

**Five Year Implementation Plan  
Alameda Point Improvement Project  
FY 2010/11 – FY 2014/15**

*Prepared for:  
The Community Improvement Commission  
of the City of Alameda*

*Prepared by:  
Keyser Marston Associates, Inc.*

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## I. INTRODUCTION

This Five-Year Implementation Plan (Plan) has been prepared for the Alameda Point Improvement Project (APIP) pursuant to the requirements of Section 33490 of the California Community Redevelopment Law, or CRL (Health and Safety Code). It is for the five year cycle from FY 2010/11 to FY 2014/15. The Community Improvement Commission of the City of Alameda (CIC) has established two other Redevelopment Project Areas: the Business and Waterfront Improvement Project (BWIP) and the West End Community Improvement Project (WECIP). The BWIP and WECIP have the same implementation plan schedules and their Plan for FY 2009/10 - 2013/14 was prepared in March 2010. This Plan outlines ongoing efforts in economic and housing redevelopment in the APIP and refers to applicable policy documents in place, such as the Community Improvement Plan (CIP), Naval Air Station (NAS) Community Reuse Plan (Reuse Plan), Preliminary Development Concept (PDC), General Plan, and Housing Element.

Under CRL, redevelopment agencies are required to adopt a new implementation plan every five years. The purpose of this Plan is to serve as a multi-year planning document for the CIC, to establish the link between the projects to be undertaken and the alleviation of blight in the Project Area, and to demonstrate CIC compliance with affordable housing production and expenditure requirements. The Plan is intended to guide execution of the Redevelopment Plan, while allowing flexibility to respond to specific redevelopment opportunities as they arise. The following information must be presented in the Plan:

- The CIC's specific goals and objectives for the five-year implementation plan period for both non-housing and housing activities;
- Anticipated specific programs and expenditures for the five-year implementation plan period for both non-housing and housing activities;
- An explanation of how the goals, objectives, programs, and expenditures will assist in the elimination of blight;
- Specified information about the CIC's affordable housing program, including plans for deposits to and expenditures from the Low and Moderate Income Housing Fund, and means to achieve the CIC's affordable housing production and income targeting obligations;
- Other information related to the provision of affordable housing.

This Plan must be adopted after a noticed public hearing. The law requires that the Plan be reviewed in a public hearing, and by inference amended, if desirable, between two and three years after adoption. A new plan is required every five years.

Adoption of an implementation plan does not constitute an approval of the specific programs, projects, or expenditures therein, which allows flexibility for the CIC to adjust to changing or unforeseen market conditions, community needs and priorities, and resident and developer

interests. Should assumptions not be realized or unforeseen circumstances arise, modifications to this Implementation Plan may be necessary.

This Plan is divided into two sections. The first section discusses the CIC's goals and objectives related to general (non-housing) redevelopment activities, and describes the proposed programs, projects, and expenditures that will assist with the elimination of blight and the reversal of deteriorating economic trends. The non-housing sections of this Plan cover the period from July 1, 2010 through June 30, 2015. The second section of this Plan discusses the Agency's goals and objectives related to its affordable housing activities, and provides other information concerning CIC's compliance with the affordable housing obligations required by CRL. The sections that describe implementation of housing production, replacement, and income-targeting requirements address a ten-year compliance period. Pursuant to the CRL, the first ten-year compliance period extends from plan adoption in 1998 to 2007, and the second ten-year compliance period is from 2008 to 2017.

#### **A. Project Area Description and Planning Background/Status**

The APIP was established in 1998 on the site of former NAS Alameda, which was decommissioned in 1997. The project area consists of 1,648 acres at the western tip of Alameda, extending from the Oakland Estuary to the San Francisco Bay, and bounded by Main Street to the east. APIP occupies a largely flat, low-lying area, some of which is subject to flooding. Buildings and other structures dating from the area's 61 years as a military base are scattered in the eastern portion of the site. Some have been identified as historic resources. APIP is dominated by airstrips to the west. Existing roadways and infrastructure are old and in need of replacement, and environmental remediation is ongoing due to a long history of military and industrial use.

The 1998 Community Improvement Plan (CIP) for the APIP builds on the principles contained in the Reuse Plan. A potential master developer for Alameda Point (a portion of former NAS Alameda) was selected in 2001; an Exclusive Negotiating Agreement (ENA) executed in 2002; the General Plan amended in 2003 (GPA); and the Preliminary Development Concept (PDC) accepted in 2006. This developer elected not to proceed with the master development of Alameda Point in 2006. A second potential master developer was selected in 2007, and ENA completed in the same year. The second ENA expired in 2010. The Alameda Reuse and Redevelopment Authority (ARRA) is preparing a going-forward process and plan for entitling, acquiring, disposing and developing the land at Alameda Point. In addition to the Reuse Plan, CIP, and PDC, other planning documents that contain goals for the area are Alameda's General Plan and Housing Element.

A profile of the Project Area including plan limits and acreages is provided on Table 1. The boundaries of the Project Area are shown on the following map.

**Table 1**  
**APIP Project Area Profile**  
**APIP Implementation Plan FY 2010/11 to FY 2014/15**  
**City of Alameda CIC**

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Effective Date	March 3, 1998
Ordinance No.	2754
Land Area	1,648 Acres
Certification Date <sup>1</sup>	June 30, 2000
Time Limit for Incurring Debt <sup>2</sup>	June 30, 2020
Time Limit for Redevelopment Activities <sup>2</sup>	June 30, 2031
Time Limit to Receive Tax Increment/Repay Debt <sup>2</sup>	June 30, 2046
Tax Increment Limit <sup>3</sup>	\$780,000,000
Bonded Indebtedness Limit	\$190,000,000

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Notes:

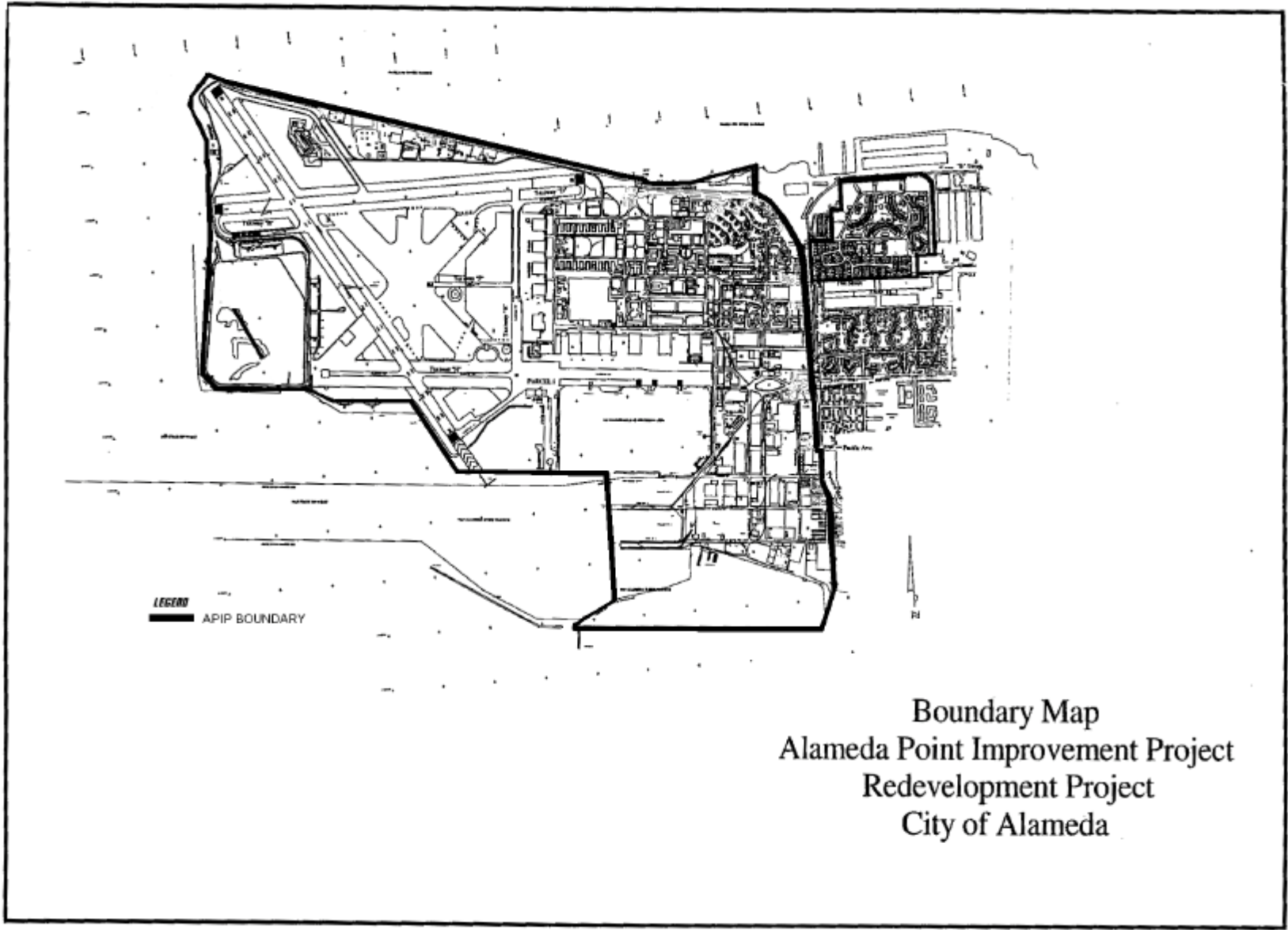
<sup>1</sup> Per CRL sections 33492.9, 33492.13, and 33492.15, for military base conversions, Plan Effectiveness and Time Limits are measured from the Project Area certification date. This is defined as the final day of the first fiscal year in which \$100,000 or more of tax increment funds are paid to the redevelopment agency.

<sup>2</sup> The redevelopment plan time limits reflect the provisions of CRL section 33492.13.

<sup>3</sup> Collected revenues before pass-through payments to taxing jurisdictions and deposits into the low and moderate income housing fund.

ATTACHMENT NO. 2

PROJECT AREA MAP



Boundary Map  
Alameda Point Improvement Project  
Redevelopment Project  
City of Alameda

## **B. Original Project Area Blighting Conditions**

According to the previous Implementation Plan, the APIP CIP identifies the underlying blight conditions that necessitated redevelopment of Alameda Point, as described below.

Alameda Point contains many old, deteriorated, and functionally obsolete buildings. In many cases, the cost of a building upgrade would exceed the replacement value of the structure and require significant capital investment, leading to the need for demolition.

In addition to deteriorated building stock, Alameda Point contains many adjacent uses that would be incompatible in civilian communities. Structures related to maintenance and repair work, heavy industrial uses, and large warehouses can be found in or near residential neighborhoods.

Development patterns in the area are irregular, with clusters of industrial buildings grouped together with limited points of entry and vehicular access. Legal parcels have not been created in many areas, and landscaping is minimal. In general, land use does not comply with present General Plan and zoning standards or present market conditions.

Finally, the new infrastructure needed to revitalize Alameda Point presents a significant financial challenge to the City.

Although redevelopment efforts have been undertaken to remove the blighting conditions since the date of the plan adoption, many are still prevalent today throughout the APIP. Table 2 summarizes the blight conditions in the APIP at the time of plan adoption.

## **C. Overview of Plan Progress/Project Area Accomplishments**

As detailed in the following list, during the prior implementation plan period, the CIC completed a number of projects and programs in the APIP area. A number of efforts were focused on master planning, including a Reuse Plan, GPA, and the creation of the PDC. The existing policy and planning documents and studies will form the foundation for future planning efforts.

- *Discussions with Navy for the conveyance of full APIP site.*
- *Near completion of Public Benefit Conveyance for a future 60-acre regional sports park.*
- *Environmental remediation, resulting in 75% of the base being transferred, ready for transfer, or undergoing active clean-up. The Navy has spent approximately \$450 million on remediation so far and expects that another \$120 million will be needed.*

**Table 2**  
**Blighting Conditions at Time of Plan Adoption**  
**APIP Implementation Plan FY 2010/11 to FY 2014/15**  
**City of Alameda CIC**

<b>Blight Conditions - Law at the Time of Plan Adoption</b>	<b>Major Blight Factor per CIP</b>
Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate infrastructure, or other similar factors.	X
Factors that prevent or substantially hinder the economically viable reuse or capacity of buildings or areas. This condition can be caused by ..... substandard design; buildings that are too large or too small, given present standards and market conditions; age, obsolescence, deterioration, dilapidation, or other physical conditions, that could prevent the highest and best uses of the property. This condition can also be caused by bulidings that will have to be demolished, or buildings or areas that have a lack of adequate parking.	X
Adjacent or nearby uses that are incompatible with each other and that prevent the economic development of those parcels or other portions of the Project Area.	X
Buildings on land that, when subdivided, or when infrastructure is installed, will not comply with community subdivision, zoning, or planning regulations.	X
Properties currently served by infrastructure that does not meet existing adopted utility or community infrastructure standards.	X
Buildings that, when built, did not conform to the then effective building, plumbing, mechanical, or electrical codes adopted by the community where the project area is located.	
Land that contains materials or facilities, including, but not limited to, materials for aircraft landing pads and runways, that will have to be removed to allow development.	



- *Ongoing efforts to convey the Northwest Territories to the Agency, 215 acres of land to include a shoreline trail along the Estuary.*
- *Work with MTC Planned Redevelopment Area programs and grants to access technical and financial assistance to support regional planning goals.*
- *Ongoing Alameda Point Collaborative (APC) social services and economic development initiatives including Ploughshares Nursery, Cycles of Change Bike Shop, an urban farm and commercial kitchen.*
- *Ongoing property leasing program, including approximately two million square feet of commercially leased space.*
- *Completion of Stargell Avenue and Mitchell-Moseley improvements.*
- *Removal of former Navy checkpoint and gateway canopy at Atlantic Avenue.*
- *PM Realty Group sidewalk replacement and repair program.*
- *CDBG funding for sidewalk curb cuts and handicapped access ramps.*
- *Support of ongoing efforts to transfer 549 acres from the Navy to the Veteran's Administration, including new outpatient facilities, a columbarium, and a wildlife refuge.*
- *Portion of Alameda Point Bay Trail completed by East Bay Regional Park District.*

CIC progress in preserving and expanding the supply of housing available to low-and moderate-income households is described in Section III of this Plan.

## **II. NON-AFFORDABLE HOUSING GOALS, OBJECTIVES, PLANNED PROGRAMS, EXPENDITURES FOR 5-YEAR IMPLEMENTATION PLAN PERIOD**

The Five-Year Implementation Plan for Fiscal Years 2005/06 - 2009/10 states that the major goals of the CIP are as follows:

- The elimination of blighting influences and the correction of environmental deficiencies in the APIP, including buildings in which it is unsafe or unhealthy for persons to live or work; small and irregular lots; faulty exterior spacing; obsolete and aged building types; mixed character or shifting uses or vacancies; incompatible and uneconomic land uses; substandard alleys; and inadequate or deteriorated public improvements, facilities, and utilities.
- The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the APIP.
- The replanning, redesign, and development of portions of the APIP, which are stagnant or improperly used.
- The provision of opportunities for participation by owners and tenants in the revitalization of their properties.
- The strengthening of the economic base of the APIP and the community by the installation of needed site improvements to stimulate new residential, commercial, and light industrial expansion, employment, and social and economic growth.
- The provision of adequate land for parking and open spaces.
- The establishment and implementation of performance criteria to assure high quality site design standards and environmental quality and other design elements, which provide unity and integrity to the entire APIP.
- The expansion, improvement, and preservation of the community's supply of housing available to low- and moderate-income persons and families.

These principal goals remain relevant for the FY 2010/11 - 2014/15 Implementation Plan. The goals and objectives of the CIP have also been incorporated into various City planning documents since 1998, such as the Housing Element, General Plan, and PDC.

## A. Project Area Goals and Objectives

The major goals of APIP as stated in the previous implementation plan include:

- a. Implementation of recommendations in the Reuse Plan. Examples of specific projects include regulatory changes (revisions to the General Plan and Zoning Ordinance), fiscal impact analyses, etc., necessary for high quality development within the APIP.
- b. Facilitation of high priority privately or publicly sponsored catalyst development projects in the form of financial/engineering/architectural/environmental analyses, site planning and project development, etc. Possible projects include adaptive reuse of existing industrial or commercial sites or buildings on the former base, including, but not limited to, non-traditional residential activities such as work/live space, and acquisition, disposition, or reuse of underutilized public or privately owned properties.
- c. Support for ongoing activities aimed at business attraction/retention, business promotion, and enhancement of the economic mix in the APIP area. Potential projects include contracting with local and regional business associations for design, promotional business retention and attraction activities. Possible projects include financial assistance for façade improvements of commercial buildings, seismic upgrading and the adaptive reuse of key landmark buildings. This will help achieve the goal of strengthening commercial and industrial business districts in the APIP.
- d. Design and construction of streetscape improvements. Possible projects include feasibility studies to carry out the recommendations contained in the NAS Alameda Street Improvement Plan.
- e. Improvements to traffic circulation and regional access to the City. An example is the determination of an alignment for the proposed Mitchell-Mosley and/or Stargell Extension, which will guide development on former Fleet Industrial Supply Center (FISC) properties at Alameda Point. Establishment of the alignment will improve circulation to presently underutilized properties, making them suitable for private development.
- f. Improvements to public infrastructure and facilities that are of benefit to the APIP and allowed by CRL. Possible improvement projects include transportation, parking, public safety, storm drains, sidewalks, curbs, gutters, sewer lines and laterals. Examples of possible projects include developing more public parking, developing new park and recreational open spaces, and improving existing open spaces.
- g. Development of design improvements and coordinated design standards for the Atlantic Avenue entrance to APIP. Possible projects include preparation of streetscape improvements.

## **B. APIP Goals and Objectives for the Next Five Years**

Pursuant to meeting these Plan goals, the new Plan establishes operational goals and objectives for the period of 2010/11 to 2014/15, as follows:

- a. *Continue planning efforts necessary to facilitate high quality development within the APIP.* Following the expiration of the 2007 ENA with the second potential developer, described above, the Agency is engaged in planning efforts for entitling, acquiring, disposing, and developing land at Alameda Point. Another important long-term planning activity involves continuing negotiations with the Navy for the conveyance of the full APIP site. Preparing the tools necessary to guide future development of the site will remain a priority over the next Plan period.
- b. *Continue to facilitate high priority catalyst development projects.* The provision of site clean-up, open space, public amenity, and key “starter” projects will give the APIP the development framework necessary to attract future public and private projects. Identification and promotion of such projects will continue during the next Plan period.
- c. *Continue to support activities aimed at business attraction/retention, business promotion, and enhancement of the economic mix.* Attraction and retention of businesses will keep the area active while long term development plans are produced.
- d. *Continue efforts to improve public infrastructure and facilities.*

Achievement of these operational goals and objectives will help create the necessary conditions to attract new residential and commercial investment in the APIP. Specific programs, projects, and expenditures for the 2010/11 to 2014/15 timeframe are discussed in the next section.

In addition, the CIC will support the expansion and revitalization of the affordable housing stock in the APIP (see Section III).

## **C. Programs, Projects and Expenditures for the Next Five Years**

The CIC has identified programs and projects that may be implemented during the five-year period of the Plan, as follows. The CIC will allocate its actual resources among the programs depending upon conditions in place at the time of implementation.

- a. *Planning Efforts.*
  - Long term planning documents as needed, including infrastructure and transportation planning
  - Regulatory document amendments/updates as needed to reflect long term plans (General Plan, Housing Element, Zoning Ordinance)
  - Asset management policy for interim and long-term leasing

*b. Catalyst Projects.*

- Site environmental remediation by Navy
- Conveyance from Navy of initial phases of APIP site
- Navy land transfer to Veteran's Administration for facilities and wildlife refuge
- Support for Alameda Point Collaborative facilities, services and businesses

*c. Business Attraction/Retention.*

- Property leasing program, including strategic long-term commercial leasing
- Attract tenants for new commercial development in initial phases

*d. Public Infrastructure and Facilities.*

- Construction of new infrastructure in initial phases
- Streetscape beautification, including Main Street and Atlantic Avenue improvements
- Circulation improvements, including Mitchell-Moseley and Stargell Avenue
- PM Realty Group sidewalk replacement and repair program
- CDBG funding for sidewalk curb cuts and handicapped access ramps

**D. How CIC's Projects and Programs Will Assist in Elimination of Blight**

The proposed redevelopment projects and programs delineated in this Plan will advance the CIC's goals and objectives and eliminate blighting conditions in the APIP. The relationship between each proposed program and the elimination of blighting conditions is summarized in Table 3.

Unforeseen projects in addition to those identified may be pursued in the implementation of the specific programs identified. In all cases, the CIC will only undertake those projects that are feasible given the resources available at the time. There is no commitment to undertake projects beyond the resources of CIC, nor does the identification of possible projects and programs in this Plan constitute a formal approval by CIC of any specific project. It is anticipated that the CIC will periodically review the above-proposed programs, projects and expenditures, and based upon its priorities and resources available at that time, amend the Plan as necessary.

**Table 3**  
**Blighting Conditions Addressed by Goals, Objectives, Potential Projects and Programs**  
**APIP Implementation Plan FY 2010/11 to FY 2014/15**  
**City of Alameda CIC**

Blight Conditions - Current Law as Applied to Military Base Conversions	Goals and Objectives (Community Improvement Plan)								Operational Goals and Programs (Implementation Plan)			
	Eliminate Blighting Influences	Land Assembly	Planning, Redesign, Devel.	Owner/ Tenant Participn.	Strengthen Econ. Base thru Site Imprvmts.	Parking and Open Space	Design/ Enviro. Standards	Affordable Housing	Planning Efforts	Catalyst Projects	Business Attraction/ Retention	Public Infrastr./ Facilities
Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate infrastructure, or other similar factors.	X			X				X		X	X	
Factors that prevent or substantially hinder the economically viable reuse or capacity of buildings or areas. This condition can be caused by ..... substandard design; buildings that are too large or too small, given present standards and market conditions; age, obsolescence, deterioration, dilapidation, or other physical conditions, that could prevent the highest and best uses of the property. This condition can also be caused by bulidings that will have to be demolished, or buildings or areas that have a lack of adequate parking.	X			X	X	X	X	X		X	X	
Adjacent or nearby uses that are incompatible with each other and that prevent the economic development of those parcels or other portions of the Project Area.	X		X				X		X			
Buildings on land that, when subdivided, or when infrastructure is installed, will not comply with community subdivision, zoning, or planning regulations.	X	X	X				X		X			
Properties currently served by infrastructure that does not meet existing adopted utility or community infrastructure standards.	X		X		X	X			X			X
Buildings that, when built, did not conform to the then effective building, plumbing, mechanical, or electrical codes adopted by the community where the project area is located.	X			X				X		X	X	
Land that contains materials or facilities, including, but not limited to, materials for aircraft landing pads and runways, that will have to be removed to allow development.	X		X		X		X		X	X		

## **E. Financing Redevelopment Activities**

Estimates of tax increment revenues, expenditures and net revenues available for APIP projects and programs over the next five years are shown on Table 4. It is estimated that a total of \$1.3 million of revenue (net of deposits to the Low/Moderate Housing Fund) will be generated over the five-year period, primarily from tax increment. Tax increment is generated primarily from unsecured properties.

APIP's expenses include a debt service obligation to Alameda's General Fund, payments to taxing agencies, and administration costs. Debt service payments are estimated to total \$547,000 over the period, taxing agency payments are estimated to total \$326,000, and administration costs are estimated to total \$105,000. In addition, it is estimated that the CIC will be able to spend \$161,000 for planning activities and \$81,000 for new infrastructure construction activities over the period. An estimated SERAF payment of approximately \$100,000 in 2011 is discussed below. As shown on Table 4, the combined cumulative total of expenditures over the five years is anticipated to be \$1.3 million.

### *SERAF*

Per recently approved SERAF legislation (SB 26 4x), the CIC made payments for its redevelopment areas in May 2010 and has set aside a payment due prior to May 10, 2011. APIP's 2010 allocation was approximately \$488,000 and its 2011 allocation approximately \$100,000. All CIC SERAF obligations, including APIP obligations, have been accounted for in the BWIP and WECIP Fiscal Years 2009/10-2013/14 Implementation Plan prepared by Keyser Marston Associates in March 2010. SB 26 4x is currently being legally challenged.

**Table 4**  
**Funds Available for Non-Housing Redevelopment Activities**  
**APIP Implementation Plan FY 2010/11 to FY 2014/15**  
**City of Alameda CIC**

*Source: City of Alameda Annual Budget for Fiscal Year 2010-2011 and Budget Forecast for Fiscal Year 2011-2012, KMA estimates.*

**TAX INCREMENT FINANCING ONLY**

	2010-11	2011-12	2012-13	2013-14	2014-15	Five-Yr Total
<b>Beginning Balance</b> <sup>1</sup>						
Cash	56,168	97,800	97,800	97,800	97,800	56,168
Pre-Funded SERAF Payment <sup>2</sup>	100,207	0	0	0	0	100,207
<b>Total Adjusted Beginning Cash Balance</b>	<b>156,375</b>	<b>97,800</b>	<b>97,800</b>	<b>97,800</b>	<b>97,800</b>	<b>156,375</b>
<b>Revenues</b> <sup>1</sup>						
Gross Tax Increment <sup>3</sup>	315,345	315,345	315,345	315,345	315,345	1,576,725
(Less) Housing Set-Aside (20%)	(63,070)	(63,070)	(63,070)	(63,070)	(63,070)	(315,350)
<b>Gross Revenues after Housing Set Aside</b>	<b>252,275</b>	<b>252,275</b>	<b>252,275</b>	<b>252,275</b>	<b>252,275</b>	<b>1,261,375</b>
<b>Expenditures</b>						
<b>Non-Discretionary</b>						
<b>Pass Throughs</b>						
Statutory Pass Throughs	63,069	63,069	63,069	63,069	63,069	315,345
County Admin Fee	2,175	2,175	2,175	2,175	2,175	10,875
Total Pass Through and County Admin.	65,244	65,244	65,244	65,244	65,244	326,220
<b>Debt Service / General Fund Advance</b> <sup>1</sup>	109,330	109,330	109,330	109,330	109,330	546,650
<b>Administration</b> <sup>1</sup>	21,026	21,026	21,026	21,026	21,026	105,130
<b>SERAF Payment</b> <sup>2</sup>	100,207	0	0	0	0	100,207
<b>Total Non-Discretionary</b>	<b>295,807</b>	<b>195,600</b>	<b>195,600</b>	<b>195,600</b>	<b>195,600</b>	<b>1,078,207</b>
<b>Discretionary</b>						
<b>Planning</b>	10,029	37,783	37,783	37,783	37,783	161,162
<b>New Infrastructure Construction</b>	5,014	18,892	18,892	18,892	18,892	80,581
<b>Total Discretionary</b>	<b>15,043</b>	<b>56,675</b>	<b>56,675</b>	<b>56,675</b>	<b>56,675</b>	<b>241,743</b>
<b>Total Expenditures</b>	<b>310,850</b>	<b>252,275</b>	<b>252,275</b>	<b>252,275</b>	<b>252,275</b>	<b>1,319,950</b>
<b>Ending Cash Balance</b> <sup>4</sup>	<b>97,800</b>	<b>97,800</b>	<b>97,800</b>	<b>97,800</b>	<b>97,800</b>	<b>97,800</b>

**Notes:**

<sup>1</sup> Based on City of Alameda Annual Budget for Fiscal Year 2010-2011 and Budget Forecast for Fiscal Year 2011-2012.

Assumes revenues and expenditures remain constant as tax base is not expected to change.

<sup>2</sup> APIP estimated SERAF obligations of \$486,723 for FY 2009/10 and \$100,207 for FY 2010/11 were set aside in FY 2009/10

<sup>3</sup> Tax increment is based primarily on unsecured property values and is not expected to increase over time.

<sup>4</sup> Targeted for a 6 month operating cash reserve for non-discretionary obligations.



### **III. HOUSING COMPLIANCE AND PLAN**

#### **A. Introduction**

This is the Affordable Housing Compliance portion of the Plan. It has been prepared to meet the requirements of CRL and to guide the CIC in its housing related activities over the next ten years. Specifically, this report addresses the following sections of the California Health and Safety Code:

- Low and moderate-income housing production requirements (Section 33413)
- Replacement housing requirements (Section 33413)
- Twenty percent (20%) housing fund requirements (Section 33334.2)
- Housing fund expenditure targeting requirements (Section 33334.4)

In 1991, the California State Legislature adopted Assembly Bill 315, which added Subsection 33413(b)(4) to the State Health and Safety Code. AB 315 requires each redevelopment agency to adopt a plan demonstrating how the agency will comply with the affordable housing production requirements of the Code. The plan is often referred to as an AB 315 Plan.

In 1993, the Legislature adopted Assembly Bill 1290, a comprehensive redevelopment reform bill. One of the key provisions is the requirement that each agency prepare and adopt an overall Implementation Plan. The Implementation Plan incorporates the AB 315 requirements for the housing portion of redevelopment activities and establishes a time frame and process for the plan as a whole. AB 1290 also specifies additional requirements with respect to housing production compliance and expenditures of the Agency's Low- and Moderate-Income Housing Fund monies. AB 1290 also requires that the Plan be consistent with the City's Housing Element, which has its own time line for adoption and amendment.

In 2002, Assembly Bill 637 and Senate Bill 211 were added to the CRL. AB 637 changed the redevelopment agency affordable housing production, replacement housing, and Low- and Moderate-Income Housing Fund requirements. SB 211 established a simplified procedure to eliminate debt incurrence time limits for pre-1994 plans, allowed amendments to redevelopment plans to extend plan effectiveness/tax increment receipt deadlines for pre-1994 plans, and required that certain affordable housing obligations be met by the end of the redevelopment plans. Due to several inconsistencies created by these two pieces of new legislation in the CRL, a third piece, Senate Bill 701, was adopted in 2003 to "clean up" and clarify much of the confusion created by AB 637 and SB 211, and to make some additional changes to the CRL.

This section, therefore, is the CIC's AB 315 Plan as well as the housing portion of the CIC's AB 1290 Implementation Plan, updated with the changes required by the three pieces of legislation, AB 637, SB 211 and SB 701. Per AB 315 and as amended by SB 637, the CIC is required to meet its housing production requirements during each specific ten year period (the first

extending from January 1, 1998 to December 31, 2007, and the second from January 1, 2008 to December 31, 2017). Housing fund targeting requirements should be met by the end of the same ten year period.

Per AB 1290, the CIC must adopt an Implementation Plan, with its housing component, for FY 2010/11-2014/15. The law requires that the Plan be reviewed in a public hearing, and by inference amended if desirable, between two and three years after adoption. A new Implementation Plan is required to be prepared and adopted every five years.

## **B. Affordable Housing Production Compliance**

### ***1. Housing Production Requirement***

State law requires defined percentages of newly constructed and substantially rehabilitated housing within the APIP that must be restricted for very low-, low- and moderate-income households. At least 15% of all new or substantially rehabilitated units in the APIP that were not developed / significantly rehabilitated by the CIC must be affordable to and occupied by very low-, low- and moderate-income households. Of the required 15% affordable housing, 40% must be restricted to very low-income households.

For units that were either directly developed or substantially rehabilitated by the CIC, the affordable housing production requirement is that at least 30% of these units must be restricted to very low-, low- and moderate-income households. And, not less than 50% of the requisite affordable units shall be available at affordable housing cost to and occupied by very low-income households. In the case of the CIC, no such housing has been produced.

“Substantially rehabilitated” means rehabilitation in which the value of the rehabilitation constitutes 25% of the after-rehabilitation value of the dwelling unit(s). Originally, under AB 1290, the rehabilitated units to be included in this calculation consisted of all one- and two-unit complexes that have undergone substantial rehabilitation with CIC assistance, and all multi-family rented dwelling units with three or more units that are substantially rehabilitated, regardless of the funding source. As amended by SB 701 and AB 637, however, as of January 1, 2002, the multi-family units to be counted must be substantially rehabilitated and have received agency assistance.

The definitions of very low income, low income, and moderate income are established for each county by the U.S. Department of Housing and Urban Development (HUD), based on the median income for the county. Generally, very low income refers to less than 50% of the median income. Low to moderate income refers to less than 120% of median. Income levels meeting these definitions vary by household size. “Affordable housing cost” is defined in Sections 50052.5 and 50053 of the Health and Safety Code and can vary depending on whether the housing is rental or owner-occupied.

In order for units to count toward meeting the CIC's affordable housing production requirements, prices or rent for units must be restricted by CIC-imposed covenants or restrictions recorded against the real property in which the units are located. These covenants and restrictions must remain in effect for the "longest feasible time," but in any event not less than specified minimum time periods. AB 637 imposed a minimum duration period of 55 years for rental units and 45 years for owner-occupied units. These minimum periods are required for affordable covenants recorded after January 1, 2002. For units constructed prior to January 1, 2002, the minimum period for affordability covenants is the remaining life of the redevelopment plan.

## **2. Housing Counted Toward Meeting the Housing Production Requirement**

Per Redevelopment Housing Law, units to be counted towards meeting the CIC's housing production requirement include the following:

1. New construction and substantially rehabilitated units, with affordability covenants; existing multi-family units on which covenants have been purchased with CIC assistance so that the units will remain affordable for at least 55 years. At least 50% of purchased covenants must be for very low-income households. Units acquired through covenant purchase cannot constitute more than 50% of the units included to meet the housing production requirement;
2. Covenanted units caused to be produced by the CIC located outside the APIP but within the City of Alameda. One unit for every two produced outside of the APIP may count towards the CIC's housing production requirement.

Units produced to replace affordable units that have been removed as a result of redevelopment action are not included in the CIC's count of new compliant units. Neither are deed-restricted ownership units that have been sold and the affordability covenants lifted prior to the expiration of the requisite affordability period included in CIC's compliant unit count, unless the housing funds are recaptured and used to assist another unit at the same income level within three years of sale and appropriate affordability covenants are placed on the new unit.

## **3. Past Affordable Housing Production and Compliance Status – 1998 through 2010**

This section describes housing production activity within APIP from its adoption to the end of the prior implementation period, as required by CRL. None of the housing units produced within the APIP was built by the CIC. Consequently, only "Non-Agency-Built" production requirements are applicable. As described above, this is a minimum of 15% of all newly built and significantly rehabilitated units restricted to low- to moderate-income, of which at least 40% must be very-low income units.

- *Period of 1998 through 2007 (First Ten Year Production Compliance Period)*

As shown below, a total of 246 units were substantially rehabilitated in the APIP from the adoption of the Redevelopment Plan in 1998 to the end of the first ten-year production period in 2007. Of the substantially rehabilitated units, 178 are affordable to very low-income households. CRL requires that 37 of the 246 units be affordable to low to moderate-income households, and that 15 of the affordable units be affordable to very low-income households. Therefore, the agency exceeded its requirement in the first ten year compliance period.

<i>First Ten-Year Production Compliance Period - 1998 to 2007</i>	<i>Total New/Substantially Rehabilitated Units in the APIP</i>	<i>Very Low- to Moderate- Income Units</i>	<i>Very Low Income Units</i>
Total Units Built/Subst. Rehabbed.	246	<u>x 15%</u>	<u>x 6%</u>
Required Minimum No. of Units		37	15
Provided Deed Restricted Units		178	178
No. in Excess of Minimum Reqmt.		141	163

- *Period of FY 2005/06 through FY 2009/10 (prior Implementation Plan Period)*

The table below shows the housing activity and compliance for the prior implementation period (FY 2005/06 to FY 2009/10). Due to delays in planning and development efforts including the cancelation and expiration of two ENAs with potential master developers for redevelopment of the base, no new units were built or rehabilitated in the APIP, and no requirements were triggered.

<i>Prior Implementation Plan Period - FY 2005/06 to FY 2009/10</i>	<i>Total New/Substantially Rehabilitated Units in the APIP</i>	<i>Very Low to Moderate Income Units</i>	<i>Very Low Income Units</i>
Total Units Built/Subst. Rehabbed.	0	<u>x 15%</u>	<u>x 6%</u>
Required Minimum No. of Units		0	0
Provided Deed Restricted Units		0	0
No. in Excess of Minimum Reqmt.		0	0

- *Cumulative Past Production Status (1998 through 2010)*

As summarized in the following table, from APIP adoption in 1998 through the past Implementation Plan period, the CIC is in compliance with its affordable housing production requirements. The number of total deed restricted units exceeds the minimum requirement of the law by 141 units. The number of very low-income units exceeds the minimum requirement of the law by 163 units.

<i>Cumulative - 1998 to 2010</i>	<i>Total New/Substantially Rehabilitated Units in the APIP</i>	<i>Very Low to Moderate Income Units</i>	<i>Very Low Income Units</i>
Total Units Built/Subst. Rehabbed.	246	<u>x 15%</u>	<u>x 6%</u>
Required Minimum No. of Units		37	15
Provided Deed Restricted Units		178	178
No. in Excess of Minimum Reqmt.		141	163

#### **4. Anticipated Housing Production and Status through 2017**

The State Law, as clarified in AB 1290, requires that redevelopment agencies meet their affordability production requirements every ten years. Because the second Implementation Plan period for the APIP was delayed several years due to negotiations with the Navy and community-based planning efforts, the 10-year compliance periods for housing do not coincide with Implementation Plan periods. The end date of the current 10-year period is December 31, 2017. The AB 315 Plan and the more stringent AB 1290 require redevelopment agencies to delineate how they intend to meet the production requirements by the end of the 10-year period.

One component of this Plan is, therefore, documentation of the specific projects and actions that will be undertaken to generate the required number of affordable units. A second component is general policies and procedures that the City and CIC plan to pursue to increase and encourage the production of affordable housing in the APIP.

##### *a. Specific Projects and Actions*

As described in the Non-Affordable Housing section of this Implementation Plan (Section II.), planning efforts in the APIP have been stalled due to the withdrawal of the first master developer, and the expiration of the second ENA.

While the Agency continues planning efforts in the APIP, any development at Alameda Point will likely be limited during the upcoming plan period through 2014/15. It is expected, however, that approximately 200 units will be built through the end of the current 10-year compliance period in 2017. These units will trigger a requirement for approximately 30 affordable units, of which 12 should be for very-low income households. As outlined more specifically below, it is anticipated that this requirement will be exceeded.

In addition to Alameda Point projects, it should be noted that in November 2007, the Navy declared an additional 41 acres of the former Naval Air Station Alameda surplus. That property, referred to as North Housing, is located east of Main Street and adjacent to (but not contiguous with) Alameda Point. North Housing is located in the APIP. Pursuant to Federal statute, the ARRA conducted the screening process for homeless accommodation and Public Benefit Conveyance (PBC) and, in March 2009, approved a homeless accommodation of 90 units of multifamily rental housing for formerly homeless households. HUD and Navy approval

are also required prior to implementing the homeless accommodation. The accommodation, and an amendment to the Alameda Point Community Reuse Plan, were submitted to HUD for approval in March 2009, and approval is still pending.

Once the homeless accommodation is approved, the Navy plans to dispose of the balance of the North Housing property (portions not utilized for the accommodation or PBC) for redevelopment consistent with the amended Reuse Plan. It is likely that the Navy will dispose of the property during the 10-year housing compliance period and that predevelopment activity will be underway on the 90 rental housing units. Should any units be produced within the 10-year compliance period, it is expected that they will be in compliance with CRL production requirements, as outlined below.

*b. General Policies and Procedures*

The City of Alameda has an Inclusionary Zoning Ordinance and a Density Bonus Ordinance. The Inclusionary Ordinance requires that 15% of units be restricted for very low- (4%), low- (4%), or moderate-income (7%) households. In June 2004, the CIC adopted a resolution increasing its inclusionary requirement to 25%. This resolution was amended in November 2009, to roll back inclusionary requirements to 15% in redevelopment areas. The amended resolution was approved in conjunction with adopting the Density Bonus Ordinance. The purpose of the Density Bonus Ordinance is to create incentives for the provision of affordable housing, senior housing and the development of child care facilities in Alameda.

In addition to the City's requirements, a legal settlement with Renewed Hope and Arc Ecology requires that 25% of the new units built in the APIP be available to and occupied by very low- (6%), low- (10%), and moderate-income (9%) families. The settlement does not apply to North Housing, which will fall under the City's 15% inclusionary requirement.

It is expected that Alameda's Density Bonus ordinance, as well as the 25% affordable housing requirement per the settlement agreement, and the City's 15% inclusionary housing requirement, will ensure that the required proportion of income-restricted units per CRL are developed in the APIP during each planning and compliance period, and throughout the life of the Redevelopment Plan.

*c. Anticipated Ten-Year Affordable Housing Production Compliance Status (through 2017)*

Two hundred units are anticipated during the current ten-year compliance period (2008 to 2017), triggering a need for 30 very low to moderate income units, of which 12 must be for very low-income households. These units are subject to the Renewed Hope and Arc Ecology legal settlement agreement, and will therefore include 25% of units affordable to very low- to moderate-income households. As shown below, compliance with the settlement will produce affordable units exceeding CRL requirements during the ten-year period.

<i>Ten-Year Housing Production Compliance Period – 2008 to 2017</i>	<i>Total New / Substantially Rehab. Units in the APIP</i>	<i>Very Low to Moderate Income Units</i>	<i>Very Low Income Units</i>
Anticipated Units Built/Subst. Rehabbed.	200	<u>x 15%</u>	<u>x 6%</u>
Required Minimum No. of Units		30	12
Anticipated Deed Restricted Units		50	12
No. in Excess of Minimum Reqmt.		20	0

The cumulative production of units for the first and second ten-year compliance periods will also exceed those required by CRL:

<i>Cumulative Ten-Year Housing Production Compliance Periods – 1998 to 2017</i>	<i>Total New / Substantially Rehab. Units in the APIP</i>	<i>Very Low to Moderate Income Units</i>	<i>Very Low Income Units</i>
Total Units Built/Subst. Rehabbed.	446	<u>x 15%</u>	<u>x 6%</u>
Required Minimum No. of Units		67	27
Provided Deed Restricted Units		228	190
No. in Excess of Minimum Reqmt.		161	163

### **5. Anticipated Housing Production over the Next Ten Years (through 2020)**

Housing units could come on line before 2020 as part of the planned 90-unit homeless accommodation, or as a result of other efforts undertaken by the Agency. It is expected that any housing produced during the next ten years will be subject to the City of Alameda's Density Bonus Ordinance, the Renewed Hope/Arc Ecology settlement requirement, and/or the City's inclusionary requirement. These requirements should ensure that the proportion of units required by CRL to be restricted to very low-, low-, and moderate-income households is achieved.

### **6. Affordable Housing Production Compliance over the Life of the Project**

The 1994 amendment to AB 1290 (Bergeson, SB 732) requires that the Housing Production Plan address affordable housing compliance over the life of the Redevelopment Plan. For the APIP, the termination date is June 30, 2031.

Per the Alameda Point Community Reuse Plan, it is expected that a total of 2,235 units will eventually be produced in the APIP, including the anticipated 200 new units in Alameda Point, 90-unit North Housing homeless accommodation, and existing 200 Alameda Point Collaborative units. With the Renewed Hope/Arc Ecology settlement requirement for 25% inclusionary units, the City's density bonus program, and the City's inclusionary housing requirement, it is expected that the APIP will continue to exceed the legal minimum affordable housing production requirements throughout the life of the project area.

## **7. Replacement Unit Compliance Status**

CRL requires that dwelling units housing persons and families of low- or moderate-income removed as a result of redevelopment action must be replaced by an equal number of units that have an equal or greater number of bedrooms as those removed. Prior to January 1, 2002, 75% of the replacement units were required to be affordable to households at the same or lower income levels as the household displaced. Post January 1, 2002, 100% of the replacement units must be affordable to households at the same or lower income levels as those displaced. Demolished units must be replaced within four years of being removed.

No affordable units have been removed or are expected to be removed by CIC actions. Over the next five-year period, CIC anticipates no replacement of existing affordable units.

## **C. Housing Fund Revenues and Expenditures**

The CRL requires a redevelopment agency to direct at least 20% of all gross tax increment revenues generated in its project area to a separate Low and Moderate Income Housing Fund. This fund must be used for the purpose of increasing, improving or preserving the supply of low- and moderate-income units within the community. To fulfill this purpose, redevelopment agencies may expend funds on a fairly broad range of uses for affordable housing, including land acquisition, building acquisition, construction of new units, on- and off-site improvements, rehabilitation of existing units, payments on a portion of principal and interest on bonds, loans and subsidies to buyers or renters, and other programs that meet the stated objectives.

This section summarizes APIP's Housing Fund resources now available and expected to be available over the next five years, and how those resources will be expended to meet the purposes summarized above.

### **1. Housing Fund Resources, FY 2010/11 – FY 2014/15**

CRL requires that no less than 20% of gross tax increment be deposited into a Low and Moderate Income Housing Fund and used strictly for low- to moderate-income housing activities. APIP's Housing Fund revenues stem solely from this 20% of tax increment, and from interest on fund balances.

The cash flow projection for the APIP Low and Moderate Income Housing Fund is presented on Table 5. As shown, it is estimated that the Housing Fund will have a balance of \$351,000 at the beginning of FY 2010/11. Over the next 5 years Housing Fund deposits and interest are expected to be approximately \$65,600 per year, totaling \$328,000. The cumulative total of available resources over the 5-year period is anticipated to be approximately \$679,000.<sup>1</sup>

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<sup>1</sup> Including \$328,000 total revenue and fund balance of \$351,000.



**Table 5**  
**Low and Moderate Income Housing Fund Expenditures**  
**APIP Implementation Plan FY 2010/11 to FY 2014/15**  
**City of Alameda CIC**

	2010-11	2011-12	2012-13	2013-14	2014-15	Five Year Total
<b><u>Beginning Cash Balance</u></b>	<b>\$351,085</b>	<b>\$385,715</b>	<b>\$345,345</b>	<b>\$279,975</b>	<b>\$314,605</b>	<b>\$351,085</b>
<b><u>Revenues</u></b>						
Housing Set-Aside	\$63,070	\$63,070	\$63,070	\$63,070	\$63,070	\$315,350
Interest Income	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
<b>Total Revenues</b>	<b>\$65,570</b>	<b>\$65,570</b>	<b>\$65,570</b>	<b>\$65,570</b>	<b>\$65,570</b>	<b>\$327,850</b>
<b><u>Expenditures</u></b>						
Alameda Point Collaborative	\$0	\$0	\$100,000	\$0	\$0	\$100,000
North Housing Predevelopment	\$0	\$75,000	\$0	\$0	\$0	\$75,000
Administration	\$30,940	\$30,940	\$30,940	\$30,940	\$30,940	\$154,700
	<b>\$30,940</b>	<b>\$105,940</b>	<b>\$130,940</b>	<b>\$30,940</b>	<b>\$30,940</b>	<b>\$329,700</b>
<b><u>Ending Balance</u></b>	<b>\$385,715</b>	<b>\$345,345</b>	<b>\$279,975</b>	<b>\$314,605</b>	<b>\$349,235</b>	<b>\$349,235</b>

Source: City of Alameda.

## **2. Housing Fund Programs, Projects, and Expenditures**

APIP's anticipated annual Housing Fund expenditures for the next five years are also presented in Table 5. Pursuant to the 1996 Alameda Point Memorandum of Understanding for the Standards of Reasonableness/Homeless Accommodation, as amended, the CIC has committed \$3.6 million in APIP housing funds to infrastructure improvements to support the APC's existing housing project. This project consists of 200 units of housing affordable to very low- and low-income households. It is anticipated that these funds will be made available as part of a larger bond issuance when Alameda Point is redeveloped. Until then, housing funds not spent on other projects are being accumulated to comply with this obligation.

In addition to accruing funds toward meeting this commitment, spending is anticipated for the on-going administration of 59-year legally binding agreements (LBAs) on the APC units (\$100,000). The remaining term on these agreements varies, and is on average approximately 40 years. Predevelopment for the North Housing homeless accommodation project is expected to be \$75,000. It is also estimated that the APIP will incur approximately \$155,000 of administrative expenses over the 5-year period, or \$31,000 annually. These include County administrative fees, supplies, legal and consultant costs, and equipment.

It should be noted that CIC will only undertake those projects that are feasible given actual resources that are available and there is no commitment to undertake projects beyond these resources.

### **D. Expenditures Relative to the Community's Need**

Under CRL Section 33334.4, CIC must target its Housing Fund expenditures to assist: (1) low and very low-income households in proportion to the units needed to assist such households as determined by the regional fair share allocation; and (2) all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent census. These "Housing Fund Targeting Requirements" must be satisfied for ten-year periods throughout the life of the Plan. In order to synchronize this requirement with the ten-year housing production compliance period, APIP has an initial 6-year period from January 2002 through December 2007, and a subsequent 10-year period from January 2008 to December 2017. This report addresses the current second 10-year period.

The projects underway and anticipated during the current 10-year period include on-going administration of the LBAs associated with the APC's 200-unit affordable project, the infrastructure contribution to the APC project, pre-development for the 90-unit North Housing affordable project, development for the North Housing project, and general administration. Spending for each of these projects is shown in Table 6.

**Table 6**  
**Low and Moderate Income Housing Fund Targeting Expenditures 2008 - 2017**  
**APIP Implementation Plan FY 2010/11 to FY 2014/15**  
**City of Alameda CIC**

Source: City of Alameda

	Units	%	Annual Spending over the 10-Year Period (\$1,000s)										Total
			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<b>APC Administration</b>													
Very Low	200	100%	\$0	\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$100
Low	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Moderate	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>200</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>
Senior	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Senior	200	100%	\$0	\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$100
<b>Total</b>	<b>200</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>
<b>APC Infrastructure</b>													
Very Low	200	100%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,600	\$3,600
Low	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Moderate	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>200</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,600</b>	<b>\$3,600</b>
Senior	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Senior	200	100%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,600	\$3,600
<b>Total</b>	<b>200</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,600</b>	<b>\$3,600</b>
<b>N. Hsg. Pre-Devel.</b>													
Very Low	30	33%	\$0	\$0	\$0	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$25
Low	60	67%	\$0	\$0	\$0	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$50
Moderate	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>90</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75</b>
Senior	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Senior	90	100%	\$0	\$0	\$0	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$75
<b>Total</b>	<b>90</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75</b>
<b>N. Hsg. Development</b>													
Very Low	30	33%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$333	\$333
Low	60	67%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$667	\$667
Moderate	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>90</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,000</b>
Senior	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Senior	90	100%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
<b>Total</b>	<b>90</b>	<b>100%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,000</b>
<b>Other Administration</b>													
Very Low	230	79%	\$52	\$102	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$350
Low	60	21%	\$13	\$26	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$91
Moderate	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>290</b>	<b>100%</b>	<b>\$65</b>	<b>\$128</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$441</b>
Senior	0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Senior	290	100%	\$65	\$128	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$31	\$441
<b>Total</b>	<b>290</b>	<b>100%</b>	<b>\$65</b>	<b>\$128</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$441</b>
<b>Total Spending by Target</b>													
Very Low			\$52	\$102	\$25	\$50	\$125	\$25	\$25	\$25	\$25	\$3,958	\$4,408
Low			\$13	\$26	\$6	\$56	\$6	\$6	\$6	\$6	\$6	\$673	\$808
Moderate			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>			<b>\$65</b>	<b>\$128</b>	<b>\$31</b>	<b>\$106</b>	<b>\$131</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$4,631</b>	<b>\$5,216</b>
Senior			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Senior			\$65	\$128	\$31	\$106	\$131	\$31	\$31	\$31	\$31	\$4,631	\$5,216
<b>Total</b>			<b>\$65</b>	<b>\$128</b>	<b>\$31</b>	<b>\$106</b>	<b>\$131</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$31</b>	<b>\$4,631</b>	<b>\$5,216</b>
<b>% Total Spending by Target</b>													
Very Low			79%	79%	79%	47%	95%	79%	79%	79%	79%	85%	85%
Low			21%	21%	21%	53%	5%	21%	21%	21%	21%	15%	15%
Moderate			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Senior			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Non-Senior			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

a. *Proportionality by Income Levels*

The income proportionality test requires that APIP target set-aside expenditures to the relative percentage of unmet need for very low-, low-, and moderate income units, as defined in the City's Housing Element.

The City's Regional Housing Need Determination (RHND) for the 2007-2014 General Plan Housing Element is as follows:

482 Very Low-Income Units  
 329 Low-Income Units  
392 Moderate-Income Units  
 1,203 Total Low/Mod Units

Consistent with these distributions, APIP's minimum required allocation for very low- and low-income expenditures, and maximum moderate income housing expenditures are as follows:

Very Low-Income	At least 40%
Low-Income (excluding very low)	At least 27%
Moderate-Income (excluding very low and low)	Not more than 33%

CIC is entitled to expend a disproportionate amount of funds for very low-income households, and to subtract a commensurate amount from low-income or moderate-income spending. In the same manner, disproportionate spending on low-income households can be subtracted from moderate-income household spending.

As shown on Table 6, over the 2008 to 2017 targeting period, APIP is expected to spend approximately \$4.4 million on very low-income units, \$808,000 on low-income units, and nothing on moderate-income units. The proportion of spending by income level is summarized below:

	Very Low-Income	Low-Income	Moderate-Income
Target %	at least 40%	at least 27%	not more than 33%
Anticipated %	85%	15%	0%

b. *Proportionality by Age*

The age restriction proportionality requirements of Section 33334.4 require that moneys in the Low and Moderate Income Housing Fund be used to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent census of the United States Census Bureau. According to Census 2000 (CHAS Data Book), low-income senior households represent approximately 29% of the low-income households within the City of Alameda. Conversely, low income households without a member over age 65 represent approximately 71% of low income households citywide. Consistent with this age distribution for low-income households, APIP is required to expend at least 71% of its Low- and Moderate-Income Housing Fund from January 1, 2008 to December 31, 2017, on non-age restricted projects.

As shown on Table 6, the APIP Housing Fund is expected to allocate 100% of its estimated \$5.2 million in spending over the 10-year period to non-senior housing.

	Non-Senior	Senior
Target %	at least 71%	not more than 29%
Anticipated %	100%	0%

c. *Prior Implementation Plan Period Targeting Expenditures*

Pursuant to Section 33490 (a)(2)(C)(iv), the Implementation Plan shall identify the following relative to the prior Implementation Plan period (FY 2005/06 to FY 2009/10):

- i. *Amounts of Low and Moderate Income Housing Fund monies utilized during the prior implementation plan period to assist units affordable to and occupied by extremely low-, very low- and low-income households. All of APIP's past Implementation Plan period spending of \$471,000 was for affordable housing-related administrative expenses, including management of the APC's LBAs. The APC units are occupied by very low-income households.*
- ii. *The number, location, and level of affordability of newly constructed units with other locally controlled governmental assistance and without CIC assistance and that have the requisite deed restrictions. There were no newly constructed units during the FY 2005/06 to FY 2009/10 period.*
- iii. *The amount of Low and Moderate Income fund moneys utilized to assist housing units available to families with children and the location, number and level of affordability of those units. As stated above, all past Implementation Plan period spending was for affordable housing-related administrative expenses, including APC oversight, and all APC units are available to families with children.*

## **E. Consistency with Housing Element**

AB 1290 and AB 315 require that CIC's affordable housing activities be consistent with the City's Housing Element. The Housing Element addresses the housing issues of the entire City, of which the APIP is a part. The following are some of the policies set forth in the City's Housing Element that will enhance both the City's and CIC's ability to increase the supply of affordable housing in Alameda.

### *a. Rehabilitation and Neighborhood Preservation*

- Preserve and expand the City's supply of affordable rental and ownership housing for extremely low, very low, low and moderate income households.
- Promote the elimination of overcrowded, unsafe, and unsanitary housing conditions.
- Encourage work/live opportunities as a way to reduce the traffic impacts of housing, to provide affordable housing opportunities, and to stimulate business incubators.

### *b. Rental and Home Ownership Assistance*

- Support efforts to increase the homeownership rate in Alameda to 60 percent by promoting homeownership opportunities for Alameda residents and employees of all income groups, including lower income renters and newly formed households.
- Create and maintain educational and financial assistance programs to assist people, especially extremely low, very low, low and moderate-income households, in purchasing their first home.
- Create rental and homeownership opportunities for people of all incomes, ethnic origins, cultures, gender, family structures, and special needs populations such as the elderly and physically and mentally challenged persons.

### *c. New Housing Development*

- Designate an adequate amount of land for residential use to encourage housing development that will meet the needs of all income groups.
- Support public programs and encourage private efforts that provide affordable housing opportunities throughout the city for current and future employees who want to live in Alameda.
- Require developers to construct housing units for very low, low and moderate income households within their projects.

- Encourage residential development that provides variety in the housing product in response to variations in income levels, the changing live-work patterns of residents, and the needs of a diverse population.
- Encourage development of homeownership units priced to meet the needs of families with incomes between 80 percent and 120 percent of area median income.
- Facilitate the development of affordable housing by public and private housing development organizations.
- Consider and evaluate the viability of providing housing on non-residential, publicly owned property that becomes available or is deemed surplus.

*d. Special Needs Housing*

- Promote the development of a full range of housing (shelters, transitional and permanent housing), coupled with services, to meet the special needs of homeless individuals and people at risk of becoming homeless.
- Promote the development of a full range of housing (rental, homeownership and service-enriched) to meet the needs of special populations, including people with physical and/or developmental disabilities, single-parent households, young adults and seniors.

*e. Government Process and Role*

- Encourage public participation of all segments of the community, including low and moderate income residents, the business sector, renters and homeowners, in the formulation and review of City housing policy.
- Ensure equal housing opportunities by taking appropriate actions, when necessary, to prevent housing discrimination in the local market.
- Promote residential opportunities in the City's redevelopment areas and expand the supply of low and moderate income housing in those areas.
- For the developer selection process in redevelopment project areas, provide incentives to exceed affordable housing requirements.
- Ensure that the entitlement process, parking requirements, and infrastructure levies do not unnecessarily burden the development of affordable housing units.
- Actively pursue federal and state housing program funds to provide housing assistance to low income households and to support the development of low and moderate income housing.

CIC programs and expenditures are consistent with and supportive of the Housing Element's affordable housing policies. As discussed in this Plan, the CIC supports the following programs:

- APC LBA administration
- APC infrastructure improvements
- Alameda Point housing pre-development and development
- North Housing pre-development and development