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ALAMEDA UNIFIED SCHOOL DISTRICT
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June 24, 2020

Debbie Potter
Director of Community Development
City Hall West
Alameda, CA 94501

RE: Request to the Successor Agency to the Former Community Improvement Commission of the City of Alameda to Approve a Development List of Affordable Housing Projects and Funding Requests for such Projects

Dear Ms. Potter,

First, I hope you and others at the City of Alameda are well.

Second, for the following reasons, the Alameda Unified School District ("AUSD") requests that the Successor Agency to the former Community Improvement Commission of the City of Alameda ("Successor Agency") conduct a noticed public hearing concerning, and then approve, the attached Development List of Affordable Housing Projects and Funding Requests for such Projects.

AUSD is a party to a pass-through agreement ("Pass-Through Agreement") with the Successor Agency. The Pass-Through Agreement provides for establishment of a District Housing Fund to be used for eligible affordable housing purposes that are identified by AUSD. As described below, AUSD is requesting release of funds held in the District Housing Fund to the Alameda Housing Authority of the City of Alameda ("AHA") to be used for eligible affordable housing purposes consistent with the terms of the Pass-Through Agreement.

In 2018, AUSD entered into a Memorandum of Understanding ("MOU") with AHA whereby AHA agreed to assist AUSD with its obligations under the Pass-Through Agreement to use funds to increase the supply of low-income housing in a manner that addresses the housing needs of the District's qualifying employees. Under the terms of the MOU, AHA makes periodic funding requests to AUSD to fund eligible affordable housing projects that are consistent with the terms of the Pass-Through Agreement and MOU. Once a funding request is approved, funds available under the Pass-Through Agreement are authorized to be transferred directly to AHA (per MOU Section 6A).

The Auditor Controller has been depositing funds in the District Housing Fund since dissolution of redevelopment agencies in 2012. Our understanding is that \$1,844,327.29 has accumulated in the account held by the Auditor Controller that is obligated under the terms of the Pass-Through Agreement ("Available Funds"). The \$1,844,327.29 figure is shown in Exhibit 1 and

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represents the net amount required to be held in the District Housing Fund for affordable housing purposes after considering payments separately made by the Successor Agency pursuant to an approved Recognized Obligation Payment Schedule ("ROPS") in partial satisfaction of the obligation.

AUSD has requested that the Auditor Controller release the Available Funds for purposes of funding the Rosefield Village affordable housing development. Rosefield Village is an existing Housing Authority property previously approved by AUSD for funding under the terms of the MOU. Rosefield Village will be redeveloped to increase the total number of affordable apartments. The property currently includes 53 housing units. The redevelopment project will demolish 40 of these units and replace them with a new 78-unit apartment building with community spaces and on-site property management offices. Additionally, five of the other buildings on the property will be renovated. When complete, the \$77 million redevelopment and renovation project will provide 92 rental units. The project will be affordable to households earning between 20-80% of Area Median Income ("AMI"). The project financing for Rosefield Village relies on the Available Funds. The Available Funds are required to be on hand for the closing, scheduled for July 2020, for construction of this needed affordable housing to move forward.

Separately, and the purpose of this letter, AUSD is requesting the Successor Agency at a public hearing scheduled for July 7, 2020 approve a Development List of affordable housing projects that includes the Rosefield Village, along with a Funding Request for that Project. Funding the Rosefield Village Project satisfies required conditions under the Pass-Through Agreement. Conditions include that the project meets applicable requirements under the Community Redevelopment Law, the terms and conditions of the Pass-Through Agreement, the Guyton Judgment and Settlement Agreement and the City's Housing Element of the General Plan.


If the Successor Agency approves the Development List and Funding Request, and the City of Alameda finds that the Development List is consistent with the City's Housing Element, it is AUSD's understanding that the Auditor Controller will release the Available Funds directly to AHA for use on the Rosefield Village project consistent with the terms of the MOU. Given the immediate need for these funds, we would appreciate if your Department would make the necessary arrangements to schedule a public hearing by the Successor Agency, which hearing could be conducted at a joint meeting with the Council on July 7, in order that the Successor Agency have the opportunity to review and approve the Development List of affordable housing projects and approve the Funding Request for the Rosefield Village Project.

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Thank you very much for your attention to this matter.

Sincerely,

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Shariq Khan, Chief Business Officer
Alameda Unified School District

CC:

Farand C. Kan, Deputy County Counsel, County of Alameda

Michael Roush, Chief Assistant City Attorney

Carol Orth, Auditor-Controller, Alameda County

Kathleen Mertz, Director of HCD, Housing Authority of the City of Alameda

Exhibit 1: Alameda Unified School District Fiscal Year 20-21 Development List and Funding Request

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Exhibit 1: Alameda Unified School District Fiscal Year 20-21 Development List and Funding Request

Pursuant to Section 6 of the 1991 Pass-Through Agreement between Alameda Unified School District ("AUSD") and the Successor Agency to Community Improvement Commission of the City of Alameda, AUSD is submitting its list of prioritized housing projects and programs for Fiscal Year 20-21:


Housing Projects and Programs (Development List)

Rosefield Village – Redevelopment and renovation of a Housing Authority-owned property to construct/rehabilitate 92 rental units available to eligible households earning between 20-80% of Area Median Income.

Funding Request

It is requested that \$1,844,327.29 in Redevelopment Property Tax Trust Funds currently being held by the County of Alameda Auditor-Controller be released for this project.

Sincerely,

DocuSigned by:

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Shariq Khan
Chief Business Officer