

# Ground Leases

*with Eden Housing for*

# *Site A Affordable Housing Projects*

City Council  
October 17, 2017



# Recommendation

- Approve Ground Leases with Eden Housing to Help Ensure 130 units of Affordable Housing Are Developed at Site A at Alameda Point by:

- Providing direct site control
- Allowing an infrastructure contingency plan

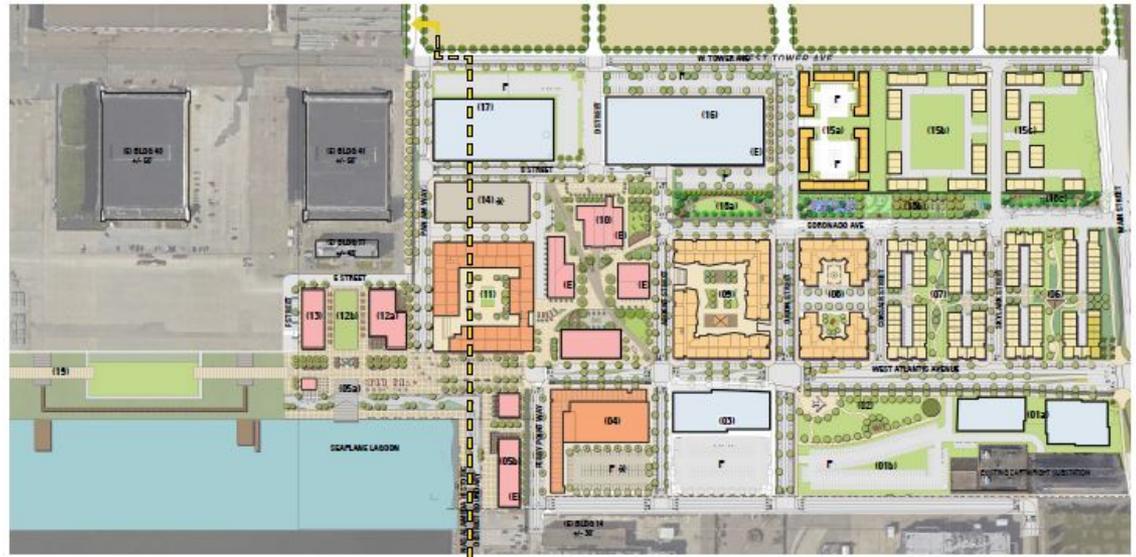
- Benefits Include:

- Preserving existing commitments already secured
- Increasing competitiveness of obtaining remaining sources



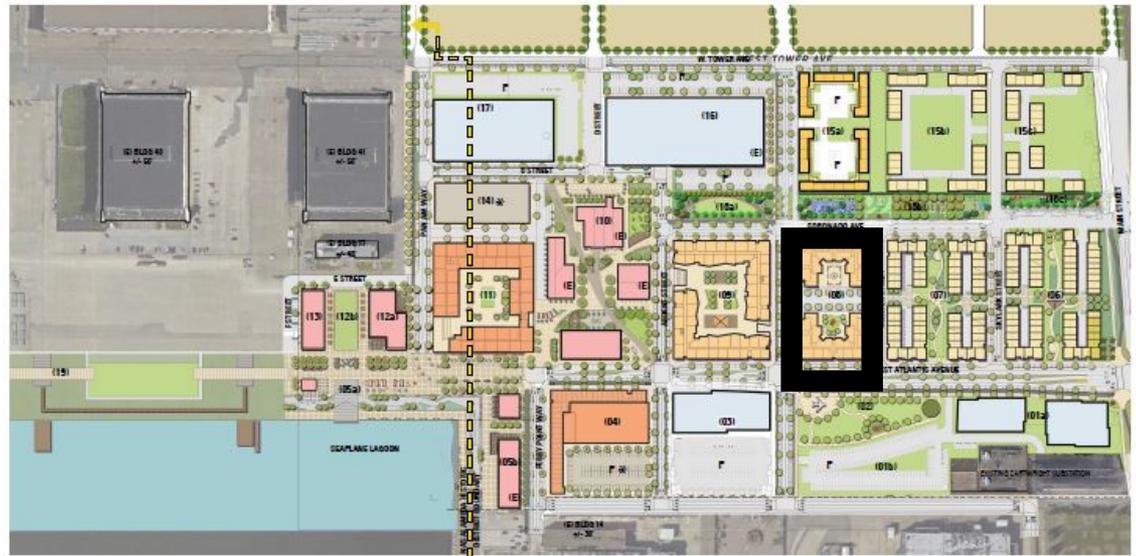
# Site A Project

- DDA between City and Alameda Point Partners (APP)
- 68-acre property at Alameda Point
  - 800 housing units (25% BMR)
  - 600,000 SF of commercial
  - 15 acres of parks



# Site A Affordable Housing

- 200 below market rate units
  - DDA includes Affordable Housing Implementation Plan
  - 130 units developed by Eden Housing: very-low and low-income HHs
  - 70 units in AUSD or inclusionary: moderate income HHs



# Eden Housing Block 8 Projects

- Eden Housing, highly qualified nonprofit affordable housing developer
- Per the DDA, Eden is Qualified Affordable Developer
- Two Block 8 Projects:
  - Family Project - 70 Units
  - Senior Project – 60 Units



# Family Project Financing Plan

<i>Source of Funds</i>	<i>Amount</i>	<i>Status</i>
Land Donation	\$5.1 million	Committed
Bank Loan	\$4.2 million	Committed
VASH Voucher Loan	\$3.0 million	Committed
AHSC State Grant	\$9.0 million	Apply Fall 2017
LIHTC 4% Investor Capital	\$16.5 million	Apply June 2018
Section 811 Loan	\$3.1 million	Pending Final Approval
HCD Infill Infrastructure Grant	\$3.0 million	Apply Fall 2017
GP Equity	\$3.4 million	Committed
Inclusionary Contribution	\$2.0 million	Committed if APP Closes
<b>TOTAL SOURCES</b>	<b>\$49.3 million</b>	

# Senior Project Financing Plan

<i>Source of Funds</i>	<i>Amount</i>	<i>Status</i>
Land Donation	\$4.4 million	Committed
Bank Loan	\$1.8 million	Committed
VASH Voucher Loan	\$5.8 million	Committed
County of Alameda Measure A1	\$5.0 million	City Committed/County Approval
Affordable Housing Program (AHP)	\$0.6 million	Committed
Inclusionary Contribution	\$1.0 million	Committed if APP Closes
Veteran Housing Homelessness Program Loan	\$1.4 million	Committed
LIHTC 9% Investor Capital	\$10.5 million	Apply March 2018
HCD Infill Infrastructure Grant	\$2.0 million	Apply Fall 2017
<b>TOTAL SOURCES</b>	<b>\$32.5 million</b>	

# Provisions of Ground Leases

- **Parties:** Eden Housing and City of Alameda
- **Projects:** 70-Unit Family Project and 60-Unit Senior Project – Each Project with Separate Ground Lease
- **Term and Option to Purchase:** 87 Years for Investors with \$1 Purchase Price Only Upon Installation of New Backbone Infrastructure Consistent with DDA
- **Conditions to Close:** No Delivery of Premise or Commencement of Lease until All Financing Commitments Obtained

# Provisions of Ground Leases

- **Infrastructure Contingency Plan:** Existing and Future Financing Sources Need Assurance of Construction Independent of APP
  - Eden finances and installs infrastructure required for only their projects, if APP delayed on larger Site A Project
  - Plan includes permanent EBMUD water infrastructure and interim infrastructure repairs and improvements for other utilities per MIP
  - Initial discussions with utility providers support preliminary plan
- **Other Provisions:** Insurance, Hold Harmless, Events of Default, Assignment, Mortgage Protections
- **Role of APP:** APP Not Party to Ground Lease, but Maintain All Obligations under DDA

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- Benefits include:
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# Q & A

