



City of Emeryville

INCORPORATED 1896

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January 19, 2021

Carolyn Bookhart
Director of Real Estate Development
Resources for Community Development
2220 Oxford Street
Berkeley, CA 94704

Re: San Pablo Avenue Affordable Housing Development
3600, 3610 and 3620 San Pablo Avenue
City of Emeryville Commitment Letter

Dear Ms. Bookhart,

The City of Emeryville ("City") is pleased to be able to assist Resources for Community Development, a California Nonprofit Public Benefit Corporation, or its Assignee ("Developer") in the construction of the San Pablo Avenue Affordable Housing Development ("Project") located at 3600, 3610 and 3620 San Pablo Avenue, Emeryville, California, 94608 (APNs: 049-0950-006-01, -008-01, and -001-00).

The Project is a seven-story apartment building with 90 units and 4,600 square feet of commercial space for the Emeryville Citizens Assistance Program to continue providing food distribution for low-income residents. All the units will be affordable to extremely low and low-income households (i.e., 30-60% Area Median Income), and at least 20% of the units will be reserved for formerly homeless households that include a member living with severe mental illness.

This letter confirms that, on January 19, 2021, the Emeryville City Council adopted Resolution No. 21-XXX, which authorizes a commitment to the Developer of a new permanent development loan in the amount of \$14,747,486 to be used towards the development of affordable housing.

This financing commitment is in addition to the \$2,000,000 predevelopment funds previously approved by the City Council on November 5, 2019 by Resolution No. 19-150. Pursuant to the terms of the Predevelopment Loan Agreement between the City and Developer, the City has committed to convert the predevelopment loan to a permanent financing loan.

In total, the City has committed \$16,747,486 in permanent financing for the development of affordable housing to the Project. The terms of these collective loans are:

Exhibit A

Borrower: Resource for Community Development, or its Assignee
Term: 55 years, unless required by other lenders to be 75 years
Interest Rate: 3 percent simple interest; payments from City's pro-rata share of project surplus cash flow

The City looks forward to working with RCD towards the project's successful completion. Please contact Valerie Bernardo, Housing Coordinator with any questions at vbernardo@emeryville.org.

Sincerely,

Christine Daniel
City Manager