



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY
HOUSING & COMMUNITY DEVELOPMENT DEPARTMENT

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Date: July 25, 2024

To: Measure A1 Citizens' Oversight Committee

From: Alameda County Housing and Community Development Department

RE: Measure A1 Regional Project – Jordan Court

Background

Alameda County Community Development Agency's (CDA) Housing and Community Development Department (HCD) released the Measure A1 Regional Pool Request for Proposals (RFP) on October 1, 2018. Prior to the release, on September 24, 2018, the Board of Supervisors Health Committee approved the minimum required thresholds and evaluation criteria to be included. The thresholds and criteria were designed to enable affordable housing project selections that were the most financially feasible and "ready to proceed" to construction, in order to be competitive for other financing sources such as the State of California's Affordable Housing and Sustainable Communities Program, No Place Like Home, and the Low Income Housing Tax Credit Program, as well as to incentivize the development of units for extremely low-income households and permanent supportive housing units for the homeless. These thresholds and criteria were aligned with the Board-adopted Implementation-level Policies for the Rental Housing Development Fund, whose guiding principles are:

- Maximize leverage and produce the largest number of units possible;
- Select feasible projects that can compete well for State/Federal funding;
- Fund projects at a level to ensure viability for the life of the regulatory period;
- Ensure Bond proceeds fill a gap and do not supplant other funding.

On November 7, 2017, the Board adopted Implementation Level Policies for the Rental Housing Development Fund. The guiding principles for Measure A1 investment through the Rental Housing Development Fund are as follows:

- Maximize leverage and produce the largest number of units possible;
- Select feasible projects that can compete well for State/Federal funding;
- Fund projects at a level to ensure viability for the life of the regulatory period; and
- Ensure Bond proceeds fill a gap and do not supplant other funding.

On August 4, 2020, the S Board of Supervisors approved Procurement Contract No. 20777 with Jordan, L.P., a California limited partnership created by Satellite Affordable Housing Associates (SAHA), a non-profit housing developer, to develop



Jordan Court, an affordable housing project located in the City of Berkeley with Measure A1 Bond funds from the North County Regional Pool Rental Housing Allocation in the amount of \$5,834,096.

On February 5, 2019, the BOS adopted Resolution 2019-70 which authorized an allocation of Measure A1 North County Regional Pool funding of up to \$5,834,096 to the Jordan Court affordable housing project. This Resolution 2019-70 outlined that the development met the requirements of the RFP by proposing to provide rental housing to 34 low-income households: 7 units for households with incomes at or below 20% of Area Median Income (AMI), 5 units for households with incomes at or below 30% AMI, 11 units for households with incomes at or below 50% AMI and 11 units for households with incomes at or below 60% AMI.

RFP Goals, Minimum Threshold Requirements, and Evaluation Criteria

The RFP minimum threshold requirements and evaluation criteria were developed primarily to incentivize project readiness, financial feasibility, leveraging of the A1 investment, and targeting of Measure A1-funded units to homeless populations through the provision of permanent supportive housing units to the greatest extent possible.

Minimum Thresholds - Projects were assessed first on whether they attained minimum threshold requirements. After HCD staff determined that a project met minimum threshold, it was approved for evaluation on the basis of the rating and ranking Evaluation Criteria. The RFP contained eleven threshold requirements: seven from the adopted Implementation Policies for the Measure A1 Rental Housing Development Fund, and four additional thresholds approved by the Health Committee for this RFP.

The thresholds from the Implementation Policies included, among others, the requirement that at least twenty percent (20%) of the total project units would be reserved for households with incomes at or below twenty percent (20%) AMI and that the project serve at least one of the adopted Measure A1 target populations including homeless people, seniors, veterans, people with disabilities, re-entry populations, transition-age youth, and lower income workforce. The threshold requirements added to the Fall 2018 RFP addressed the goals of project feasibility and readiness to proceed. Projects were required to demonstrate site control and have received their discretionary planning approvals and California Environmental Quality Act (CEQA) environmental clearances by December 26, 2018. Applicants were given an outside date to submit HCD evidence of federal environmental review clearances. The threshold requirements were designed to ensure that those projects that were recommended Measure A1 funding would reasonably be able to move into construction within twelve months.

Rating and Ranking Evaluation Criteria – These criteria contain the RFP minimum thresholds and rating and ranking Evaluation Criteria used in the Fall 2018 RFP. A maximum of 130 points were available. Several criteria assessed the project's financial feasibility, readiness to proceed, likelihood of success with outside competitive funding sources, alignment with Measure A1

Implementation Policies, developer experience and capacity, and conformance with HCD's Housing Development Program Policies and Procedures and Administrative Loan Terms. These technical criteria included:

- Readiness to proceed: 15 points
- Match, leveraging and Measure A1 investment: 15 points
- Financial feasibility: 22 points
- Developer/sponsor experience: 21 points
- **Total technical points: 73 points**

Rating and Ranking Criteria	Total Possible Points	Jordan Court Scoring
Readiness to Proceed	15	14.67
Match, Leveraging and MA1 Investment	15	10
Financial Feasibility	22	18.67
Developer / Sponsor Experience	21	18.33
Total Technical points	73	61.67

The “Match, Leveraging and Measure A1 Investment” criterion include evaluation of the match provided beyond minimum requirements, leveraging of Measure A1 funding based on permanent commitments, and amount of Measure A1 investment per project, based on permanent financing need.

The Jordan Court total project cost is \$24,069,370. Alameda County contributed \$5,834,096 and \$18,235,274 is leveraged with other funds. The area for additional match provided beyond minimum requirements is evaluated on a sliding scale based on the degree to which the match exceeded the minimum amount required per the Measure A1 Implementation Policies. The degree is analyzed utilizing a ratio of total confirmed proposed match to minimum required amount. If ratio =.30, then 5 points were given (i.e. proposed match is 30x minimum required); if ratio is 25-29, 4 points; if ratio is 20-24, 3 points were given; if ratio is 15-19, 2 points were given; and if ratio is 1-14, 1 point was given. As the minimum match required for Jordan Court is \$201,467 and the total proposed math in project application was \$6,025,000, the project proposal had a ratio of 29.91 and therefore the proposal received a score of 4 for that criterion.

Other categories addressed target populations and project characteristics. These criteria included:

- Neighborhood access and amenities: 5 points
- Project amenities, accessibility and green building: 15 points
- Targeting units to homeless or extremely low-income populations: 18 points + 8 bonus points
- Resident/support services: 6 points
- Development partnership with community-based organization (CBO) or faith-based organization (FBO): 5 points
- **Total Target Populations/Project Characteristics points: 57 points**

Rating and Ranking Criteria	Total Possible Points	Jordan Court Scoring
Neighborhood Access and Amenities	5	5
Project Amenities, Accessibility and Green Building	15	14
Targeting Units to Homeless or Extremely Low-Income Populations	18+8 bonus points	13.33
Resident/Support Services	6	5.33
Development Partnership with CBO or FBO	5	5
Total Target Populations/Project Characteristics Points	57	42.66

A total of 18 projects applied for the \$89,325,065 in North County funding, Jordan Court ranked 5th with a total of 104.33 points. The highest ranked project had a total score of 110.92 and the lowest ranked project had a total score of 74.83 while the average score was 93.44 and 96.25 as the mean score.

Discussion and Findings

Changes within a project happen from time of application through construction completion for various reasons. Requirements with new funding sources added to the project, situations developed on construction site, and leasehold requirements are some reasons why a project's shape can evolve until completion. For example, the original Jordan Court application indicated the project would have 21 parking spaces and the final recorded regulatory agreement outlined 13 parking spaces were to be leased to the ground lessor. At project completion, Jordan Court has 7 dedicated parking spaces utilized for affordable housing staff and residents. There was a decrease of 14 available parking spaces from time of application to project completion. At was explained by SAHA at previous Oversight Committee meetings, both Jordan Court and All Souls Parish decreased the number of available parking spaces in order to create sufficient space for a van-accessible space.

The parking spaces dedicated to the church were not paid for by Measure A1 as they are not eligible funding uses. Measure A1 Implementation Policies states "New construction and rehabilitation to preserve affordability are eligible." Any construction for the church does not qualify as preservation of affordability. The adjusted number of parking spaces from time of application to project completion would not impact the project's competitiveness since the availability of parking spaces for tenants is not categorized under any rating and ranking criteria. Criteria like proximity to services that meet the needs of the target population, proximity to full-scale grocery stores, public transit, parks and community centers as well as availability of onsite amenities and project level of energy efficiency are instead reviewed and scored. The project received Greenpoint Rated (GPR) Gold status as a result of including things like bicycle storage, and size efficient Energy Star Refrigerators. If, after completion, the project did not remain committed to the items that contributed to the GPR Gold status, points for that evaluation area would be adjusted accordingly.

July 25, 2024

Measure A1 Regional Project – Jordan Court Staff Report

Receipt and use of tax credit equity is not subject to the review of Alameda County. The California Tax Allocation Committee (TCAC) facilitates the investment of private capital into the development of affordable rental housing for low-income Californians. Review and confirmation that developers have met all requirements falls under the purview of the TCAC. It is not unusual for a project that receives both County funds and tax credit equity to have other uses on site besides affordable housing.

Attachments

Project Approval and Commitment

North County Project Summaries

Modification to Development Loan Agreement and Regulatory Agreement

HOUSING DEVELOPMENT PROJECT APPROVAL AND COMMITMENT

Loan Closing: August 2020 Final Approval ____ Revised November 2022

This document is being revised at permanent financing closing because the Loan Agreement has been amended. The Loan Agreement mistakenly required 3 accessible units for mobility/visual impairments as opposed to the 2 units SAHA promised in their A1 application. The Loan Agreement also requires the first loan payment to be due on May 1, 2022, but the project has not converted to permanent financing nor is there an audit in 2022 which is required to determine residual receipts. The Loan Agreement is amended to reduce the mobility/visual disability units from 3 to 2 and changes the due date of the first loan payment from May 1, 2022 to May 1, 2023.

Per the A1 guidelines, the County's regulatory agreement was recorded on the fee interest at construction loan closing. State HCD requires their regulatory agreement and deed of trust be recorded on the fee if any other lender's document is recorded on the fee. The church does not want any deeds of trust on their land because of the risk of losing their land through a foreclosure. Therefore, the church has requested that the County's regulatory agreement be removed from its fee interest. On November 22, 2022, the Board of Supervisors approved an exception to the A1 policies to allow the County's regulatory agreement to be removed from the church's fee and have it recorded only on the leasehold. The Loan Agreement amendment also removes the regulatory agreement from the fee. To prevent the County's regulatory agreement from being wiped out, the church and the borrower have executed an amendment to the ground lease that allows the County to consent to a termination of the lease. The County may provide this consent if it is allowed to record another regulatory agreement.

Project: Jordan Court

Address: 1601 Oxford Street, Berkeley CA 94709

Developer: Satellite Affordable Housing Associates

Analysis of Any Changes from Original Project Application:

Unit Mix: None

HCD-restricted Units: None

Special eligibility conditions (homeless, senior, and/or other special conditions): None

Funding: None

Source: CDS Proposal Submittal tab

Project Summary: Jordan Court is a 35-unit new construction project that will provide permanent affordable housing for low-income seniors 62+. The project's unit mix is comprised of 34 studio units and one two-bedroom manager's unit. The project also includes approximately 4,500 square feet of space for All Souls Episcopal Parish (two residences and 1400 sq ft of administrative space for staff.) The development will be a four-story wood frame structure over a 1 story podium built into the site's existing slope. The building's style features bay windows along the Oxford frontage that pay homage to some of the historic architecture in the

neighborhood, why the Cedar frontage features recessed windows that resonate with the adjacent church. There is bicycle parking at the podium level, as well as a staircase and elevator to the building's four upper stories. The rest of the podium level includes 21 parking spaces, which are accessible via a driveway from Oxford St.

Jordan Court presents a unique opportunity to build affordable senior housing in a desirable North Berkeley neighborhood by leveraging a valuable land donation from All Souls Episcopal Parish (ASEP), the adjacent church with whom SAHA has partnered. ASEP recognized the opportunity to transform underutilized land in a highly desirable location to address the housing affordability crisis they saw in their community. Residents will enjoy a beautifully landscaped community that incorporates the highest standards of green building and sustainable design as well as a robust selection of on-site services, activities, and amenities to support wellness, community engagement, and ageing in place.

Currently the development site includes a dilapidated apartment structure and a surface parking lot. To the east of the site is the All Souls Episcopal Parish building and to the south is parking area used by the church which will be part of the development area. To the south of that is a two-story fourplex. The building at the corner of Oxford and Cedar, which had been poorly maintained for a number of years, was acquired by All Souls Episcopal Parish in 2010. All Souls stabilized the building for safety, but consulting engineers and architects recommended that the building be torn down and replaced rather than repaired.

Green Building: Jordan Court will achieve Greenpoint Rated (GPR) Gold status and is currently showing a GPR score sheet of 128 points. These points are detailed in the attached GPR score sheet but some highlights include:

- Photovoltaic (PV) system to offset more than 60% of the common area energy load
- Reduced parking capacity
- Within ½ mile of a major transit stop
- Bicycle storage
- Size efficient Energy Star Refrigerator
- Duct mastic on duct joints and systems
- The project will utilize Bay Friendly plant selection and practices, and also requires strict three-stream waste removal for trash, compost, and recycling.

Accessibility: Jordan Court fully employs the principles of Universal Design. The building will be 100% adaptable and visitable, and designed in such a manner that the building will be equally usable by people of all abilities to the extent possible. Four (4) units will be accessible for people with physical disabilities (10% of units) and two (2) will be accessible to people with auditory or visual disabilities (4% of units), all designed per the requirements per Section 504, exceeding what is otherwise required by 20%. Appliance and finish selection and furniture arrangements will all consider the principles of universal design, such that navigation and use of the building requires low physical effort as well as size and space for approach for use. All floors are accessible via a centralized elevator.

Services: The project will have a full-time service coordinator for all 34 income-restricted households with an on-site 0.5 FTE SAHA Resident Service Coordinator (RSC.) SAHA will work with organizations like the Alameda County Health Care Services Agency (Behavioral

Health) and Continuum of Care to expand its existing contracts and in-kind partnership to fund these wraparound services. The RSC will focus on individual service coordination, with the goal of connecting tenants to services available in the community and organizing on-site community building activities. The RSC assesses residents' Activities of Daily Living on intake and annually thereafter. The RSC addresses these needs in regular individual monitoring visits, with referrals to resources such as in-home care, food distribution, meals on wheels, substance abuse treatment, and case management. With residents' permission, SAHA coordinates with service provider networks, families and health providers. Community building programs include Tai Chi, neighborhood safety walks, arts and crafts, intergenerational programs, computer classes, ESL, dancing and meditation, gardening, and cooking.

Assessment of Developer Capacity: Since 1968, SAHA has developed quality affordable homes and provided services that empower residents and strengthen neighborhoods. Their housing serves people on fixed-incomes (such as seniors and people with disabilities) as well as families of modest incomes typically earning less than \$50,000 annually. SAHA's current portfolio includes 65 existing properties and 16 projects in development throughout the Bay Area. Their work has received numerous awards for design including recognition from the American Institute of Architects and Pacific Builders Conference. SAHA is also recognized as a leader in green building and sustainable development. SAHA is experienced in developing senior housing. 15 of their properties dedicate a significant amount of housing units to individuals with special needs.

Staff Capacity of Project Manager: This project will be led by Carrie Lutjens as the Project Manager. Jordan Court is one of three projects that she is currently working on. Carrie is qualified to lead this project through from entitlements to finalizing financing and closing construction loan before overseeing construction, which she has done on Valley View Senior Homes in American Canyon, CA. Carrie has worked on dozens of similar projects since she started at SAHA in 2014. In addition, SAHA's residents services and property management staff will oversee other aspects of the project to ensure it is fairly marketed, leased and staffed according to resident's needs.

Consultants on Development Team: The financial consultant is California Housing Partnership (CHPC). CHPC has extensive experience working with many state and federal funding programs, and provides financial consulting, preparation of financial projections, and assistance on obtaining funding from a wide array of competitive programs. They have provided consulting on more than 300 multi-family transactions totaling more than 20,000 apartments.

Other Development Team Members: HKIT architects was founded in the 1940's, and has since designed many multi-family, schools, and community facilities in the Bay Area. They have designed County-funded projects Grayson, Stargell, and Harmon Gardens. Principal, Paul McElwee, brings over 22 years of experience specializing in multiunit residential communities. His portfolio includes affordable and market rate developments, senior housing, assisted living, multi-family, SRO and special needs housing. Paul is the recipient of several awards for his design work from various organizations, such as The Enterprise Foundation, San Francisco SPUR, and Dwell Magazine.

The syndication attorney, Gubb & Barshay LLP, has extensive experience with all types of affordable housing programs, including tax-exempt bonds, HUD programs, elderly and special needs housing, and state and local programs. The firm also has substantial experience with the federal and state housing tax credit programs and has been involved in the structuring and closing of over 150 low-income housing tax credit syndications in California and other states. This work has involved drafting limited partnership agreements, analyzing financial projections, negotiating with investors, and structuring transactions to maximize funding potential.

General Contractor: For over 80 years, James E. Roberts-Obayashi Corporation has consistently delivered high-quality, award-winning construction services in the Bay Area and Northern California. Their work focuses on projects under negotiated contract in a variety of sectors including affordable and market-rate rental and for-sale housing; senior independent and assisted living facilities; commercial and adaptive-reuse projects; and mixed-use developments. They have particular expertise in the construction of Market-Rate and affordable Multi-Family and Senior Housing projects.

Developer's Fiscal Capacity: Not completed for this project. Already closed.

Assessment of Property Management Capacity: SAHA's track record for providing professional, high-quality property management stretches back to 1971 and across seven Northern California counties. They currently manage 65 properties serving low-income families, seniors and people with special needs, with the goal of ensuring a high quality of life for residents and strong property stewardship. Having a number of facilities under one central management entity provides valuable economies of scale in operations and an efficient coordination of services for all developments. The property management staff, led by Angela Cavanaugh VP of Property Management, is highly skilled and experienced in the affordable housing field. SAHA property management employs 125 full time staff including supervisors, site managers, maintenance and janitorial staff. Staff is responsible for providing a wide range of services including responding to resident requests and concerns, carrying out day-to-day maintenance, and coordinating capital

Other Government Agencies Involved in the Project: The City of Berkeley and State HCD NPLH have provided funds, and the City of Berkeley Housing Authority provided Section 8 vouchers.

Other Nonprofit partners involved in the Project: None.

Market Analysis:

Neighborhood/City Characteristics: For the purposes of this study, the Market Area is the City of Berkeley. While this Market Study generally addresses the needs for housing in the Berkeley Primary Market Area, it is important to recognize the dynamics of residential migration and housing needs of the greater Alameda County area. Currently the population is 120,662 persons, including 17,737 seniors. Between 2010 and 2018, the senior population, 65 years plus in the Market Area, increased by 20.0%. The Market Area has ten affordable multifamily projects, six of which are senior, which are 100% occupied, with wait lists. The newly constructed senior complex will be an asset to the Berkeley Market Area.

Approximately, 46.8% of the Alameda County Market Area senior households earn less than 50% of the TCAC designated Alameda County Area Median Income (\$93,000). In addition, 15% of the households are classified as Low Income (50 to 80% of AMI), resulting in 61.8% of the senior households in the Market Area earning less than 80% of the AMI for Alameda County. According to the 2016 American Community Survey, 44.8% of the renter households were overpaying, 35% or more, for shelter in the City of Berkeley. Of these households, those earning the least experienced the most rent burden. For example, of those renter households earning \$10,000 to \$19,999, 76.8% were overpaying for shelter, while those earning over \$50,000, 13.4% were overpaying. According to the October 2018 survey, the overall vacancy rate for multifamily housing is 1.9% in the Berkeley Market Area/City. The overall vacancy rate for income-restricted complexes is 0.0%. The affordable senior designated complexes had zero vacancies and long waitlists.

Currently there is a demand for 29 units targeting homeless senior households with a mental illness with incomes between 0 and 30% of AMI. Given this demand, the subject property would need to capture 41.1% of the-eligible senior households in the market area (Laurin Associates Market Study, October 2018).

Property Location Characteristics: The proposed housing development is in existing single-family and multi-family neighborhood near Downtown Berkeley, the University of California, Berkeley, and North Berkeley's thriving commercial corridor on Shattuck Avenue. The nearby shopping corridor includes critical amenities such as two full-scale grocery stores, a Walgreens pharmacy, a bank, and a post office, all within less than ¼ mile from the property, making it an ideal walkable community for those who no longer drive. Furthermore, four bus lines with are within ¼ mile from the project, and amenities such as the North Berkeley Senior Center are less than ½ mile away.

Market Rate Rents:

Development	0-BR
University Park	\$2,300
Hillside Village	\$2,700
Berkleyan Apartments	\$2,300
Berkeley Central	\$2,800
Acton	\$1,535
Weighted Average	\$2,489

Unit Rents for each Unit Type in the Development:

Affordability Level	0-BR
20% of AMI	\$334
30% of AMI	\$537
40% of AMI	\$994
60% of AMI	\$1,148

Rent Analysis: The highest rents for Jordan Court are 53.9% lower than weighted average market rents in the area. Given the demand for affordable units within the Market Area, and wait lists at affordable complexes, Laurin estimates that the subject property can reach 100 occupancy in approximately 6 months or less (Laurin Associates Market Study, October 2018).

Finance & Underwriting: The project has a 4% tax credit/bond allocation, City of Berkeley funds, State NPLH, AHP, and 24 Project-Based Section 8 Vouchers from the Berkeley Housing Authority.

Funding Sources	Amount	Committed
Permanent Loan	\$1,570,000	Yes
Alameda County NPLH	\$2,370,595	Yes
City of Berkeley (includes HOME)	\$6,026,927	Yes
City of Berkeley accrued interest	\$83,173	Yes
AHP	\$340,000	Yes
Alameda County A1 Regional Bond Funds	\$5,834,096	Yes
Alameda County accrued interest	\$39,593	Yes
Deferred Developer Fee	\$358,590	Yes
General Partner	\$100	Yes
General Partner All Souls	\$16,595	Yes
Limited Partner	\$8,393,128	Yes
Total	\$25,032,797	

ALAMEDA COUNTY FUNDING	
Alameda County A1 Regional Bond Funds	\$5,834,096
Total Alameda County Funding	\$5,834,096

Total Development Costs: The total development costs for Jordan Court are \$25M or \$715K per unit. The hard costs are \$15.6M or \$447K per unit, which is in the standard range for most affordable housing projects.

Unit Mix:

Affordability Level	Studio	2- BR	Total Units
20% AMI	7		7
30% AMI	5		5
40 % AMI			
50 % AMI	11		11
60% AMI	11		11
Manager's		1	1

TOTAL	34	1	35
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HCD-restricted Units:

Affordability Level	Studio	2- BR	Total Units
20% AMI	7		7
30% AMI	5		5
40 % AMI			
50 % AMI	11		11
60% AMI	11		11
TOTAL	34		34

Proposed project affordability restrictions, special eligibility conditions: The 34 affordable studios will be restricted at 20%-60 % of AMI. HCD will restrict all 34 units.

Local Preference: Alameda County residents/workers

Coordinated Entry System: Yes

Proposed HCD Loan terms (length of term, interest, etc.): HCD's loan terms are 1% interest, with a 55 year term. The loan will be repaid from residual receipts which the borrower may retain 25% and the lender's split the remaining 75%. The County will receive 25% of the residual receipts and split the remaining 50% of the residual receipts with the other soft lenders including the Alameda County NPLH loan. Per the financial proforma, in the first 16 years, HCD will receive one payment in year 12 (proforma incorrectly shows \$37K of net cash flow because the NPLH fee is counted twice, making the net cash flow \$10K lower. However, this will not affect the residual receipts available for the County because these funds will go towards the deferred developer fee).

Cash flow and Operating Budget: The annual operating cost per unit is \$11,600, including the County monitoring fee, bond issuer fee, CAM expenses, and replacement reserves. It does not include the \$48K of services funding. The vacancy rate of 5% is appropriate. The income and expense escalators are 2%/3%. The debt coverage ratio in the first stabilized year is 1.392 and decreases to 1.2 in year 16. This is higher than the County standards of 1.15-1.25, but since the debt coverage ratio is decreasing over time, it is acceptable to start at a higher level. The operating reserve amount in the project development budget is \$279K, which covers 6 months of expenses and fees. There is also a \$81K transition reserve in the development budget that covers deficits the year after the Section 8 contract and NPLH COSR are expected to end. The County's monitoring fee is \$300/unit or \$10,200 per year. The replacement reserve is \$21,000 per year or \$600 per unit per year.

Identified Gap (From Gap Analysis): The project has a development budget of approximately \$25M. The project has a gap of \$5,834,096 after all non-County funding is accounted for.

Selection Process: On October 1, 2018, HCD released a Notice of Funds Available and Request for Proposals for A1 Regional Funds. Twenty five applications were received and 18 were selected. In February 2019, the Board of Supervisors approved an allocation of up to \$5,834,096 of Measure A1 Regional Bond funds for Jordan Court.

Is this project feasible with these loan terms: Yes

Relocation: The existing structure that will be demolished has units that are occupied by guests of All Souls Episcopal Parish. Those households have been notified about the project and their rights in accordance to all local, state, and federal law per the enclosed Relocation Plan. There is \$100K in the budget for relocation.

Davis Bacon: The County's funds do not trigger Davis Bacon. The Housing Authority will monitor Davis Bacon for the vouchers.

Layering Review: The project will include 35 total units, of which 34 will be HCD units. The total development cost per unit (including acquisition) is 715K. HCD is investing approximately \$172K per HCD unit. The project is not oversubsidized.

234 Limits: The project is not restricting HOME units; therefore the 234 units are not applicable.

Article 34: HCD will restrict more than 49% of the units (97%), so this will trigger Article 34. The County has Article 34 authority for the A1 bonds.

Environmental Review: NA.

Schedule: Begin Construction: October 2020

Construction Completion: October 2021

Risks:

Developer – Low: the developer has developed affordable housing of this similar scope.

Market – Low: there is a need and demand for the project given supply, demand and rent advantage.

Construction – Low: The general contractor has many years of experience building affordable housing.


Community Opposition – Low: the City supports the project.


Financing – Low: the project is fully funded.

Underwriting Analysis – Low: the project is feasible and is fully funded.

Required Attachments:

Development budget	7/20	Layering Review	2/21	ER Completed	
Sources & Uses	7/20	Gap Analysis	2/21	HOME TAC Recommendation	n/a
Operating budget	7/20	Debt Service Analysis	2/21	Urb TAC Recommendation	n/a
15-Year Cash Flow	7/20	Nonprofit financial capacity analysis		HCDAC Recommendation	n/a

Recommended by:  Anyanette Scott 11/23/2022
 Date: 11/23/2022
 HCD Manager

Approved by:  Michelle Starratt 11/27/2022
 Michelle Starratt, Housing Director

Other Comments:

PROJECT NAME		1601 Oxford Street			
Project Address		1601 Oxford Street, Berkeley, CA 94709			
Measure A1 Region		North County			
Project Developer		Satellite Affordable Housing Associates			
Joint Venture or Partnering with Community- or Faith-Based Organization		Joint Venture with All Souls Episcopal Parish (ASEP) owner of the property. ASEP is contributing a land asset to the development project.			
Type of Project		New Construction			
Total Project Units and Sizes		35 total; 34 affordable; 1 resident manager’s unit 34 studio 1 2-br (Manager’s unit)			
General Income Levels Served		100% affordable to households at or below 60% Area Median Income (AMI)			
Measure A1 Target Populations, targeting to Extremely Low Income Households, and use of County’s Coordinated Entry System (Home Stretch) and Housing First					
% Units at or below 20% AMI	Additional % of Units between 20% AMI and 30% AMI	A1 Target Populations	Targeting of 20% AMI Units to Homeless	CES & Housing First	Proposed HCD Units
7 units (20% of total)	5 units (15% of total)	7 homeless seniors and 12 homeless seniors with disabilities and at risk of chronic homelessness	7 units @20% AMI for chronically homeless	Will commit to use CES & Housing First for 12 Chronic Homeless and Homeless Units; Applying for NPLH capital and operating reserve	34 TOTAL (97.1% of total) 7 at 20% AMI 5 at 30% AMI 11 at 50% AMI 11 at 60% AMI
Measure A1 Request/Type As % of Total Development Cost		\$5,834,096 – Regional Pool 23.52% of TDC			
Proposed Match Amount and Detail		\$6,025,000 The proposed match exceeds the required minimum of \$201,647 (value of planning and building fees). The City of Berkeley approved loans of \$6,025,000.			
Project Planning Approvals and Environmental Review Clearances		Received discretionary planning approvals and environmental clearances in December 2018			
Project Accessibility		Six units are accessible: four units for senior with physical disabilities and two (2) units with auditory or visual			

	disabilities. Thirty-one (31) are adaptable universal design features. All units will be visitable. They will use universal design. All units will be adaptable. Accessible units will exceed Section 504 requirements by 20%.
Project Green Building Features	Gold Level with a GreenPoint Rated score of 128.
Project Amenities and Neighborhood Access	<p>Healthy Groceries are close by with Safeway Community Markets and Safeway are very close at .144 miles and .225 miles. The weekly Shattuck Farmers' Market is .249 miles.</p> <p>Public Transit: AC Transit Bus Stops are .002 miles and .123 miles. The Downtown Berkeley Bart Station is .598 miles.</p> <p>Live Oak Park is 0.335 miles; two branches of the Public Library are .659 miles and .729 miles. Alta Bates Summit Medical Center is .975 miles and Walgreens Pharmacy is .010 miles. The North Berkeley Senior Center is - .455 miles.</p>
Resident Services & Supportive Services Provision	SAHA has committed to providing operating funds for services for at least 20 years, at a level sufficient to meet the requirements of capital funding commitments and resident needs. If awarded NPLH funds, intensive case management and wraparound services for formerly chronically homeless residents will be required. SAHA will work with organizations like the Alameda County Health Care Services Agency (Behavioral Health) and Continuum of Care, whom we have previous relationships with, to expand its existing contracts and in-kind partnership to fund these wraparound services.
Developer Capacity/Experience	Satellite Affordable Housing Associates is a Tier 1 developer. Satellite Housing (Satellite) was founded in 1966. Affordable Housing Associates (AHA) was founded in 1993. In July 2012, the Boards of Satellite and AHA voted unanimously to create Satellite Affordable Housing Associates, to create a more impactful organization and a model for affordable housing development that can serve our communities well into the future. On December 12, 2012, SAHA came into legal existence with 170 talented staff, 22 development projects in the pipeline and 56 properties under management.
Reasonable Development, Hard Costs, and Operating Costs Analysis	<ul style="list-style-type: none"> • Total Development Cost: \$24,801,996; \$708,628/unit • Hard costs \$14,410,936 - within 15% of average hard costs per unit for similar type projects • Operating costs are \$8,004 per unit per year; within 15% range of average for similar type projects.
Percentage of Funding Commitments not including NPLH, TCAC, A1 or AHSC	<ul style="list-style-type: none"> • Percentage of Funding Commitments received, not including NPLH, TCAC, A1 or AHSC - 100%

Operating Subsidy	SAHA is applying for NPLH capital funds and operating subsidy in early 2019 and is working with AC Behavioral Health on the applications.
Project Construction Start	March, 2020
Project Completion Date	May, 2021
Permanent Funding Sources Detail – See Chart Below	

Known and Anticipated Sources (Residential Portion Only)	Total	committed
Current Request for County Funds	\$ 5,834,096	No
Subtotal County Funds	\$ 5,834,096	
Funding Source: 4% Tax Credit Equity	\$ 2,491,260	No
Funding Source: No Place Like Home	\$ 2,370,598	No
Funding Source: City of Berkeley	\$ 6,025,000	Yes
Funding Source: City of Berkeley Accrued Interest	\$ 188,493	Yes
Funding Source: All Souls Episcopal Parish Land Contribution	\$ 2,970,000	Yes
Funding Source: FHLB Affordable Housing Program (AHP)	\$ 340,000	Yes
Funding Source: Deferred Developer Fee	\$ 68,242	Yes
Subtotal Non-County Funds	\$ 18,967,901	
Total Development Cost (TDC)	\$ 24,801,997	

PROJECT STRENGTHS:

The project has secured significant commitments of financing including strong local jurisdiction funding support of \$6.4 million from the City of Berkeley and a land donation from the Faith Based organization (All Soul's Episcopal Parish). The developer plans to apply for the non-competitive 4% tax credits in August, 2019 and is expected to be awarded. If the Measure A1 funds are awarded, the project would be poised to obtain its 4% tax credits and begin construction in March, 2020. The project will provide needed affordable housing in the North County for low and very low income seniors, with a portion (20%) go to homeless. The project is located within walking distance to shops, parks, public transportation and services. SAHA has a proven track record in the development, ownership, and management of senior affordable housing and is providing services on-site for the targeted populations.

PROJECT WEAKNESSES:

SAHA proposes that 20% of the project (12 units of the total 35) will serve homeless seniors (the minimum). Berkeley has not Project Base Vouchers available to give to the project. The project has not yet received a commitment of NPLH Operating Subsidy or Capital Funds, but will work with Alameda County Behavioral Health to submit applications. Without the renewal of the NPLH operating subsidy, the project has a negative cash flow in the year 21; with the subsidy the cash flow is negative in year 24.

1117025184

NO FEE DOCUMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Alameda County
Housing and Community Development Department
224 W. Winton Avenue, Room 108
Hayward, CA 94544
Attn: Housing Director

CONFORMED COPY - has not been compared with Original.

2022197572 12/14/2022 01:54 PM 14 PGS



OFFICIAL RECORDS OF ALAMEDA COUNTY
MELISSA WILK, CLERK-RECORDER
RECORDING FEES: \$0.00

No fee for recording pursuant to
Government Code Section 27383 and 27388.1

MODIFICATION TO DEVELOPMENT LOAN AGREEMENT AND REGULATORY AGREEMENT

(Alameda County A1 Bond – Jordan Court)

This modification to the Development Loan Agreement and Regulatory Agreement (the "First Amendment") is dated November 1, 2022, and is between the County of Alameda, a political subdivision of the State of California (the "County"), and Jordan, L.P., a California limited partnership ("Borrower").

RECITALS

A. In connection with a loan of Measure A1 Affordable Housing Bond funds in the amount of Five Million Eight Hundred Thirty-Four Thousand Ninety-Six Dollars (\$5,834,096) (the "County Loan") from the County to Borrower, County and Borrower entered into that certain County Development and Loan Agreement dated August 1, 2020 (the "Loan Agreement"). County and Borrower also entered into a Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated August 1, 2020, and recorded August 14, 2020, as Instrument No. 2020198254 in the Official Records of Alameda County against certain real property located at 1601 Oxford Street, City of Berkeley, County of Alameda, State of California, as more particularly described in Exhibit A (the "Property").

B. Defined terms used but not defined in these recitals are as defined in Article 1 of the Loan Agreement.

C. The County and Borrower now desire to amend the Loan Agreement to clarify the accessibility requirements and annual payment provisions. The County and Borrower also desire to modify the Regulatory Agreement so it will only encumber the Borrower's leasehold interest in the Property and not the Ground Lease fee interest

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, and the mutual benefits accruing to the parties hereto and other valuable

consideration, the receipt and sufficiency of which consideration is hereby acknowledged, it is hereby declared, understood and agreed as follows:

1. Amendment to Development Loan Agreement Section 2.8(a). Section 2.8(a) of the Loan Agreement is hereby deleted and replaced with the following:

"Section 2.8 Annual Payments. Commencing on May 1, 2023, and on May 1st of each calendar year thereafter through the end of the Term, Borrower shall make repayments of the County Loan equal to the County's Share of Residual Receipts. Payments made shall be credited first against accrued interest and then against outstanding principal."

2. Amendment to Development Loan Agreement Section 3.10(b). Section 3.10(b) of the Loan Agreement is hereby deleted and replaced with the following:

"(b) In compliance with the Accessibility Requirements: (i) a minimum of four (4) units in the Development must be constructed to be fully accessible to households with a mobility impaired member and, (ii) an additional two (2) units in the Development must be fully accessible to hearing and/or visually impaired persons. In compliance with the Accessibility Requirements Borrower shall provide the County with a certification from the Development architect that to the best of the architect's knowledge, the Development complies with all federal and state Accessibility Requirements applicable to the Development."

3. Amendment to Development Loan Agreement Sections 1.1(mmm), 2.4 and 2.6(c). Sections 1.1(mmm), 2.4 and 2.6(c) of the Loan Agreement are revised to state that the Regulatory Agreement will not encumber Ground Lessor's fee interest in the Property and will only encumber the Borrower's interest in the Development.

4. Amendment to Regulatory Agreement and Declaration of Restrictive Covenants. The Joinder and Consent to the Regulatory Agreement is hereby deleted. The Regulatory Agreement is hereby revised to state that it will not encumber Ground Lessor's fee interest in the Property and will only encumber the Borrower's interest in the Development (which includes Borrower's leasehold interest in the Property pursuant to the Ground Lease and Borrower's fee interest in the Improvements). The Borrower represents and warrants that Borrower and Ground Lessor are concurrently entering into an amendment to Ground Lease which provides for certain cure rights and lender protections benefiting the County and which make the County a third-party beneficiary to enforce such rights under the Ground Lease (the "Ground Lease Amendment"). The execution of the Ground Lease Amendment by the Borrower and Ground Lessor are a condition to this Amendment.

5. No other Amendments. Except as otherwise set forth herein, the Loan Agreement and Regulatory Agreement remain unmodified and are in full force and effect.

6. Successors and Assigns. This First Amendment shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

7. California Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of California.

8. Counterparts. This First Amendment may be signed by the different parties hereto in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

The rest of the page intentionally left blank.

[Signature Pages Follow]

WHEREAS, this First Amendment has been entered into by the undersigned as of the date first written above.

COUNTY:

COUNTY OF ALAMEDA, a political subdivision of the State of California

By: 
X Michelle Starratt, Director
Housing and Community Development Department
X Michelle Starratt, Director

BORROWER:

JORDAN, L.P., a California limited partnership

By: Jordan GP LLC, a California limited liability company
Its General Partner

By: Satellite AHA Development, Inc., a California nonprofit
public benefit corporation, its Member and Manager

By: executed in counterpart
Susan Friedland, Chief Executive Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

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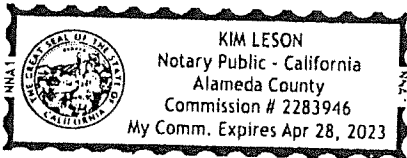
COUNTY OF ALAMEDA

)

On December 5, 2022, before me, Kim LeSon, Notary Public, personally appeared Michelle Starratt, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.




Name: Kim LeSon, Notary Public

WHEREAS, this First Amendment has been entered into by the undersigned as of the date first written above.

COUNTY:

COUNTY OF ALAMEDA, a political subdivision of the State of California

executed in counterpart


By: _____
Michelle Starratt, Director
Housing and Community Development Department

BORROWER:

JORDAN, L.P., a California limited partnership

By: Jordan GP LLC, a California limited liability company
Its General Partner

By: Satellite AHA Development, Inc., a California nonprofit
public benefit corporation, its Member and Manager

By:  _____
Susan Friedland, Chief Executive Officer

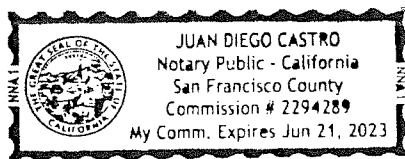
STATE OF CALIFORNIA)
)
COUNTY OF Alameda)

WITNESS my hand and official seal.

Name: _____

Juan Diego Castro

Notary Public

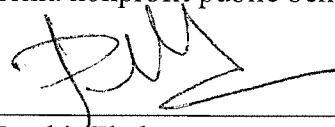


JUAN DIEGO CASTRO
Notary Public – California
San Francisco County
Commission # 2294289
My Comm. Expires Jun 21, 2023

The undersigned ("HSTV"), as lender to the Project, hereby consents to this this Modification to the Development Loan Agreement and Regulatory Agreement between Jordan, L.P. and the County of Alameda dated November 1, 2022 (the "Modification"), and agrees that the Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower dated August 1, 2020, as amended by this Modification, shall be the "County Restriction" under the Subordination Agreement dated August 1, 2020 between the County of Alameda and HSTV and recorded on August 14, 2020 in Official Records of Alameda County under Recorder's Serial Number 2020198263 (the "Subordination Agreement"). The County Restrictions are not subordinated to the Senior Loan Documents (as defined in the Subordination Agreement).

Housing Trust Silicon Valley
A California nonprofit public benefit corporation

By:



Prathit Thaker

Its: Chief Credit Officer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of SANTA CLARAOn DEC 13, 2022 before me, JEANETTE RUIZ

Date

Here Insert Name and Title of the Officer

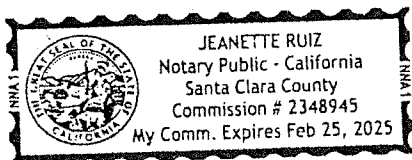
personally appeared PRATHIT THAKER

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

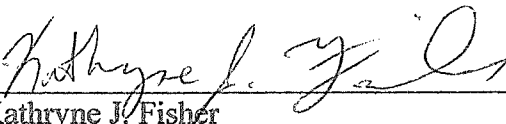
☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

The undersigned ("SVB"), as lender of Affordable Housing Program Funds ("AHP Funds"), hereby consents to this this Modification to the Development Loan Agreement and Regulatory Agreement between Jordan, L.P. and the County of Alameda dated November 1, 2022 (the "Modification"), and agrees that the AHP Construction Leasehold Deed of Trust dated August 1, 2020 and recorded on August 14, 2020, Instrument No. 2020198262 in the Official Records of Alameda County is subject and subordinate to the Regulatory Agreement and Declaration of Restrictive Covenants dated August 1, 2020 between the County and Borrower, as amended by this Modification.

LENDER:

SILICON VALLEY BANK,

By: 
Kathryne J. Fisher
Director
Silicon Valley Bank

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

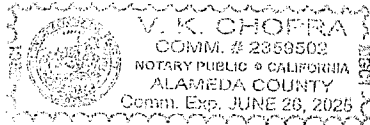
STATE OF CALIFORNIA)

COUNTY OF ALAMEDA)


On DEC. 05, 2022, before me, V. K. CHOPRA, Notary Public, personally appeared KATHRYNE J. FISHER who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public


Name: V. K. CHOPRA

The undersigned ("City") hereby consents to this this Modification to the Development Loan Agreement and Regulatory Agreement between Jordan, L.P. and the County of Alameda dated November 1, 2022 (the "Modification"), and agrees that the Leasehold Deed of Trust Assignment of Rents Security Agreement and Fixture Filing dated June 15, 2020 and recorded on August 14, 2020, Instrument No. 2020198260 in the Official Records of Alameda County is subject and subordinate to the Regulatory Agreement and Declaration of Restrictive Covenants dated August 1, 2020 between the County and Borrower, as amended by this Modification.

City of Berkeley, a California municipal corporation

By: Paul Buddenhagen

PAUL BUDDENHAGEN, Authorized Signer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

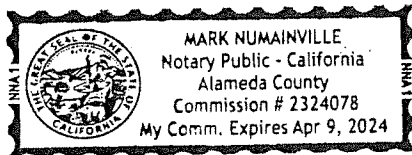
State of California

County of Alameda

On December 9, 2022 before me, Mark Numainville, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Paul Buddenhagen
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal and/or Stamp Above

Signature

Mark Numainville

Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: A1 Loan Amended Agreement - 1601 Oxford

Document Date: 12-9-2022 Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian of Conservator

☐ Other: _____

Signer is Representing: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian of Conservator

☐ Other: _____

Signer is Representing: _____

EXHIBIT A

The land referred to is situated in the County of Alameda, City of Berkeley, State of California, and is described as follows:

All that real property situated in the City of Berkeley, County of Alameda, State of California, being all of Lots 24 and 25 in Block 3, as said Lots and Block are shown upon that certain Map entitled "Map of the Martin Kellogg Property, Berkeley, Alameda County, California", filed April 8, 1904 in Book 19 of Maps at Page 35, in the Office of the County Recorder of Alameda County, more particularly described as follows:

BEGINNING at the point of intersection of the Southern line of Cedar Street with the Eastern line of Oxford Street, as said Streets are shown on said Map, running thence Southerly along said line of Oxford Street 100 feet; thence at right angles Easterly 135 feet to the Eastern line of said Lot 24; thence at right angles Northerly 109.91 feet to the Southern line of Cedar Street; thence Westerly along said line of Cedar Street, 135.36 feet to the POINT OF BEGINNING.

Being Parcel 2, as shown on the Lot Line Adjustment recorded August 11, 2020, Instrument No. 2020193731, Alameda County Records.

APN: 058-2183-001-01