

**Term Sheet for a Disposition and Development Agreement (DDA) between  
the City of Alameda and MidPen Housing Corporation, Alameda Point Collaborative,  
Building Futures with Women and Children, and Operation Dignity for Rebuilding the  
Existing Supportive Housing at Alameda Point**

**March 7, 2017**

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**Project History**

- The City of Alameda (City) owns or controls certain real property located within the City of Alameda, State of California commonly referred to as the former Alameda Naval Air Station or Alameda Point. Pursuant to the terms of long term legally binding agreements (LBAs) by rights conveyed through the Base Realignment and Closure Act, the City currently leases certain property located within Alameda Point in the City's Main Street Neighborhood consisting of 34 acres to Alameda Point Collaborative (APC), Building Futures with Women and Children (BFWC), and Operation Dignity (OD) (Exhibit A), to operate and manage 200 units of supportive housing for formerly homeless individuals, families, veterans, and survivors of domestic violence in existing former Navy structures to fill gaps in the continuum of care due to limited community and financial resources available for these populations
- The LBAs provide leases with a terms ranging from 55 to 59 years with APC, BFWC and OD starting between 2004 and 2009 and as of 2017, between forty-one and fifty years remain on the leaseholds.
- APC, BFWC, and OD are partnering with MidPen Housing Corporation (MidPen), a nonprofit affordable housing developer, (collectively the parties are "the Collaborating Partners") to design, construct, and operate the Rebuilding of the Existing Supportive Housing at Alameda Point (RESHAP), which is in poor condition and was not designed to accommodate its current supportive housing use.

**Project Description**

- The project consists of rebuilding the existing two-hundred (200) supportive housing units at Alameda Point, and the addition of approximately 40,000 square feet of community spaces for services programming, administrative offices for Collaborating Partners, and on-site property management and resident services offices consistent with the General Plan, Alameda Point Zoning Ordinance, Master Infrastructure Plan, Main Street Neighborhood Specific Plan, Alameda Point Mitigation Monitoring Reporting Program, Alameda Point Transportation Demand Management Plan, and the City's Alameda Point Fiscal Neutrality Policy.

- Sixty-seven (67) additional units consistent with the low- and very-low income requirements contained in the 2001 Renewed Hope Settlement Agreement with the City are currently proposed as part of the RESHAP project to more appropriately accommodate the needs of formerly homeless families, individuals, and veterans, and to help meet the low- and very-low-income affordable housing requirements of future market rate development at Alameda Point.
- The DDA negotiations will include discussion of the possibility of allowing BFWC to replace the existing Midway Shelter that is currently serving homeless women and children with up to fifty-four (54)-emergency beds, if BFWC has used commercially reasonable efforts to replace the shelter at the North Housing Site and has not been successful.
- The Project will include a mix of permanent rental housing units restricted to households with gross income not to exceed 30% of the Area Median Income (AMI), “Extremely Low income”, and households with gross income not to exceed 60% of AMI, “Low Income”, and up to four (4) unrestricted manager’s units.
- The exact unit and affordability mix will be mutually determined by the Collaborating Partners and the City of Alameda as part of the DDA.
- Deed restrictions will be recorded against the land at the time of conveyance in perpetuity, consistent with the Settlement Agreement.
- The Project will include an affordable housing development with high-quality architecture consistent with the Main Street Neighborhood Specific Plan (Main Street Plan).
- The Project will also include the remaining term of the leasehold for Ploughshares Nursery (7 acres) and the Farm (2.6 acres) as depicted in the map.
- The project will be designed to provide for the separate conveyance, relocation, financing, and development of each phase consistent with a Phasing Plan and Performance Milestone Schedule attached to the DDA.

### **Property Description and Condition**



- The proposed project location is detailed in Exhibit B and situated on 10.4 contiguous acres in the City's Main Street Neighborhood as detailed in the Main Street Plan. The site is bounded by Main Street to the south, West Tower to the west, Orion to the north, and West Midway to the east (Site).
- The City provided the following studies for information:
  - *Work Plan for Bioremediation Treatability Study at Petroleum Corrective Areas 4C and 7, Alameda, California;*
  - *Draft Environmental Impact Report, Alameda Point Project;*
  - *Finding of Suitability to Transfer for Formal Naval Air Station Alameda, Alameda Point, Alameda;*
  - *Public Notice Report: U.S. Navy Announces Proposed Plan, Former NAS Alameda Operable Unit 1, IR Sites 6, 7, 8, and 16, Alameda, California;*
  - *Fact Sheet: Alameda Point OU-1 IR Sites 6, 7, 8, and 16 Remedial Design/Remedial Action, Alameda Point, California;*
  - *Site Management Plan, Phase 1 Transfer Portion of Alameda Point, Alameda, California*

With the exception of information and references provided in these studies, the City and Collaborating Partners represent and warrant that they have no further knowledge and have not received any further notice regarding hazardous materials in, on, or under the Site.

#### **Collaborating Partners Responsibilities**

- Terminate all existing leases with the City, release all rights and claims (excluding Ploughshares and the Farm), and remove all encumbrances to buildings , including those in the Adaptive Reuse area (Buildings 67, 101), according to the Performance Milestone Schedule in the DDA.
- The removal of encumbrance related to Building 92 will be dependent on negotiation with private tenant/buyer consistent with adjacent uses and would include a potential revenue-sharing agreement with APC which is currently under negotiation.
- Accept the land conveyed by the City with the right to transfer the Collaborating Partners' fee interest in the Site (or any portion thereof) to a limited partnership and/or a limited liability company in which the Collaborating Partners or affiliates thereof are general partners and/or members, as defined further in the DDA.
- Design, permit and construct landscape and buildings consistent with a yet to be approved Development Plan consistent with the Main Street Plan, and in

accordance with an agreed upon Phasing Plan and Performance Milestone Schedule attached to the DDA, including obtaining site improvement plan, subdivision maps, design review, and building permit approval from the City and other relevant public agencies.

- Develop, in coordination with the City, geotechnical design requirements for preparation of the Site according to the Performance Milestone Schedule in the DDA.
- Prepare a feasible financing plan, and project pro forma for the predevelopment and vertical development of the Project, including timing and sources and uses of funds.
- Obtain the necessary financing prior to conveyance of the property, consistent with the mutually approved financing plan and project proforma for the development of the Project, including both debt and equity sources of funds.
- Provide assurances that the additional 67 units are acceptable under the Settlement Agreement.
- Implement and adhere to the requirements of the regulatory documents listed under the Project Description that are applicable to the Project.
- Ensure all contractors and subcontractors on the vertical construction are paid prevailing wages.
- Provide supportive services to assist residents to maintain their housing and self-sufficiency. Examples of supportive services include job training, support groups, financial literacy training, other educational and wellness programs, afterschool programs for youth, a teen center, and social enterprise opportunities.

#### **City Responsibilities**

- Facilitate fee title conveyance of the Site by quit claim deed for \$1.00, free of any claims and encumbrances from the City to the Collaborating Partners or its permitted assignees, in accordance with the terms of the DDA and the Performance Milestone Schedule.
- Facilitate the financing and construction of backbone infrastructure and site improvements (including demolition, rough grading, certified building pads, backbone streets and utilities stubbed to the Collaborating Partners' site) through best efforts to dispose of 21.9 acres of property adjacent to the Project

(Exhibit B). Site improvements to include demolition, geotechnical mitigation (based on design requirements developed in concert with the Collaborating Partners), rough grading, construction of the backbone streets and utilities stubbed to the Collaborating Partners' site. Nothing herein commits the City to directly provide any sources of funds toward the development of the infrastructure or the Project.

- City will facilitate the closure of any Navy clean-up and agency approvals to deliver the Project area sufficiently clean for the proposed use.
- Understand that time is of the essence and will timely process entitlement and permit applications for the Project.
- The DDA will contain certain provisions related to cross-defaults and the release of obligations related to the conveyance and development of each phase of the Project.

#### **Term**

- The initial term will be 15 years with a detailed Performance Milestone Schedule to be attached to the DDA for both the City and the Collaborating Partners.

#### **Phasing**

- A Phasing Plan and Performance Milestone Schedule will be prepared for the Project and for each phase of the Project, including a detailed schedule for obtaining entitlement, securing financing for each Phase of the Project, conveyance of the property, construction of the vertical development consistent with the Term. The Phasing Plan and Performance Milestone Schedule will be attached to the DDA.

#### **Infrastructure**

- The City will make commercially reasonable best efforts to enter into an agreement with a qualified developer to provide all of the backbone infrastructure consistent with the MIP and Main Street Plan. The backbone infrastructure will include demolition, geotechnical mitigation (based on design requirements developed in concert with the Collaborating Partners), rough grading, construction of the backbone streets and utilities stubbed to the Collaborating Partners' site.

#### **Conveyance of Land**

- City will convey fee interest in the Site to the respective Collaborating Partners in phases in accordance with the Phasing Plan.



- City agrees to the Collaborating Partners transferring their rights to acquire fee interest in the Site (or any portion thereof) to a qualified limited partnership and/or a limited liability company, in which the Collaborating Partners' entities or affiliates are general partners or members.

### **Financing**

- The City will use commercially reasonable efforts to facilitate the financing and construction of backbone infrastructure and site improvements (including demolition, rough grading, certified building pads, backbone streets and utilities stubbed to the Collaborating Partners' site) through best efforts to dispose of 21.9 acres of property adjacent to the Project.
- The City will make good faith efforts to cooperate with the Collaborating Partners on funding applications.
- The Collaborating Partners will provide quarterly updates on their financing plan and any grant funding or partnerships for each phase
- Prepare a feasible financing plan, and project pro forma for the predevelopment and vertical development of the Project, including timing and sources and uses of funds.

### **Project Stabilization Agreement**

- The Collaborating Partners agree to comply with the City's Project Stabilization Agreement (PSA) or negotiate in good faith a PSA with the Building Trades for the Project.

### **Hazardous Materials**

- City will facilitate the closure of any Navy clean-up and agency approvals to deliver the Project area sufficiently clean for the proposed use. City and the Collaborating Partners agree to negotiate language for incorporation in the DDA that addresses the responsibility for removal of hazardous materials

### **Hazardous Materials Indemnification and Insurance Policy**

- The City and the Collaborating Partners agree to negotiate specific Indemnification and insurance language for incorporation in the DDA.

### **Eligibility Restrictions for Permanent Supportive Housing**

- Eligibility for the APC and BFWC units at the Site will be restricted to households who initially meet the Department of Housing and Urban Development's definition of Homelessness as defined in the Homeless Emergency Assistance and

Rapid Transition to Housing Act. Eligibility for Operation Dignity units will be restricted to formerly homeless and/or currently homeless veterans, and users of other homeless or transitional housing programs currently administered at the Dignity Commons housing site.

Signatures on Following Page

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the date first written above.

**CITY:**

CITY OF ALAMEDA,  
A California municipal corporation

By: \_\_\_\_\_  
Name: Jill Keimach  
Title: City Manager

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Name: Farimah F. Brown  
Title: Senior Assistant City Attorney

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Name: Andrico Q. Penick  
Title: Assistant City Attorney

**COLLABORATING PARTNERS:**

MIDPEN HOUSING CORPORATION,  
A California nonprofit public benefit corporation

By:  \_\_\_\_\_  
Name: Jan M. Lindenthal  
Title: Vice President of Real Estate Development/Assistant Secretary

ALAMEDA POINT COLLABORATIVE, INC.,  
A California nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: Doug Biggs  
Title: Executive Director



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Name: Jill Keimach  
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A California nonprofit public benefit corporation

By:  \_\_\_\_\_  
Name: Doug Biggs  
Title: Executive Director

BUILDING FUTURES WITH WOMEN AND CHILDREN,  
A California nonprofit public benefit corporation

By:   
Name: Liz Varela  
Title: Executive Director

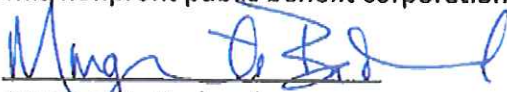
OPERATION DIGNITY, INC.,  
A California nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: Marguerite Bachand  
Title: Executive Director

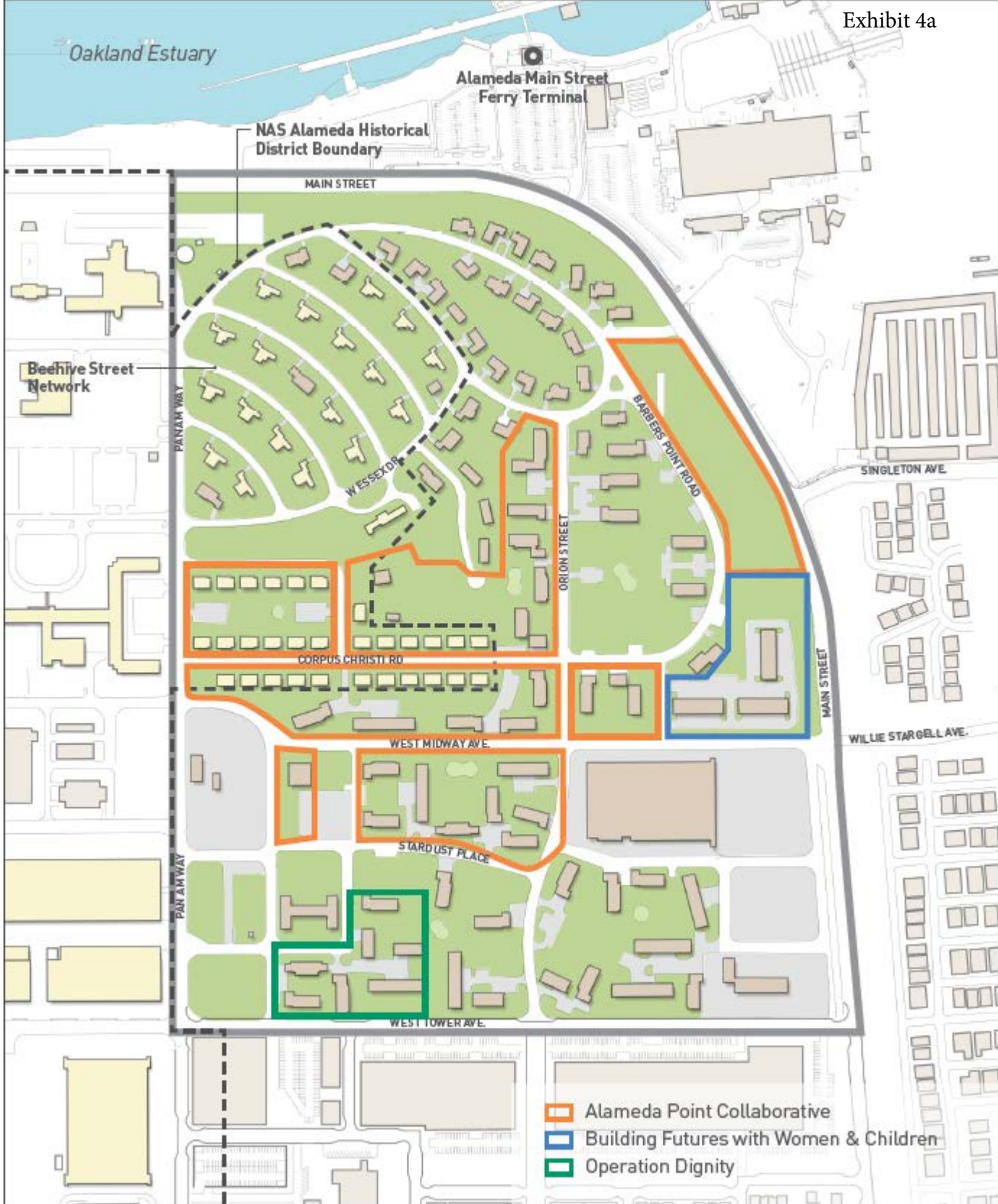
**BUILDING FUTURES WITH WOMEN AND CHILDREN,  
A California nonprofit public benefit corporation**

By: \_\_\_\_\_  
Name: Liz Varela  
Title: Executive Director

**OPERATION DIGNITY, INC.,  
A California nonprofit public benefit corporation**

By:   
Name: Marguerite Bachand  
Title: Executive Director





Oakland Estuary

Alameda Main Street Ferry Terminal

NAS Alameda Historical District Boundary

MAIN STREET

Beehive Street Network

PANAM WAY

WESSEX DR

BARBERS POINT ROAD

ORION STREET

CORPUS CHRISTI RD

SINGLETON AVE

WEST MIDWAY AVE

WILLIE STARGELL AVE

STARDUST PLACE

WEST TOWER AVE

MAIN STREET




-  Alameda Point Collaborative
-  Building Futures with Women & Children
-  Operation Dignity

Exhibit 4b

Alameda Main Street Ferry Terminal

Oakland Estuary

- NAS Alameda Historic District
- Historic District Contributing Building
- The Farm & Ploughshares
- Specific Plan Boundary
- Local Roads
- Ped/Bike Connection

