



Oakland Housing Authority

Board of Commissioners

ANNE GRIFFITH
GREGORY D HARTWIG
JANNY CASTILLO
LYNETTE JUNG-LEE
BARBARA MONTGOMERY
MARK J TORTORICH
WILLIAM J MAYES

Executive Director

Patricia Wells

In accordance with Article III, Section 1 and 2, of the Oakland Housing Authority Bylaws, NOTICE IS HEREBY GIVEN that the **Special Meeting** of the Board of Commissioners has been called. The meeting will be held as follows:

**HOUSING AUTHORITY
OF THE CITY OF OAKLAND, CALIFORNIA**

Special Meeting

Tuesday, December 19, 2023 at 5:30 PM



Oakland Housing
Authority

AGENDA
Special Meeting
December 19, 2023, 5:30 PM

Zoom Information

To participate via teleconference, please use the zoom link below.

Join Zoom Meeting Online: https://oakha-org.zoom.us/j/82579820892?pwd=ij14HP6wiR9R-j8AAJRbNKAEUJNMpA.gy56a_CloEHcptoF

Meeting ID (access code): 825 7982 0892 Meeting Password: 910657
Closed Caption – provided through the link.

To participate by Telephone: 1 669 219 2599
Meeting ID (access code): 825 7982 0892 Meeting Password: 910657

1. Pledge of Allegiance

2. Roll Call

(AB 2449 Compliance) The Chair/Clerk of the Board will confirm that there are 4 Commissioners in the same, properly noticed meeting room within the jurisdiction of the City of Oakland, accessible to the public. Each Commissioner who is accessing the meeting remotely must disclose verbally whether they are requesting to meet remotely under AB2449 due to: (1) just cause (notice required), or (2) emergency circumstances. For “emergency circumstances” the request must be approved by a majority vote of the Board of Commissioners for the emergency circumstance to be used as a justification to participate remotely. All Commissioners meeting remotely must provide a general description of the circumstances relating to need to appear remotely at the given meeting. A Commissioner must also publicly disclose at the meeting, prior to any action, whether any other individuals 18 years or older are present in the room with the member at the remote location, and the general nature of the member’s relationship with such individuals.

3. Approval of Minutes

4. Recognition of people wishing to address the Commission

If you need special assistance to participate in the meetings of the Oakland Housing Authority Board of Commissioners, please contact (510) 874-1510 (TDD: 800-618-4781). Notification 48 hours prior to the meeting will enable the Oakland Housing Authority Board of Commissioners to make reasonable arrangements to ensure accessibility.

All public comment on action items will be taken at the public comment portion of the meeting. You may comment via zoom by “raising your hand” or by submitting an e-mail to publiccomments@oakha.org or call using the zoom participant number.

- You may request to make a public comment by “raising your hand” through Zoom’s video conference or phone feature, as described below. Requests will be received only during the designated times in which to receive such requests and only for eligible Agenda items. Public comments will be subject to the appropriate time limit of three (3) minutes.
- To comment by Zoom video conference, click the “Raise Your Hand” button to request to speak when Public Comment is being taken on the eligible Agenda item. You will then be unmuted, during your turn, and allowed to make public comments. After the allotted time of three (3) minutes, you will then be re-muted. Instructions on how to “Raise Your Hand” is available at: <https://support.zoom.us/hc/en-us/articles/205566129> - Raise-Hand-In-Webinar.
- To comment by phone, please call on one of the phone numbers listed below. You will be prompted to “Raise Your Hand” by pressing “*9” to request to speak when Public Comment is being taken on the eligible Agenda Item. You will then be unmuted, during your turn, and allowed to make public comments. After the allotted time of three (3) minutes, you will then be re-muted. Please unmute yourself by pressing *6. Instructions of how to raise your hand by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663> - Joining-a-meeting-by-phone.

5. Old or Unfinished Business

6. Modifications to the Agenda

(Allows for any change in the order of business or the announcement of the postponement or continuation of agenda items.) The Board can only take action on items listed on this agenda unless a finding is made that an emergency exists.

7. Recess to Closed Session

8. Closed Session

8.1 2023-1041 Conference with Real Property Negotiations (Government Code § 54956.8)

Property: 6951 Lion Way, Oakland, CA 94621

APN: Phase I APNs: 041-4212-004-00, 041-4212-005-00; Phase II APNs: 041-4212-010-01, 041-4212-011-00

Agency Negotiation: Patricia Wells, Executive Director; Tom Deloye, Chief Officer of Real Estate Development; Jonathan Young, Senior Development Program Manager; Isabel Brown, General Counsel; Jhaila Brown, General Counsel; Joel Rubenzahl, Consultant

Negotiating Parties: Oakland Coliseum Housing Partners, L.P. and Lion Way Housing Partners, L.P.

Under Negotiation: Price and terms of payment.

9. Adjournment to Open Session

10. New Business

- 10.1 [2023-1042](#) Adopt a Resolution Authorizing the Executive Director to Execute Documents to Allow for the Re-syndication and Rehabilitation of Lion Creek Crossings Phase I and II

Attachment(s)

[Memo LCC I II RAD Application 10-23-23](#)

[Reso 5210 LCC I II RAD Application](#)

[Resolution Lion Creek Crossing I & II Resyndication Approvals](#)

11. Consent Agenda

Items on the Consent Agenda are considered routine and do not require separate discussion. If a Commissioner wishes to have discussion, or if a member of the public wishes to comment on any consent item, the item may be removed from the consent agenda and considered separately. Questions or clarifications may be considered by the Commission without removal from the Consent Agenda. The Consent Agenda is adopted in one motion.

12. Written Communications Departments' Monthly Report

13. Executive Director's report regarding matters of special interest to the Commission occurring since the last meeting of the Commission

14. Reports of Commission Committees

15. Announcements by Commissioners

16. Adjournment





Oakland Housing Authority

TO: Board of Commissioners
FROM: Patricia Wells, Executive Director
SUBJECT: Adopt a Resolution Authorizing the Executive Director to Execute Documents to Allow for the Re-syndication and Rehabilitation of Lion Creek Crossings Phase I and II
DATE: December 19, 2023
Type: Action 2023-1042

RECOMMENDATION

Authorize the Executive Director to execute documents to allow for the resyndication and rehabilitation of Lion Creek Crossings Phase I and II

FISCAL IMPACTS/CONSIDERATION

No expenditure of OHA funds is required for the proposed re-syndication

BACKGROUND

Lion Creek Crossings Background

Lion Creek Crossings Phase I (881 and 915 69th Avenue, Oakland, California, APNs 41-4212-4 and 41-4212-5) and Phase II (910 66th Avenue and 6865 Leona Creek Drive, Oakland, California, APNs 41-4212-10-1 and 41-4212-11) (the "Projects") are two components of the five-phase Lion Creek Crossings development near the Coliseum in East Oakland. Phase I is owned by Oakland Coliseum Housing Partners, L.P., and Phase II is owned by Lion Way Housing Partners, L.P.

The Projects were developed through a partnership of OHA, Related California (Related), and the East Bay Asian Local Development Corporation (EBALDC). An entity controlled by EBALDC is the Managing General Partner and an entity controlled by Related is the Administrative General Partner of each of the Lion Creek Phase I and II partnerships. OHA continues to own the land at the Projects and ground leases the land to each of the limited partnerships.

Lion Creek Crossings Phase I and II Rehabilitation and Resyndication

On October 23, 2023, the Board of Commissioners was presented with documentation regarding the resyndication and rehabilitation of Lion Creek Crossings Phase I and II. See

attached Board Memorandum from October 23, 2023.

As stated in the October 23rd Memorandum to the Board, Related and EBALDC have determined that a tax credit financing could be used to fund the considerable rehabilitation needs of the properties. Obtaining new tax credit financing for a property that was previously financed with tax credits is referred to as “resyndication.” When a property is resyndicated, the improvements on the property (i.e., the apartment buildings) are typically sold from the existing owner to a new limited partnership. Through resyndication, a construction budget of approximately \$12.2 million for Phase I and \$11.6 million for Phase II can be funded. Related and EBALDC submitted applications to CDLAC and the California Tax Credit Allocation Committee (TCAC) for 4% tax credits and tax-exempt bonds for Lion Creek Crossings Phase I and II on September 6, 2023.

CDLAC and TCAC awarded an allocation of tax credits and tax-exempt bonds for Lion Creek Crossings Phase I and II at its meetings on December 6, 2023. Unless the Projects return their allocation, the Projects will be required to begin rehabilitation approximately six months from the date of the award.

As the limited partner, ground lessor and a lender to the existing partnerships, the Authority will need to provide a number of consents and agreements to allow the resyndication of the Projects to move forward. The Authority also plans to submit an application to HUD for a Rental Assistance Demonstration (RAD)/Section 18 blend conversion of the Public Housing units in the properties, which will increase the income generated by these units. The RAD application was authorized by the Board of Commissioners on October 23, 2023, under Resolution No. 5210.

Resyndication and refinancing is a major event in the projects’ lifecycle, and it will generate significant changes in the projects’ financing structure. The Authority, Related, EBALDC, and the Projects’ other lenders need to agree on the changes to the Projects’ financing and ownership structure. For the resyndication and rehabilitation of the Projects to move forward, the Authority will need to take actions including, but not limited to, agreeing to sell the properties to new limited partnerships and providing seller carryback financing, assigning the existing ground leases to the new partnerships and extending the term of the leases, assigning the existing Authority loans to the new partnerships and extending the term of the loans, and submitting a RAD/Section 18 Blend application to HUD.

Authority staff are negotiating with the project partners with the goal of maximizing the amount of funding that remains with the Projects and in the City in order to promote the sustainability of the Projects as an asset to the City. Key areas of negotiation include the distribution of the developer fee, the uses of the cash flow generated by the property operations, budgeted services costs including the OHA Police department, the rights of the Authority to approve the selection of the tax credit equity investor and the business terms of the equity investment, the right of the Authority to assume the general partner interest in the property after five years of operations, and an option to acquire the property at the end of the tax credit compliance period. The proposed resolution would authorize the Executive Director to execute and negotiate agreements related to the resyndication and rehabilitation of the Projects on behalf of the Authority that reflect these key terms.

ACTION REQUESTED

Adopt the resolution authorizing the Executive Director to negotiate and execute documents to allow for the re-syndication and rehabilitation of Lion Creek Crossings Phase I and II

Attachments:

[Memo LCC I II RAD Application 10-23-23](#)

[Reso 5210 LCC I II RAD Application](#)

[Resolution Lion Creek Crossing I & II Resyndication Approvals](#)



Oakland Housing Authority

TO: Board of Commissioners

FROM: Patricia Wells, Executive Director

SUBJECT: Adopt a resolution authorizing the Executive Director to execute and submit a Rental Assistance Demonstration Application to the U.S. Department of Housing and Urban Development, including a Certification and Board Approval for the conversion of the Public Housing units in Lion Creek Crossings Phase I and II (AMP CA003000119) to RAD Project-Based Vouchers and Section 18 Tenant Protection Vouchers.

DATE: October 23, 2023

Type: Action

2023-930

RECOMMENDATION

Authorize the Executive Director to execute and submit a Rental Assistance Demonstration Application to the U.S. Department of Housing and Urban Development, including a Certification and Board Approval for the Public Housing Units in Lion Creek Crossings Phase I and II

FISCAL IMPACTS/CONSIDERATION

Impacts of a RAD conversion of the Public Housing units in Lion Creek Crossings Phase I and II on OHA's revenue are discussed below.

BACKGROUND

Lion Creek Crossings Background

Lion Creek Crossings Phase I (881 and 915 69th Avenue, Oakland, California, APNs 41-4212-4 and 41-4212-5) and Phase II (910 66th Avenue and 6865 Leona Creek Drive, Oakland, California, APNs 41-4212-10-1 and 41-4212-11) are two communities of the five-phase Lion Creek Crossings development near the Coliseum in East Oakland. Lion Creek Crossings redeveloped the former Coliseum Gardens Public Housing site into a mixed-finance property with 567 total units. Lion Creek Crossings was financed with Housing Opportunities for People Everywhere (HOPE VI) grants from the U.S. Department of Housing and Urban Development (HUD) which were loaned to the project by the Oakland Housing Authority (OHA), additional OHA loans, Public Housing subsidy and Project-Based Vouchers from OHA, Low-Income Housing Tax Credits (LIHTC), loans and grants from the City of Oakland and State of California, and mortgage loans.

Lion Creek Crossings was developed through a partnership of OHA, Related California (Related), and the East Bay Asian Local Development Corporation (EBALDC). Each phase of Lion Creek Crossings is owned by a separate limited partnership. An entity controlled by EBALDC is the Managing General Partner and an entity controlled by Related is the Administrative General Partner of each partnership. OHA continues to own the land at Lion Creek Crossings and ground leases it to each of the limited partnerships. See below for a table summarizing the units in the five phases of Lion Creek Crossings.

Phase	Year Comp.	Pop. Served	Total Units	Public Housing Units	PBV Units
1	2005	Families	115	45	0
2	2007	Families	146	54	18
3	2008	Families	106	37	16
4	2011	Families	72	21	10
5	2014	Seniors	128	0	127
Total			567	157	171

Initially, a tax credit investor was the Limited Partner in each partnership. In developments financed with LIHTC, it is customary for the General Partner or another entity with a long-term interest in the property to acquire the property or the Limited Partner’s interest in the partnership at the end of the 15-year tax credit compliance period. For each phase, OHA had, or currently has, the first option to acquire the property at the end of the compliance period. In lieu of acquiring the properties outright, OHA has acquired the Limited Partners’ interest to become the Limited Partner in Phases I and II, and it is currently completing the process to acquire the Limited Partner interests in Phases III and IV. The tax credit compliance period for Phase V runs through 2028. OHA will explore acquiring the property or the Limited Partner interest in Phase V as the end of the compliance period approaches.

Phase I and II Rehab and Resyndication

In the past, owners of affordable housing developments often used 4% LIHTC to finance major rehabilitations of the property after completion of the initial tax credit compliance period. For example, OHA has been involved with tax credit-financed rehabs of Keller Plaza and Oak Grove North and South.

In order to use 4% LIHTC for a project, it is required that a portion of the project costs are financed with tax-exempt bonds. Tax-exempt bonds are awarded by the California Debt Limit Allocation Committee (CDLAC). There is a statewide annual cap on tax-exempt bond authority. Prior to 2019, California did not use all of its bond authority and bond allocations were available to qualifying rehab projects on a non-competitive basis. Since 2019, demand for tax exempt bonds has exceeded the annual cap. CDLAC instituted a competitive process for allocating bonds to projects. Also, CDLAC allocated an extremely limited amount of bonds to rehab projects and owners reduced the number of rehab projects they pursued.

CDLAC typically awards bonds to projects through three application rounds each year. In 2023, new construction projects could not use all of the bonds available in Round 1 and 2. On July 26, 2023, CDLAC changed its regulations to allow rehab projects to use remaining bonds available in Round 3. Approximately \$1 billion in bond authority carried over from Round 1 and 2 to Round 3.

With the unusual availability of tax-exempt bonds and tax credits for rehab projects, Related and EBALDC evaluated potential rehab needs for Lion Creek Crossings Phase I and II. They commissioned a Facility Condition Assessment for each development. These assessments identified rehab needs including, but not limited to, balcony repairs due to moisture intrusion, repairs to exterior stair connections to balconies, new roofs, and replacement of outdated boilers and HVAC equipment. The replacement reserves held by the partnerships are approximately \$400,000 for Phase I and \$452,000 for Phase II, which is not sufficient to fund the rehab needs of the properties.

Related and EBALDC determined that a tax credit-financed rehab of the project could be feasible and desirable to finance the considerable rehab needs of the properties. Obtaining new tax credit financing for a property that was previously financed with tax credits is referred to as “resyndication.” Through resyndication, a construction budget of approximately \$12.2 million for Phase I and \$11.6 million for Phase II could be funded. Related and EBALDC submitted applications to CDLAC and the California Tax Credit Allocation Committee (TCAC) for 4% tax credits and tax-exempt bonds for Lion Creek Crossings Phase I and II on September 6, 2023.

If the applications are successful, CDLAC will make an award at its meeting on December 6, 2023, and the projects would be required to begin rehabilitation approximately six months from the date of the award. Based on preliminary scoring information that has been released by CDLAC, it appears likely that both Phase I and Phase II will receive an allocation of tax credits and bonds.

OHA submitted non-binding letters of support for inclusion in the CDLAC/TCAC applications and acknowledging the role that OHA may play in the resyndication transactions, including assigning the ground leases to new tax credit partnerships, selling the improvements to the new partnerships, and assigning its existing loans to the new partnerships and extending the term of the loans. OHA has not made any binding commitments to support the resyndication transactions, and future approval from the Board of Commissioners is required before OHA enters into agreements related to the resyndication transactions. OHA, Related and EBALDC will continue to negotiate on the terms of OHA’s involvement in the transactions.

RAD Conversion

The Rental Assistance Demonstration (RAD) is a HUD program to allow for the conversion of Public Housing units to units with Section 8 Project-Based Vouchers (PBVs) or Project-Based Rental Assistance. RAD PBVs are new vouchers provided to the Housing Authority that are project-based at the converting property or another property. RAD PBVs have a level of funding approximately equal to the amount of funding HUD provided to the Public Housing units. The level of HUD funding and contract rent for RAD PBVs is lower than that provided for non-RAD PBVs. OHA’s current payment standard, which is the maximum monthly assistance payment for a family in the Section 8 voucher program, is 120% of the 2022 HUD Fair Market Rent for Oakland.

RAD/Section 18 Blend

Section 18 is another program under which HUD permits the conversion of Public Housing units to PBV units. Under Section 18, HUD provides Tenant Protection Vouchers (TPVs), which are funded at the same level as “standard” PBVs. There are a number of ways that Public Housing properties can qualify for disposition under Section 18. The most common is

obsolescence which is evidenced by having high rehab costs.

HUD provides “RAD/Section 18 blends” for projects that do not qualify for a full Section 18 conversion, but still have significant rehab costs. In a RAD/Section 18 blend, TPVs are provided for a portion of the units and RAD PBVs are provided for the remainder. Both types of vouchers are provided through a single RAD application process. For Lion Creek Crossings Phase I and II, the planned rehab construction costs would qualify the projects to receive Section 18 TPVs for 20 percent of the Public Housing units, or nine units in Phase I and 10 units in Phase II. The inclusion of the TPVs in the project will increase the income generated by Lion Creek Crossings Phase I and II.

OHA, Related, and EBALDC wish to pursue a RAD conversion for the Public Housing units in Lion Creek Crossings Phase I and II in conjunction with the resyndication and rehab of the properties. Completing a RAD conversion will improve the properties’ cash flow, allowing them to support a larger mortgage to finance the resyndication and rehab transaction. It will also streamline compliance responsibilities of both OHA and the property management company by converting Public Housing units, which have separate eligibility and compliance requirements, to the PBV platform. RAD PBVs may have more stable and predictable funding over time than Public Housing units. RAD contract rents are adjusted annually based on the HUD Operating Cost Adjustment Factor (OCAF) formula, while Public Housing subsidies are determined by the amount of funding Congress provides to the Public Housing program through annual appropriations. Funding for the Section 8 Voucher Program, including RAD PBVs and TPVs, is also subject to annual appropriation; however, these programs have typically been fully funded by Congress while the Public Housing Program has not been fully funded.

To receive approval for a RAD conversion, the project must conduct a capital needs assessment and demonstrate that it is completing work to meet the immediate capital needs of the project and that the project will be able to fund its projected capital needs for the next 20 years. For this reason, RAD conversions are often completed at the same time that projects are resyndicated and rehabbed.

The RAD program has a number of provisions designed to minimize the impact of the conversion on tenants. Under both the Public Housing and Section 8 Voucher programs, the tenant portion of rent is based on 30% of the tenant’s adjusted gross income, so the amount of rent paid by the tenant will not change. Existing Public Housing tenants are not rescreened for eligibility at conversion to RAD.

There are extensive tenant relocation protections with RAD conversions, including the tenants’ right to return to a unit in the converted project. In the Lion Creek Crossings Phase I and II rehabs, it is anticipated that there will be minimal relocation needed, and all relocations will be short-term. It is not expected that any residents will be asked to move to different units as a result of the resyndication and rehab or the RAD conversion.

RAD Application

The Public Housing Authority is required to submit an application to HUD to initiate the RAD conversion process. The project sponsors, Related and EBALDC, will assist OHA with the application and conversion process. The application, review, and approval process can take six to nine months. Therefore, OHA, Related and EBALDC would like to submit the application as soon as it can be completed and before finding out if the projects will receive a bond and

tax credit award in December. A Board approval is required to be submitted with the RAD application, providing that the Executive Director has the authority to submit the application on behalf of the Authority and making various certifications regarding the RAD program. For this reason, approval of the attached resolution authorizing the RAD application is requested at tonight’s meeting, while other approvals related to the resyndication transaction will not be requested until future meetings.

Financial Impacts of RAD Conversion

RAD conversions are designed to be approximately revenue-neutral to the Housing Authority. However, there are some financial impacts of a RAD conversion.

HUD funds Public Housing units through Operating Subsidy and Capital Fund Program (CFP) Grants. OHA retains five percent of the operating subsidy as an Oversight Fee. In 2022, OHA’s oversight fee was \$19,776 for Phase I and \$23,731 for Phase II, or \$43,507 for both phases. OHA would not continue to earn the Oversight Fee after a RAD conversion.

For mixed-finance projects like Lion Creek Crossings, OHA provides the Operating Subsidy to the project but retains the CFP Grant. With a RAD conversion, both the Operating Subsidy and CFP Grant amounts are included in the RAD contract rent. OHA would no longer receive CFP Grants for Lion Creek Crossings Phase I and II. In 2022, the CFP Grant for Lion Creek Crossings Phase I and II was \$206,862.

Partially offsetting these reductions in income, HUD would increase the Section 8 Administrative Fee (Admin. Fee) paid to OHA to administer the 99 additional PBVs that converted from Public Housing at the two properties. OHA’s 2022 Admin. Fee for additional vouchers was \$133.99 per voucher per month. The current Admin. Fee is funded at approximately 90%, therefore HUD would provide approximately \$143,262 per year in Admin. Fee.

As shown below, the net financial impact of the RAD conversion to OHA would be a loss of approximately \$107,000 in income per year.

Net Financial Impacts to OHA of RAD Conversion

Oversight Fee (Loss)	(\$43,507)
CFP Grant (Loss)	(\$206,862)
Section 8 Admin Fee (Gain)	\$143,262)
Net Financial Impact (Loss)	(\$107,107)

OHA, Related, and EBALDC will negotiate other fees to be paid to OHA by the project post-resyndication. OHA may be able to recoup some of this amount through such other fees and cash flow distributions.

ACTION REQUESTED

Adopt the resolution authorizing the Executive Director to execute and submit a Rental Assistance Demonstration Application to the U.S. Department of Housing and Urban Development, including a Certification and Board Approval for the Public Housing Units in Lion

Creek Crossings Phase I and II.

Attachments:

[RAD Board Presentation](#)

[Resolution LCC I II RAD Application](#)

**THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF OAKLAND, CALIFORNIA**

On Motion of Commissioner: Mark Tortorich

Seconded by Commissioner: William Mayes

and approved by the following vote:

AYES: GRIFFITH, HARTWIG, CASTILLO, JUNG-LEE, MONTGOMERY,
 TORTORICH, MAYES

NAYS:

ABSTAIN:

ABSENT:

EXCUSED:

THE FOLLOWING RESOLUTION WAS ADOPTED:

NUMBER: 5210

ADOPT A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AND SUBMIT A RENTAL ASSISTANCE DEMONSTRATION APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, INCLUDING A CERTIFICATION AND BOARD APPROVAL FOR THE CONVERSION OF THE PUBLIC HOUSING UNITS IN LION CREEK CROSSINGS PHASE I AND II (AMP CA003000119) TO RAD PROJECT-BASED VOUCHERS AND SECTION 18 TENANT PROTECTION VOUCHERS

WHEREAS, the Housing Authority of the City of Oakland (“Authority”) is duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provision of the Housing Authorities Law which is Part 2 of Division 24 of the California Health and Safety Code commencing with Section 34200 et seq.; and

WHEREAS, Oakland Coliseum Housing Partners LP is a California Limited Partnership that owns the 115 unit affordable housing complex at 881 and 915 69th Avenue, Oakland, California (APNs 41-4212-4 and 41-4212-5), commonly known as “Lion Creek Crossings Phase I”; and

WHEREAS, Lion Way Housing Partners LP, is a California Limited Partnership that owns the 146 unit affordable housing complex at 910 66th Avenue and 6865 Leona Creek Drive, Oakland, California (APNs 41-4212-10-1 and 41-4212-11), commonly known as “Lion Creek Crossings Phase II”; and

WHEREAS, Lion Creek Crossings Phase I and II (the Properties) are two components of the five-phase Lion Creek Crossings development near the Coliseum in East Oakland; and

WHEREAS, Lion Creek Crossings was developed through a partnership of the Authority, Related California (Related), and the East Bay Asian Local Development Corporation (EBALDC); and

WHEREAS, each phase of Lion Creek Crossings is owned by a separate limited partnership in which an entity controlled by EBALDC is the Managing General Partner and an entity controlled by Related is the Administrative General Partner; and

WHEREAS, the Authority owns the land at Lion Creek Crossings and ground leases it to each of the limited partnerships; and

WHEREAS, Related and EBALDC determined that a tax credit-financed rehabilitation of the Properties could be feasible and desirable to finance the considerable rehab needs of the Properties; and

WHEREAS, Related and EBALDC submitted applications to the California Debt Limit Allocation Committee and the California Tax Credit Allocation Committee for 4% tax credits and tax-exempt bonds for a resyndication of the Properties; and

WHEREAS, there are 99 Public Housing units in the Properties among the 261 total units; and

WHEREAS, the Rental Assistance Demonstration (RAD) is a U.S. Department of Housing and Urban Development (HUD) program to allow for the conversion of Public Housing units to units with Section 8 Project-Based Vouchers (PBVs) or Project-Based Rental Assistance; and

WHEREAS, the Authority, Related, and EBALDC wish to pursue a RAD conversion for the Public Housing units in Lion Creek Crossings Phase I and II in conjunction with the resyndication and rehabilitation of the Properties; and

WHEREAS, it is anticipated that completing a RAD conversion will improve the Properties' cash flow, allowing them to support a larger mortgage to finance the resyndication and rehab transaction and streamline compliance responsibilities of both the Authority and the property management company; and

WHEREAS, HUD provides "RAD/Section 18 Blends" for projects that do not qualify for a full Section 18 conversion, but still have significant rehab costs, where Tenant Protection Vouchers (TPVs) are provided for a portion of the units and RAD PBVs are provided for the remainder; and

WHEREAS, for Lion Creek Crossings Phase I and II, the planned rehabilitation construction costs are expected to qualify the projects to receive Section 18 TPVs for 20 percent of the Public Housing units, or nine units in Phase I and 10 units in Phase II; and

WHEREAS, it is anticipated that the inclusion of the TPVs in the Properties will increase the income generated by Lion Creek Crossings Phase I and II; and

WHEREAS, the Authority desires to submit a RAD application to HUD to assist in the financing of the rehabilitation of the Properties and as part of the RAD application, HUD requires a certification that that submission of the application by the Authority has been authorized, and that the Authority agrees to comply with the applicable requirements of the RAD program.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF OAKLAND, CALIFORNIA:

THAT, the above referenced recitals are true and correct and incorporated herein by reference and serve, together with the Board Memorandum, as the basis of the actions of the Board of Commissioners set forth below; and

THAT, the Board of Commissioners, hereby authorizes the submission of a RAD Program Application to the U.S. Department of Housing and Urban Development; and

THAT, the Executive Director or designee, is authorized to execute the RAD Program Application and certification that the Authority agrees to comply with all requirements of the RAD Program and applicable HUD notices; and

THAT, if RAD Program application should be approved by HUD, this Resolution also authorizes the execution of all applicable award agreements including, but not limited to, a Mixed Finance Affidavit, RAD Conversion Commitment, RAD Use Agreement, and RAD Housing Assistance Payment Contract; and the implementation of the RAD Program Plan as described in the application; and

THAT, the Executive Director, on behalf of the Authority, is hereby authorized to take all actions necessary to implement the foregoing resolution; and

THAT, if any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any remaining provisions hereof; and

THAT, this Resolution shall take effect from and after its adoption.

I certify that the foregoing resolution is a full, true and correct copy of a resolution passed by the Commissioners of the Housing Authority of the City of Oakland, California on October 23, 2023.

DocuSigned by:

Patricia Wells

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Patricia Wells, Secretary/Executive Director

ADOPTED: October 23, 2023

RESOLUTION NO. 5210

**THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF OAKLAND, CALIFORNIA**

On Motion of Commissioner:

Seconded by Commissioner:

and approved by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

EXCUSED:

THE FOLLOWING RESOLUTION WAS ADOPTED:

NUMBER:

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE
DOCUMENTS TO ALLOW FOR THE RESYNDICATION AND REHABILITATION OF
LION CREEK CROSSINGS PHASE I AND II**

WHEREAS, the Housing Authority of the City of Oakland (“Authority”) is duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provision of the Housing Authorities Law which is Part 2 of Division 24 of the California Health and Safety Code commencing with Section 34200 et seq.; and

WHEREAS, Oakland Coliseum Housing Partners, L.P., is a California Limited Partnership that owns the 115 unit affordable housing complex at 881 and 915 69th Avenue, Oakland, California (APNs 41-4212-4 and 41-4212-5), commonly known as “Lion Creek Crossings Phase I”; and

WHEREAS, Lion Way Housing Partners, L.P., is a California Limited Partnership that owns the 146 unit affordable housing complex at 910 66th Avenue and 6865 Leona Creek Drive, Oakland, California (APNs 41-4212-10-1 and 41-4212-11), commonly known as “Lion Creek Crossings Phase II”; and

WHEREAS, Lion Creek Crossings Phase I and II (the Properties) are two components of the five-phase Lion Creek Crossings development near the Coliseum in East Oakland; and

WHEREAS, Lion Creek Crossings was developed through a partnership of the Authority, Related California (Related), and the East Bay Asian Local Development Corporation

(EBALDC); and

WHEREAS, each phase of Lion Creek Crossings is owned by a separate limited partnership in which an entity controlled by EBALDC is the Managing General Partner and an entity controlled by Related is the Administrative General Partner; and

WHEREAS, the Authority owns the land at Lion Creek Crossings and ground leases it to each of the limited partnerships; and

WHEREAS, Related and EBALDC determined that a tax credit-financed rehabilitation of the Properties could be used to fund the considerable rehab needs of the Properties; and

WHEREAS, Related and EBALDC submitted applications to the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee for 4% tax credits and tax-exempt bonds for a resyndication of the Properties; and

WHEREAS, CDLAC and TCAC awarded an allocation of tax credits and tax-exempt bonds for Lion Creek Crossings Phase I and II at its meetings on December 6, 2023; and

WHEREAS, as the limited partner, ground lessor and a lender to the existing partnerships, the Authority will need to provide a number of consents and agreements to allow the resyndication of the properties to move forward.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF OAKLAND, CALIFORNIA:

THAT, the above referenced recitals are true and correct and incorporated herein by reference and serve, together with the Board Memorandum, as the basis of the actions of the Board of Commissioners set forth below; and

THAT, the Executive Director is authorized to negotiate the terms of the Authority's interests in the resyndication of the Properties provided that such negotiations result in an agreement that is commercially reasonable, financially beneficial to the Properties, and the Authority receives the option after five years of operations to assume the general partner role in the Properties; and

THAT, the Executive Director or designee is authorized to execute any and all documents and agreements necessary to allow for the resyndication of Lion Creek Crossings Phase I and II; and

THAT, the Executive Director, on the advice of counsel, may negotiate terms and conditions for the above agreements that she determines are in the best interest of the Authority and the Properties; and

THAT, the Executive Director or designee, on behalf of the Authority, is hereby authorized to negotiate and execute any other necessary documents, with the advice of counsel, and take all actions, necessary to implement the foregoing resolution; and

THAT, if any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any remaining provisions hereof; and

THAT, this Resolution shall take effect from and after its adoption.

I certify that the foregoing resolution is a full, true and correct copy of a resolution passed by the Commissioners of the Housing Authority of the City of Oakland, California on December 14, 2023.

Secretary

ADOPTED:

RESOLUTION NO.