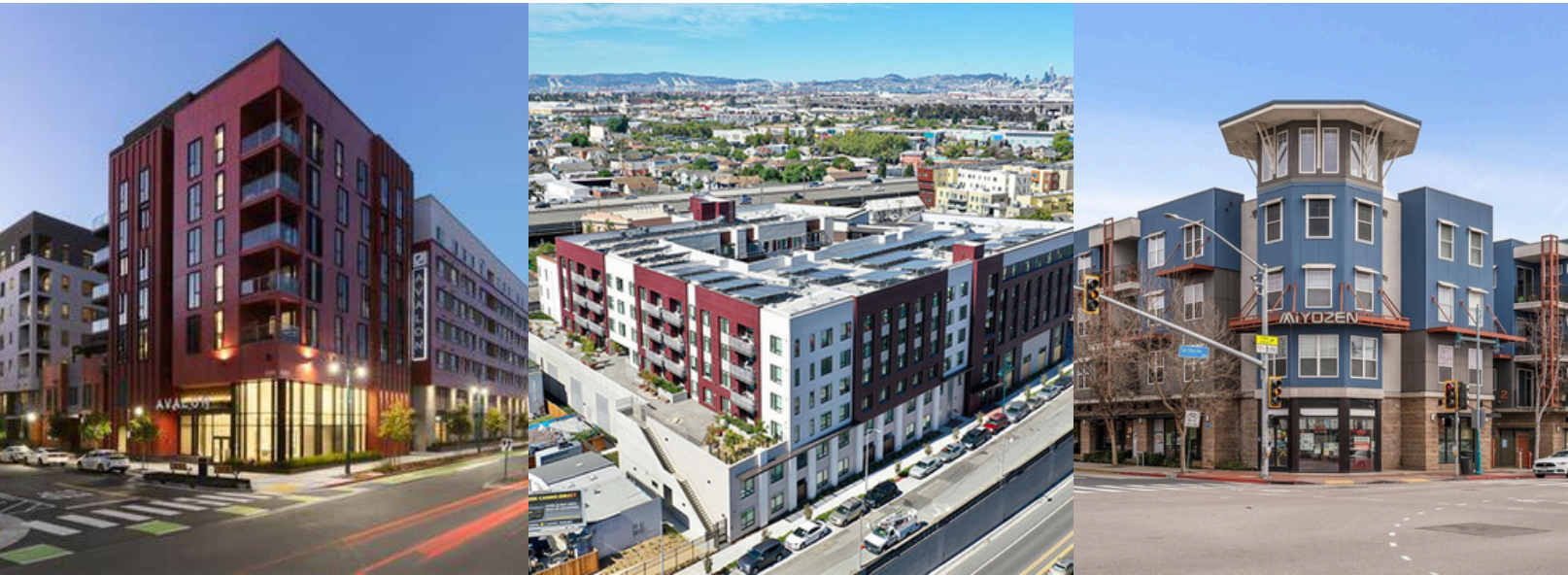




# FY24 Affordable Housing Expenditure Plan & Affordable Housing Program Annual Report

Presented To:  
Emeryville City Council  
January 21, 2025

# Executive Summary



Avalon Public Market Apartments

Estrella Vista Apartments

Andante Condominiums

This annual report includes an update on the following:

- 1. Affordable Housing Expenditure Plan;**
- 2. Measure C Housing Bond; and**
- 3. Affordable Housing Set-Aside Program**

Section 1 of the report provides an update on the activities planned in the *City of Emeryville's Affordable Housing Bond Administration and Expenditure Plan* dated February 16, 2021. With the Plan, the Emeryville City Council adopted a set of preservation and production strategies for affordable housing and identified \$64.5 million to support these activities. By the end of FY24, the City of Emeryville ("City") had expended \$15.6 million, or 24%, of these funds and made progress in the Preservation Initiative, under the BMR Acquisition Program and made progress in the Production Initiative, under the Rental Production Program. Specifically, the City purchased two Below-Market Rate condos for re-sale to qualified homebuyers in order to preserve their affordability and closed an affordable housing development loan with the Nellie Hannon Gateway project and disbursed more than \$14M to that project during construction.

Section 2 of the report provides an update on the actions, expenditures and performance measures, specifically for the \$50 Million Measure C Housing Bond.

Section 3 of the report provides an update on the Below Market Rate portfolio of rental and ownership housing units created in the City. The BMR portfolio currently consists of 957 BMR rental units and 232 BMR ownership units. No new BMR units were created or lost in 2024, however 89 of rental units were under construction and 6 of the ownership units were sold to new homeowners.

# Table of Contents

|   |    |
|---|----|
| Affordable Housing Expenditure Plan Annual Report | 3  |
| Measure C Bond Annual Report                      | 16 |
| Affordable Housing Set Aside Report               | 20 |
| Attachment A: Funding Sources                     | 27 |
| Attachment B: Affordable Housing Table            | 28 |

Huchiun Park  
The Emery Apartments



# Section 1.

## Affordable Housing Expenditure Plan Report

March 2021-June 2024



Nellie Hannon Gateway  
LPAS Architecture & Design

### Introduction

This report provides an update on the activities planned in the *City of Emeryville's Affordable Housing Bond Administration and Expenditure Plan* dated February 16, 2021, for the period May 1, 2023 through June 30, 2024. Adopted on March 2, 2021 with Resolution 21-13, this Plan governs the implementation of Measure C Bond funds, as well as the City's other affordable housing financial resources and will remain in effect until amended pursuant to the City Council's approval resolution or by future actions of the City Council.

At the time of the Plan's adoption, the City had \$14.516M in affordable housing financial resources, made up of \$5.9M in the Low-and Moderate-Income Housing Asset Fund, \$5.2M in the Affordable Housing Fund, \$734,000 in Affordable Housing Impact Fees, and \$2.5M in Alameda County Measure A1 funds, and anticipated \$50M from Measure C bond funds, which are discussed in greater depth in Section 2 of the Report. Since adoption, an additional \$575,000 in Prohousing Incentive Pilot funds, has been added to the plan. More detailed descriptions of these additional funding sources appear in **Attachment A**.

## Expenditure Plan Programs

All programs within the Expenditure Plan fall within either the Preservation Initiative or Production Initiative. Preservation programs are designed to preserve the existing supply, quality, and affordability of the housing stock, and to prevent displacement of existing tenants. Production programs are designed to build new affordable housing units. Below is a brief description of each program.

### Preservation Initiatives

#### Acquisition of BMR Homebuyer Units.

**Allocation: \$1,578,373**

Purchase Below Market Rate (BMR) ownership units that are at risk of becoming market rate units.



#### Homebuyer Assistance.

**Allocation: \$1,950,000**

Assist low to moderate, first-time homebuyers in purchasing a home by providing eligible borrowers down payment and/or closing cost assistance in the form of a deferred loan.

#### Foreclosure Prevention.

**Allocation: \$150,000**

Assist income eligible homeowners to prevent displacement through foreclosure by providing eligible homeowners with assistance through a deferred loan.

#### Rental Preservation.

**Allocation: \$4,000,000**

Provide rental property owners with loans to make needed improvements to units occupied by income eligible tenants.

#### Special Needs Housing Incentive.

**Allocation: \$4,050,000**

Incentivize the creation of additional Below Market Rate (BMR) units for Special Needs Populations at existing Rental Developments.



#### **\*\*NEW\*\*** Accessibility Improvement.

**Allocation: \$575,000**

Provide loans to make accessibility or aging in place improvements to individual homes or to make accessibility improvements in common areas of multi-unit buildings.

### Production Initiative

#### Rental Development.

**Allocation: \$41,166,684**

Fund new construction of rental units for very low-, low- and moderate-income households and special needs populations, on development sites with a City financial interest.

#### Development Opportunities.

**Allocation: \$8,319,804**

Fund strategic acquisition or development of residential housing for very low to moderate income units.

## Funding Allocation

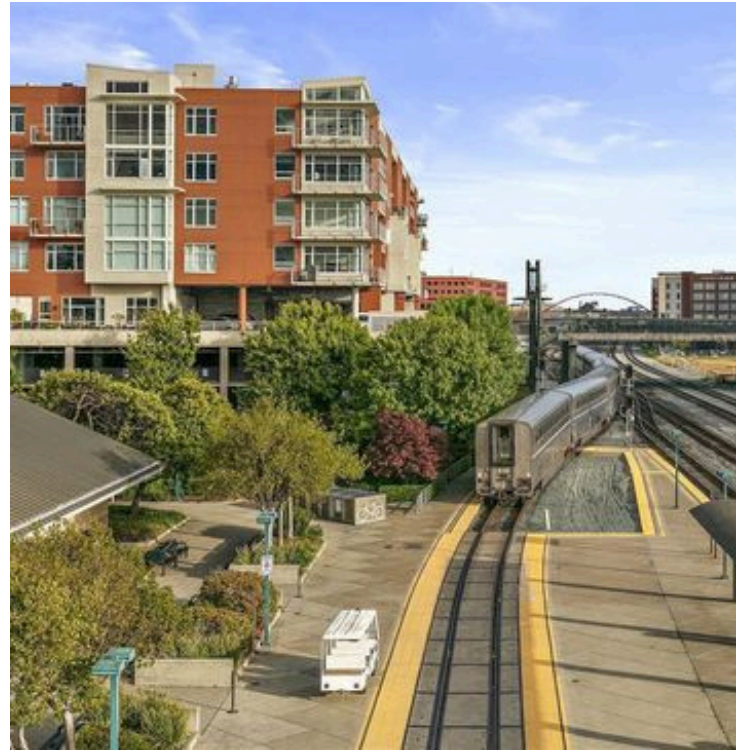
The City originally allocated \$64,516,793 in funding to support the Affordable Housing Administration and Expenditure Plan. In January 2024, the City executed an agreement with the California Department of Housing and Community Development for \$575,000 in Prohousing IncentivePilot funds, bringing the new total of funding allocation to \$65,091,793. At the end of FY24, the City had committed \$18,764,947 (29%) and expended \$15,623,602 (24%). Table A lists the percentage of funds committed and expended by the end of FY24 per funding category. Funds are reported as reserved when assigned to a specific address, committed when a funding agreement has been put in place, and expended when funds have been paid out by the City of Emeryville.

**Table A: Housing Plan Funding Status**

| FUNDING CATEGORY            | FUNDING ALLOCATION  | FUNDS RESERVED      | FUNDS COMMITTED     | AMOUNT EXPENDED     |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ORIGINAL BUDGET</b>      |                     |                     |                     |                     |
| BOND ISSUANCE FEES          | \$801,932           | \$801,932           | \$745,175           | \$745,175           |
| ADMINISTRATION              | \$2,500,000         | \$2,500,000         | \$41,822            | \$41,822            |
| BMR ACQUISITION             | \$1,578,373         | \$701,493           | \$701,493           | \$701,493           |
| HOMEBUYER ASSISTANCE        | \$1,950,000         | \$-                 | \$-                 | \$-                 |
| FORECLOSURE ASSISTANCE      | \$150,000           | \$-                 | \$-                 | \$-                 |
| RENTAL PRESERVATION         | \$4,000,000         | \$-                 | \$-                 | \$-                 |
| SPECIAL NEEDS HOUSING       | \$4,050,000         | \$-                 | \$-                 | \$-                 |
| RENTAL PRODUCTION           | \$41,166,684        | \$40,926,684        | \$14,747,486        | \$14,135,111        |
| DEVELOPMENT OPPORTUNITY     | \$8,319,804         | \$-                 | \$-                 | \$-                 |
| <b>ORIGINAL TOTAL</b>       | <b>\$64,516,793</b> | <b>\$44,930,109</b> | <b>\$16,235,977</b> | <b>\$15,635,602</b> |
| <b>NEW FUNDING/PROGRAMS</b> |                     |                     |                     |                     |
| ADMIN                       | \$28,750            | \$28,750            | \$28,750            | \$-                 |
| ACCESSIBILITY IMPROVEMENT   | \$546,250           | \$-                 | \$-                 | \$-                 |
| <b>NEW TOTAL</b>            | <b>\$65,091,793</b> | <b>\$44,958,859</b> | <b>\$16,235,977</b> | <b>\$15,635,602</b> |

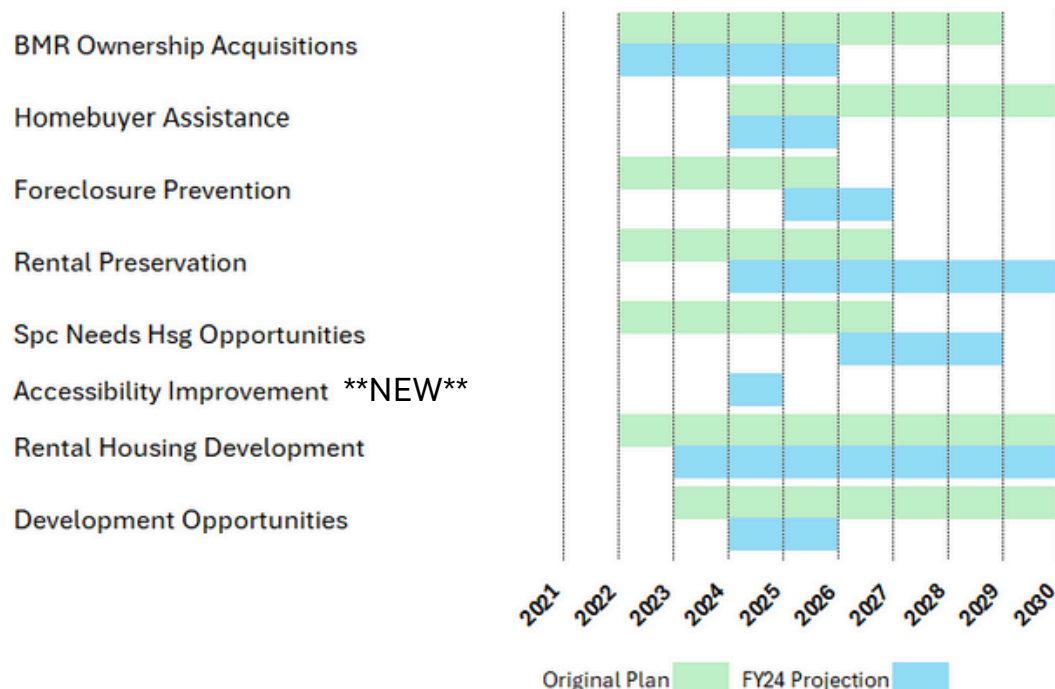
## Expenditure Schedule

The Affordable Housing Administration and Expenditure Plan outlines the expenditure of the Measure C Bonds based on the assumption that the City would issue tax-exempt Bonds in two tranches (Spring 2022 and Winter 2025), with the requirement that each tranche expend 85% of the proceeds in three years and 100% of the proceeds in five years. Subsequently, the City determined that the housing programs planned would be better supported through social/taxable bonds which do not carry these timing restrictions and that issuing all the bonds at one time would be more effective. Therefore, the City issued all the bonds in spring 2023 and has access to all Measure C proceeds to fund programs. Based on these changes, and the Prohousing Incentive Pilot funds allocated in 2024, a revised expenditure schedule for all funding sources per program has been developed (see Figure 1).



Emeryville Amtrak Station  
Terraces at Emery Station

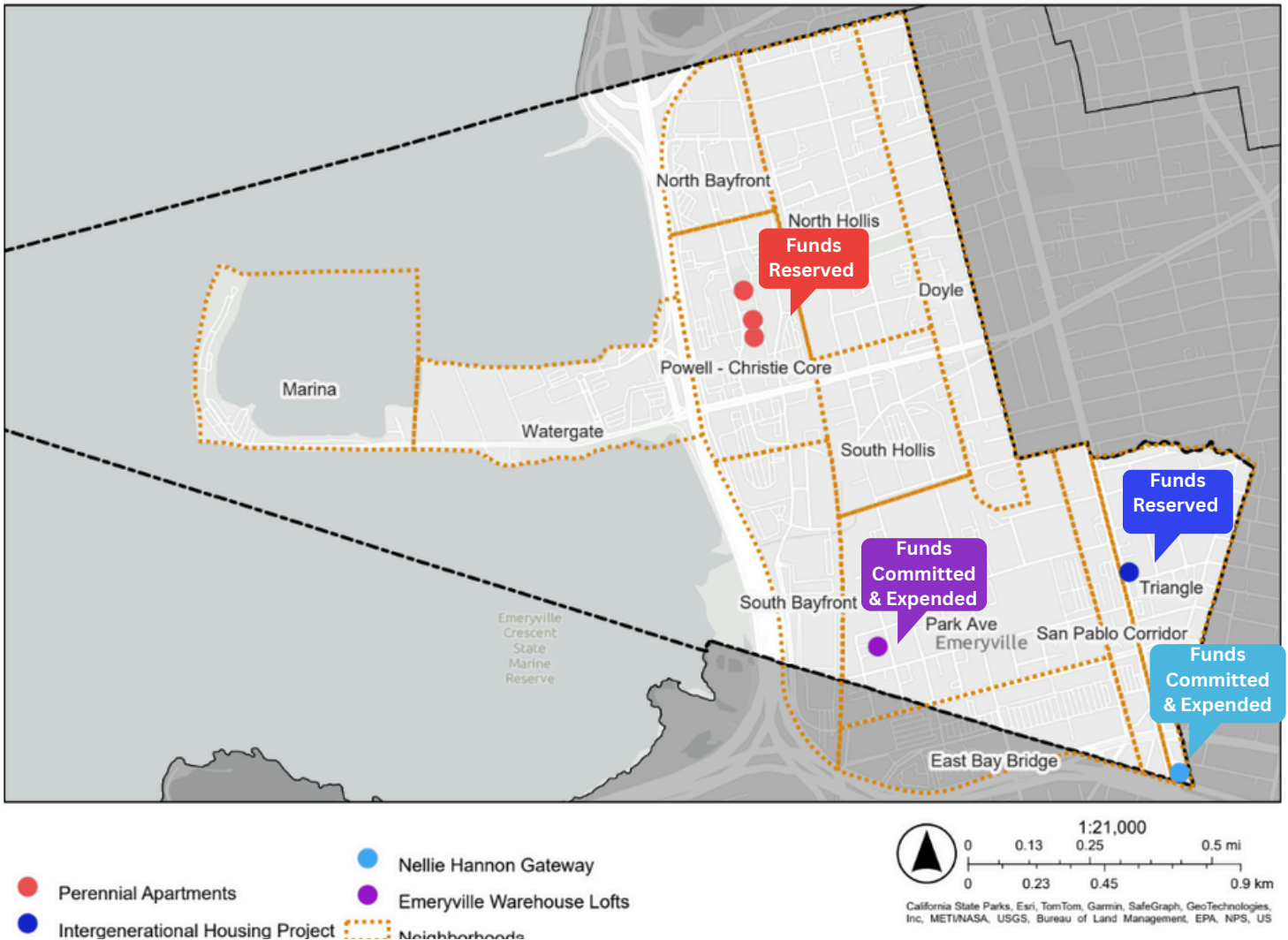
**Figure 1 - Expenditure Schedule by Program**



## Investment Map

The city is committed to ensuring that it invests in the production and preservation of affordable housing opportunities in all parts of the city. Funding through the Affordable Housing Administration and Expenditure Plan has been reserved, committed or expended so far in the Powell-Christie Core, Park Avenue, San Pablo Corridor and Triangle neighborhoods, as illustrated in Figure 2 below.

**Figure 2: Affordable Housing Administration & Expenditure Investment Map**





## 2021-2023 Housing Plan Highlights



### **BOND CLOSING**

City sells \$50 Million in Measure C GO Federally Taxable Social Housing Bonds



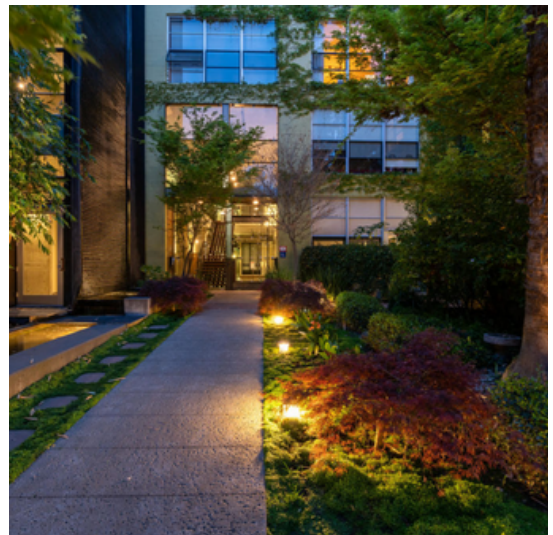
### **GROUNDBREAKING & LOAN CLOSING**

Nellie Hannon Gateway, 3600 San Pablo Ave. 89 affordable apartments + nonprofit space



### **PRO HOUSING FUNDS AWARDED**

City awarded \$575,000 in Prohousing Incentive Pilot funds



### **BMR UNIT ACQUIRED**

1 BMR Unit acquired and resold to an income eligible homebuyer

## 2024 Housing Plan Highlights



### **UNDER CONSTRUCTION**

Nellie Hannon Gateway, 3600 San Pablo Ave.  
89 affordable apartments + nonprofit space



### **GUIDELINES APPROVED**

Homebuyer Assistance Program will provide up to \$200,000 in down payment and closing cost assistance



### **GUIDELINES APPROVED**

Emeryville Accessible Living Initiative to provide low-interest loans for accessibility upgrades



### **BMR UNITS ACQUIRED & SOLD**

1 BMR Unit acquired and resold to income eligible homebuyer.

## Program Status and Performance Measures

### BMR Acquisition Program

The purpose of the BMR Acquisition Program is to retain affordable homes within the City’s BMR portfolio. To date, the City has purchased and sold two condos, once using Affordable Housing Program funds and once using Measure C bond proceeds. The Housing Bond Administration and Expenditure Plan allocated \$1,578,373 and has expended 44%. Below, Table B identifies the transactions that have occurred since FY 2021 and Table C identifies the performance measures for the BMR Acquisition Program.

**Table B: FY 2021-2024 BMR Acquisition Transactions**

| ADDRESS             | FUNDS EXPENDED | FUNDING SOURCE          | DATE PURCHASED | PURCHASE PRICE | DATE SOLD | SALE PRICE |
|---------------------|----------------|-------------------------|----------------|----------------|-----------|------------|
| 1500 PARK AVE, #322 | \$341,766      | Affordable Housing Fund | 7/30/2021      | \$338,200      | 1/31/2022 | \$338,200  |
| 1500 PARK AVE, #314 | \$359,727      | Measure C               | 9/27/2023      | \$355,900      | 3/20/2024 | \$339,000  |

**Table C: BMR Acquisition Performance Measures**

| Individual Race/Ethnicity | Adults |
|---------------------------|--------|
| Hispanic – Mexican        | 1      |
| Other                     | 1      |
| Multiracial               | 1      |
| Total Buyers              | 3      |

| Household Income Range | Actual Households | Program Goal |
|------------------------|-------------------|--------------|
| 50% to 80% AMI         | 1                 | 0            |
| 80% to 100% AMI        | 0                 | 0            |
| 100% to 110% AMI       | 1                 | 4            |
| Total Households       | 2                 | 4            |

\* Note that the number of buyers by race/ethnicity is larger than the number of buyers by income range because race/ethnicity is reported for each individual owner whereas income is calculated for the household.

### Homeownership Assistance Program

On May 7, 2024, the City Council adopted a resolution, adopting the First Home Emeryville Program Guidelines. First Home Emeryville is a homebuyer down payment assistance program that will provide up to \$200,000 in homebuyer assistance to low- and moderate-income households (60-120% AMI) to purchase a home in Emeryville. The Housing Administration and Expenditure Plan allocated \$1,950,000 to support this program, of which \$1,820,000 will come from Measure C Housing Bond proceeds. The program is anticipated to launch in September 2024.

### Foreclosure Prevention Program

Implementation of this program has not started yet. Anticipated

### Rental Preservation Program

Staff completed an initial draft of program guidelines for Rental Preservation in FY24 and anticipate bringing these guidelines to Council for approval and launching the program in FY25.

### Special Needs Housing Incentives

Implementation of this program has not started yet. Anticipated

### Accessibility Improvement

During this time period staff designed and gained Council approval for an assistance program called Emeryville Affordable Living Initiative which will be implemented in FY2025. Funding for EALI was not originally included in the Housing Plan, as the funds were received after the Housing Plan was adopted but is now being reflected in the Housing Plan.

### Rental Development Program

The Affordable Housing Plan identified 4 specific sites for the development of rental housing: 3600 San Pablo Ave., 4300 San Pablo Ave., Christie Sites, and Adeline Sites. Table D identifies the Rental Development Program closed loan transactions that have occurred since FY21 and Table E identifies the associated expenditure of funds on closed transactions since FY21. Table F identifies the loan status of the development sites that have not closed. A more detailed description of each project site and associated activities that have occurred follows.

**Table D: Rental Development Closed Transactions**

| PROJECT SITE                                  | CLOSING DATE | LOAN AMOUNT  | FUNDS LEVERAGED | #BMR UNITS | INCOME TARGETING | LOAN AMOUNT PER UNIT |
|---|--------------|--------------|-----------------|------------|------------------|----------------------|
| 3600 SAN PABLO AVE<br>(NELLIE HANNON GATEWAY) | 4/21/23      | \$16,747,486 | \$75,881,483    | 89         | 20-60% AMI       | \$188,174            |

**Table E: Rental Development Expenditures**

| PROJECT SITE                                  | AFFORDABLE HOUSING FUND | AFFORDABLE HOUSING IMPACT FUND | LOW MOD HOUSING ASSET FUND | MEASURE C   | TOTAL EXPENDED |
|---|-------------------------|--------------------------------|----------------------------|-------------|----------------|
| 3600 SAN PABLO AVE<br>(NELLIE HANNON GATEWAY) | \$4,309,491             | \$475,085                      | \$5,920,760                | \$3,429,775 | \$14,135,111   |

**Table F: Rental Development Non-Closed Loan Project Status**

| PROJECT SITE                             | FUNDING ALLOCATION | LOAN STATUS    | FUNDING SOURCE(S)                                     | PROJECT STATUS  |
|--|--------------------|----------------|---|---|
| 4300 SAN PABLO AVE.                      | \$2,519,198        | Funds Reserved | Alameda County Measure A-1 Bond, Emeryville set-aside | Developer seeking additional funding                  |
| CHRISTIE SITES<br>(PERENNIAL APARTMENTS) | \$23,660,000       | Funds Reserved | Measure C   | Developer seeking entitlements and additional funding |
| ADELINE SITES                            | \$240,000          | Funds Reserved | Measure C   | Project Canceled                                      |

**3600 San Pablo Ave. / Nellie Hannon Gateway**

On April 18, 2023, the City Council adopted a resolution, authorizing the execution of the Amended and Restated Loan Agreement between the City of Emeryville and Evoy, L.P., an affiliate of Resources for Community Development, for the development of the Nellie Hannon Gateway project at 3600, 3610 and 3620 San Pablo Avenue. This agreement provides a total of \$16,747,486, for the development of 90 residential units and 4,600 square feet of commercial space for the Emeryville Citizens Assistance Program (“ECAP”), a local non-profit organization.

All of the units, except the manager’s unit, will be affordable to extremely low- and low-income households (i.e. 20-60% of Area Median Income (“AMI”)) and 45 of the units are set-aside for formerly homeless individuals. The building permit was issued on May 9, 2023, a groundbreaking ceremony was held on June 29, and construction is anticipated to be complete in the summer of 2025.

**Figure 3: Nellie Hannon Gateway**



LPAS Architecture & Design

**4300 San Pablo Ave.**

The City of Emeryville selected EAH Housing as the developer for 4300 San Pablo. The project is currently in the pre-development stage and seeking additional financing. 4300 San Pablo will contribute to neighborhood diversification, sustainable and affordable housing, economic revitalization and opportunity, and pedestrian use and mobility.

This building will provide 68 intergenerational, deeply affordable (20 – 50% AMI) apartment homes for seniors and youth transitioning out of foster care. 4300 San Pablo will allow seniors to age in place while providing stability for transition-age, former foster youth. Services will be provided to the resident community by a partnership between EAH Housing and Unity Care, through a structured, supportive program that fosters mentorship and engagement to enhance the lives of both youth and seniors. The City Council took action to allocate \$2,519,198 of Emeryville’s local set-aside of Alameda County Measure A-1 funds to this development; the resulting loan agreement will be between the building owner and Alameda County.

**Figure 4: 4300 San Pablo Avenue**



KTGY Architecture + Planning

## Christie Sites/Perennial Apartments

On January 16, 2024, the City Council adopted a resolution, authorizing the execution of a Lease Disposition and Development Agreement between the City of Emeryville and EAH Housing, for the development of Perennial Apartments (aka Christie Sites) at 5890, 5900 and 6150 Christie Avenue. This agreement provides a total of \$23,660,000 in Measure C bond proceeds for the development of 362 residential units, over three phases. All of the units, except the four manager units, will be affordable to extremely low, and low-income households (i.e. 20-60% AMI). The City authorized the submission of a planning application on June 21, 2024, which once submitted to the Planning Division and confirmed to be complete, is required to be approved administratively within 180 days. EAH Housing will begin seeking financing for Phase 1 (Astrid Building) in late 2024, with the intention to start construction in late 2026. Phase 2 (Bluebell Building) will proceed with construction in late 2027 and Phase 3 (Clover Building) in late 2028.

**Figure 5: Perennial Apartments, Bluebell Building**



David Baker Architects.

## Adeline Sites

During this time period, the city made this site available for development twice through Request for Proposals process: first, in August 2022 for affordable rental housing, and again in February 2024 for affordable homeownership. Neither process yielded a viable development project. At less than 2200 square feet, the development potential of the Adeline Sites is limited, which contributed to the difficulty in identifying a developer. On June 18, 2024, the City Council authorized the sale of these sites at market rate, and staff are working to secure a broker. Funds allocated to this project will be reprogrammed.

## Development Opportunity

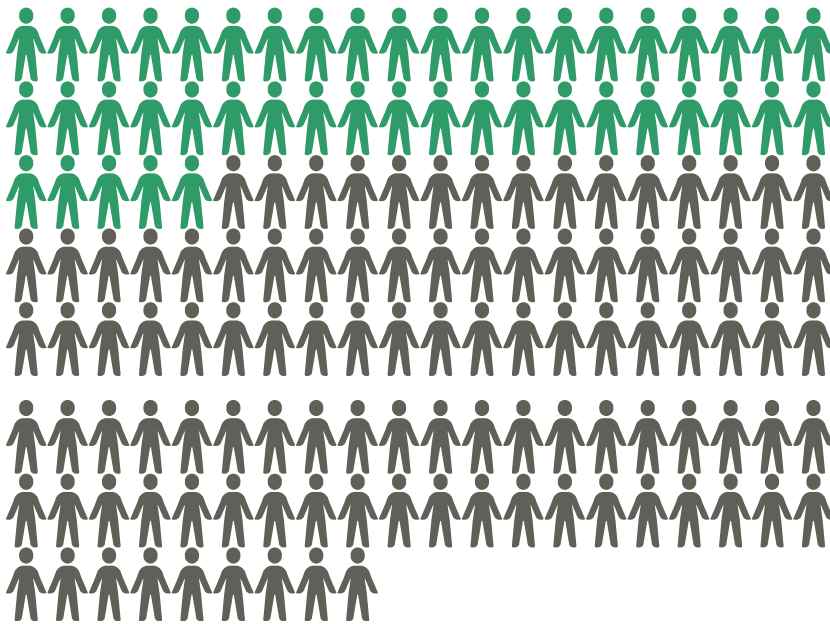
This activity had not yet begun at the end of FY 2024.

# Housing Plan Overall Performance Measures

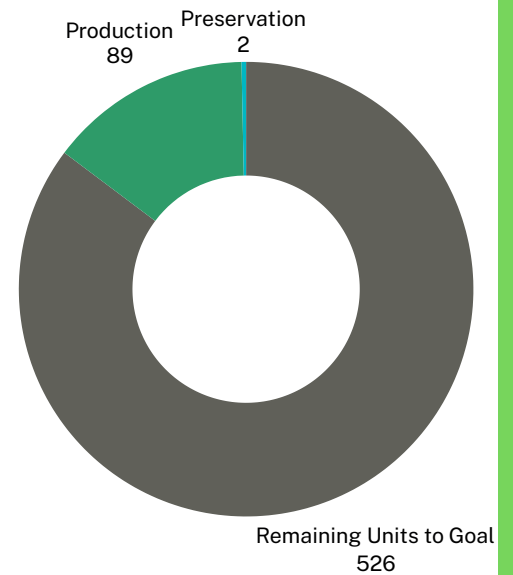
## Income Targeting

| Income Category            | Actual Households/Units | Original Program Goal | New Program Goal | % Accomplished |
|----------------------------|-------------------------|-----------------------|------------------|----------------|
| Very Low (20% to 50% AMI)  | 45                      | 282                   | 282              | 16%            |
| Low (50% to 80% AMI)       | 45                      | 159                   | 177              | 25%            |
| Moderate (80% to 120% AMI) | 1                       | 158                   | 158              | 1%             |

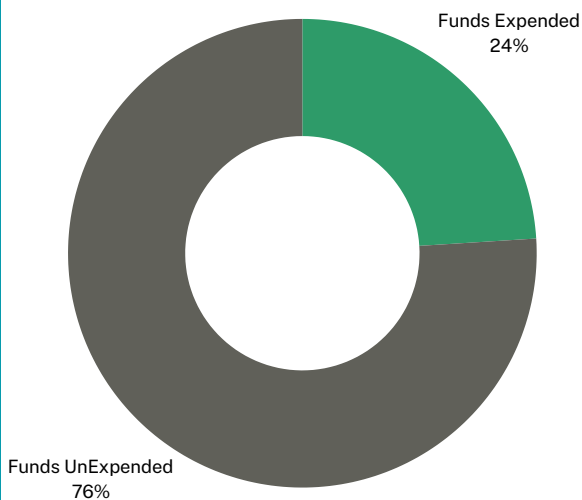
## Special Needs Set-Aside (45 out of 149)



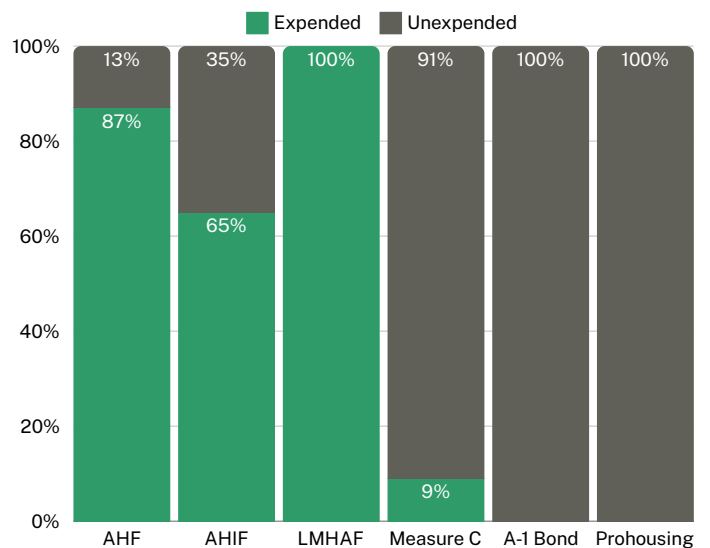
## Total Units



## Total Funds Expended



## Funds Expended Per Source





# Section 2.

## Measure C Bond Annual Report



### MEASURE C MAINTAINING AFFORDABILITY AND QUALITY OF LIFE

## Introduction

Measure C supports the City's Housing Element and General Plan policies by financing affordable housing development costs for extremely low, very low, and low-income households as well as for persons with special needs. On June 5, 2018, during a Special Election, more than 2/3rd of Emeryville voters approved Measure C. Measure C allows the City of Emeryville to issue \$50,000,000 in bonds to provide affordable housing, representing about 77% of the funds identified in the *City of Emeryville's Affordable Housing Bond Administration and Expenditure Plan*.

The object and purpose of issuing the Measure C bonds is to finance the costs of providing and/or enhancing the acquisition or improvement of real property in order to provide affordable housing for extremely low, very low, low and middle-income individuals and families, including vulnerable populations such as veterans, seniors, local artists, the disabled, current or former foster youth, victims of abuse, people experiencing homelessness and individuals suffering from mental health or substance abuse illnesses.

Projects to be financed through Measure C may include:

- Acquisition or improvement of real property to produce new affordable housing projects;
- Rehabilitation of existing multi-family projects that are affordable to extremely low, very low, low and moderate-income families and individuals;
- Acquisition of additional affordability commitments in new, privately developed mixed - income projects for veterans, seniors, the disabled, current or former foster youth, victims of abuse, people experiencing homelessness homeless and individuals suffering from mental health or substance abuse illnesses;
- Help for low and middle-income households, including local artists, purchase homes and stay in the community with first time homeowner loans;
- Displacement prevention for vulnerable populations in Emeryville, including extremely low, very low, low and moderate-income households, veterans, seniors and people with disabilities; and permanent supportive housing for people experiencing homelessness.

# Measure C Bond Background

## Voters Approve Measure C Bond



On February 6, 2018, the City Council directed staff to place a \$50,000,000 affordable housing bond on the June 2018 ballot. On June 5, 2018, during a Special Election, over 2/3rd of Emeryville voters approved Measure C to issue general obligation bonds to finance the development of affordable housing projects.

## Adoption of Expenditure Plan

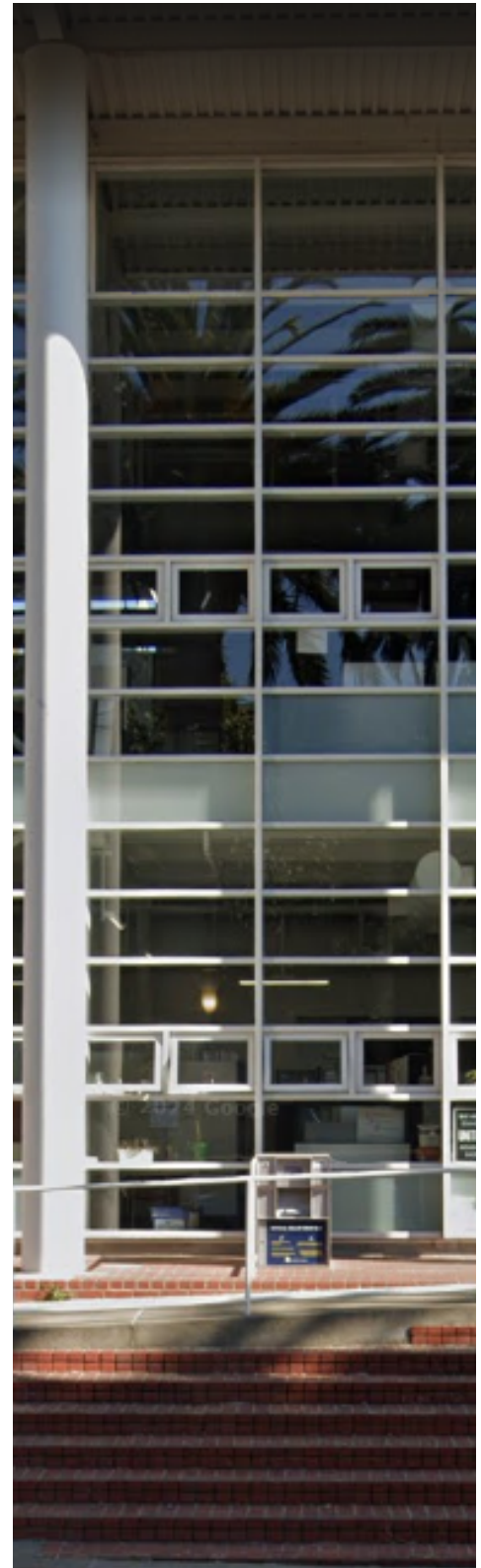


On March 2, 2021, the City Council adopted an Affordable Housing Bond Administration & Expenditure Plan, which governs the implementation of the \$50 Million in Measure C Bond funds, as well as \$14.5 Million in other Affordable Housing financial resources.

## City Issues Bonds



On May 11, 2023, the City of Emeryville sold \$50,000,000 in General Obligation Bond Federally Taxable Social Bonds for Housing Projects to Wells Fargo Bank, National Association.



Emeryville City Hall

In 2021, the City anticipated issuing the bond in two parts, called tranches, with the first tranche in spring 2022 and the second in winter 2025. Both would have been tax-exempt, and under tax law the funds from each issuance would have needed to be 85% spent on allowable uses within 3 years and 100% within 5 years. Subsequently the City determined that the housing programs planned would be better supported through social/taxable bonds which do not carry these timing restrictions and are commonly used for municipal housing bonds, and that issuing all the bonds at one time would be more effective. Therefore, the City issued all the bonds in spring 2023 and has access to all Measure C proceeds for funding.

Table H identifies the Measure C Budget, funds reserved to specific addresses, funds expended in FY23 and FY24, and the available balance of funds.

**Table H: Measure C Funding Allocation**

| Program                        | Funding Allocation  | Funds Reserved      | Funds Expended FY23 | Funds Expended FY24 | Total Funds Expended | Funds Available to Expend |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------------|
| BMR Acquisition                | \$1,178,373         | \$359,727           | \$-                 | \$359,727           | \$359,727            | \$818,646                 |
| Homebuyer Assistance           | \$1,820,000         | \$-                 | \$-                 | \$-                 | \$-                  | \$1,820,000               |
| Foreclosure Prevention         | \$150,000           | \$-                 | \$-                 | \$-                 | \$-                  | \$150,000                 |
| Rental Preservation            | \$4,000,000         | \$-                 | \$-                 | \$-                 | \$-                  | \$4,000,000               |
| Special Need Housing Incentive | \$4,050,000         | \$-                 | \$-                 | \$-                 | \$-                  | \$4,050,000               |
| Rental Production              | \$27,179,891        | \$26,939,891        | \$-                 | \$3,429,775         | \$3,429,775          | \$240,000                 |
| Development Opportunities      | \$8,319,804         | \$-                 | \$-                 | \$-                 | \$-                  | \$8,319,804               |
| Cost of Issuance               | \$801,932           | \$801,932           | \$745,175           | \$-                 | \$745,175            | \$56,757                  |
| Administration                 | \$2,500,000         | \$2,500,000         | \$-                 | \$41,822            | \$41,822             | \$2,458,178               |
| <b>Total</b>                   | <b>\$50,000,000</b> | <b>\$30,601,550</b> | <b>\$745,175</b>    | <b>\$3,831,324</b>  | <b>\$4,576,500</b>   | <b>\$45,423,500</b>       |

# Housing Bond Social Impact Reporting

The Measure C Housing Bonds were issued as Social Bonds by Wells Fargo Bank (Investor). Social Bonds require Investors to ensure that bond proceeds to be exclusively applied to finance eligible Social Projects that align with the following four Social Bond Principals.

- Use of Proceeds: Bond proceeds shall only be used for eligible Social Projects, that have clear social benefit and aim to address or mitigate a specific social issue. Affordable Housing is an eligible Social Project.
- Process for Project Evaluation and Selection: Social Projects shall have social objectives and identify what the intended benefit is to the target population.
- Management of Proceeds: Social Bond net proceeds shall be tracked in an appropriate manner.
- Reporting: Information on the use of Bond proceeds shall be included in an annual report, which identifies a description of the projects, amount of funds allocated, and expected impact.

Table I was developed by the city to demonstrate compliance with the social impact reporting for the Measure C bond funded activities in FY24.

**Table I: Measure C Social Impact Portfolio Reporting**

## Social Bond Category

| Project Name           | Initiative   | Program           | Eligible Category | Sub-Category               | Sustainable Development Goal Addressed |
|------------------------|--------------|-------------------|-------------------|----------------------------|--|
| Nellie Hannon Gateway  | Production   | Rental Production | Real Estate       | Affordable Quality Housing | 11.1                                   |
| 1500 Park Avenue, #314 | Preservation | BMR Acquisition   | Real Estate       | Affordable Quality Housing | 11.1                                   |

## Target Population

| Project Name           | Objective                    | Income Targeting | Special Needs Target   |
|------------------------|------------------------------|------------------|------------------------|
| Nellie Hannon Gateway  | Real Property Improvements   | 20-60% AMI       | Homeless Individuals   |
| 1500 Park Avenue, #314 | Acquisition of Real Property | 120% AMI         | Underserved Households |

## Allocation Information

| Project Name           | Total City Funding | Measure C Allocated Amount | Measure C Share of Funding | Financial Life of Project |
|------------------------|--------------------|----------------------------|----------------------------|---------------------------|
| Nellie Hannon Gateway  | \$16,135,111       | \$3,529,851                | 22%                        | 99 years                  |
| 1500 Park Avenue, #314 | \$358,727          | \$358,727                  | 100%                       | 45 years                  |

## Social Bond Indicators

| Project Name           | Indicator 1:<br># of Housing Units Financed | Indicator 2:<br># of Individuals Housed | Indicator 3:<br>Client Saving Premium |
|------------------------|---|---|---------------------------------------|
| Nellie Hannon Gateway  | 89  | 178 (Estimate)                          | \$912 (Per Unit/Per Month)            |
| 1500 Park Avenue, #314 | 1   | 3                                       | \$281,000 (Per Housing Unit)          |

# Section 3.

## Affordable Housing Program Annual Report



The Emery

### Introduction

In July 2014, the City Council passed Ordinance 14-009 which retitled and amended Article 4 of Chapter 5 of Title 9 of the City of Emeryville’s Planning Regulations as the Affordable Housing Program. The purpose of the Affordable Housing Program is to lessen the shortage of housing, which is affordable to moderate, median, low and very low-income households by ensuring developers include Below Market Rate (BMR) units in residential developments of a certain size and to establish a housing impact fee for the creation of affordable housing units.

Since the adoption of the Affordable Housing Program in 2014, the City has leased ten (10) residential rental projects creating 234 BMR units, has one residential rental project under construction that will create 89 BMR units, and has entitled two residential rental projects, which will create 71 BMR units. No new residential ownership projects have been created since 2014.

Section 418 of Article 4 of Chapter 5 of Title 9 of the Emeryville Planning Regulations states the following:

*“The City shall prepare, or cause to be prepared, an annual report to the City Council on the status of the affordable units constructed under the provisions of this article. The report shall include the number, size, type, tenure, and general location of the affordable units as well as the number of resales and rental vacancy rate. This report shall provide a basis for an evaluation of the overall effectiveness of this article.”*

This report fulfils the requirement for an Affordable Housing Program Annual Report and includes the above forementioned information for all residential developments built in the City of Emeryville with an affordable housing requirement for BMR Units.

# BMR Rental Projects

The BMR Rental Portfolio is made up of rental projects that were subject to Affordable Housing Set-Aside Program when it received its entitlements, received a financial investment (i.e. Loan) from the City, participated in the Community Development Bonus Program, and/or or participated in the State Density Bonus Program when it received its entitlement. An Affordable Housing Agreement is typically recorded against each rental housing development restricting the income and rental rate of the BMR rental units for anywhere between 55 -99 years. For older projects that do not have an Affordable Housing Agreement, the income and rental rate restrictions are outlined in the loan agreement.

Figure 7 provides various data points on the BMR Rental Portfolio. Figure 8 illustrates the location of of each BMR Rental Property based on how it came into the BMR Rental Portfolio. Table J provides the BMR vacancy rate for all completed developments as reported in 2022 and 2023.

**Figure 7 - BMR Rental Portfolio Stats**

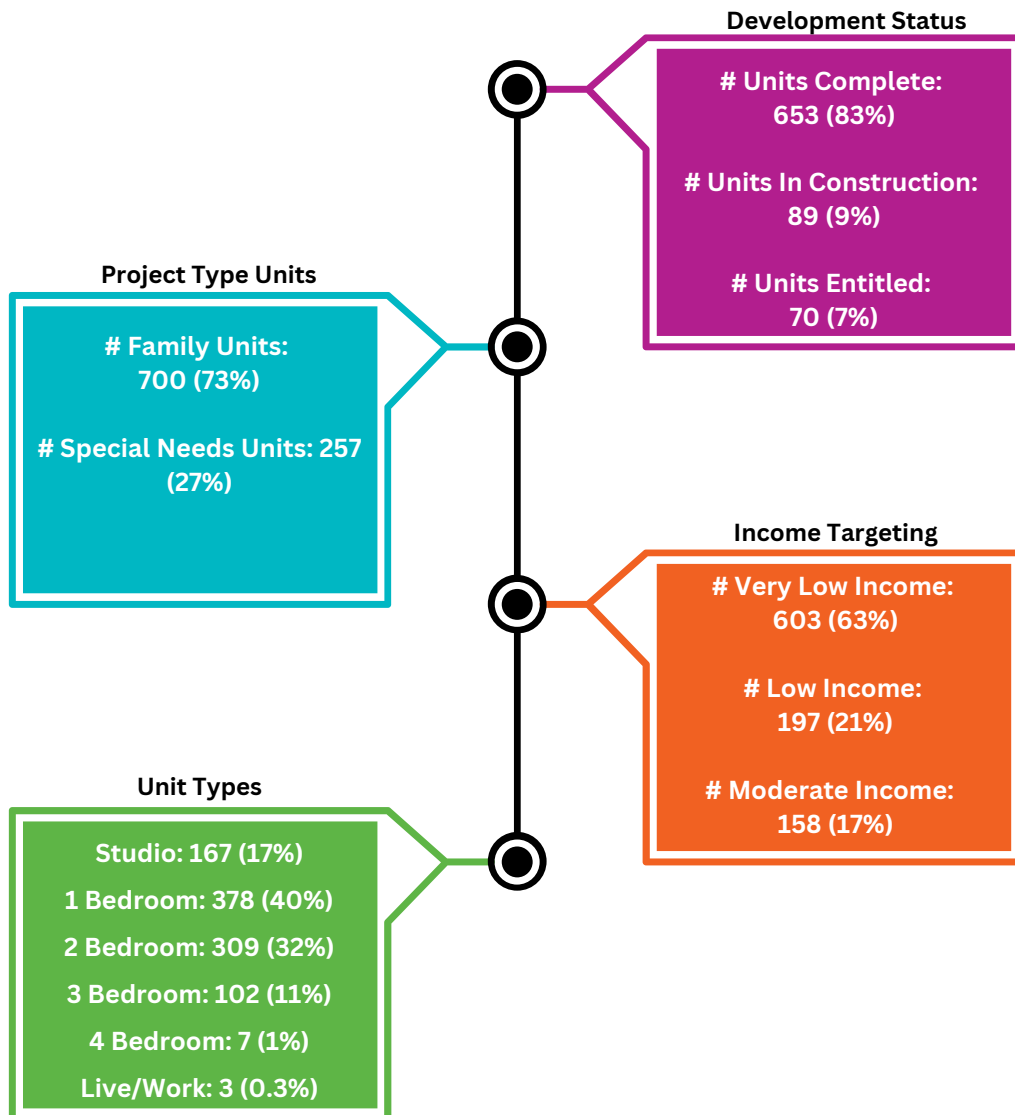
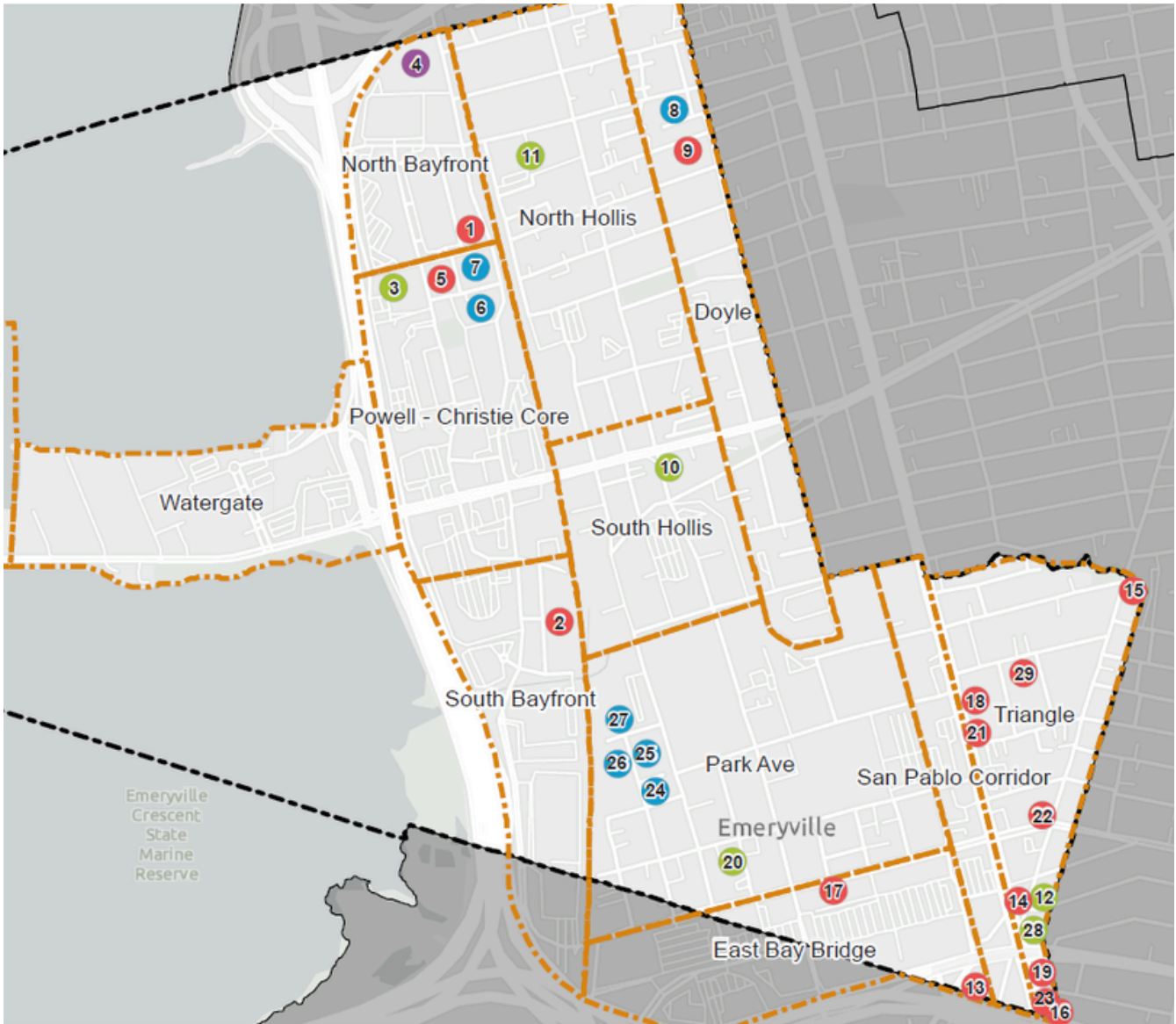


Figure 8 - 2024 Emeryville BMR Rental Portfolio Map



**LEGEND**

BMR Rental Inventory Program

● City Investment

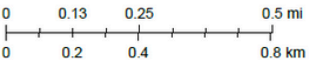
● Community Development Bonus

● Affordable Housing Program

● State Density Bonus

▭ Neighborhood

▭ City Limits



California State Parks, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METINASA, USGS, Bureau of Land Management, EPA, NPS, US

**Project Name**

- 1. Artistry Emeryville
- 2. AVE at Bay Street
- 3. Avenue 64
- 4. Bayview Emeryville
- 5. Emme
- 6. Avalon Market Place Bldg C
- 7. Avalon Market Place Bldg D
- 8. 1225 65th Street
- 9. Ocean Avenue Court

- 10. Parc on Powell
- 11. The Courtyards at 65th
- 12. 3900 Adeline
- 13. Ambassador Family Housing
- 14. Avalon Senior Apts.
- 15. Bakery Lofts I & II
- 16. Baybridge Apartments
- 17. Bridgecourt Apartments
- 18. Emery Villa Senior
- 19. Estrella Vista

- 20. Icon at Park Apartments
- 21. Intergenerational Project
- 22. Magnolia Terrace
- 23. Nellie Hannon Gateway
- 24. The Emery (Bldg B1)
- 25. The Emery (Bldg B2)
- 26. The Emery (Bldg C)
- 27. The Emery (Bldg D)
- 28. The Intersection
- 29. Triangle Court

Table J illustrates the BMR vacancy rate as reported in the annual rental compliance report for all leased properties for the 2022 and 2023 reporting periods. All BMR properties are required to maintain a waitlist of interested applicants and then utilize their waitlist to fill BMR vacancies. Ambassador Family Housing, Avalon Senior Apartments, and Triangle Courts all accepted applications for interested households to join their waitlists through the Alameda County Housing Portal in 2023.

**Table J - BMR Vacancy Rate**

| Project Information         |                             |        |            | BMR Vacancy Rate |            |
|-----------------------------|-----------------------------|--------|------------|------------------|------------|
| Map ID #                    | Project Name                | Status | Total BMR  | 2022             | 2023       |
| 12                          | 3900 Adeline                | Leased | 12         | 8%               | 8%         |
| 13                          | Ambassador Family Housing** | Leased | 69         | 6%               | 12%        |
| 1                           | Artistry Emeryville         | Leased | 52         | 0%               | 2%         |
| 6                           | Avalon Market Place Bldg C  | Leased | 7          | 0%               | 0%         |
| 7                           | Avalon Market Place Bldg D  | Leased | 25         | 0%               | 0%         |
| 19                          | Estrella Vista **           | Leased | 86         | 8%               | 2%         |
| 2                           | AVE at Bay Street           | Leased | 57         | 0%               | 0%         |
| 3                           | Avenue 64                   | Leased | 23         | 9%               | 17%        |
| 15                          | Bakery Lofts I & II **      | Leased | 8          | 13%              | 0%         |
| 4                           | Bayview Emeryville          | Leased | 8          | NA               | NA         |
| 17                          | The Bridge Apartments       | Leased | 88         | 2%               | 2%         |
| 11                          | The Courtyards at 65th      | Leased | 63         | 11%              | 29%        |
| 5                           | Emme                        | Leased | 29         | 0%               | 0%         |
| 14                          | Avalon Senior Apts.         | Leased | 66         | 11%              | 1%         |
| 20                          | Icon at Park Apartments     | Leased | 3          | 33%              | 33%        |
| 18                          | Emery Villa Senior          | Leased | 49         | NA               | NA         |
| 16                          | Baybridge Apartments        | Leased | 6          | 17%              | 6%         |
| 22                          | Magnolia Terrace            | Leased | 5          | 60%              | 20%        |
| 9                           | Ocean Avenue Court          | Leased | 6          | 0%               | 0%         |
| 10                          | Parc on Powell              | Leased | 21         | 10%              | 0%         |
| 24                          | The Emery (Bldg B1)         | Leased | 11         | NA               | 45%        |
| 25                          | The Emery (Bldg B2)         | Leased | 22         | NA               | 36%        |
| 26                          | The Emery (Bldg C)          | Leased | 21         | NA               | NA         |
| 27                          | The Emery (Bldg D)          | Leased | 31         | NA               | NA         |
| 28                          | The Intersection            | Leased | 11         | NA               | NA         |
| 29                          | Triangle Court              | Leased | 19         | 5%               | 5%         |
| <b>Total Leased Units</b>   |                             |        | <b>798</b> |                  |            |
| <b>Average Vacancy Rate</b> |                             |        |            | <b>13%</b>       | <b>10%</b> |

\*\* Project is Located in Emeryville and Oakland

NA: Annual Report was not required to be submitted for this year

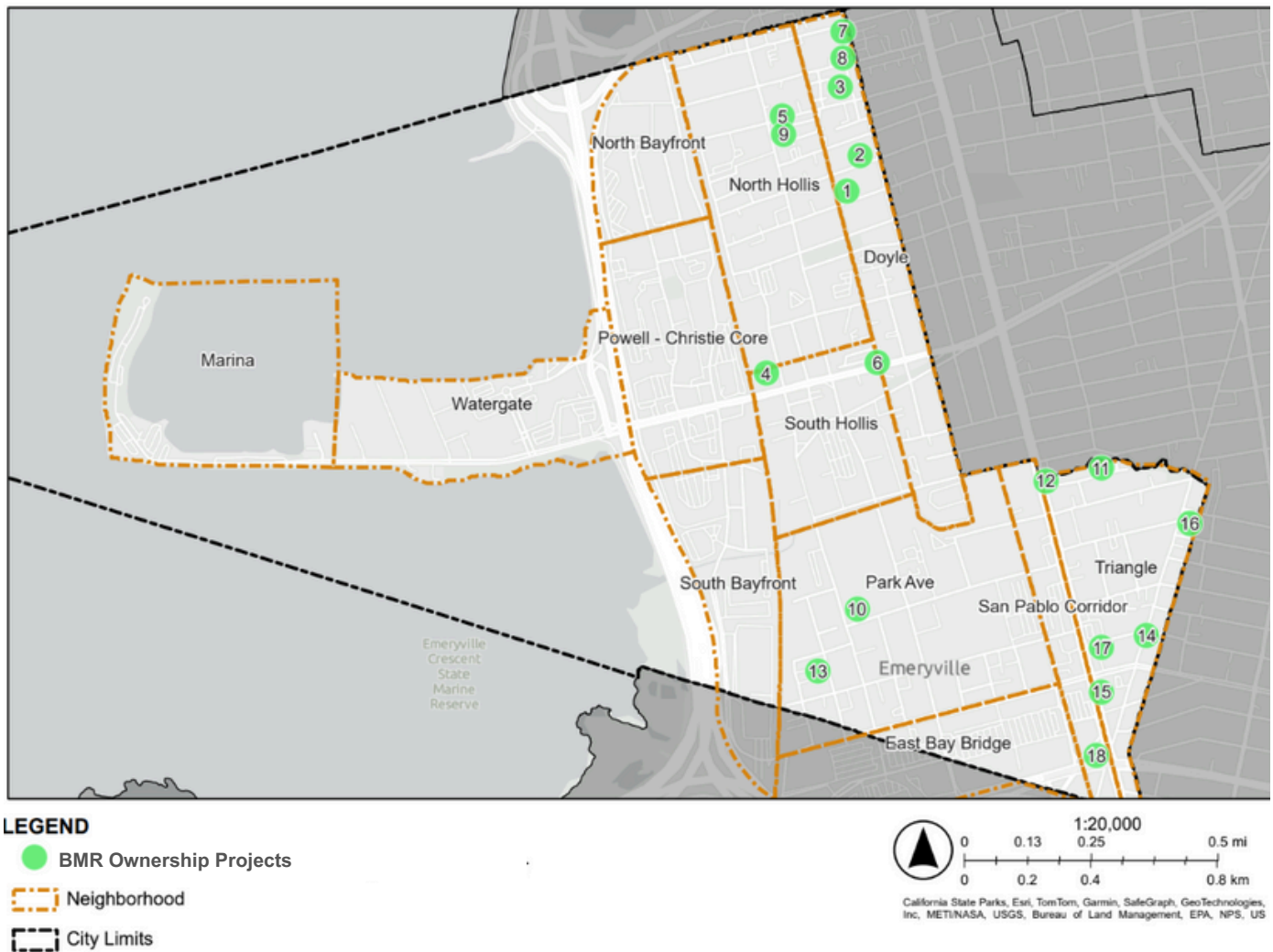


# BMR Ownership Projects

The City has a portfolio of 18 ownership housing developments which originally created 239 BMR ownership units between 1993 and 2009. The BMR ownership units were primarily sold to moderate income households (61%) however 14% were sold to very low-income households and 25% were sold to low-income households. All BMR ownership units have a resale restriction agreement recorded against the units restricting the resale of the unit at an affordable sales price and to an income eligible household for anywhere from 25 to 45 years. No new affordable ownership units have been created in Emeryville since 2009, however the City previously lost seven (7) BMR ownership units (3%) through foreclosure or the expiration of the resale restriction agreement, bringing the BMR ownership portfolio to 232 units. In 2024, 6 BMR ownership units were resold to new homeowners.

The Figure 9 shows the location of this portfolio. Table K reports on the status of this portfolio as of June 30, 2024.

**Figure 9 - BMR Ownership Map**



**Table K - BMR Ownership Portfolio**

| Project Information                   |                                |            |             |                    | Income Targeting |            |            | Unit Size |            |            |           |            | Changes in BMR Units |                   |               |
|---------------------------------------|--------------------------------|------------|-------------|--------------------|------------------|------------|------------|-----------|------------|------------|-----------|------------|----------------------|-------------------|---------------|
| Map ID #                              | Project Name                   | Year Built | Total Units | Original BMR Total | Very Low         | Low        | Moderate   | Studio    | 1 Bed      | 2 Bed      | 3 Bed     | Live/Work  | Foreclosures         | Current BMR Total | Resales 23/24 |
| 1                                     | Affordable Condos (VHP)        | 1993       | 4           | 4                  | -                | -          | 4          | -         | -          | 1          | 3         | -          | -                    | 4                 | -             |
| 2                                     | Affordable Condos (VHP)        | 1998       | 5           | 5                  | -                | -          | 5          | -         | -          | 5          | -         | -          | -                    | 5                 | -             |
| 3                                     | Oliver Lofts                   | 2002       | 50          | 10                 | -                | 5          | 5          | -         | 5          | 5          | -         | -          | -                    | 10                | -             |
| 4                                     | Terraces at EmeryStation       | 2002       | 101         | 20                 | -                | -          | 20         | 4         | 13         | 3          | -         | -          | 3                    | 17                | -             |
| 5                                     | Liquid Sugar Lofts             | 2003       | 55          | 11                 | -                | 5          | 6          | -         | 11         | -          | -         | -          | -                    | 11                | -             |
| 6                                     | Elevation 22                   | 2004       | 71          | 14                 | -                | 7          | 7          | -         | 4          | 10         | -         | -          | -                    | 14                | 1             |
| 7                                     | CityLimits**                   | 2005       | 31          | 9                  | -                | 4          | 5          | -         | -          | 9          | -         | -          | -                    | 9                 | -             |
| 8                                     | Artisan Walk**                 | 2006       | 6           | 6                  | -                | 1          | 5          | -         | -          | 3          | 3         | -          | -                    | 6                 | -             |
| 9                                     | Glasshaus Lofts                | 2008       | 145         | 29                 | 5                | 6          | 18         | 2         | 8          | 19         | -         | -          | 1                    | 28                | 2             |
| 10                                    | Artist Co-Op                   | 1986       | 53          | 39                 | 29               | 4          | 6          | -         | -          | -          | -         | 39         | -                    | 39                | NA            |
| 11                                    | Affordable Condos (VHP)        | 1993       | 2           | 2                  | -                | -          | 2          | -         | -          | 1          | 1         | -          | -                    | 2                 | -             |
| 12                                    | Gateway Commons Townhouses**   | 2000       | 6           | 6                  | -                | 1          | 5          | -         | -          | 5          | 1         | -          | -                    | 6                 | -             |
| 13                                    | Emeryville Warehouse Lofts     | 2000       | 141         | 26                 | -                | 2          | 24         | 3         | 8          | 15         | -         | -          | 1                    | 25                | 2             |
| 14                                    | Green City Lofts**             | 2006       | 31          | 6                  | -                | 3          | 3          | 3         | 3          | -          | -         | -          | -                    | 6                 | -             |
| 15                                    | Andante I and II               | 2006       | 125         | 25                 | -                | 15         | 10         | -         | 15         | 10         | -         | -          | 2                    | 23                | 1             |
| 16                                    | Vue46**                        | 2007       | 47          | 9                  | -                | 3          | 6          | -         | 5          | 4          | -         | -          | -                    | 9                 | -             |
| 17                                    | Oak Walk - 5 houses renovation | 2009       | 5           | 5                  | -                | -          | 5          | -         | 1          | 4          | -         | -          | -                    | 5                 | -             |
| 18                                    | Adeline Place                  | 2009       | 36          | 13                 | -                | 3          | 10         | -         | 7          | 6          | -         | -          | -                    | 13                | -             |
| <b>Total BMR Ownership Units</b>      |                                |            | <b>914</b>  | <b>239</b>         | <b>34</b>        | <b>59</b>  | <b>146</b> | <b>12</b> | <b>80</b>  | <b>100</b> | <b>8</b>  | <b>39</b>  | <b>7</b>             | <b>232</b>        | <b>6</b>      |
| <b>Percent of BMR Ownership Units</b> |                                |            |             | <b>26%</b>         | <b>14%</b>       | <b>25%</b> | <b>61%</b> | <b>5%</b> | <b>33%</b> | <b>42%</b> | <b>3%</b> | <b>16%</b> | <b>3%</b>            | <b>97%</b>        | <b>3%</b>     |



Glasshaus Condominiums



Elevation 22 Condominiums

All BMR Ownership units, except for those at Artist Co-op are monitored annually to ensure the homeowner is continuing to reside in the unit as their principal place of residence. 89% of the BMR Homeownership Portfolio was in compliance for 23/24 fiscal year, 7 Homeowners did not respond to the request for information, and 16 homeowners submitted partial responses to the request for information (Table L).

This was the first-year homeowners were asked to submit a copy of their Homeowner Association (HOA) statement and it quickly became clear that many homeowners did not know how to access that information or communicate with their HOA. 13 of the 16 partial responders were missing their HOA statements, but may have also been missing other requested documentation.

**Table L - BMR Monitoring Status**

| Map ID #                         | Project Name                   | Current BMR Total | # of Units Satisfactory Response | # of Units No Response | # of Units Partial Response | % Units in Compliance |
|----------------------------------|--------------------------------|-------------------|----------------------------------|------------------------|-----------------------------|-----------------------|
| 1                                | Affordable Condos (VHP)        | 4                 | 1                                | 1                      | 2                           | 25%                   |
| 2                                | Affordable Condos (VHP)        | 5                 | 3                                | 0                      | 2                           | 60%                   |
| 3                                | Oliver Lofts                   | 10                | 8                                | 0                      | 2                           | 80%                   |
| 4                                | Terraces at EmeryStation       | 17                | 17                               | 0                      | 0                           | 100%                  |
| 5                                | Liquid Sugar Lofts             | 11                | 11                               | 0                      | 1                           | 100%                  |
| 6                                | Elevation 22                   | 14                | 11                               | 1                      | 2                           | 79%                   |
| 7                                | CityLimits**                   | 9                 | 7                                | 2                      | 0                           | 78%                   |
| 8                                | Artisan Walk**                 | 6                 | 6                                | 0                      | 0                           | 100%                  |
| 9                                | Glashaus Lofts                 | 28                | 23                               | 1                      | 4                           | 82%                   |
| 10                               | Artist Co-Op ***               | 39                | NA                               | NA                     | NA                          | NA                    |
| 11                               | Affordable Condos (VHP)        | 2                 | 1                                | 0                      | 1                           | 50%                   |
| 12                               | Gateway Commons Townhouses**   | 6                 | 6                                | 0                      | 0                           | 100%                  |
| 13                               | Emeryville Warehouse Lofts     | 25                | 25                               | 0                      | 0                           | 100%                  |
| 14                               | Green City Lofts**             | 6                 | 6                                | 0                      | 0                           | 100%                  |
| 15                               | Andante I and II               | 23                | 21                               | 0                      | 2                           | 91%                   |
| 16                               | Vue46**                        | 9                 | 9                                | 0                      | 0                           | 100%                  |
| 17                               | Oak Walk - 5 houses renovation | 5                 | 5                                | 0                      | 0                           | 100%                  |
| 18                               | Adeline Place                  | 13                | 11                               | 2                      | 0                           | 85%                   |
| <b>Total BMR Ownership Units</b> |                                | <b>232</b>        |                                  |                        |                             |                       |
| <b>Total BMR Units Monitored</b> |                                | <b>193</b>        | <b>171</b>                       | <b>7</b>               | <b>16</b>                   |                       |
| <b>Compliance Status %</b>       |                                |                   | <b>89%</b>                       | <b>4%</b>              | <b>8%</b>                   |                       |

# Attachment A: City Affordable Housing Funding Sources

**Low- and Moderate-Income Housing Asset Fund (LMHAF):** On February 1, 2012, the Emeryville Redevelopment Agency dissolved, and the City of Emeryville became the Housing Successor Agency responsible for overseeing the expenditure of all funds remaining in the Low- and Moderate-Income Housing Asset Fund LMHAF). Funds can be expended towards the development of housing affordable to and occupied by households earning 80 % or less of the Area Median Income (AMI), with at least 30% of these remaining funds expended for the development of rental housing affordable to and occupied by households earning 30% or less of AMI and no more than 20% of these remaining funds expended for the development of housing affordable to and occupied by households earning between 60% and 80% of AMI. No more than 50% of funds can be expended towards Senior Housing.

**Affordable Housing Fund (AHF):** City Council established the Affordable Housing Fund subsequent to the dissolution of the Emeryville Redevelopment Agency. The City Council's policy has been to allocate 20% of residual receipts from the Redevelopment Property Tax Trust Fund (RPTTF) to support the City's affordable housing programs. Residual RPTTF, colloquially termed "boomerang" funds, are the City's portion of real property tax increment generated in redevelopment areas after the payment of enforceable obligations of the former Emeryville Redevelopment Agency.

**Affordable Housing Impact Fee (AHIF):** Within Article 4 of Chapter 5 of Title 9, the City established an affordable housing impact fee fund for the purpose of receiving and disbursing certain monies to address the housing needs of extremely low, very low, low, median and moderate-income households. The fees collected under this article and all earnings from investment of the fees shall be expended exclusively to provide or assure continued provision of affordable housing in the City to meet the housing needs of the City's workforce through acquisition, construction, development assistance, substantial rehabilitation, financing, rent or other subsidies, or other methods, and for costs of administering programs which serve those ends. Any non-residential project, for which a discretionary permit or building permit is required, must pay the housing impact fee, which is based on the square footage of the project. Residential rental projects for which the developer opts not to provide affordable housing units in compliance with Article 4 of Chapter 5 of Title 9 must also pay the affordable housing impact fee, based on the number of residential units.

**Measure A1:** In June 2016, the Alameda County Board of Supervisors placed a General Obligation Bond on the ballot to increase affordable housing countywide. In November 2016 73% of voters supported Measure A1. Measure A1 generates \$ 580,000,000 for a range of affordable housing projects and programs in Alameda County. Of this amount, \$225,000,000 is designated for Base City Allocations" based on city population.

**Prohousing Incentive Pilot(Prohousing):** In 2023, the City was awarded \$575,000 in Prohousing funds from the California Department of Housing and Community Development to accelerate affordable housing production and preservation.

# Attachment B: FY2023/2024 Housing Affordability Table

The City Council adopted the Affordable Housing Table (Figure 10) for FY23/24 on July 4, 2023. The Housing Affordability Table outlines the maximum income limit, maximum rental rate, and the estimated maximum resale price for the city's Below Market Rate portfolio.

**Figure 10: Affordable Housing Table**

**2023/24 Program Year,**  
*Adopted July 5, 2023, Effective July 1, 2023, Revised July 18, 2023*

**MAXIMUM INCOME LIMITS**  
*Note: CA Housing and Community Development (HCD) annually updates the income limits based on U.S. Department of Housing and Urban Development (HUD) revisions to the Public Housing and Section 8 Income Limits that HUD most recently released on June 6, 2023. The income limits reflected below are for Alameda County. For households of 6 or more, please contact emeryville@hellohousing.org.*

| Household Size         | 1 person  | 2 person  | 3 person  | 4 person  | 5 person  |
|------------------------|-----------|-----------|-----------|-----------|-----------|
| Moderate Income (120%) | \$124,250 | \$142,000 | \$159,750 | \$177,500 | \$191,700 |
| Median Income (100%)   | \$103,550 | \$118,300 | \$133,100 | \$147,900 | \$159,750 |
| Low Income (80%)       | \$78,550  | \$89,750  | \$100,950 | \$112,150 | \$121,150 |
| Very Low Income (50%)  | \$51,900  | \$59,200  | \$66,600  | \$73,950  | \$79,900  |
|                        | \$31,065  | \$35,490  | \$39,930  | \$44,370  | \$47,925  |

**ESTIMATED MAXIMUM RESALE PRICE\*\*\***  
*Note: Maximum Sales Prices are calculated on a per unit basis, based on the average 90- day fixed 30-YR mortgage interest rate and the actual HOA fees charged to the unit. Maximum Sale Prices identified below is for illustrative purposes only. To confirm the maximum Resale Price of a BMR Unit, contact emeryville@hellohousing.org.*

| Unit Type              | Studio    | 1 Bedroom | 2 Bed/ Equivalent** | 3 Bedroom | 4 Bedroom |
|------------------------|-----------|-----------|---------------------|-----------|-----------|
| Moderate Income (120%) | \$338,721 | \$390,099 | \$435,407           | \$478,794 | NA        |
| Median Income (100%)   | \$249,281 | \$289,131 | \$318,524           | \$349,768 | NA        |
| Low Income (80%)       | \$149,834 | \$173,868 | \$190,698           | \$207,729 | NA        |

**MAXIMUM MONTHLY GROSS RENTAL RATE**  
*Note: Gross rent includes the total of monthly payments for a rental including a reasonable allowance for utilities, provided by the Housing Authority of Alameda County, and any required service charges or fees charged to tenants. Utility allowance and required charges/fees must be deducted from rents shown below.*

| Unit Type              | Studio  | 1 Bedroom | 2 Bed/ Equivalent** | 3 Bedroom | 4 Bedroom |
|------------------------|---------|-----------|---------------------|-----------|-----------|
| Moderate Income (120%) | \$2,848 | \$3,253   | \$3,680             | \$4,067   | N/A       |
| Low Income (80%)       | \$1,553 | \$1,775   | \$1,997             | \$2,219   | N/A       |
| Very-Low Income (50%)  | \$1,294 | \$1,479   | \$1,664             | \$1,849   | N/A       |

\* The maximum sales prices and rents allowed pursuant to the City's Affordable Housing Program are based on the housing affordability definitions found in the California Health and Safety Code at Section 50052.5 and 50053. These are to be considered maximum amounts and do not take into account market conditions that may limit actual sales and rent values.

\*\* 2 Bedroom/Equivalent includes units with two bedrooms or units with 1 bedroom and a bonus area. To confirm if a unit is classified as a 2 bedroom equivalent, please contact the Owner or the City.

\*\*\* Estimated Maximum Resale Prices were Revised July 18, 2023 due to a technical error.



# City of Emeryville

CALIFORNIA

2024 Annual Report Prepared By:  
City of Emeryville  
Community Development Department  
Economic Development & Housing  
Division



Clockwise: Watergate Condominium, Bayview Apartments, 3900 Adeline Apartments, Oliver Lofts