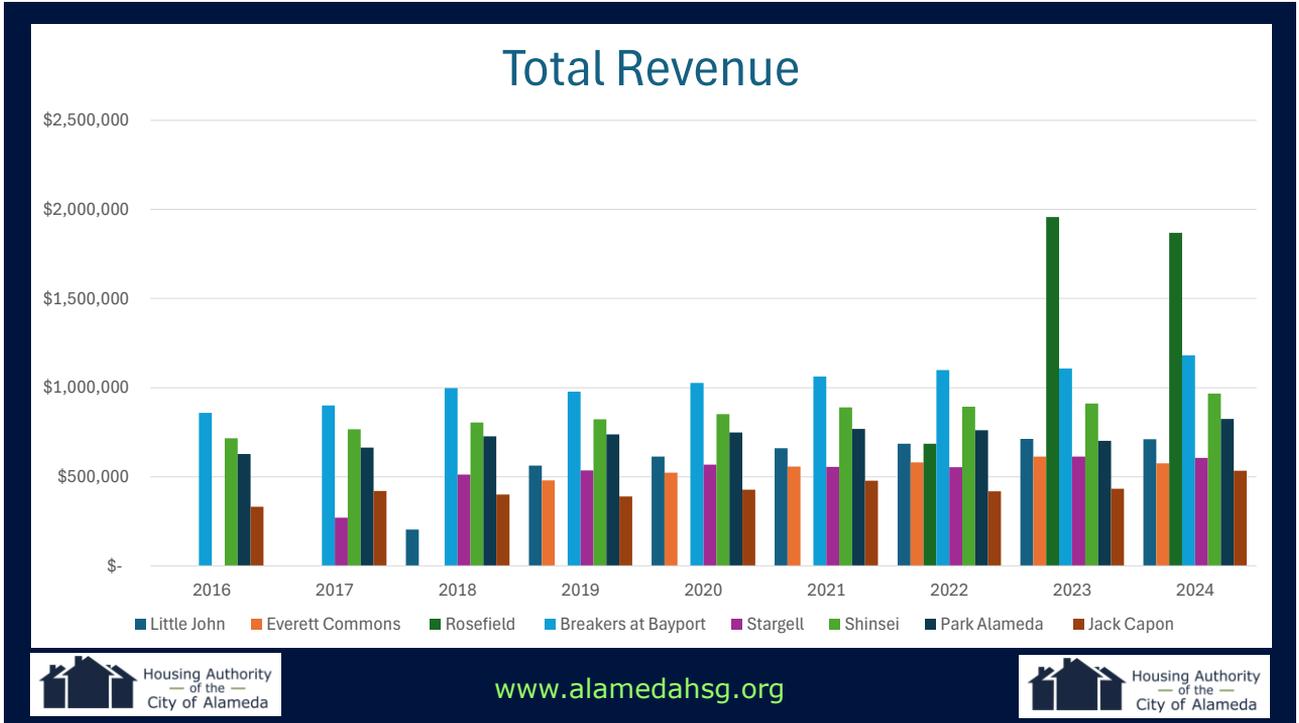
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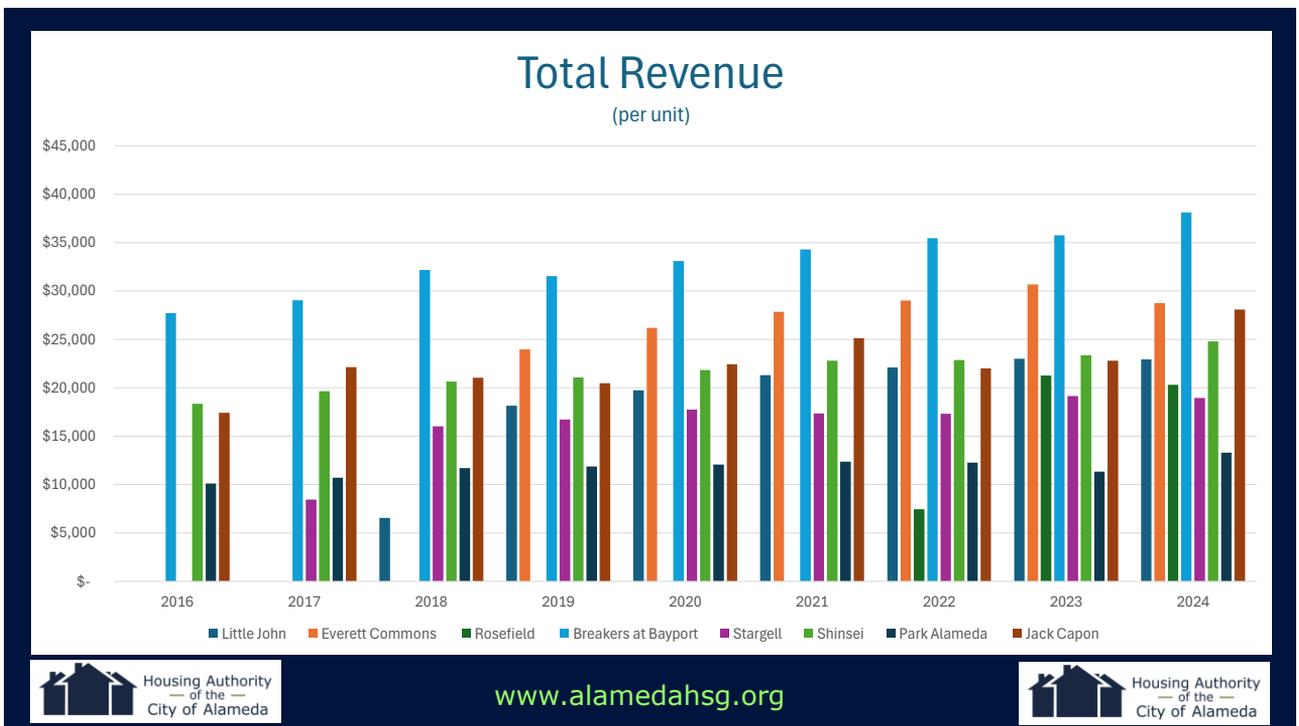
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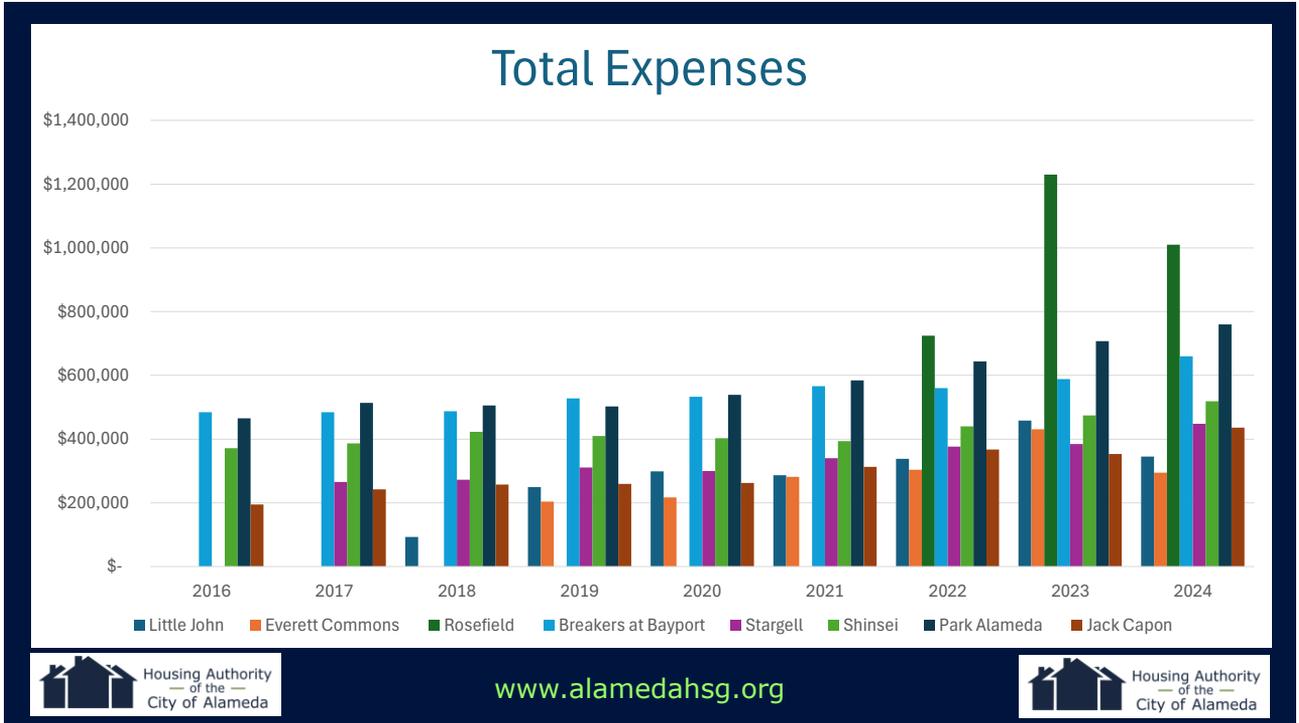
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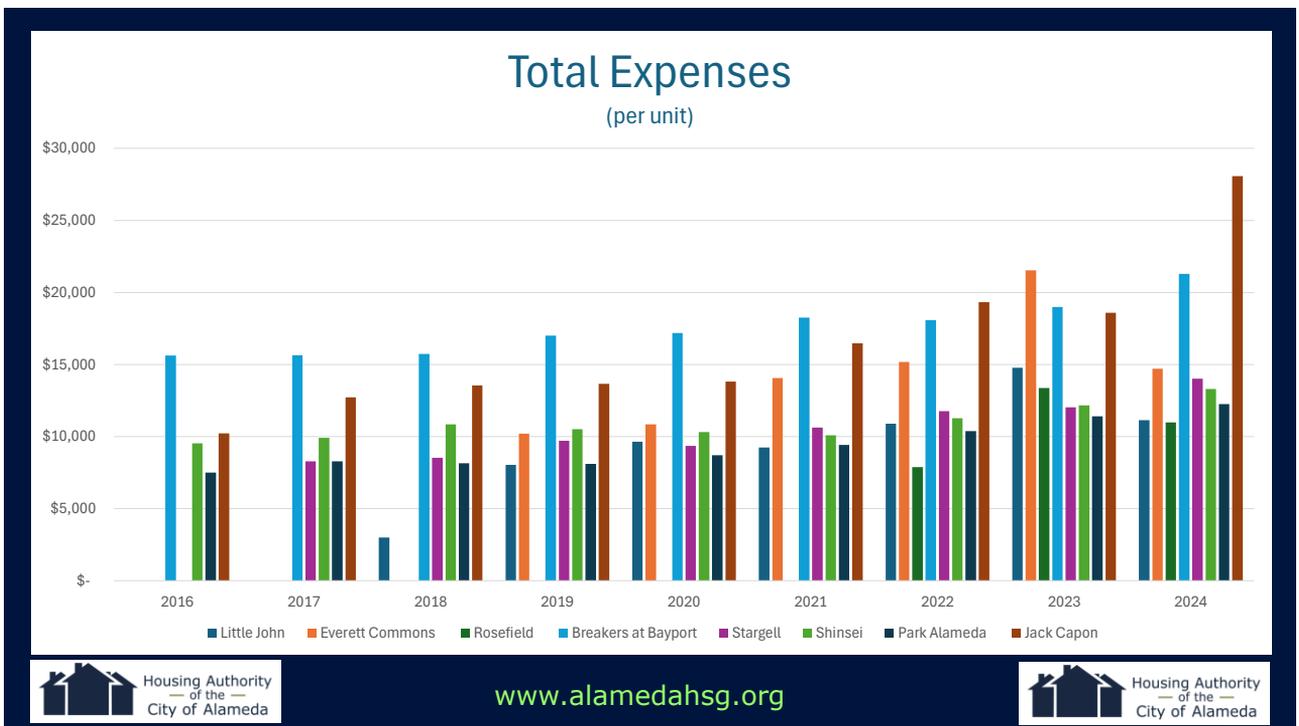
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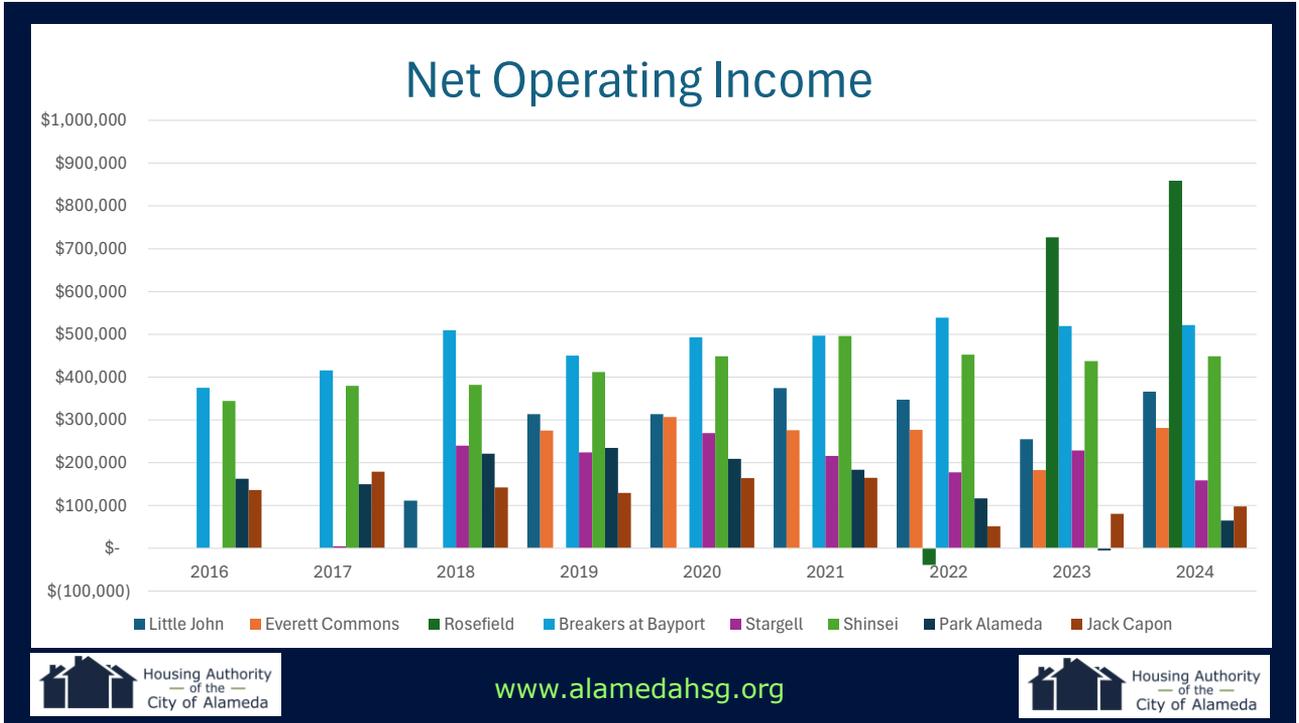
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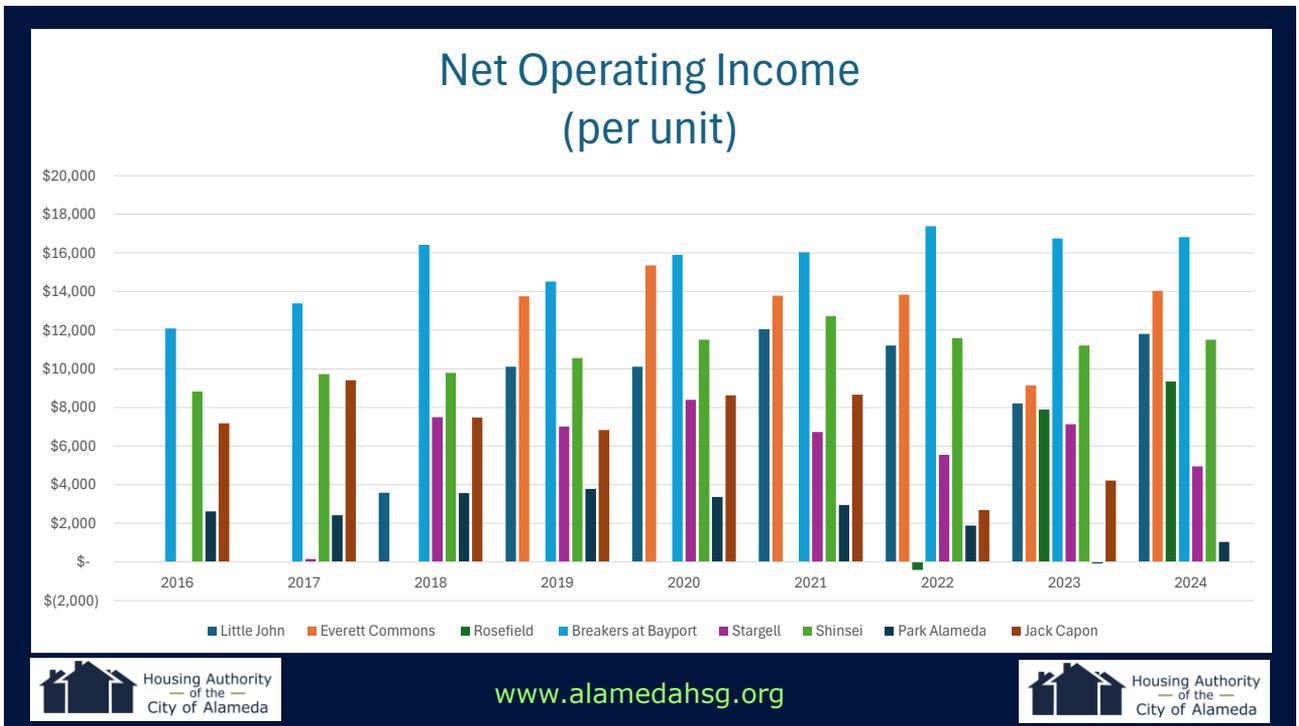
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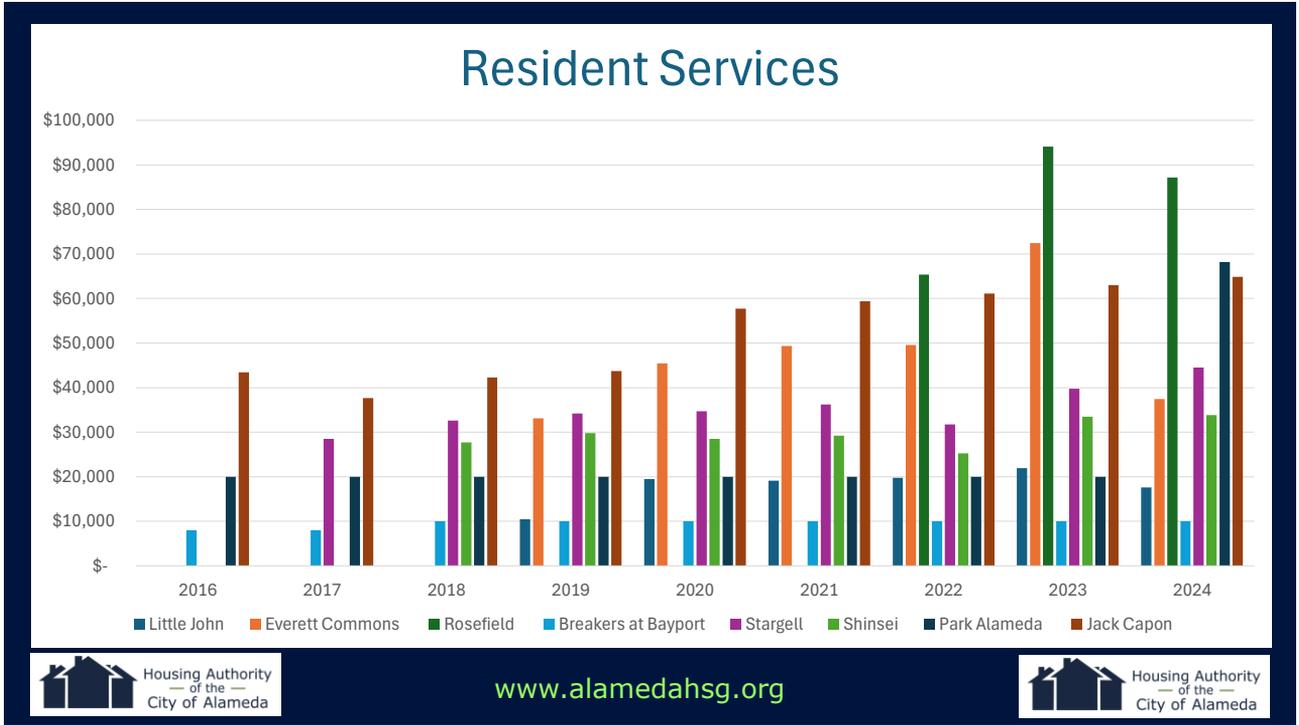
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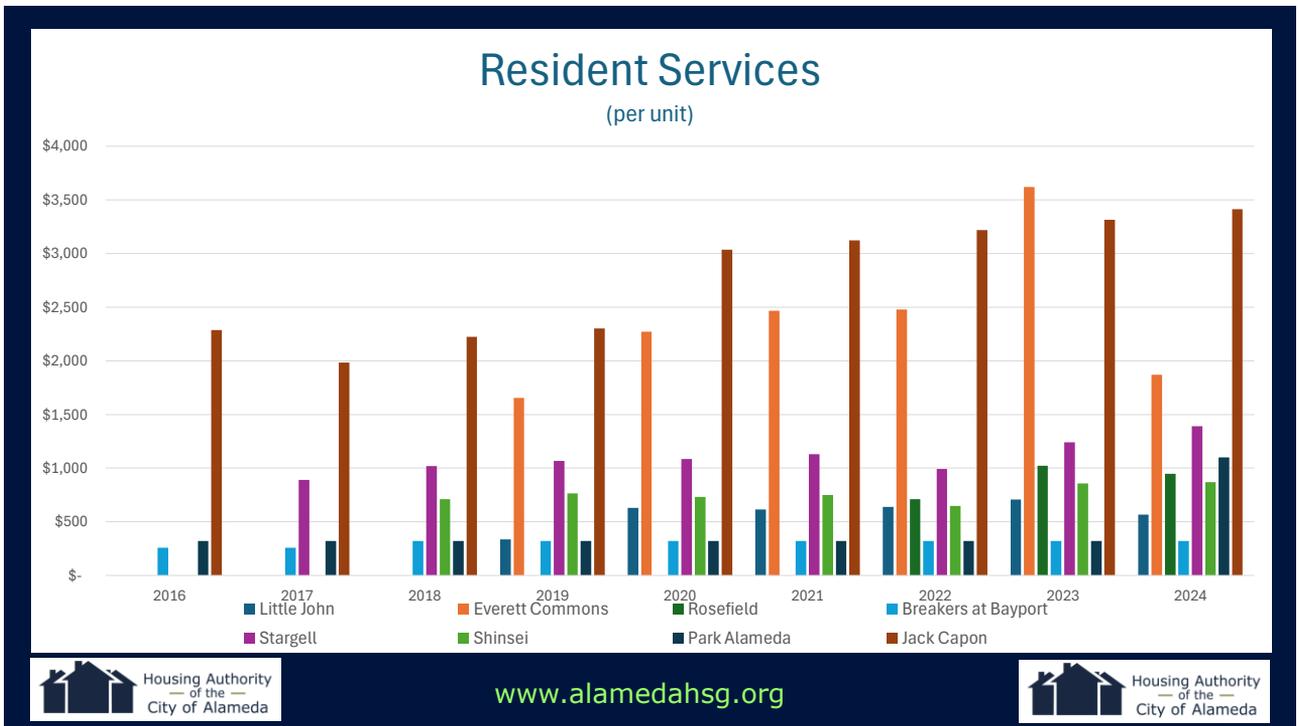
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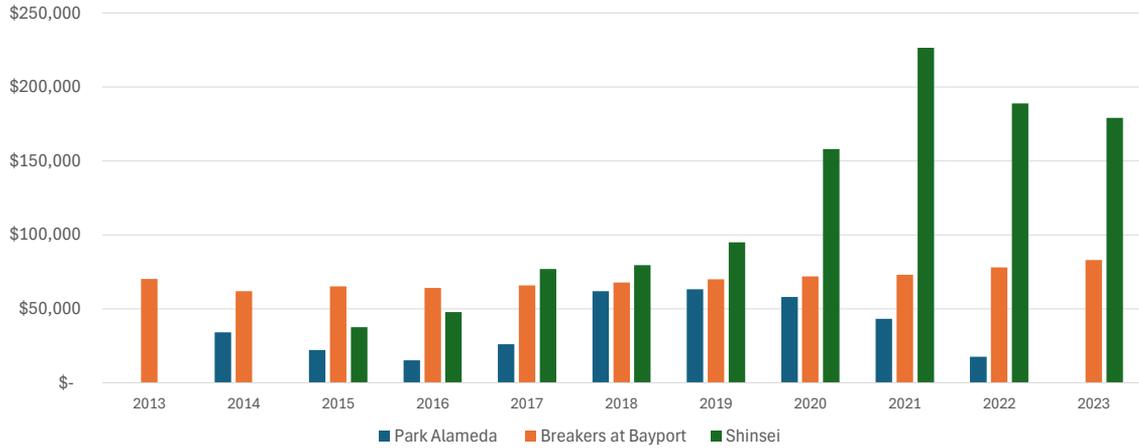


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Incentive Management Fee



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Everett Commons

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 130,662	\$ 178,728	\$ (48,066)	-27%	\$ 6,533
Subsidy Revenue	\$ 462,234	\$ 467,652	\$ (5,418)	-1%	\$ 23,112
Vacancy Loss	\$ (36,462)	\$ (12,928)	\$ (23,534)	182%	\$ (1,823)
Other Gain/Loss	\$ 41,143	\$ (11,351)	\$ 52,494	NA	\$ 2,057
Other Income	\$ (22,686)	\$ (48,976)	\$ 26,290	-54%	\$ (1,134)
Total Operating Revenue	\$ 574,891	\$ 573,125	\$ 1,766	0%	\$ 28,745
Administrative Expenses	\$ 76,840	\$ 77,492	\$ (652)	-1%	\$ 3,842
Utilities Expense	\$ 30,909	\$ 61,702	\$ (30,793)	-50%	\$ 1,545
Operating and Maintenance	\$ 89,234	\$ 57,159	\$ 32,075	56%	\$ 4,462
Taxes and Insurance	\$ 59,756	\$ 52,077	\$ 7,679	15%	\$ 2,988
Resident Services	\$ 37,424	\$ 49,628	\$ (12,204)	-25%	\$ 1,871
Total Operating Expenses	\$ 294,163	\$ 298,058	\$ (3,895)	-1%	\$ 14,708
Net Operating Income	\$ 280,728	\$ 275,067	\$ 5,661	2%	\$ 14,036
Replacement Reserves	\$ 13,506	\$ 13,506			
Debt Service	\$ 215,916	\$ 215,916			
Net Cash Flow	\$ 51,306	\$ 45,645	\$ 5,661	12%	\$ 2,565
Debt Service Coverage Ratio	1.24	1.21			
Operating Expense PUPY	\$ 14,708	\$ 14,903			
Operating Expense PUPM	\$ 1,226	\$ 1,242			
Number of Units	20				
Months In YTD	12				

Breakers at Bayport

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 611,210	\$ 690,492	\$ (79,282)	-11%	\$ 11,754
Subsidy Revenue	\$ 572,550	\$ 517,980	\$ 54,570	11%	\$ 11,011
Vacancy Loss	\$ (8,265)	\$ (24,169)	\$ 15,904	-66%	\$ (159)
Other Income	\$ 6,177	\$ 130	\$ 6,047	N/A	\$ 119
Total Operating Revenue	\$ 1,181,672	\$ 1,184,433	\$ (2,761)	-0.2%	\$ 22,724
Administrative Expenses	\$ 227,366	\$ 180,880	\$ 46,486	26%	\$ 4,372
Utilities Expense	\$ 101,991	\$ 94,638	\$ 7,353	8%	\$ 1,961
Operating and Maintenance	\$ 197,109	\$ 205,264	\$ (8,155)	-4%	\$ 3,791
Taxes and Insurance	\$ 123,577	\$ 120,125	\$ 3,452	3%	\$ 2,376
Resident Services	\$ 10,000	\$ 10,000	\$ -	0%	\$ 192
Total Operating Expenses	\$ 660,043	\$ 610,907	\$ 49,136	8%	\$ 12,693
Net Operating Income	\$ 521,629	\$ 573,526	\$ (51,897)	-9%	\$ 10,031
Replacement Reserves	\$ 15,500	\$ 15,500			
Debt Service	\$ 139,152	\$ 139,152			
Net Cash Flow	\$ 366,977	\$ 418,874	\$ (51,897)	-12%	\$ 7,057
Debt Service Coverage Ratio	3.64	4.01			
Operating Expense PUPY	\$ 12,693	\$ 11,748			
Operating Expense PUPM	\$ 1,058	\$ 979			
Number of Units	52				
Months In YTD	12				

Shinsei Gardens

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 437,724	\$ 383,217	\$ 54,507	14%	\$ 11,224
Subsidy Revenue	\$ 592,817	\$ 679,191	\$ (86,374)	-13%	\$ 15,200
Vacancy Loss	\$ (70,073)	\$ (24,027)	\$ (46,046)	192%	\$ (1,797)
Other Income	\$ 6,902	\$ 4,409	\$ 2,493	57%	\$ 177
Total Operating Revenue	\$ 967,370	\$ 1,042,790	\$ (75,420)	-7%	\$ 24,804
Administrative Expenses	\$ 162,664	\$ 142,111	\$ 20,553	14%	\$ 4,171
Utilities Expense	\$ 88,521	\$ 72,723	\$ 15,798	22%	\$ 2,270
Operating and Maintenance	\$ 146,011	\$ 244,952	\$ (98,941)	-40%	\$ 3,744
Taxes and Insurance	\$ 87,425	\$ 93,069	\$ (5,644)	-6%	\$ 2,242
Resident Services	\$ 33,858	\$ 35,342	\$ (1,484)	-4%	\$ 868
Total Operating Expenses	\$ 518,479	\$ 588,197	\$ (69,718)	-12%	\$ 13,294
Net Operating Income	\$ 448,891	\$ 454,593	\$ (5,702)	-1%	\$ 11,510
Replacement Reserves	\$ 23,400	\$ 23,400			
Debt Service	None	None			
Net Cash Flow	\$ 425,491	\$ 431,193	\$ (5,702)	-1%	\$ 10,910
Debt Service Coverage Ratio	None	None			
Operating Expense PUPY	\$ 13,294	\$ 15,082			
Operating Expense PUPM	\$ 1,108	\$ 1,257			
Number of Units	39				
Months In YTD	12				

Park Alameda

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 526,396	\$ 584,446	\$ (58,050)	-10%	\$ 8,490
Subsidy Revenue	\$ 370,167	\$ 357,720	\$ 12,447	3%	\$ 5,970
Vacancy Loss	\$ (76,569)	\$ (98,173)	\$ 21,604	-22%	\$ (1,235)
Other Income	\$ 3,627	\$ 10,218	\$ (6,591)	-65%	\$ 59
Total Operating Revenue	\$ 823,621	\$ 854,211	\$ (30,590)	-4%	\$ 13,284
Administrative Expenses	\$ 266,969	\$ 221,251	\$ 45,718	21%	\$ 4,306
Utilities Expense	\$ 105,297	\$ 71,188	\$ 34,109	48%	\$ 1,698
Operating and Maintenance	\$ 195,699	\$ 173,115	\$ 22,584	13%	\$ 3,156
Taxes and Insurance	\$ 122,996	\$ 122,615	\$ 381	0%	\$ 1,984
Resident Services	\$ 68,195	\$ 70,198	\$ (2,003)	-3%	\$ 1,100
Total Operating Expenses	\$ 759,156	\$ 658,367	\$ 100,789	15%	\$ 12,244
Net Operating Income	\$ 64,465	\$ 195,844	\$ (131,379)	-67%	\$ 1,040
Replacement Reserves	\$ 31,930	\$ 31,930			
Debt Service	None	None			
Net Cash Flow	\$ 32,535	\$ 163,914	\$ (131,379)	-80%	\$ 525
Debt Service Coverage Ratio	None	None			
Operating Expense PUPY	\$ 12,244	\$ 10,619			
Operating Expense PUPM	\$ 1,020	\$ 885			
Number of Units	62				
Months In YTD	12				

Stargell Commons

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 429,331	\$ 380,012	\$ 49,319	13%	\$ 13,417
Subsidy Revenue	\$ 207,853	\$ 255,298	\$ (47,445)	-19%	\$ 6,495
Vacancy Loss	\$ (41,181)	\$ (9,757)	\$ (31,424)	322%	\$ (1,287)
Other Income	\$ 10,572	\$ 4,998	\$ 5,574	112%	\$ 330
Total Operating Revenue	\$ 606,575	\$ 630,551	\$ (23,976)	-4%	\$ 18,955
Administrative Expenses	\$ 156,340	\$ 122,628	\$ 33,712	27%	\$ 4,886
Utilities Expense	\$ 59,840	\$ 58,725	\$ 1,115	2%	\$ 1,870
Operating and Maintenance	\$ 109,043	\$ 101,142	\$ 7,901	8%	\$ 3,408
Taxes and Insurance	\$ 78,407	\$ 89,445	\$ (11,038)	-12%	\$ 2,450
Resident Services	\$ 44,534	\$ 41,601	\$ 2,933	7%	\$ 1,392
Total Operating Expenses	\$ 448,164	\$ 413,541	\$ 34,623	8%	\$ 14,005
Net Operating Income	\$ 158,411	\$ 217,010	\$ (58,599)	-27%	\$ 4,950
Replacement Reserves	\$ 19,200	\$ 19,200			
Debt Service	\$ 69,156	\$ 69,156			
Net Cash Flow	\$ 70,055	\$ 128,654	\$ (58,599)	-46%	\$ 2,189
Debt Service Coverage Ratio	2.01	2.86			
Operating Expense PUPY	\$ 14,005	\$ 12,923			
Operating Expense PUPM	\$ 1,167	\$ 1,077			
Number of Units	32				
Months In YTD	12				

Jack Capon Villas

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 107,037	\$ 97,860	\$ 9,177	9%	\$ 5,634
Subsidy Revenue	\$ 406,143	\$ 421,416	\$ (15,273)	-4%	\$ 21,376
Vacancy Loss	\$ 826	\$ (51,928)	\$ 52,754	-102%	\$ 43
Other Income	\$ 16,419	\$ 2,763	\$ 13,656	494%	\$ 864
Total Operating Revenue	\$ 530,425	\$ 470,111	\$ 60,314	13%	\$ 27,917
Administrative Expenses	\$ 95,873	\$ 107,046	\$ (11,173)	-10%	\$ 5,046
Utilities Expense	\$ 30,109	\$ 32,529	\$ (2,420)	-7%	\$ 1,585
Operating and Maintenance	\$ 121,634	\$ 155,488	\$ (33,854)	-22%	\$ 6,402
Taxes and Insurance	\$ 33,906	\$ 42,744	\$ (8,838)	-21%	\$ 1,785
Resident Services	\$ 64,870	\$ 64,870	\$ -	0%	\$ 3,414
Total Operating Expenses	\$ 346,392	\$ 402,677	\$ (56,285)	-14%	\$ 18,231
Net Operating Income	\$ 184,033	\$ 67,434	\$ 116,599	173%	\$ 9,686
Replacement Reserves	\$ 11,400	\$ 11,400			
Debt Service	\$ 28,632	\$ 28,632			
Net Cash Flow	\$ 144,001	\$ 27,402	\$ 116,599	426%	\$ 7,579
Debt Service Coverage Ratio	6.03	1.96			
Operating Expense PUPY	\$ 18,231	\$ 21,194			
Operating Expense PUPM	\$ 1,519	\$ 1,766			
Number of Units	19				
Months In YTD	12				

Littlejohn Commons

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 196,329	\$ 125,124	\$ 71,205	57%	\$ 6,333
Subsidy Revenue	\$ 592,138	\$ 656,880	\$ (64,742)	-10%	\$ 19,101
Vacancy Loss	\$ (60,923)	\$ (15,640)	\$ (45,283)	290%	\$ (1,965)
Other Gain/Loss	\$ 14,655	\$ (13,368)	\$ 28,023	-210%	\$ 473
Other Income	\$ (31,413)	\$ (91,484)	\$ 60,071	-66%	\$ (1,013)
Total Operating Revenue	\$ 710,786	\$ 661,512	\$ 49,274	7%	\$ 22,929
Administrative Expenses	\$ 104,794	\$ 121,339	\$ (16,545)	-14%	\$ 3,380
Utilities Expense	\$ 47,323	\$ 55,109	\$ (7,786)	-14%	\$ 1,527
Operating and Maintenance	\$ 94,327	\$ 97,063	\$ (2,736)	-3%	\$ 3,043
Taxes and Insurance	\$ 80,921	\$ 73,404	\$ 7,517	10%	\$ 2,610
Resident Services	\$ 17,610	\$ 21,794	\$ (4,184)	-19%	\$ 568
Total Operating Expenses	\$ 344,975	\$ 368,709	\$ (23,734)	-6%	\$ 11,128
Net Operating Income	\$ 365,811	\$ 292,803	\$ 73,008	25%	\$ 11,800
Replacement Reserves	\$ 15,500	\$ 15,500			
Debt Service	\$ 236,508	\$ 236,508			
Net Cash Flow	\$ 113,803	\$ 40,795	\$ 73,008	179%	\$ 3,671
Debt Service Coverage Ratio	1.48	1.17			
Operating Expense PUPY	\$ 11,128	\$ 11,894			
Operating Expense PUPM	\$ 927	\$ 991			
Number of Units	31				
Months In YTD	12				

Rosefield Village

	Actual	Budget	Actual-Budget (\$)	Actual-Budget (%)	PUPY
Rental Revenue	\$ 1,027,777	\$ 1,451,388	\$ (423,611)	-29%	\$ 11,171
Subsidy Revenue	\$ 821,381	\$ 711,216	\$ 110,165	15%	\$ 8,928
Vacancy Loss	\$ (137,734)	\$ (59,472)	\$ (78,262)	132%	\$ (1,497)
Other Gain/Loss	\$ 310,171	\$ (1,584)	\$ 311,755	NA	\$ 3,371
Other Income	\$ (152,432)	\$ (216,852)	\$ 64,420	-30%	\$ (1,657)
Total Operating Revenue	\$ 1,869,163	\$ 1,884,696	\$ (15,533)	-1%	\$ 20,317
Administrative Expenses	\$ 380,996	\$ 324,287	\$ 56,709	17%	\$ 4,141
Utilities Expense	\$ 185,575	\$ 222,040	\$ (36,465)	-16%	\$ 2,017
Operating and Maintenance	\$ 208,891	\$ 134,331	\$ 74,560	56%	\$ 2,271
Taxes and Insurance	\$ 173,712	\$ 190,865	\$ (17,153)	-9%	\$ 1,888
Resident Services	\$ 61,010	\$ 70,032	\$ (9,022)	-13%	\$ 663
Total Operating Expenses	\$ 1,010,184	\$ 941,555	\$ 68,629	7%	\$ 10,980
Net Operating Income	\$ 858,979	\$ 943,141	\$ (84,162)	-9%	\$ 9,337
Replacement Reserves	\$ 55,200	\$ 55,200			
Debt Service	\$ 724,692	\$ 724,692			
Net Cash Flow	\$ 79,087	\$ 163,249	\$ (84,162)	-52%	\$ 860
Debt Service Coverage Ratio	1.11	1.23			
Operating Expense PUPY	\$ 10,980	\$ 10,234			
Operating Expense PUPM	\$ 915	\$ 853			
Number of Units	92				
Months In YTD	12				



ISLAND CITY DEVELOPMENT

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

ITEM 5.1

To: Board of Directors
Island City Development

From: Sylvia Martinez, Director of Housing Development, Louie So, Chief Financial Officer

Date: February 19, 2025

Re: Accept the Summary Memo on North Housing Predevelopment Funding.

BACKGROUND

The Housing Authority of the City of Alameda (AHA) is leading the development of 12 acres under a homeless accommodation conveyance requiring 90 homes serving the formerly homeless and entitled for over 500 total units in the City of Alameda (City). Island City Development (ICD), an affiliate of AHA, is the developer partner, and Alameda Point Collaborative and Building Futures are the service providers for the units for the homeless.

On February 21, 2016, the AHA Board of Commissioners authorized acceptance of the Quit Claim deed for conveyance of the North Housing (NH) site to AHA. On June 5, 2018, the City Council approved the resolution to transfer the North Housing site to AHA. The North Housing parcel was successfully transferred to AHA ownership on May 30, 2019. The AHA Board of Commissioners approved the Agency's Vision for the North Housing site at its August 2019 meeting. On August 17, 2020, the Planning Board approved the Development Plan, and on September 15, 2020, the City Council approved the Tentative Map. On May 16, 2023, the City Council approved the first phase Final Map. On September 19, 2023, the remnant Right of Way (ROW) parcels along Mosley Avenue transferred from the City to AHA as contemplated in the approved Development Plan.

AHA is the master developer of North Housing and is responsible for site preparation, demolition, and infrastructure. On behalf of all 12 acres, AHA has undertaken demolition of existing buildings and entitlement approvals, and incurred holding costs for security, fencing, and landscaping. In fall of 2020, the AHA and ICD embarked on the demolition of the existing derelict buildings, and on design and building permits for 155 units at Block A, which is approximately 3 acres of the total 12 acres. AHA provided predevelopment funds for this work, in a single loan to ICD. It should be noted that some of these activities benefitted the Master Plan of the remaining 9 acres (Blocks B, C, D). The amount spent on Master Plan-9 acres is approximately \$4 million dollars. This includes demolition of existing buildings, security of the parcel, fencing etc.

The three developments (Estuary I, Linnet Corner and Estuary II) at Block A required substantial infrastructure improvements, including new water mains and connections, sidewalks, a portion of the new Mabuhay Street, storm drains, sewer, etc. All these improvements were required for a single Block A unit to be built, and all three buildings would benefit from this construction. Therefore, the work was done by AHA in conjunction with the



first two buildings, Estuary I and Linnet Corner, with Estuary II advancing funds from its predevelopment loan approved by AHA. The projects share costs on a pro rata basis based on their acreage. As of the date of this memorandum, Estuary I and Linnet Corner are in active development, and Estuary II is still in predevelopment.

In addition, AHA made permanent loan commitments to all three Block A properties, as it has for other new tax credit developments (i.e. Everett Commons, Littlejohn Commons and Rosefield Commons). At the start of construction for Estuary I and Linnet Corner in 2024, any predevelopment funds attributable to their projects were repaid by the construction proceeds back to both ICD and AHA and then converted to those permanent loans. For AHA, these costs that were repaid include carrying costs (security, insurance, fencing, landscaping, etc.).

Estuary II, remains in predevelopment but is fully permitted and benefits from the offsite and stabilization activities undertaken during the construction of Estuary I and Linnet Corner. However, due to lack of available tax credits, it has not started construction. Therefore, it continues to utilize its predevelopment loan from AHA to pay for its share of demolition and design costs. The full loan amount is \$5,250,000 (between AHA/AAHC to ICD as described more in the next paragraph). Estuary II 's share of off sites and site work have been approved to also use approximately \$1,500,000. These funds have been committed by AHA to ICD and are currently being spent for offsites on behalf of Estuary II's parcel, with the additional planned soil offhaul activities through mid-2025 in conjunction with Estuary I and Linnet Corner. Additionally, AHA, as landowner of Estuary II's portion of Block A, continues to incur carrying costs of the property that is not in active development, with these costs approved to be spent pursuant to the AHA reserves policy and any backfill North Housing Master Plan cash loan between AHA to ICD.

One further detail in this summary is that to leverage State of California funding, AHA put funds into the Alameda Affordable Housing Trust Fund (AAHTF), operated by its affiliate, the Alameda Affordable Housing Corporation (AAHC). The financials of AAHC are combined with AHA, and so although the accounting is flowing through AAHC, the descriptions of the predevelopment funding refer to AHA as the original sources of funds, even if AAHC is an intermediary between AHA and ICD.

DISCUSSION

The goal of this memo is to summarize all Board predevelopment actions, to clarify the to-date balances of commitments, and to provide a high-level update of funds spent to date. The table below gives a summary of the to-date balances of the commitments and the current status.

Project	Predevelopment Loan	Perm Commitment	Current Status
Estuary I	\$3,750,000	\$6,750,000	100% used. AHA permanent loan to be paid by residual receipts. No further AHA funding request is expected.
Linnet Corner	\$ 0	\$2,438,000	100% used. AHA permanent loan to be paid by residual receipts. No further AHA funding request is expected. Although



			the project will defer a larger-than-expected developer fee due to the soils issue.
Estuary II	\$5,250,000	\$5,250,000	\$3.02 million spent to 12/31/24. \$3.9 million is expected to be used by the end of offsite and soils work in mid-2025.
TOTAL - Block A	\$9,000,000	\$14,438,000	
NHMP (Master Plan - remaining 9 acres)	\$4,000,000	\$ 0	Approximately \$3,500,000 has been spent, and the annual carrying cost budget is <\$30,000. To be repaid to AHA from future development, as possible, from outside sources
TOTAL COMMITMENT TO NHMP/BLOCK A			\$18,438,000

A timeline of all commitments is included with this memo.

FISCAL IMPACT

Per Board direction, AHA has been utilizing some of its reserves for these costs of building new affordable housing, while maintaining a healthy balance of operating and HAP reserves. An update to the Board on the Reserve Policy was provided in May 2024 and will be updated again by September 2025, as no major changes are anticipated at this time.

CEQA

Not applicable

RECOMMENDATION

Accept the Summary Memo on North Housing Predevelopment Funding.

ATTACHMENTS

1. Timeline and Description of NH Predevelopment Funding

Respectfully submitted,
Sylvia Martinez and Louie So
Sylvia Martinez, Director of Housing Development, Louie So, Chief Financial Officer



Timeline and Description of the Housing Authority's predevelopment loans to the North Housing Master Plan and Block A projects.

- 10/23/2017 - AHA to ICD promissory note of \$300,000 dated 10/23/2017
- 10/13/2018 - AHA to ICD promissory note of \$3,700,000 dated 10/31/2018 (amended and restated – includes the \$300,000 from 2017 therefore is only an increase of \$3,400,000)
- 3/19/2020 - AHA to ICD promissory note of \$130,000 dated 3/19/2020 (increase loan to \$3,700,000)
- 1/15/2021 - AHA to ICD promissory note of \$2,408,000 dated 1/15/2021
Sum of the above is \$6,238,000 (from 10/2017-1/2021)
- 5/18/2022 - Per the approved October and May 2022 reserve policy - \$1,262,000 was approved for predevelopment. Together with the above, total predevelopment is \$7,500,000 from AHA to ICD for North Housing
 - Separate for the predevelopment funding, the BOC also approved the reserve policies of \$3,000,000 and \$2,438,000 cash loans, respectively, to Estuary I and Linnet Corner.
 - Together with the predevelopment commitments and permanent funding commitments, \$12,938,000 committed to the three projects (Estuary I, Linnet Corner and Estuary II) at NH Block A
- 9/21/2022, the BOC approved the recast of the existing \$7.5 million predevelopment loan to ICD for North Housing as a predevelopment loan from AAHC (the local matching funds for LHTF) to ICD for Estuary I and Estuary II.
- 6/21/23 In June 2023 BOC approved the North Housing backfill/master plan funding of \$4 million, at that time, \$3,465,000 had been incurred, thus, \$535,000 is budgeted for remaining 9 acre carrying costs. The contemplated backfill funding plan sources include agency liquidity, short-term reserve policy use, and short-term MTW loan (if available). As these are for backfill costs, they are draw as necessary.
- 8/16/23 In August 2023 BOC approved \$2.5 million additional predevelopment funding sourcing from the existing overall commitments of \$12,938,000. The Estuary I and Linnet Corner projects were advancing due to tax credit awards, and additional money was needed to pay building permit fees and East Bay Municipal Utility District (EBMUD) fees as well as site preparation costs. The action was not for any funds beyond the commitments already made, it just allowed them to be used for predevelopment rather than wait for construction. With this request, the total predevelopment loan to the Block A properties was \$10,000,000, which was less than the total \$12,938,000 permanent loan commitments made to the three projects.
- 11/15/23 November 2023 BOC approved to utilize the spring back of \$1.5 million for Estuary II according to plans contemplated in the 2022 reserve policy.
 - If possible, this \$1.5 million will be placed into a permanent loan from AHA on the property, but its financial structuring is pending future application details and

strategies regarding competitiveness. The loan was memorialized as of May 2024, and these funds were transferred from AHA to ICD in the same calendar year.



ISLAND CITY DEVELOPMENT

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

ITEM 5.J

To: Board of Directors
Island City Development

From: Sarah Raskin, Housing Development Specialist

Date: February 19, 2025

Re: Approve Contract Amendment No.3 Not to Exceed \$170,032.33 with Gubb and Barshay for Linnet Corner, Approve Contract Amendment No.3 Not to Exceed \$160,032.34 with Gubb and Barshay for Estuary I, and Approve Contract Amendment No.3 Not to Exceed \$170,032.33 with Gubb and Barshay for Estuary II.

BACKGROUND

Island City Development (ICD) performs real estate development services for the North Housing project. ICD is the developer of North Housing Block A, which is the first phase of North Housing, with a total of 155 apartments, to be built as three separate projects: The Estuary I, The Estuary II, and Linnet Corner.

The North Housing Project is the redevelopment of approximately 12 acres of land at the former Alameda Naval Air Station (NAS) at the site known as Coast Guard Housing. The Housing Authority is leading the development under a homeless accommodation conveyance, alongside partners Alameda Point Collaborative (APC) and Building Futures. The North Housing parcel was successfully transferred to Housing Authority ownership on May 30, 2019. The Housing Authority of the City of Alameda Board of Commissioners approved the Agency's Vision for the North Housing site at its August 2019 meeting.

Please see previous Board reports for project details.

At the June 26, 2024 ICD Meeting, the Board ratified contracts with Gubb and Barshay for Low-Income Housing Tax Credit (LIHTC) and Real Estate Transaction Legal Services for a not-to-exceed contract amount between Gubb and Barshay and Lakehurst and Mosley LP of \$126,699 for Estuary I, a not-to-exceed contract amount between Gubb and Barshay and Mosley and Mabuhay LP of \$136,699 for Estuary II, and a not-to-exceed contract amount between Gubb and Barshay and Mabuhay and Lakehurst LP for \$136,699 Linnet Corner projects.

On July 23, 2024, the North Housing LP's entered into a First Amendment to the Consultant Services Contract with Gubb and Barshay to allow them to contract speciality legal services from Nixon Peabody LLP for environmental legal services and environmental scoping review for the North Housing Master Plan. The Amendments did not increase the budgets of the contracts and only allocated a portion of the unused expense contingencies. \$3,333.33 was



allocated to the contract between Gubb and Barshay and Mosley and Mabuhay LP for Estuary II and to the contract between Gubb and Barshay and Mabuhay and Lakehurst LP, and \$3,333.34 was allocated to the contract between Gubb and Barshay and Lakehurst and Mosley LP.

At the October 16, 2024 ICD Meeting, the Board ratified the Second Amendment to the Consultant Services Contract with Gubb and Barshay for the three proposed projects at North Housing Block A. The contract amendments requested an additional \$90,000 for ongoing environmental legal services with Nixon Peabody LLP, split among the three contracts, for a not-to-exceed contract amount between Gubb and Barshay and Lakehurst and Mosley LP of \$156,699.00 for Estuary I, a not-to-exceed contract amount between Gubb and Barshay and Mosley and Mabuhay LP of \$166,699.00 for Estuary II, and a not-to-exceed contract amount between Gubb and Barshay and Mabuhay and Lakehurst LP for \$166,699.00 Linnet Corner projects.

DISCUSSION

Ratify the Legal Services Contract Amendments with Gubb and Barshay LLP

For continuity and business needs, staff comes before the Board and recommends the Board to accept staff's recommendation to approve and ratify the second legal services contract amendments with Gubb and Barshay for the three proposed projects at North Housing Block A. The contract amendments request an additional \$10,000 for ongoing environmental legal services with Nixon Peabody LLP, to be split among the three contracts.

The new not-to-exceed contract amount between Gubb and Barshay and Lakehurst and Mosley LP is \$160,032.34 for the Estuary I project.

The new not-to-exceed contract amount between Gubb and Barshay and Mosley and Mabuhay LP is \$170,032.33 for the Estuary II project.

The new not-to-exceed contract amount between Gubb and Barshay and Mabuhay and Lakehurst LP is \$170,032.33 for the Linnet Corner project.

The legal services contract amendments are attached to this memo.

FISCAL IMPACT

The cost of the contract amendments discussed above is within the budget for the three proposed projects at North Housing Block A.

CEQA

N/A

RECOMMENDATION

Approve Contract Amendment No.3 Not to Exceed \$170,032.33 with Gubb and Barshay for Linnet Corner, Approve Contract Amendment No.3 Not to Exceed \$160,032.34 with Gubb and Barshay for Estuary I, and Approve Contract Amendment No.3 Not to Exceed \$170,032.33 with Gubb and Barshay for Estuary II.



ATTACHMENTS

1. Att_1_NH PSH I Third Amendment to Gubb and Barshay Legal Services Contract
2. Att_2_NH Seniors Third Amendment to Gubb and Barshay Legal Services Contract
3. Att_3_NH PSH II Third Amendment to Gubb and Barshay Legal Services Contract

Respectfully submitted,



Sarah Raskin, Housing Development Specialist

**THIRD AMENDMENT TO
CONSULTANT SERVICES CONTRACT**

THIS THIRD AMENDMENT TO CONSULTANT SERVICES CONTRACT ("Amendment"), entered into this 19th day of February 2025 ("Effective Date"), by and between LAKEHURST AND MOSLEY LP, a California limited partnership (hereinafter referred to as "Owner"), and Gubb and Barshay LLP, a California limited liability partnership whose address is 235 Montgomery Street, Suite 1110 San Francisco, CA 94104, (hereinafter referred to as "Consultant"), is made with reference to the following:

RECITALS:

A. Owner and Consultant are parties to that certain CONSULTANT SERVICES CONTRACT entered into as of January 22, 2024 ("Consultant Agreement").

B. The Original Consultant Agreement had a contract value not to exceed \$126,699.00.

C. At the request of Owner, the Consultant entered into with the Housing Authority of the City of Alameda (aka Alameda Housing Authority) and Nixon Peabody LLP ("Nixon") an agreement on July 23, 2024 herewith (the "Nixon Contract"), pursuant to which Nixon will provide certain services to Client.

D. Owner agreed and acknowledged that Consultant will not supervise or oversee the provision of services by Nixon under the Nixon Contract and that Consultant shall not be liable or responsible for any of the services provided by Nixon (including, without limitation, with respect to any professional malpractice claims).

E. The First Contract Amendment, The Nixon Contract, did not increase the budget and only allocated \$3,333.34 of the unused expense contingencies to the Nixon Contracts.

F. At the request of Consultant, Owner shall pay Nixon directly for the amounts due under the Nixon Contract. Owner shall indemnify and reimburse Consultant for any payments Consultant is required to pay to Nixon under the Nixon Contract, except to the extent that Owner has previously paid such amount to Consultant for payment to Nixon.

G. The Second Contract Amendment, entered into on October 16, 2024, increased the not to exceed amount for the entire Contract from \$126,699.00 to \$156,699.00.

H. Owner and Consultant desire to enter into this Third Amendment to address the Nixon Contract as discussed in more detail below.

I. All conditions of the Consultant Agreement will remain the same except as amended below

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

The not to exceed amount for the entire Contract shall be amended from One Hundred Fifty-Six Thousand and Six Hundred and Ninety-Nine Dollars and Zero Cents (\$156,699.00) to One Hundred Sixty Thousand and Thirty-Two Dollars and Thirty-Four Cents (\$160,032.34).

The additional scope of work and fee of \$3,333.34 shall be paid for Nixon Peabody work for environmental legal services and environmental scoping unless otherwise directed by the Owner in writing.

[SIGNATURES ON FOLLOWING PAGE]

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

"CONSULTANT"

Gubb and Barshay LLP, a California limited liability partnership

By: _____

Name: Henry Loh II

Its: Partner

By: N/A

Name: _____

Its: _____

SIGNATURE OF ONE OF THE FOLLOWING:
CORPORATE SECRETARY
ASSISTANT SECRETARY, CFO,
TREASURER
OR ASSISTANT TREASURER
(IF CONSULTING FIRM IS A CORPORATION)

"Owner"

Lakehurst and Mosley LP, a California limited partnership

By: ICD Lakehurst LLC, a California limited liability company, its managing general partner

By: Island City Development, a California non-profit public benefit corporation, its sole manger

By: _____
Vanessa Cooper, President



Nixon Peabody LLP
One Embarcadero Center, 32nd Floor
San Francisco, CA 94111

Alison Torbitt
Partner

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

T / 415.984.5008
F / 866.256.1329
atorbitt@nixonpeabody.com

January 23, 2025

Via email

Henry Loh II
Gubb and Barshay
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Tel: (415) 781-6600
Email: hloh@gubbandbarshay.com

Re: Supplemental Agreement for Legal Services

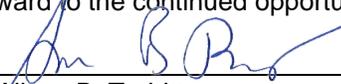
Dear Henry:

Thank you for the opportunity to continue to provide legal services to the Alameda Housing Authority (hereinafter, "you"). This letter will confirm you have asked Nixon Peabody LLP (the "Firm"), and we have agreed, to amend the 11th paragraph of our Agreement for Legal Services dated July 23, 2024, as amended on October 22, 2024 (as amended, the "Agreement"), such that the fees and costs under the Agreement shall not exceed \$90,000, an increase from the prior \$70,000 cap, unless approved in writing by Client and Gubb and Barshay, with no guarantee as to whether this is sufficient for resolution or completion of this matter.

You have also asked Nixon Peabody, and we have agreed, to expand the engagement to include our representation of Island City Development ("ICD") in connection with environmental legal advice regarding the North Housing Block A Project, including "The Estuary I" and "Linnet Corner", and the adjacent Block C (collectively, the "Project"), located at 500 Mosley Avenue, Alameda, CA 94501 and 2000 Lakehurst Circle, Alameda CA, 94501. This expansion does not include, and expressly excludes, any potential dispute or litigation between ICD and you, and we reserve all rights to refuse further representation should such a potential dispute or litigation materialize or increase in likelihood.

As you know, you entered into an Agreement for Legal Services with the Firm dated July 23, 2024. Except as set forth herein, all terms of that Agreement and its incorporated Terms and Conditions of Engagement remain in effect for this expanded engagement.

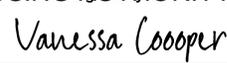
Please sign and return to me a copy of this letter in order to confirm that it accurately reflects the scope, terms and conditions with respect to this engagement. However, please note that your instructing us or continuing to instruct us on this matter will constitute your full acceptance of the terms set out above. We appreciate your business and very much look forward to the continued opportunity to work with you.



Alison B. Torbitt
of Nixon Peabody LLP

The undersigned has read and understands the above letter and accepts and agrees to all of the terms and conditions.

Date: 1/24/2025

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
By: 
Name: Vanessa Cooper
Title: Executive Director

Henry Loh II
Gubb and Barshay
January 23, 2025
Page 2

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

The undersigned agrees to be jointly and severally responsible for the payment of Nixon Peabody's fees in connection with the above-described representation; provided that to the extent Gubb and Barshay has not received payment for Nixon Peabody's fees, to the extent feasible without jeopardizing its rights, Nixon Peabody shall exhaust its remedies against Client prior to seeking payment from Gubb and Barshay. The acceptance of such responsibility does not establish a client-attorney relationship between the undersigned and Nixon Peabody LLP with respect to the above-described representation.

Date: 2/3/2025

GUBB AND BARSHAY LLP

Signed by:
By: Henry Loh II
Name: Henry Loh II
Title: Partner



Nixon Peabody LLP
One Embarcadero Center, 32nd Floor
San Francisco, CA 94111

Alison Torbitt
Partner

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

T / 415.984.5008
F / 866.256.1329
atorbitt@nixonpeabody.com

February 19, 2025

Via email

Henry Loh II
Gubb and Barshay
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Tel: (415) 781-6600
Email: hloh@gubbandbarshay.com

Re: Supplemental Agreement for Legal Services

Dear Henry:

Thank you for the opportunity to continue to provide legal services to the Alameda Housing Authority (hereinafter, "you"). This letter will confirm you have asked Nixon Peabody LLP (the "Firm"), and we have agreed, to amend the 11th paragraph of our Agreement for Legal Services dated July 23, 2024, as amended on October 22, 2024 and on January 23, 2025 (as amended, the "Agreement"), such that the fees and costs under the Agreement shall not exceed \$100,000, an increase from the prior \$90,000 cap, unless approved in writing by Client and Gubb and Barshay, with no guarantee as to whether this is sufficient for resolution or completion of this matter.

As you know, you entered into an Agreement for Legal Services with the Firm dated July 23, 2024. Except as set forth herein, all terms of that Agreement and its incorporated Terms and Conditions of Engagement remain in effect for this expanded engagement.

Please sign and return to me a copy of this letter in order to confirm that it accurately reflects the scope, terms and conditions with respect to this engagement. However, please note that your instructing us or continuing to instruct us on this matter will constitute your full acceptance of the terms set out above. We appreciate your business and very much look forward to the continued opportunity to work with you.



Alison B. Torbitt
of Nixon Peabody LLP

The undersigned has read and understands the above letter and accepts and agrees to all of the terms and conditions.

Date: _____

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

By: _____
Name: _____
Title: _____

Henry Loh II
Gubb and Barshay
February 19, 2025
Page 2

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

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Date: _____

GUBB AND BARSHAY LLP

By: _____
Name: Henry Loh II
Title: Partner

**THIRD AMENDMENT TO
CONSULTANT SERVICES CONTRACT**

THIS THIRD AMENDMENT TO CONSULTANT SERVICES CONTRACT ("Amendment"), entered into this 19th day of February 2025 ("Effective Date"), by and between MABUHAY AND LAKEHURST LP, a California limited partnership (hereinafter referred to as "Owner"), and Gubb and Barshay LLP, a California limited liability partnership whose address is 235 Montgomery Street, Suite 1110 San Francisco, CA 94104, (hereinafter referred to as "Consultant"), is made with reference to the following:

RECITALS:

A. Owner and Consultant are parties to that certain CONSULTANT SERVICES CONTRACT entered into as of January 22, 2024 ("Consultant Agreement").

B. The Original Consultant Agreement had a contract value not to exceed \$136,699.00.

C. At the request of Owner, the Consultant entered into with the Housing Authority of the City of Alameda (aka Alameda Housing Authority) and Nixon Peabody LLP ("Nixon") an agreement on July 23, 2024 herewith (the "Nixon Contract"), pursuant to which Nixon will provide certain services to Client.

D. Owner agreed and acknowledged that Consultant will not supervise or oversee the provision of services by Nixon under the Nixon Contract and that Consultant shall not be liable or responsible for any of the services provided by Nixon (including, without limitation, with respect to any professional malpractice claims).

E. The First Contract Amendment, The Nixon Contract, did not increase the budget and only allocated \$3,333.33 of the unused expense contingencies to the Nixon Contracts.

F. At the request of Consultant, Owner shall pay Nixon directly for the amounts due under the Nixon Contract. Owner shall indemnify and reimburse Consultant for any payments Consultant is required to pay to Nixon under the Nixon Contract, except to the extent that Owner has previously paid such amount to Consultant for payment to Nixon.

G. The Second Contract Amendment, entered into on October 16, 2024, increased the not to exceed amount for the entire Contract from \$136,699.00 to \$166,699.00.

H. Owner and Consultant desire to enter into this Third Amendment to address the Nixon Contract as discussed in more detail below.

I. All conditions of the Consultant Agreement will remain the same except as amended below

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

The not to exceed amount for the entire Contract shall be amended from One Hundred Sixty-Six Thousand and Six Hundred and Ninety-Nine Dollars and Zero Cents (\$166,699.00) to One Hundred Seventy Thousand and Thirty-Two Dollars and Thirty-Three Cents (\$170,032.33).

The additional scope of work and fee of \$3,333.33 shall be paid for Nixon Peabody work for environmental legal services and environmental scoping unless otherwise directed by the Owner in writing.

[SIGNATURES ON FOLLOWING PAGE]

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

"CONSULTANT"

Gubb and Barshay LLP, a California limited liability partnership

By: _____

Name: Henry Loh II

Its: Partner

By: N/A

Name: _____

Its: _____

SIGNATURE OF ONE OF THE FOLLOWING:
CORPORATE SECRETARY
ASSISTANT SECRETARY, CFO,
TREASURER
OR ASSISTANT TREASURER
(IF CONSULTING FIRM IS A CORPORATION)

"Owner"

Mabuhay and Lakehurst LP, a California limited partnership

By: ICD Mabuhay LLC, a California limited liability company, its managing general partner

By: Island City Development, a California non-profit public benefit corporation, its sole manger

By: _____
Vanessa Cooper, President



Nixon Peabody LLP
One Embarcadero Center, 32nd Floor
San Francisco, CA 94111

Alison Torbitt
Partner

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

T / 415.984.5008
F / 866.256.1329
atorbitt@nixonpeabody.com

January 23, 2025

Via email

Henry Loh II
Gubb and Barshay
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Tel: (415) 781-6600
Email: hloh@gubbandbarshay.com

Re: Supplemental Agreement for Legal Services

Dear Henry:

Thank you for the opportunity to continue to provide legal services to the Alameda Housing Authority (hereinafter, "you"). This letter will confirm you have asked Nixon Peabody LLP (the "Firm"), and we have agreed, to amend the 11th paragraph of our Agreement for Legal Services dated July 23, 2024, as amended on October 22, 2024 (as amended, the "Agreement"), such that the fees and costs under the Agreement shall not exceed \$90,000, an increase from the prior \$70,000 cap, unless approved in writing by Client and Gubb and Barshay, with no guarantee as to whether this is sufficient for resolution or completion of this matter.

You have also asked Nixon Peabody, and we have agreed, to expand the engagement to include our representation of Island City Development ("ICD") in connection with environmental legal advice regarding the North Housing Block A Project, including "The Estuary I" and "Linnet Corner", and the adjacent Block C (collectively, the "Project"), located at 500 Mosley Avenue, Alameda, CA 94501 and 2000 Lakehurst Circle, Alameda CA, 94501. This expansion does not include, and expressly excludes, any potential dispute or litigation between ICD and you, and we reserve all rights to refuse further representation should such a potential dispute or litigation materialize or increase in likelihood.

As you know, you entered into an Agreement for Legal Services with the Firm dated July 23, 2024. Except as set forth herein, all terms of that Agreement and its incorporated Terms and Conditions of Engagement remain in effect for this expanded engagement.

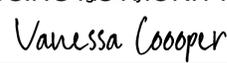
Please sign and return to me a copy of this letter in order to confirm that it accurately reflects the scope, terms and conditions with respect to this engagement. However, please note that your instructing us or continuing to instruct us on this matter will constitute your full acceptance of the terms set out above. We appreciate your business and very much look forward to the continued opportunity to work with you.



Alison B. Torbitt
of Nixon Peabody LLP

The undersigned has read and understands the above letter and accepts and agrees to all of the terms and conditions.

Date: 1/24/2025

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
By: 
Name: Vanessa Cooper
Title: Executive Director

Henry Loh II
Gubb and Barshay
January 23, 2025
Page 2

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

The undersigned agrees to be jointly and severally responsible for the payment of Nixon Peabody's fees in connection with the above-described representation; provided that to the extent Gubb and Barshay has not received payment for Nixon Peabody's fees, to the extent feasible without jeopardizing its rights, Nixon Peabody shall exhaust its remedies against Client prior to seeking payment from Gubb and Barshay. The acceptance of such responsibility does not establish a client-attorney relationship between the undersigned and Nixon Peabody LLP with respect to the above-described representation.

Date: 2/3/2025

GUBB AND BARSHAY LLP

Signed by:
By: Henry Loh II
Name: Henry Loh II
Title: Partner



Nixon Peabody LLP
One Embarcadero Center, 32nd Floor
San Francisco, CA 94111

Alison Torbitt
Partner

Attorneys at Law
nixonpeabody.com
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F / 866.256.1329
atorbitt@nixonpeabody.com

February 19, 2025

Via email

Henry Loh II
Gubb and Barshay
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Tel: (415) 781-6600
Email: hloh@gubbandbarshay.com

Re: Supplemental Agreement for Legal Services

Dear Henry:

Thank you for the opportunity to continue to provide legal services to the Alameda Housing Authority (hereinafter, "you"). This letter will confirm you have asked Nixon Peabody LLP (the "Firm"), and we have agreed, to amend the 11th paragraph of our Agreement for Legal Services dated July 23, 2024, as amended on October 22, 2024 and on January 23, 2025 (as amended, the "Agreement"), such that the fees and costs under the Agreement shall not exceed \$100,000, an increase from the prior \$90,000 cap, unless approved in writing by Client and Gubb and Barshay, with no guarantee as to whether this is sufficient for resolution or completion of this matter.

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Alison B. Torbitt
of Nixon Peabody LLP

The undersigned has read and understands the above letter and accepts and agrees to all of the terms and conditions.

Date: _____

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

By: _____
Name: _____
Title: _____

Henry Loh II
Gubb and Barshay
February 19, 2025
Page 2

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

The undersigned agrees to be jointly and severally responsible for the payment of Nixon Peabody's fees in connection with the above-described representation; provided that to the extent Gubb and Barshay has not received payment for Nixon Peabody's fees, to the extent feasible without jeopardizing its rights, Nixon Peabody shall exhaust its remedies against Client prior to seeking payment from Gubb and Barshay. The acceptance of such responsibility does not establish a client-attorney relationship between the undersigned and Nixon Peabody LLP with respect to the above-described representation.

Date: _____

GUBB AND BARSHAY LLP

By: _____
Name: Henry Loh II
Title: Partner

**THIRD AMENDMENT TO
CONSULTANT SERVICES CONTRACT**

THIS THIRD AMENDMENT TO CONSULTANT SERVICES CONTRACT ("Amendment"), entered into this 19th day of February 2025 ("Effective Date"), by and between MOSLEY AND MABUHAY LP, a California limited partnership (hereinafter referred to as "Owner"), and Gubb and Barshay LLP, a California limited liability partnership whose address is 235 Montgomery Street, Suite 1110 San Francisco, CA 94104, (hereinafter referred to as "Consultant"), is made with reference to the following:

RECITALS:

A. Owner and Consultant are parties to that certain CONSULTANT SERVICES CONTRACT entered into as of January 22, 2024 ("Consultant Agreement").

B. The Original Consultant Agreement had a contract value not to exceed \$136,699.00.

C. At the request of Owner, the Consultant entered into with the Housing Authority of the City of Alameda (aka Alameda Housing Authority) and Nixon Peabody LLP ("Nixon") an agreement on July 23, 2024 herewith (the "Nixon Contract"), pursuant to which Nixon will provide certain services to Client.

D. Owner agreed and acknowledged that Consultant will not supervise or oversee the provision of services by Nixon under the Nixon Contract and that Consultant shall not be liable or responsible for any of the services provided by Nixon (including, without limitation, with respect to any professional malpractice claims).

E. The First Contract Amendment, The Nixon Contract, did not increase the budget and only allocated \$3,333.33 of the unused expense contingencies to the Nixon Contracts.

F. At the request of Consultant, Owner shall pay Nixon directly for the amounts due under the Nixon Contract. Owner shall indemnify and reimburse Consultant for any payments Consultant is required to pay to Nixon under the Nixon Contract, except to the extent that Owner has previously paid such amount to Consultant for payment to Nixon.

G. The Second Contract Amendment, entered into on October 16, 2024, increased the not to exceed amount for the entire Contract from \$136,699.00 to \$166,699.00.

H. Owner and Consultant desire to enter into this Third Amendment to address the Nixon Contract as discussed in more detail below.

I. All conditions of the Consultant Agreement will remain the same except as amended below

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The not to exceed amount for the entire Contract shall be amended from One Hundred Sixty-Six Thousand and Six Hundred and Ninety-Nine Dollars and Zero Cents (\$166,699.00) to One Hundred Seventy Thousand and Thirty-Two Dollars and Thirty-Three Cents (\$170,032.33).

The additional scope of work and fee of \$3,333.33 shall be paid for Nixon Peabody work for environmental legal services and environmental scoping unless otherwise directed by the Owner in writing.

[SIGNATURES ON FOLLOWING PAGE]

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

"CONSULTANT"

Gubb and Barshay LLP, a California limited liability partnership

By: _____

Name: Henry Loh II

Its: Partner

By: N/A

Name: _____

Its: _____

SIGNATURE OF ONE OF THE FOLLOWING:
CORPORATE SECRETARY
ASSISTANT SECRETARY, CFO,
TREASURER
OR ASSISTANT TREASURER
(IF CONSULTING FIRM IS A CORPORATION)

"Owner"

Mosley and Mabuhay LP, a California limited partnership

By: ICD Mosley LLC, a California limited liability company, its managing general partner

By: Island City Development, a California non-profit public benefit corporation, its sole manger

By: _____
Vanessa Cooper, President



Nixon Peabody LLP
One Embarcadero Center, 32nd Floor
San Francisco, CA 94111

Alison Torbitt
Partner

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

T / 415.984.5008
F / 866.256.1329
atorbitt@nixonpeabody.com

January 23, 2025

Via email

Henry Loh II
Gubb and Barshay
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Tel: (415) 781-6600
Email: hloh@gubbandbarshay.com

Re: Supplemental Agreement for Legal Services

Dear Henry:

Thank you for the opportunity to continue to provide legal services to the Alameda Housing Authority (hereinafter, "you"). This letter will confirm you have asked Nixon Peabody LLP (the "Firm"), and we have agreed, to amend the 11th paragraph of our Agreement for Legal Services dated July 23, 2024, as amended on October 22, 2024 (as amended, the "Agreement"), such that the fees and costs under the Agreement shall not exceed \$90,000, an increase from the prior \$70,000 cap, unless approved in writing by Client and Gubb and Barshay, with no guarantee as to whether this is sufficient for resolution or completion of this matter.

You have also asked Nixon Peabody, and we have agreed, to expand the engagement to include our representation of Island City Development ("ICD") in connection with environmental legal advice regarding the North Housing Block A Project, including "The Estuary I" and "Linnet Corner", and the adjacent Block C (collectively, the "Project"), located at 500 Mosley Avenue, Alameda, CA 94501 and 2000 Lakehurst Circle, Alameda CA, 94501. This expansion does not include, and expressly excludes, any potential dispute or litigation between ICD and you, and we reserve all rights to refuse further representation should such a potential dispute or litigation materialize or increase in likelihood.

As you know, you entered into an Agreement for Legal Services with the Firm dated July 23, 2024. Except as set forth herein, all terms of that Agreement and its incorporated Terms and Conditions of Engagement remain in effect for this expanded engagement.

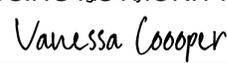
Please sign and return to me a copy of this letter in order to confirm that it accurately reflects the scope, terms and conditions with respect to this engagement. However, please note that your instructing us or continuing to instruct us on this matter will constitute your full acceptance of the terms set out above. We appreciate your business and very much look forward to the continued opportunity to work with you.



Alison B. Torbitt
of Nixon Peabody LLP

The undersigned has read and understands the above letter and accepts and agrees to all of the terms and conditions.

Date: 1/24/2025

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
By: 
Name: Vanessa Cooper
Title: Executive Director

Henry Loh II
Gubb and Barshay
January 23, 2025
Page 2

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

The undersigned agrees to be jointly and severally responsible for the payment of Nixon Peabody's fees in connection with the above-described representation; provided that to the extent Gubb and Barshay has not received payment for Nixon Peabody's fees, to the extent feasible without jeopardizing its rights, Nixon Peabody shall exhaust its remedies against Client prior to seeking payment from Gubb and Barshay. The acceptance of such responsibility does not establish a client-attorney relationship between the undersigned and Nixon Peabody LLP with respect to the above-described representation.

Date: 2/3/2025

GUBB AND BARSHAY LLP

Signed by:
By: Henry Loh II
Name: Henry Loh II
Title: Partner



Nixon Peabody LLP
One Embarcadero Center, 32nd Floor
San Francisco, CA 94111

Alison Torbitt
Partner

Attorneys at Law
nixonpeabody.com
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T / 415.984.5008
F / 866.256.1329
atorbitt@nixonpeabody.com

February 19, 2025

Via email

Henry Loh II
Gubb and Barshay
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Tel: (415) 781-6600
Email: hloh@gubbandbarshay.com

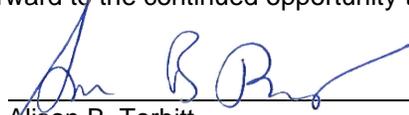
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As you know, you entered into an Agreement for Legal Services with the Firm dated July 23, 2024. Except as set forth herein, all terms of that Agreement and its incorporated Terms and Conditions of Engagement remain in effect for this expanded engagement.

Please sign and return to me a copy of this letter in order to confirm that it accurately reflects the scope, terms and conditions with respect to this engagement. However, please note that your instructing us or continuing to instruct us on this matter will constitute your full acceptance of the terms set out above. We appreciate your business and very much look forward to the continued opportunity to work with you.



Alison B. Torbitt
of Nixon Peabody LLP

The undersigned has read and understands the above letter and accepts and agrees to all of the terms and conditions.

Date: _____

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

By: _____
Name: _____
Title: _____

Henry Loh II
Gubb and Barshay
February 19, 2025
Page 2

Attorneys at Law
nixonpeabody.com
@NixonPeabodyLLP

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Date: _____

GUBB AND BARSHAY LLP

By: _____
Name: Henry Loh II
Title: Partner