
ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

AGENDA **REGULAR MEETING OF THE BOARD OF DIRECTORS**
DATE & TIME **Wednesday, September 15, 2021 - 7:01 PM**

LOCATION

Pursuant to Executive Order Numbers N-29-20 and N-35-20 signed by Governor Gavin Newsom and guidance provided by legal counsel, a local legislative body, such as the Board of Directors is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body. All requirements in the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or the public as a condition of participation in or a quorum for a public meeting have been waived.

PUBLIC PARTICIPATION

Public access to this meeting is available as follows:

Join Zoom Meeting:

<https://us06web.zoom.us/j/94439172029?pwd=dkIKOTRTSszQ3RIhHb1o3SIExamIDdz09>

Meeting ID: 944 3917 2029

Passcode: 446100

One tap mobile

1-346-248-7799, 94439172029#, *446100# US (Houston)

1-720-707-2699, 94439172029#, *446100# US (Denver)

Find your local number: <https://us06web.zoom.us/j/94439172029?pwd=dkIKOTRTSszQ3RIhHb1o3SIExamIDdz09>

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 jpolar@alamedahsg.org and vcooper@alamedahsg.org prior to or during the Board of Directors meeting
- Call and leave a message at (510) 871-7435.

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 Alameda Affordable Housing Corporation Board of Directors, please contact (510) 747-4325 (voice), TTY/TRS: 711, or jpolar@alamedahsg.org. Notification 48 hours prior to the meeting will



enable the Alameda Affordable Housing Corporation Board of Directors to make reasonable arrangements to ensure accessibility.

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Directors
2. Public Comment (Non-Agenda)
3. CONSENT CALENDER

Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Directors or a member of the public.

- 3.A. Approve Minutes of the Alameda Affordable Housing Corporation Meetings held on April 21, 2021, May 19, 2021, June 24, 2021, and August 18, 2021.
- 3.B. Accept Memo Confirming Officers for 2021-22
- 3.C. Accept the First Amendment to the Amended and Restated Lease Agreement between the Alameda Affordable Housing Corporation, as landlord, and Alameda Family Service, as tenant, for Continued Use of Real Property as a Preschool Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda and Authorize the Executive Director, or her designee to execute.
- 3.D. Approve the Amended and Restated Promissory Notes on the AHA-AAHC Portfolio and Authorize the Executive Director, or her designee, to negotiate and execute the final Amendments
4. AGENDA
- 4.A. Authorization for the Executive Director or Designee to Negotiate and Execute the Pulte Regulatory Agreement
5. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)
6. DIRECTORS COMMUNICATIONS, (Communications from the Directors)
7. ADJOURNMENT OF REGULAR MEETING

* * * Note * * *

Documents related to this agenda are available for public inspection and copying at the Alameda Affordable Housing Corporation office, 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 the Alameda Affordable Housing Corporation'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 the Alameda Affordable Housing Corporation accommodate these individuals.



ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

To: Board of Directors

From: Vanessa Cooper, Executive Director

Prepared By: Vanessa Cooper, Executive Director

Date: September 15, 2021

Re: Approve Minutes of the Alameda Affordable Housing Corporation Meetings held on April 21, 2021, May 19, 2021, June 24, 2021, and August 18, 2021.
3.A.

BACKGROUND

As the AAHC and BOC meetings were combined on April 21, 2021, May 19, 2021, June 24, 2021, and August 18, 2021, the AAHC Meeting Minutes for these meetings were previously approved as part of the AHA meetings. These Meeting Minutes are now being brought back to AAHC for separate approval by the Board of Directors.

DISCUSSION

None

FISCAL IMPACT

N/A

CEQA

N/A

RECOMMENDATION

Approve Minutes of the Alameda Affordable Housing Corporation Meetings held on April 21, 2021, May 19, 2021, June 24, 2021, and August 18, 2021.

ATTACHMENTS

1. 04. Draft Minutes from April 21, 2021 Meeting
2. 05. Draft Minutes from May 19, 2021
3. 06. Draft Minutes from June 24, 2021
4. 08. Draft Minutes from August 18, 2021



AAHC Board of Directors Meeting
September 15, 2021

Page 2

Respectfully submitted,



Vanessa Cooper, Executive Director



ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

DRAFT MINUTES

ALAMEDA AFFORDABLE HOUSING CORPORATION MEETING WEDNESDAY, APRIL 21, 2021

Alameda Affordable Housing Corporation (AAHC) Meeting

Open Alameda Affordable Housing Corporation Meeting (The Board of Directors of the Housing Authority of the City of Alameda serving in their capacity as Board of Directors of the Alameda Affordable Housing Corporation).

1. ROLL CALL - Board of Commissioners

Present: Director Tamaoki, Director Grob, Director Kay,
Director Rickard, and Director Sidelnikov

Absent: Director Hadid

2. Public Comment (Non-Agenda)

None.

3. AAHC AGENDA

***Note:** The below items are numbered in accordance to the Agenda of the combined April 21, 2021 meetings of the AAHC and Board of Commissioners. This Agenda can be found here: <http://www.alamedahsg.org/cms/One.aspx?portalId=3723405&pageId=4404268>

18-A. Accept the Assignment of Purchase Rights and Loan of \$3,500,000 for the purchase of BMR Homeownership Units from the Housing Authority of the City of Alameda and Approve the Resolution Accepting a \$3,500,000 Loan

Sylvia Martinez, Director of Housing Development stated that as AHA would like to put Section 8 contracts on the Pulte properties purchased (at 2800 Fifth Street, Alameda), AAHC would need to be the holding entity of these properties. As AAHC does not have its own assets, it would be taking a loan from AHA, but the purchase rights would be assigned to AAHC as a separate corporation. The presented request is to accept the assignment of purchase rights to purchase the BMR Homeownership Units from AHA and approve a Resolution to accept the loan from AHA.

At the request of Jhaila Brown, Goldfarb & Lipman LLP, Ms. Cooper called roll to ensure that all Board members were present to vote on this item.

Present: Director Tamaoki, Director Grob, Director Kay; Director Rickard,



Director Sidelnikov

Absent: Director Hadid

In response to Director Tamaoki Ms. Martinez stated that in considering that the respective property doesn't carry the typical amount of reserves that a property with a senior loan would, staff would like to set the loan repayment terms at 75% of cash flow. This will leave some cash flow available to possibly address miscellaneous items (i.e. repairs, new carpeting, etc.). As these properties will be purchased over a period of 16 months, at a rate of approximately 1-2 per month, it is very difficult to finance them as single purchases. So, the goal is to purchase these properties, as presented in this request, and once all properties are purchased, consider options for the restructuring of this loan. Ms. Cooper stated that while there is nothing preventing repayments of more than 75% of cash flow, at this time, staff would like to move forward with the repayment terms presented and in 12 months reconsider this option, after all the properties have been acquired.

Director Rickard moved to accept the recommendation to accept the Assignment of Purchase Rights and Loan of \$3,500,000 for the purchase of BMR Homeownership Units from the Housing Authority of the City of Alameda and Approve the Resolution Accepting a \$3,500,000 Loan and Director Grob seconded the motion. This meeting took place via Zoom, so a roll call vote was taken and the motion passed unanimously.

| | | |
|-----|---|---|
| Yes | 5 | Director Tamaoki, Director Grob, Director Kay; Director Rickard, Director Sidelnikov |
|-----|---|---|

4. ADJOURNMENT

Chair Tamaoki adjourned the meeting at 9:00 p.m.

Vanessa M. Cooper
Secretary and Executive Director

Kenji Tamaoki, President
Board of Directors



ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

DRAFT MINUTES

ALAMEDA AFFORDABLE HOUSING CORPORATION MEETING May 19, 2021

Alameda Affordable Housing Corporation (AAHC) Meeting

Open Alameda Affordable Housing Corporation Meeting (The Board of Directors of the Housing Authority of the City of Alameda serving in their capacity as Board of Directors of the Alameda Affordable Housing Corporation)

This is the annual meeting of AAHC for the purpose of organization, election of officers and the transaction of other business.

1. ROLL CALL

At the request of Director Tamaoki, Ms. Vanessa Cooper, Secretary called Roll.

Present: Director Tamaoki, Director Grob, Director Kay; Director Rickard,
Director Sidelnikov

Absent: Director Hadid

2. Public Comment (Non-Agenda)

None.

3. AAHC AGENDA

***Note:** The below items are numbered in accordance to the Agenda of the combined May 19, 2021 meetings of the AAHC and Board of Commissioners. This Agenda can be found here: <http://www.alamedahsg.org/cms/One.aspx?portalId=3723405&pageId=4404268>

16-A. Accept Annual Report and Audited Financial Statements for the Housing Authority of the City of Alameda Showing AAHC's Financials as a Blended Component Unit

Mr. So stated that, as AAHC is the non-profit blended component unit of the AHA, the AAHC audit information is not showcased separately from the AHA audit. The exhibit provided in item 16-A of the AAHC Agenda is the same as the exhibit presented, and approved, in item 9-B of the AHA Board of Directors Meeting.

Director Rickard moved to Accept Annual Report and Audited Financial Statements for the Housing Authority of the City of Alameda Showing AAHC's Financials as a Blended Component Unit and Vice Director Grob seconded the



motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Director Tamaoki, Director Grob, Director Kay,
Director Rickard, and Director Sidelnikov

16-B. Accept Report on the Federal and State Tax Returns for the Fiscal Year Ending June 30, 2020

Mr. So stated that as a non-profit, unlike AHA, AAHC is required to file a tax return with the IRS and State Franchise Tax Board. The AAHC tax returns were included as an attachment to the meeting packet.

Vice Director Grob moved to Accept Report on the Federal and State Tax Returns for the Fiscal Year Ending June 30, 2020 and Director Rickard seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Director Tamaoki, Director Grob, Director Kay,
Director Rickard, and Director Sidelnikov

16-C. Adopt Authorizing Resolutions for the Real Property Transfer of Properties to Alameda Affordable Housing Corporation, including Authority to Refinance Parrot and Eagle Village, Amend the Property and Asset Management Services Agreement, and Authorize Executive Director, or Designee, to Negotiate and Execute Related Documents

Ms. Martinez stated that item 16-C of the AAHC agenda is a partner to the Resolutions and Authority to the actions took as part of AHA agenda item 9-E. This would allow AAHC to receive the properties transferred from AHA, to sign the seller carryback note, to refinance Parrott and Eagle Villages, as described, and to amend the property and asset management agreements to include the properties mentioned in the agreement and to authorize the Executive Director to execute any related documents.

Director Rickard moved to Adopt Authorizing Resolutions for the Real Property Transfer of Properties to Alameda Affordable Housing Corporation, including Authority to Refinance Parrot and Eagle Village, Amend the Property and Asset Management Services Agreement, and Authorize Executive Director, or Designee, to Negotiate and Execute Related Documents and Vice Director Grob seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 5 Director Tamaoki, Director Grob, Director Kay,
Director Rickard, and Director Sidelnikov

4. ADJOURNMENT

Director Tamaoki adjourned the meeting at 9:44 p.m.



Vanessa M. Cooper
Secretary and Executive Director

Kenji Tamaoki, President
Board of Directors

ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

DRAFT MINUTES

ALAMEDA AFFORDABLE HOUSING CORPORATION MEETING THURSDAY, JUNE 24, 2021

Alameda Affordable Housing Corporation (AAHC) Meeting

Open Alameda Affordable Housing Corporation Meeting (The Board of Commissioners of the Housing Authority of the City of Alameda serving in their capacity as Board of Directors of the Alameda Affordable Housing Corporation)

This is the annual meeting of AAHC for the purpose of organization, election of officers and the transaction of other business.

1. ROLL CALL

At the request of Director Tamaoki, Ms. Vanessa Cooper, Secretary called Roll.

Present: Director Tamaoki, Director Grob, Director Hadid, Director Kay;
Director Rickard, Director Sidelnikov

Absent: None

2. Public Comment (Non-Agenda)

None.

3. AAHC AGENDA

***Note:** The below items are numbered in accordance to the Agenda of the combined May 19, 2021 meetings of the AAHC and Board of Commissioners. This Agenda can be found here: <http://www.alamedahsg.org/cms/One.aspx?portalId=3723405&pageId=4404268>

9-A. Public hearing and report for Esperanza easement for the parking

Ms. Martinez, provided a presentation on the Easement at Esperanza, noting that this item directly relates to AHA item 4-G.

Director Tamaoki opened the public hearing at 9:21 p.m. Hearing none, Director Tamaoki closed the Public Hearing at 9:21 p.m.

Director Grob moved to adopt Resolution Authorizing and Approving the Easement on Real Property located in the City of Alameda, County of Alameda, CA, to Alameda Affordable Housing Corporation; Approve the attached form of Easement Agreement between the Housing Authority of the City of Alameda (Housing Authority) and Alameda Affordable Housing Corporation; and Authorize



the Executive Director, or designee, to execute an Easement Agreement and any other documents, on behalf of the Housing Authority, conforming in form and substance to the attached form of Easement, and administer all actions necessary to implement, and complete and memorialize the transactions contemplated in the easement, subject to approval by General Counsel and Director Hadid seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Director Tamaoki, Director Grob, Director Hadid,
Director Kay; Director Rickard, Director Sidelnikov

- 9-B. Approve the AAHC One-Year Operating and Capital Budget for Fiscal Year July 1, 2021 to June 30, 2022.

Mr. So, provided a presentation of the summarized AAHC Budget for Fiscal Year 2021-2022, highlighting the Net Operating Income of \$4.5 M, and the transfer of the Esperanza, Eagle Village, and Parrot Village properties.

In response to Director Tamaoki, Mr. So stated that when a property is transferred from AHA to AAHC, any residual receipts from the respective seller note are swept back to AHA and there is a 3% simple interest rate on these notes.

Director Grob moved to approve the AAHC One-Year Operating and Capital Budget for Fiscal Year July 1, 2021 to June 30, 2022 and Director Hadid seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Director Tamaoki, Director Grob, Director Hadid,
Director Kay; Director Rickard, Director Sidelnikov

- 9-C. Election of Officers for 2021-22

Ms. Martinez provided a presentation that summarized the Annual Tasks of the AAHC Board of Directors, highlighting that the members of the AAHC Board of Directors are the same as members of the AHA Board of Commissioners.

Director Hadid moved to hold an annual meeting for the purpose of organization, election of officers, and the transaction of other business and Director Grob seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Director Tamaoki, Director Grob, Director Hadid,
Director Kay; Director Rickard, Director Sidelnikov

4. ADJOURNMENT

Director Tamaoki adjourned the meeting at 9:29 p.m.



Vanessa M. Cooper
Secretary and Executive Director

Kenji Tamaoki, President
Board of Directors

ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

DRAFT MINUTES ALAMEDA AFFORDABLE HOUSING CORPORATION BOARD OF DIRECTORS WEDNESDAY, AUGUST 18, 2021

PLEDGE OF ALLEGIANCE

1. ROLL CALL - Board of Directors

Present: Director Tamaoki, Director Grob, Director Kay
Director Hadid, Director Rickard,
and Director Sidelnikov

Absent: None.

2. Public Comment (Non-Agenda)

None.

3. CONSENT CALENDAR

Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Directors or a member of the public.

*3.A. Approve Minutes of the Alameda Affordable Housing Corporation Meetings held on July 21, 2021

*3.B. Authorize the Executive Director or Designee to negotiate and execute Renewal Agreements with Comcast for Eagle Village, Esperanza, Parrott Village, Anne B. Diament, China Clipper & Independence Plaza

Items accepted or adopted are indicated by an asterisk.

Vanessa Cooper, Executive Director informed the Directors that in an effort to bring uniformity to the agendas for the meetings of the BOC, AAHC, and ICD, all agendas will now include a Consent Calendar.

Director Grob moved to accept the Consent Calendar items and Director Kay seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Director Tamaoki, Director Grob,
Director Hadid, Director Kay
Director Rickard, and Director Sidelnikov

4. AGENDA

4.A. Approve the Facility Use Agreement between the Alameda Affordable Housing Corporation, as landlord, and Alameda Family Service, as tenant, for Use of Real Property as office space Located at Esperanza Multi-Use Center, 1903 3rd Street in



the City of Alameda, County of Alameda, and Authorize the Executive Director or designee to Execute the Facility Use Agreement

Sylvia Martinez, Director of Housing Development provided a presentation that included an overview and summary of the Facility Use Agreement between AAHC and Alameda Family Services (AFS).

Ms. Cooper stated that the relationship with AFS has been very successful. AFS has provided a wide variety of services to AHA tenants and, during the COVID pandemic, AFS made a marathon effort to transition their services to meet the various health requirements in order to continue to provide services and meet the needs of families.

In response to Director Kay, Ms. Cooper stated that while AFS provides a broader range of services, they work very well with LifeSTEPS and where there are overlapping services, tenants can choose which of these services to utilize.

Director Rickard moved to approve the Facility Use Agreement between the Alameda Affordable Housing Corporation, as landlord, and Alameda Family Service, as tenant, for Use of Real Property as office space Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda, and Authorize the Executive Director or designee to Execute the Facility Use Agreement and Director Kay seconded the motion. This meeting took place via Zoom, so a roll call vote was taken, and the motion passed unanimously.

Yes 6 Director Tamaoki, Director Grob,
Director Hadid, Director Kay
Director Rickard, and Director Sidelnikov

5. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)

None.

6. DIRECTORS COMMUNICATIONS, (Communications from the Directors)

In response to Director Kay, Ms. Cooper stated that one candidate is being reviewed for the open position on the Board of Commissioners. It is expected that the City Council will make a nomination in September.

7. ADJOURNMENT OF REGULAR MEETING

Director Tamaoki adjourned the meeting at 8:22 p.m.

Vanessa M. Cooper
Secretary and Executive Director

Kenji Tamaoki, President
Board of Directors



ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

To: Board of Directors

From: Vanessa Cooper, Executive Director

Prepared By: Vanessa Cooper, Executive Director

Date: September 15, 2021

Re: Accept Memo Confirming Officers for 2021-22
3.B.

BACKGROUND

Alameda Affordable Housing Corporation By-laws call for the officers to be the same as those of the Housing Authority of the City of Alameda Board of Commissioners. The Housing Authority Board officers changed in August 2021, so this change is noted for the Corporation as well.

DISCUSSION

Beginning August 15, 2021, the Corporation Board of Directors and officers are as follows:

President – Carly Grob
Vice President – Kenji Tamaoki
Secretary/Executive Director – Vanessa Cooper
Treasurer – Louie So

Directors:
Bachir Hadid
Sandra Kay
Stuart Rickard
Vadim Sidelnikov
Vacant

FISCAL IMPACT

None

CEQA

Not applicable



RECOMMENDATION

Accept Memo Confirming Officers for 2021-22

ATTACHMENTS

None

Respectfully submitted,

A handwritten signature in blue ink that reads "Vanessa Cooper".

Vanessa Cooper, Executive Director

ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

To: Board of Directors

From: Sylvia Martinez, Director of Housing Development

Prepared By: Sylvia Martinez, Director of Housing Development

Date: September 15, 2021

Re: Accept the First Amendment to the Amended and Restated Lease Agreement between the Alameda Affordable Housing Corporation, as landlord, and Alameda Family Service, as tenant, for Continued Use of Real Property as a Preschool Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda and Authorize the Executive Director, or her designee to execute.
3.C.

BACKGROUND

In June 18, 1992 The Housing Authority of the City of Alameda entered into a Lease Agreement (term commenced October 1, 1992) with Alameda Family Services (AFS) formerly known as Xanthos, Inc. for 2,350 square feet of office space including surrounding fenced patio and playground area of approximately 4,800 square feet at Esperanza Housing Complex for the purposes of conducting a preschool program. On October 1, 1997; October 1, 1998; May 31, 1999; August 31, 2004; and August 31, 2009 Lessor and Lessee agreed through Amendments to the Lease to extend the term of the Lease for additional terms, giving the Lessee the right to exercise the option to renew the Lease for an additional five-year term. Lessee provided a written request to renew the Lease through September 30, 2014. Amendment No. 5 extended the term of the lease through September 30, 2019. The current Lease extension agreement is for an additional period of one year starting October 1, 2020 and ending September 30, 2021. This lease was Amended and Restated and approved by the Board in February 2021 to update and add additional terms. The Amended and Restated lease is effective October 1, 2021. In July 2021, this Amended and Restated lease was transferred to the Alameda Affordable Housing Corporation (Board approval for this action was in May 2021).

DISCUSSION

A 3% annual increase has been negotiated. However, it was noted that the Amended and Restated lease did not have the correct base rate for that increase. This amendment will clarify that starting October 1, 2021, the lease payment will be \$2,356.64 (not \$2,288) per month with 3% annual increase henceforth.



FISCAL IMPACT

This amendment corrects the lease payment which is a benefit to the Alameda Affordable Housing Corporation.

CEQA

Not Applicable

RECOMMENDATION

Accept the First Amendment to the Amended and Restated Lease Agreement between the Alameda Affordable Housing Corporation, as landlord, and Alameda Family Service, as tenant, for Continued Use of Real Property as a Preschool Located at Esperanza Multi-Use Center, 1903 3rd Street in the City of Alameda, County of Alameda and Authorize the Executive Director, or her designee to execute.

ATTACHMENTS

1. 3-C Attach 1 AFS Childcare Lease Amendment

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

**FIRST AMENDMENT TO
AMENDED AND RESTATED LEASE AGREEMENT**

(1901 3rd Street, Alameda, CA)

THIS FIRST AMENDMENT TO AMENDED AND RESTATED LEASE AGREEMENT (“**Amendment**”) is entered into as of September 30, 2021, (“**Effective Date**”) by and between ALAMEDA AFFORDABLE HOUSING CORPORATION, a California nonprofit public benefit corporation (“**AAHC**”), and ALAMEDA FAMILY SERVICES, a California nonprofit corporation (“**AFS**”). The AAHC and the AFS are individually referred to herein as a “**Party**” and collectively as the “**Parties.**”

RECITALS

A. The AAHC owns that certain real property improved with an approximately 2,350 square foot building, a surrounding fenced patio and playground area consisting of approximately 4,800 square feet, located at 1901 3rd Street, Alameda, CA, as more specifically depicted in Attachment No. 1 attached hereto and incorporated herein by this reference (“**Property**”).

B. AAHC, successor in interest to the Housing Authority of the City of Alameda pursuant to that certain Assignment and Assumption of Amended and Restated Lease Agreement dated July 1, 2021, as lessor, and AFS, as lessee, entered into that certain Amended and Restated Lease Agreement dated March 25, 2021 (“**Lease**”) wherein AAHC conveyed a leasehold interest in the Property (“**Leased Premises**”) to AFS to be used for the operation of a preschool thereon. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Lease.

C. The term of the Lease is ten (10) years. The rent to be paid by AFS to AAHC under the Lease is currently \$2,288.00, with escalators as more specifically described in the Lease.

D. Due to an administrative oversight, the rent set forth in the Lease is incorrect and the Parties desire to amend the Lease to align with the correct rent amount agreed to by the Parties.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. **Recitals.** The Recitals and attachments referenced above are incorporated in this Amendment by this reference and adopted by the Parties to be true and correct.
2. **Ground Rent.** Section 4.1 of the Lease titled, “Ground Rent” is hereby deleted in its entirety and replaced with the following:

“Section 4.1 **Ground Rent.** Not later than the first day of each calendar month of the Term commencing on October 1, 2021, Lessee shall pay monthly rent to Lessor in the amount of Two thousand, three hundred fifty six Dollars and sixty-four Cents (\$2,356.64), increased every year thereafter by 3% (“**Rent**”). Commencing on the one (1) year anniversary of the Commencement Date and on every anniversary of the

Commencement Date thereafter, the monthly rent for the subject one (1) year period shall increase by three (3) percent.[For purpose of illustration only, upon the one (1) year anniversary of the Commencement Date, monthly Rent for the following one (1) year period will be \$2,427.33 (\$2,356.64 + 3% (\$70.69)).]"Upon the second (2) anniversary of the Commencement Date, monthly Rent for the following one (1) year period will be \$2,500.15 (\$2,427.33 + 3% (\$72.82)).]"

AFS shall be required to pay the new Rent amount under the Lease commencing on October 1, 2021.

3. **Miscellaneous.**

a. **Further Cooperation.** The Parties agree to execute such other instruments, agreements, and amendments to documents as may be necessary or appropriate to effectuate the Lease as amended by this Amendment.

b. **Interpretation.** This Amendment, when combined with the Lease, sets forth and contains the entire understanding and agreement of the Parties. There are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements, which are not contained or expressly referred to within this Amendment or the Lease.

c. **Attachments.** Each of the attachments and exhibits attached or to be attached to this Amendment are incorporated in this Amendment by this reference.

d. **Effectiveness of Lease.** Except as modified and amended by this Amendment, all other terms and conditions of the Lease remain unmodified and in full force and effect.

e. **Counterparts.** This Amendment may be signed by the Parties in counterparts, each of which will be an original but all of which together will constitute one and the same agreement.

REMAINDER OF PAGE INTENTIONALLY BLANK

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, AAHC and AFS have executed this Amendment as of the Effective Date.

AAHC:

ALAMEDA AFFORDABLE HOUSING CORPORATION,
a California nonprofit public benefit corporation

By: _____

Vanessa Cooper
Executive Director

AFS:

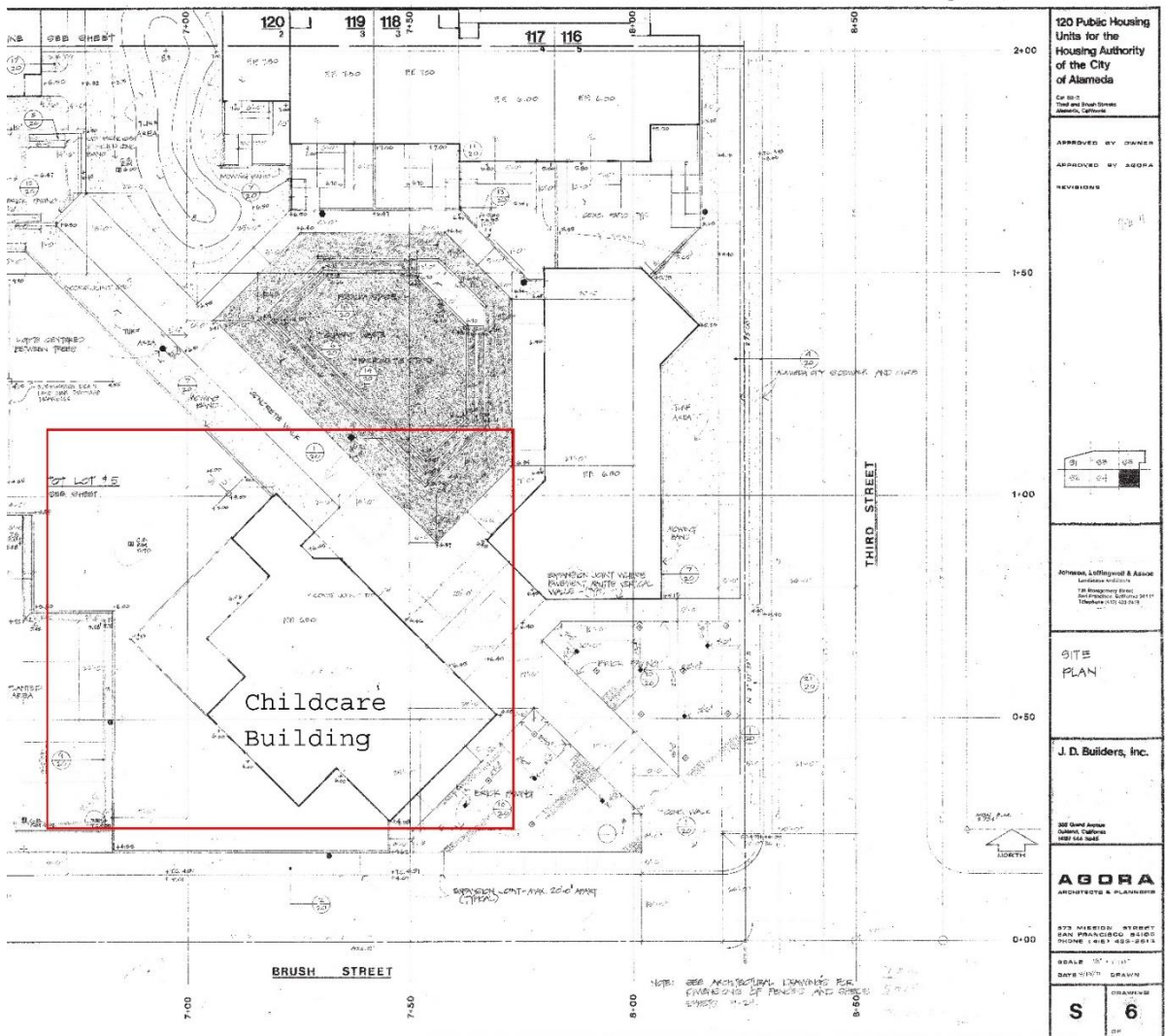
ALAMEDA FAMILY SERVICES,
a California nonprofit public benefit corporation

By: _____

Katherine Schwarz
Executive Director

ATTACHMENT NO. 1

SITE PLAN



ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

To: Board of Directors

From: Sylvia Martinez, Director of Housing Development

Prepared By: Sylvia Martinez, Director of Housing Development

Date: September 15, 2021

Re: Approve the Amended and Restated Promissory Notes on the AHA-AAHC Portfolio and Authorize the Executive Director, or her designee, to negotiate and execute the final Amendments
3.D.

BACKGROUND

In order to meet a HUD requirement, AHA has been in the process of transferring its properties to its affiliate corporation, the Alameda Affordable Housing Corporation. Previously, Lincoln/Willow, Stanford House, China Clipper Plaza, Anne B. Diament, and Independence Plaza have been transferred. The properties Esperanza, Eagle Village, and Parrot Village transferred in July 2021. The structure of the transfers included a seller carryback loan from AHA to AAHC for the appraised value, to be paid from 75% of residual receipts from the operations of the properties. The promissory notes from Independence Plaza and Esperanza had an unnecessary delay in repayment that staff would like to correct.

In addition, Eagle and Parrot were refinanced during the transfer and resulted with excess proceeds paid to AAHC. AHA wishes to update the promissory notes to accelerate the transfer of funds from operations and refinance proceeds

DISCUSSION

The proposed amendments are very simple. In general, they provide that the seller carryback loan is paid twice yearly, with a mid-year estimate and a true-up calculation at the end of the fiscal year. The excess proceeds from the Eagle and Parrot refinance will be repatriated in total. Finally, the amendments clarify that the payments under the promissory notes should have begun within six months of transfer and allow for catch-up payments to be made to allow that to happen.

These amendments will be shared with the existing lenders for their approval. It is not anticipated that there will be any delays in obtaining approval.

FISCAL IMPACT

The refinance proceeds of approximately \$4.6 million will be repatriated to AHA from Eagle



and Parrot Village. Cash payments estimated at \$2.2 million annually will be made more readily available to AHA from its portfolio properties for use for agency operations. These changes are in line with AHA's general policy to centralize funds for better financial control and strategic use. AAHC was created as a holding company for AHA's properties, and its financials are consolidated into AHA's audit as a blended component unit, so this is not a net change for that entity.

CEQA

Not applicable.

RECOMMENDATION

Approve the Amended and Restated Promissory Notes on the AHA-AAHC Portfolio and Authorize the Executive Director, or her designee, to negotiate and execute the final Amendments

ATTACHMENTS

1. 3-D Attach 1 DRAFT Amended and Restated Promissory Notes - First Page Only

Respectfully submitted,



Sylvia Martinez, Director of Housing Development

AMENDED AND RESTATED PROMISSORY NOTE
(Independence Plaza)

\$34,200,000.00

September 1, 2021
Alameda, California

FOR VALUE RECEIVED, the undersigned, Alameda Affordable Housing Corporation., a California nonprofit public benefit corporation (the "**Borrower**"), hereby promises to pay to the order of the Housing Authority of the City of Alameda, a public body, corporate and politic, organized and existing under the laws of the State of California (together with its successors and assigns, the "**Authority**"), having an address at 701 Atlantic Avenue, in the City of Alameda, County of Alameda, California 94501, at the address of the Authority or at such other place or to such other person as may be designated in writing to the Borrower by the Authority, the sum of Thirty-Four Million Two Hundred Thousand and No/100ths Dollars (\$34,200,000.00) (the "**Loan**"), which amount includes principal only as set forth below in this Amended and Restated Promissory Note (this "**A&R Note**"). This A&R Note amends, restates and replaces in its entirety that certain Promissory Note, dated as of March 12, 2020, executed by the Borrower, in favor of the Authority.

1. Purpose. This A&R Note evidences the obligation of the Borrower to pay the Authority the principal amount of Thirty-Four Million Two Hundred Thousand and No/100ths Dollars (\$34,200,000.00), for the funds loaned to the Borrower by the Authority for the acquisition of Independence Plaza, located at 703 Atlantic Avenue, in the City of Alameda, County of Alameda, California (the "**Property**").

2. Security. This A&R Note is secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**"), dated as of even date herewith, recorded against the Property under which the Borrower is the Trustor and the Authority is the Beneficiary.

3. Terms of Payment.

a. Term. The term (the "**Term**") of this A&R Note shall commence with the date of this A&R Note and shall expire thirty (30) years from the date of this A&R Note.

b. Interest. The Loan shall bear no interest.

c. Repayment. Commencing on ~~January 15, 2022~~ July 15, 2020, and on January 15 and July 15 of each fiscal year thereafter through the end of the Term, the Borrower shall make semi-annual payments on the Loan from seventy-five percent (75.00%) of Residual Receipts from the prior fiscal year. Payments due on January 15 of each fiscal year shall be a reasonable estimate of seventy-five percent (75.00%) of then-available Residual Receipts for the existing fiscal year, and payments due on July 15 shall be for the remainder of seventy-five percent (75.00%) of actual undistributed Residual Receipts from the prior fiscal year. Payments

AMENDED AND RESTATED PROMISSORY NOTE
(Esperanza)

\$19,100,000.00

September 1, 2021
Alameda, California

FOR VALUE RECEIVED, the undersigned, Alameda Affordable Housing Corporation., a California nonprofit public benefit corporation (the "**Borrower**"), hereby promises to pay to the order of the Housing Authority of the City of Alameda, a public body, corporate and politic, organized and existing under the laws of the State of California (together with its successors and assigns, the "**Authority**"), having an address at 701 Atlantic Avenue, in the City of Alameda, County of Alameda, California 94501, at the address of the Authority or at such other place or to such other person as may be designated in writing to the Borrower by the Authority, the sum of Nineteen Million One Hundred Thousand and No/100ths Dollars (\$19,100,000.00) (the "**Loan**"), which amount includes principal only as set forth below in this Amended and Restated Promissory Note (this "**A&R Note**"). This A&R Note amends, restates and replaces in its entirety that certain Promissory Note, dated as of July 1, 2021, executed by the Borrower, in favor of the Authority.

1. Purpose. This A&R Note evidences the obligation of the Borrower to pay the Authority the principal amount of Nineteen Million One Hundred Thousand and No/100ths Dollars (\$19,100,000.00), for the funds loaned to the Borrower by the Authority for the acquisition of Esperanza, located at 1905 Third Street, in the City of Alameda, County of Alameda, California (the "**Property**").

2. Security. This A&R Note is secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**"), dated as of even date herewith, recorded against the Property under which the Borrower is the Trustor and the Authority is the Beneficiary.

3. Terms of Payment.

a. Term. The term (the "**Term**") of this A&R Note shall commence with the date of this A&R Note and shall expire thirty (30) years from the date of this A&R Note.

b. Interest. The Loan shall bear no interest.

c. Repayment. Commencing on January 15, 2021, and on January 15 and July 15 of each fiscal year thereafter through the end of the Term, **the Borrower shall make semi-annual payments on the Loan from seventy-five percent (75.00%) of Residual Receipts from the prior fiscal year. Payments due on January 15 of each fiscal year shall be a reasonable estimate of seventy-five percent (75.00%) of then-available Residual Receipts for the existing fiscal year, and payments due on July 15 shall be for the remainder of seventy-five percent (75.00%) of actual undistributed Residual Receipts from the prior fiscal year.** Payments under this A&R

AMENDED AND RESTATED PROMISSORY NOTE
(Eagle Village)

\$12,650,000.00

September 1, 2021
Alameda, California

FOR VALUE RECEIVED, the undersigned, Alameda Affordable Housing Corporation., a California nonprofit public benefit corporation (the "**Borrower**"), hereby promises to pay to the order of the Housing Authority of the City of Alameda, a public body, corporate and politic, organized and existing under the laws of the State of California (together with its successors and assigns, the "**Authority**"), having an address at 701 Atlantic Avenue, in the City of Alameda, County of Alameda, California 94501, at the address of the Authority or at such other place or to such other person as may be designated in writing to the Borrower by the Authority, the sum of Twelve Million Six Hundred Fifty Thousand and No/100ths Dollars (\$12,650,000.00) (the "**Loan**"), which amount includes principal only as set forth below in this Amended and Restated Promissory Note (this "**A&R Note**"). This A&R Note amends, restates and replaces in its entirety that certain Promissory Note, dated as of July 15, 2021, executed by the Borrower, in favor of the Authority.

1. Purpose. This A&R Note evidences the obligation of the Borrower to pay the Authority the principal amount of Twelve Million Six Hundred Fifty Thousand and No/100ths Dollars (\$12,650,000.00), for the funds loaned to the Borrower by the Authority for the acquisition of Eagle Village, located at 721-747 Eagle Avenue, in the City of Alameda, County of Alameda, California (the "**Property**").

2. Security. This A&R Note is secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**"), dated as of even date herewith, recorded against the Property under which the Borrower is the Trustor and the Authority is the Beneficiary.

3. Terms of Payment.

a. Term. The term (the "**Term**") of this A&R Note shall commence with the date of this A&R Note and shall expire thirty (30) years from the date of this A&R Note.

b. Interest. The Loan shall bear no interest.

c. Repayment. On December 1, 2021, the Borrower shall make a lump sum payment on the Loan in the amount of One Million Nine Hundred Ninety Thousand Three Hundred Eighty-Three and 96/100ths Dollars (\$1,990,383.96). Thereafter, commencing on July 1, 2021², and on July 1 of each fiscal year thereafter through the end of the Term, the Borrower shall make semi-annual payments on the Loan from seventy-five percent (75.00%) of Residual Receipts from the prior fiscal year. Payments due on January 15 of each fiscal year shall be a reasonable estimate of seventy-five percent (75.00%) of then-available Residual

~~Receipts for the existing fiscal year, and payments due on July 15 shall be for the remainder of seventy-five percent (75.00%) of actual undistributed Residual Receipts from the prior fiscal year. the Borrower shall make payments on the Loan from seventy five percent (75.00%) of Residual Receipts from the prior fiscal year.~~ Payments under this A&R Note shall be made in lawful money of the United States of America. The Borrower shall provide the Authority with any documentation reasonably requested by the Authority to substantiate the determination of the Borrower of the payments due. The balance of the Loan, if any, shall be due and payable at the end of the Term.

4. Definitions. Except as otherwise noted, the following definitions shall apply for purposes of this A&R Note:

(i) **"Affordable Housing Agreement"** means the Affordable Housing Agreement that will be recorded against the Property and restrict its use to affordable rental housing.

(ii) **"Annual Operating Expenses"** means with respect to a particular fiscal year the following costs reasonably and actually incurred for operation and maintenance of the Property to the extent that they are consistent with the annual operating budget for the Property approved in advance by the Authority and an annual independent audit performed by a certified public accountant using generally accepted accounting principles:

- (A) property taxes and assessments imposed on the Property, if any;
- (B) debt service currently due on a non-optional basis (excluding debt service due from residual receipts or surplus cash) on loans associated with the Property and approved by the Authority;
- (C) property management fees and reimbursements, not to exceed fees and reimbursements which are standard in the industry and pursuant to a management contract approved by the Authority;
- (D) asset management fees and property management fees payable to any partner or affiliate of the Borrower, if any;
- (E) premiums for property damage and liability insurance;
- (F) utility services not paid for directly by tenants, including water, sewer, and trash collection;
- (G) maintenance and repair;
- (H) any annual license or Certificate of Occupancy fees required for operation of the Property;
- (I) security services;

AMENDED AND RESTATED PROMISSORY NOTE
(Parrot Village)

\$6,500,000.00

September 1, 2021
Alameda, California

FOR VALUE RECEIVED, the undersigned, Alameda Affordable Housing Corporation., a California nonprofit public benefit corporation (the "**Borrower**"), hereby promises to pay to the order of the Housing Authority of the City of Alameda, a public body, corporate and politic, organized and existing under the laws of the State of California (together with its successors and assigns, the "**Authority**"), having an address at 701 Atlantic Avenue, in the City of Alameda, County of Alameda, California 94501, at the address of the Authority or at such other place or to such other person as may be designated in writing to the Borrower by the Authority, the sum of Six Million Five Hundred Thousand and No/100ths Dollars (\$6,500,000.00) (the "**Loan**"), which amount includes principal only as set forth below in this Amended and Restated Promissory Note (this "**Note**"). This A&R Note amends, restates and replaces in its entirety that certain Promissory Note, dated as of July 15, 2021, executed by the Borrower, in favor of the Authority.

1. Purpose. This A&R Note evidences the obligation of the Borrower to pay the Authority the principal amount of Six Million Five Hundred Thousand and No/100ths Dollars (\$6,500,000.00), for the funds loaned to the Borrower by the Authority for the acquisition of Parrot Village, located at 1850-1876 Wood Street, 1853-1880 Chapin Street, and 1851-1899 St. Charles Street, in the City of Alameda, County of Alameda, California (the "**Property**").
2. Security. This A&R Note is secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**"), dated as of even date herewith, recorded against the Property under which the Borrower is the Trustor and the Authority is the Beneficiary.
3. Terms of Payment.
 - a. Term. The term (the "**Term**") of this A&R Note shall commence with the date of this A&R Note and shall expire thirty (30) years from the date of this A&R Note.
 - b. Interest. The Loan shall bear no interest.
 - c. Repayment. On December 1, 2021, the Borrower shall make a lump sum payment on the Loan in the amount of Two Million Seven Hundred Forty-Eight Thousand Six Hundred Twenty-Five and 46/100ths Dollars (\$2,748,625.46). Thereafter, commencing on July 1, 2021~~2~~, and on July 1 of each fiscal year thereafter through the end of the Term, the Borrower shall make semi-annual payments on the Loan from seventy-five percent (75.00%) of Residual Receipts from the prior fiscal year. Payments due on January 15 of each fiscal year shall be a reasonable estimate of seventy-five percent (75.00%) of then-available Residual Receipts for the existing fiscal year, and payments due on July 15 shall be for the remainder of

ALAMEDA AFFORDABLE HOUSING CORPORATION

701 Atlantic Avenue, Alameda, CA 94501

To: Board of Directors

From: Richard Yoshida, Project Manager

Prepared By: Richard Yoshida, Project Manager

Date: September 15, 2021

Re: Authorization for the Executive Director or Designee to Negotiate and Execute the Pulte Regulatory Agreement
4.A.

BACKGROUND

Under the City of Alameda's Inclusionary Housing Ordinance, market rate developers are required to build affordable homes (for rental or homeownership) and to encumber those units with an affordability covenant. When the Housing Authority of the City of Alameda (AHA) received the Housing Assets from the City upon dissolution of the redevelopment agency in 2012, it also assumed responsibility for monitoring and enforcing affordability covenants on housing developed pursuant to the Ordinance. Additionally, under the affordability covenant, AHA assumed the option to purchase the property following a notice of default.

DISCUSSION

The Housing Authority intends to have AAHC serve as title holding corporation for AHA properties so that AHA maintains compliance with HUD guidance on all Housing Assistance Payment (HAP) contracts. See the prior real property transfer authorization Board report from February 21, 2018 for more details on this HUD guidance. Like all prior property transfers to AAHC, under the Inclusionary Housing affordability covenant, AHA will make a seller loan for the purchase of eighteen affordable units at 2800 Fifth Street. Under Resolution No. 2021-01, AAHC approved the transfer of 18 Pulte BMR units. An affordability covenant has been recorded by the City of Alameda. This will be replaced by a separate Regulatory Agreement by AHA that will follow the City's requirements for both 50% AMI and 80% AMI restrictions. Once recorded, the City covenant will be released. Please see the attached proposed AHA Regulatory Agreement.

FISCAL IMPACT

The Regulatory Agreement will have no fiscal impact.

CEQA



RECOMMENDATION

Staff recommends Authorization for the Executive Director to Negotiate and Execute the attached Regulatory Agreement.

ATTACHMENTS

None

Respectfully submitted,

Richard Yoshida, Project Manager