



**Public comments received as of July 11, 2017 in response to draft
Measure A1 Implementation Policies - Homeowner Development Fund**

From: Omar Cortez <Omar.Cortez@hayward-ca.gov>

Sent: Monday, July 10, 2017 3:02 PM

To: AC Housing Bond, CDA

Subject: FW: Comments on A1 Bond Owner Development Funding Policy

A few comments:

- Policies should specify that homeownership and financial counseling **from a HUD-approved counselor** will be mandatory.
- In the calculation of sales price: how would the minimum maintenance reserve be determined?
- Debt-to-income ratio (45%) standard needs to be established in the policies.
- Down payment: policies need to specify the minimum requirement from the buyers' own funds: 1-3% and whether other sources of funding will be allowed towards the DAP above 1.01%.
- Suggested language on Affordability Terms: "Homeowner's receipt of equity upon resale is limited to an amount equal to the restricted future resale price plus documented capital improvements, minus the first mortgage **loan balance** and any other **County/City-approved senior** liens on the property at the time of resale.

Thank you,

Omar Cortez | Housing Development Specialist | City of Hayward

Tel: 510.583.4246 | E-mail: omar.cortez@hayward-ca.gov

From: angelica.gums@gmail.com <angelica.gums@gmail.com>

Sent: Monday, July 10, 2017 8:05 AM

To: Alco Housing Bond

Subject: Recommendations to Homeowner Development Fund Implementation Policy from Bay Area Urban League Young Professionals

E-mail submitted from following website: [Housing_and_Community_Development_home_page](#)

Name: Angelica Gums, Civic Engagement and Advocacy Chair for Bay Area Urban League Young Professionals

EmailAddress: angelica.gums@gmail.com

Comments: The Homeowner Development Fund Implementation Policy should be amended to include: -Purchases of 1-4 unit properties by first-time homebuyers. -An increase of the average median income to 140% for one person. o The average cost of housing at \$773,800 in Alameda County should be considered in addition to a more realistic income. 80% of the current AMI of \$93,600 is \$74,000. Need to work with lending programs to determine funding options and qualifications for buyers with a maximum income of \$74,00 and ability to finance a home in Alameda County. o Consider personal debt and current living expenses when selecting an AMI -A marketing consultant that is local to help draft the marketing plan needed to reach out to displaced Alameda County residents. -A draft displacement map of residents from Alameda County to assist with targeted outreach. Specifically target displaced, minority residents. -100% of the funds allocated to local developers and 70% of those funds designated to minority developers. -Distinguishing low and middle-income first-time homebuyers. -A clearly defined selection process for funding. The lottery is questionable and depends on how the marketing plan targets minority and displaced residents. -A targeted outreach strategy about the bond and lottery to minorities and young working professionals. o Associated Real Property Brokers, churches, community centers, fraternity and sororities, k-12 schools, every community organization, entertainment promoters, and social events. o Increase outreach on social media -Prioritizing minority, local, small, and unionized developers from Alameda County. -An educational component for first time homebuyers on sustainable homeownership. How to preserve their homes overtime? o Inform first-time homebuyers of lending programs and make sure that residents go through small, local lenders and credit unions, local mortgage bankers, etc.



SIERRA CLUB
SAN FRANCISCO BAY

Serving Alameda, Contra Costa, Marin and San Francisco counties

July 10, 2017

Alameda County Community Development Agency
Attn: Housing & Community Development (HCD) Department
224 West Winton Avenue, Room 110
Hayward, CA 94544-1215

via email to: achousingbond@acgov.org

RE: Bond Rental Program Policy, and
Bond Homeownership Development Program

Dear HCD Staff:

On behalf of the Sierra Club, the San Francisco Bay Chapter submits these comments regarding implementing programs for the Alameda County Measure A1 Housing Bond approved by Countywide voters in November 2016. The Sierra Club formally supported the bond measure. Our comments relate to both the Rental and Ownership programs under the measure, and are consistent with verbal comments that have been presented by a volunteer at HCD community workshops.

In 2008, the California Legislature enacted SB 375 (Chapter 728, Steinberg), which requires all metropolitan regions in the State to develop a Sustainable Communities Strategy (SCS) as part of their Regional Transportation Plan (RTP). For Alameda County as well as the other eight counties in the San Francisco Bay Area Region, these plans are developed by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG). The current draft Plan Bay Area 2040 (PBA 2040) is due to be adopted later this month.

Under SB 375, metropolitan regions must accommodate new population growth, preferably through infill housing which helps to meet State goals of reducing greenhouse gas emissions by reducing vehicle miles traveled (VMT) by cars and light-duty trucks. Community development is expected to be achieved by encouraging greater access to public transit and active transportation, with more amenities such as parks and complete streets. In the Bay Area, these more desirable communities are called "Priority Development Areas" (PDAs).

The Sierra Club very much supports actions and policies that will make PDAs a success. PBA 2040 specifically recognizes “The Regional Housing Crisis” as a real impediment to achieving State and regional goals. By 2040, Alameda County population is projected to grow by 23%, with 189,000 new households. ¹

The Sierra Club urges Alameda County and the HCD Department to encourage and incentivize use of Measure A1 funds within Priority Development Areas to the maximum extent possible. PDAs have already been designated by their respective jurisdictions to absorb additional population by meeting designated criteria. In Alameda County, there are 46 PDAs ², approved by the County and/or most of the cities:

- City of Alameda (2)
- Alameda County (4)
- Albany (1)
- Berkeley (6)
- Dublin (3)
- Emeryville (1)
- Fremont (4)
- Hayward (5)
- Livermore (3)
- Newark (2)
- Oakland (10)
- Pleasanton (1)
- San Leandro (3)
- Union City (1)

Emphasis on encouraging housing development in PDAs can also assist in the County’s goal to leverage other public and private funds to match Measure A1. In particular, MTC has established a program called “One Bay Area Grants” (OBAG), using fungible transportation funds to support focused housing growth. In many communities, this will require improved transit services in order to be effective.

We recognize the importance of an Oversight Committee to assist staff and policymakers in reviewing and monitoring the compliance of approved projects with the intent of Measure A1. ³ However, as stated at the stakeholder workshops, we strongly recommend that the Committee be named the **Community Oversight Committee**, rather than Citizen Oversight Committee, to ensure full inclusiveness.

¹ Draft Plan Bay Area 2040, page 44. <http://2040.planbayarea.org>

² See <http://abag.ca.gov/priority/development/> and <http://www.planbayarea.org/sites/default/files/pdf/legal/5%28c%29%28i%29-current.pdf>

³ Staff memo dated January 23, 2017 to the Board of Supervisors Health Committee.

Finally, we suggest that the Board of Supervisors help to optimize the outcomes of these recommendations by directing the County's representative to MTC to vote in accordance with supporting PDAs and improved transit services throughout Alameda County.

If you have any questions, please do not hesitate to contact me at mwillia@mac.com.

Sincerely,

A handwritten signature in black ink that reads "M. Williams". The signature is written in a cursive, slightly slanted style.

Matt Williams
Chair, Transportation and Compact Growth Committee
San Francisco Bay Chapter, Sierra Club

cc: Chapter Chair, Executive Committee
Northern Alameda County Group
Southern Alameda County Group
Tri-Valley Group

From: Kiran Shenoy <kiran@oaklandberkeleyaor.com>
Sent: Monday, July 10, 2017 7:58 AM
To: AC Housing Bond, CDA
Subject: RE: A1 - Homeownership Development Policies Comments

Hello Jim,

Comments from the Oakland Berkeley Association of REALTORS are as follows:

1. It has to be easy both for the low income buyer and the small builder/developer.
2. The restriction for only tier 1 developers will keep the small guy out. For example if a small land owner had a vacant lot who wanted to do develop it to help with affordable ownership, he could not because of the restriction. The County would force him to partner up with someone.
3. One of our members was concerned that the competitive process mentioned refers to a lottery and that a lottery is luck not competitive.
4. The draft does not spell out which realtors will be marketed to under "Home buyer selection criteria" in Section A. the following should be added to that section: "notification of sales opportunities shall be relayed through local realtor associations that are primarily situated in Alameda County." - or at the very least have some footprint in Alameda County. Relaying sales opportunities through the local associations will ensure that certain realtors in the area are not given preferential treatment.

I know you wanted these a little sooner than the deadline date, but I was still waiting on comments from members over the weekend. My apologies. Thank you so much for your work!

Kiran

--

Kiran Shenoy

GAD | *Government Affairs Director*

OAKLAND | BERKELEY
ASSOCIATION OF REALTORS®

2855 Telegraph Ave. Ste. 600 | Berkeley, CA 94705

D: [510.848.2659](tel:510.848.2659) | E: kiran@theobaor.org

From: Leonard Tom <leonard.tom@sbcglobal.net>
Sent: Monday, July 10, 2017 10:21 AM
To: Bergdoll, Jim, CDA
Cc: Starratt, Michelle, CDA
Subject: Re: Revised: A1 - Homeownership Development Policies Draft for Public Review

Jim

I think you have that right. My concern was what would happen if a developer got land acquisition funding first and then was not able to build the project. How would the County recover those funds?

Leonard

On Jul 10, 2017, at 10:06 AM, Bergdoll, Jim, CDA <Jim.Bergdoll@acgov.org> wrote:

Leonard,
Thanks for all the comments.

I am finalizing summaries and responses and wanted to make sure we understood your question on Section D. Below is my summary of your question:

Clarification requested that if acquisition funding were awarded it would be in combination with development project funding at one time, and not provided "up front" assuming the possibility of later separate project funding.

Let me know this morning if possible, since we are presenting at a meeting this afternoon.

Jim Bergdoll, AICP
Alameda County Department of Housing and Community Development
224 W. Winton Avenue #108, Hayward, CA 94544
510-670-9796 (direct); 510-670-6417 (office)
<http://www.acgov.org/cda/hcd/>

From: Leonard Tom [<mailto:leonard.tom@sbcglobal.net>]
Sent: Thursday, June 15, 2017 9:11 AM
To: Bergdoll, Jim, CDA <Jim.Bergdoll@acgov.org>
Cc: Starratt, Michelle, CDA <michelle.starratt@acgov.org>
Subject: Re: Revised: A1 - Homeownership Development Policies Draft for Public Review

Jim

Thank you forwarding the draft Measure A1 Implementation Policies - Homeowner Development Fund for public comment. I have a few questions and a general comment.

A. Income Levels and First Time Homebuyer Status (Homebuyer Selection Criteria)

A "Marketing Plan" is required for all projects that will offer homes to eligible homebuyers. My question is who will actually detail out the "marketing plan"... HCD or the Project developer? If you mean the developer, won't HCD have to evaluate each plan to assure adequacy and consistency among developers? How much time will that review take and how will that affect the project development/marketing schedule. It seems items ii., iv. and v. could have a standardized set of lists of resources and organizations (prepared by HCD) that need to be incorporated into every marketing plan. I guess my concern here is the trade off between the degree of flexibility you want to give to project developers and the amount of time and effort that will be required to assure the marketing plans meet an HCD "standard."

B. Project Selection Criteria

Item viii (Access to neighborhood services) needs to be better defined. It seems too open ended at this point.

D. Eligible Uses of Funds

Item i. (Acquisition of Land) Am I correct in assuming that land acquisition costs are/can be included as a portion of the A1 funding (developer loan) for each project and that no funding is made available "up front" to enable the creation a potentially fundable project? See more in my general comment below.

M. Wage Levels and Employment Opportunities

Will A1 funded projects be subject to State prevailing wage provisions that are enforced by the Department of Industrial Relations? In general, who will be responsible for enforcing the provisions of item M?

GENERAL COMMENT/QUESTION

The draft policies outline a complex financial model for potential project developers who will consider applying for A1 funding and for HCD to administer. This is further complicated by the variation of eligible homebuyer assets and incomes that will ultimately determine the extent to which HCD will have to subsidize the developers/homebuyers to make the produced units affordable. It would be helpful for me, and perhaps others, to understand to implications of the proposed policies if some hypothetical models could be developed that illustrate how A1 could become a part of the developers'/homebuyers' financial planning. For example, what is the potential A1 development loan for a 20-unit (100% affordable) project with a total development cost of \$500,000 per unit? What would the sales price be to an eligible homebuyer with an annual income of \$75,000? Does the homebuyer get a conventional mortgage for the affordable sales price? What happens if the project is a mix of affordable and market rate units?

Perhaps you have already run some of these scenarios. Is that something that could be shared?

I would be willing to sit down with you to discuss this at your convenience. Thanks again for the opportunity to comment.

Leonard Tom
(510) 882-5104

From: Dave Stark <DavidS@bayeast.org>
Sent: Friday, July 7, 2017 12:37 PM
To: AC Housing Bond, CDA
Subject: Bay East Comments on A1 - Homeowner Housing Development Program

Greetings.

Thank you for the opportunity to comment on the Alameda County Measure A1 Homeowner Housing Development Program. Bay East has years of experience helping to design, market and administer home ownership assistance programs and we appreciate being able to share our perspective.

Comment:

Funding for the Homeowner Housing Development Program must comply with intent of Measure A1. Alameda County voters approved allocating \$25 million to this specific program. No other Measure A1 funds – including funds earmarked to the Down Payment Assistance Loan Program – should be allocated to this program.

General Questions:

1. Will a homebuilder / Developer receiving funds from the Homeowner Housing Development Program also be able to provide home purchase financing to buyers?
2. Will the homebuilder/Developer be responsible and/or involved in marketing the property/ies and any or all phases of the resulting real estate transaction?
3. Can real estate professionals not affiliated with the homebuilder represent potential buyers?

Comments and Questions on Specific Program Details:

Income Levels and First-Time Homebuyer Status: Eligible Homebuyer Criteria

1. Homeownership and Financial Counseling must be a "live" course taught by HUD-certified course provider.
2. The homebuyer must meet minimum Qualified Mortgage Rule Standards as established by the Consumer Financial Protection Bureau.

Maximum Sales Price Calculation

1. The maximum Debt-to-Income ratio should not exceed the Qualified Mortgage Rule Standards as established by the Consumer Financial Protection Bureau.

Layering of Down Payment Assistance Programs with Development Funding

1. Layering of Measure A1 Down Payment Assistance Loan funds must not be permitted. Layering other Measure A1 funds with the Homeowner Housing Development Program is inconsistent with the intent of Measure A1 as approved by Alameda County voters.

Please let me know if you have any questions about our comments on the Homeowner Housing Development Program.

Again, thank you for the opportunity to participate in the development of this exciting program.

Sincerely,

David Stark, Public Affairs Director
Bay East Association of REALTORS®
7021 Koll Center Parkway
Pleasanton, CA 94566
Telephone: (925) 730-4068

Confidential Communication: This e-mail message and any attachments are intended only for the use of the addressee(s) named above and may contain information that is confidential and exempt from disclosure under applicable law. If you are not an intended recipient, or the employee or agent responsible for delivering this e-mail to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you received this e-mail message in error, please immediately notify the sender by replying to this message or by telephone. Thank you.



July 7, 2017

Ms. Linda Gardner
Ms. Michelle Starratt
Mr. Jim Bergdoll

Re: A1 Bond Policy Comments for the Homeowner Development Fund

Hello all,

First, a sincere thank you for your commitment to supporting affordable homeownership through Measure A1. We firmly support the tremendous investment in rental housing, and we also believe investment in affordable homeownership is essential to helping low-income households in Alameda County ensure their children, and their children's children, have greater access to opportunity through the many benefits generated by homeownership.

The following represents Hello Housing's comments and questions regarding the draft Homeownership Development Fund Policies and Procedures:

Proposed Policies - Page 1

Section A. Income Levels and First Time Homebuyer Status Policy Adopted June 28, 2016 (iii): *Alameda County residents, those displaced from Alameda County, and Alameda County Workforce will be given priority.*

- Please clarify whether the categories listed are of equal preference or are stated in order of priority.
- If a project includes local funding sources with local preferences, we recommend the County agree to a selection policy that starts first with the local preferences, followed by the Alameda County preferences.
- We recommend reference be made in this document to more detailed policies and procedures regarding homebuyer preferences, to be created at a later date. We recommend these policies be prepared in collaboration with the County by the party selected to administer the DALP program, and if applicable, for the preferences to be aligned.

Program Policies - Page 2

Section A: Homebuyer Selection Criteria (iii) *Selection of potential homebuyers will occur through a competitive process, which HCD will approve in advance (i.e. lottery).*

- We recommend replacing "competitive process" with "random-selection process within each preference category."

Section B: Proposed Policy (ii): *Financial feasibility and cost reasonableness will be rating factors.*

- Add additional language: "For scattered-site acquisition and rehabilitation proposals, developer to provide a proforma sources and uses budget to demonstrate financial feasibility and the average requested County funds per home. Developers will have discretion as properties are identified to use County funds interchangeably on acquisition and rehabilitation costs (which will vary based on home-specific purchase prices and renovation needs) and to manage to an average perm subsidy per home."

making places where people thrive

1242 market street 3rd floor, san francisco, ca 94102
tel (415) 863-3036 learn more at www.hellohousing.org

Section E. Form and Term of Development Financing - Proposed Policies (i) *Upon sale of individual homes to eligible homebuyers, the developer loan will be retired and each homebuyer will assume a pro rata portion of the loan with new security documents recorded against the home purchased. Upon sale of the final affordable home in the development, the developer regulatory agreement will be removed from the property when all terms are met.*

- This structure is functional for new construction, multi-unit homeownership projects, but is not functional for scattered-site, single-family acquisition/rehab projects. Each property should have freestanding regulatory agreement between the Developer and the County for each home. This regulatory agreement will be terminated upon the execution of a regulatory agreement between the homeowner and the County.
- We recommend the County funds invested in the property be evidenced by a silent loan with a recorded deed of trust that is resized with each resale to reflect the difference between the affordable price and the fair market value at sale. In our experience, when there is no Deed of Trust recorded, it is much easier for a lender or a title company to miss the restriction, which can result in homes being over-encumbered or even sold out of the program.

Section I - Homebuyer Affordability Terms - Proposed Policies (ii): *The homeowner's restricted future resale price will be calculated utilizing the original percent of Area Median Income (for example 70%) and other factors used to determine the initial sale price in order to maintain affordability over time at that income level.*

- This method of calculating a resale price will create challenges over time for the owner who is selling the BMR home. To the extent interest rates rise while other variables remain relatively flat, the homeowner may be in a position where their maximum resale price is less than what they purchased the home for, putting them in a position to lose their equity. Hello Housing recommends an AMI method in which the resale price is based on the original purchase price plus an allowed appreciation equal to the percent change in AMI since the original purchase, plus the depreciated value of approved capital improvements minus the cost of any deferred maintenance at resale. For example, if the original purchase price was \$350,000, and AMI has increased by 5% since the year of purchase, and the owner received approval for \$5,000 in capital improvements, they would be permitted to sell the home for the lesser of \$367,500 or the fair market value at sale:

$$\$350,000 + (5\% * \$350,000) + \$5,000 - \$0 = \$367,500$$

- While this method may cause a gap in affordability between the targeted AMI and the purchase price over time should interest rates rise (which means the new buyer's income has less borrowing power than the original buyer's did), there are tools such as down payment assistance, MCC and other first-time homebuyer programs to address this gap for the new buyer. Of note, the City of Oakland recently changed their resale formula at our recommendation for the tax-defaulted homeownership pilot project after having experiences with BMR homeowners who were faced with taking a loss a resale due to the formula which sets the resale price using the same method as the initial pricing. This negative financial outcome for the homeowner is counter to the important goals of these programs and we believe should be guarded against. The formula we propose does not protect buyers from the risk of loss due to a decline in home values, a risk which every homebuyer – BMR or otherwise – must bear.

Section I: Homebuyer Affordability Terms (v.) *In the event of a resale where no eligible homebuyer can be found with reasonable marketing and outreach, the property may be sold at market rate with the housing Director's approval, and all Measure A1 Bond funds and its percentage of the equity in the property at the restricted sale price will be returned to HCD.*

- We recommend that the responsibility to perform outreach to identify an eligible buyer rest with the County or its designated agent, rather than the homeowner. This is one of many best practices that will help protect the integrity this program, ensuring broad public access to the opportunity at each resale. We also recommend an outreach period of no less than 180 days before a home can be sold at market rate.
- We further recommend the preparation of the resale restriction and the stewardship of the units produced as a result of this fund be rolled into the scope of work of performed by the party selected to manage the DALP program. The annual compliance monitoring to ensure owner occupancy will be very similar for both programs, and the beneficiary of the monitoring in both cases will be the County.

Section L Contract Administration and Compliance (i) *Post-closing compliance monitoring will be required with at least annual communication with homeowner and verifying evidence of occupancy. A fee may be charged for monitoring as part of eligible project costs.*

- Because the resale restriction will be in effect in perpetuity, the County's interest in the homes produced by these funds will need protecting in perpetuity. While a post-purchase monitoring fee may be charged by the developer to the project, this fee will be insufficient to support the permanent monitoring requirement, which will result in a decline in monitoring over time. We highly recommend the County identify a funding source in order to take responsibility for the ongoing compliance monitoring and stewardship of the portfolio of homes developed with Measure A1 funds. In addition, the capacity to enforce restrictions is far greater for the County rather than a developer. Lastly, the developer will not be the appropriate party to help the homeowner when they want to refinance, sell their home, get approval for capital improvements or need answers to the myriad of questions that come up over time.

Section M. Wage Levels and Employment Opportunities

- Please confirm in this section that state prevailing wage will not be required by the County. If it will be required (e.g. for projects over a certain size), please specify any exceptions (e.g. 1-4 unit properties).

Exhibit A

Section M: Retention *\$50,000 of HCD's loan funds must be allocated toward the developer fee and held as a performance retention, to be paid upon completion of construction and delivery of close out items.*

- We recommend 1-4 unit projects be exempt from this requirement given the developer fee for each home is far less than \$50,000. We recommend the program follow the payment terms used in the NSP program in which the developer earns 5% of costs as they are incurred, another 4 % of costs incurred upon construction completion, and 1% of costs incurred upon resale.

Section T: Change Orders *For construction period loans, construction change orders are subject to HCD's approval.*

- For 1-4 unit acq/rehab projects, we recommend no HCD approval of change orders be required as long as there is no reduction in the promised scope of work, and the cost of the change order can be covered by the project contingency.

Other Eligible Uses of Homeownership Development Funds

We recommend that these funds can be used to add an Accessory Dwelling Unit (ADU) to single-family homes. Generating a new income stream through rents could be hugely impactful for the households targeted by this program who will be earning <80% of Area Median Income, and is an extremely cost-effective way to add new rental stock within the fabric of existing neighborhoods. We recommend the estimated rental income from the ADU not be contemplated in the initial homebuyer eligibility calculation. By purchasing a home with an ADU, the <80% AMI homebuyer will have greater financial stability. We recommend the primary home be subject to the regulatory agreement in perpetuity which would require that the ADU serve as a permanent rental unit, but that the ADU not be subject to rent restrictions. Homeowners would be required to attend pre-purchase and ongoing landlord training with an emphasis on fair housing requirements. ECHO and Project Sentinel currently provide landlord training.

Thank you for this opportunity to provide our comments and questions. We are happy to provide further information if helpful.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mardie Oakes', written over a horizontal line.

Mardie Oakes
Executive Director

From: Hamid Taeb <HTaeb@habitatebsv.org>
Sent: Thursday, July 6, 2017 2:23 PM
To: Bergdoll, Jim, CDA; Gardner, Linda, CDA; Starratt, Michelle, CDA
Cc: Kevin Elliott; Janice Jensen
Subject: RE: Revised: A1 - Homeownership Development Policies Draft

Here are our comments for Measure A1 Implementation Policies – Homeowner Development Fund:

- 1- B. **Project Selection Criteria:**
Proposed Policy:
vii. This will make ownership projects that are not close to job centers and public transportation less competitive. It is common that infill projects slated for affordable ownership housing are not close to employment centers or public transit. We suggest removing the rating criteria for proximity to employment centers or public transit.
- 2- E. **Form and Term of Development Financing:**
Proposed Policy:
i: It was our understanding that the funds are in form of grants. If a Loan will be the vehicle instead of a Grant then it is critical to consider adding wording that ensures the Loan will bear no interest and the Loan will be forgiven upon sale of the home to an eligible buyer.
- 3- F. **Leverage Requirements**
Proposed Policy
Please consider adding, “proposed” before “leverage”.
- 4- H. **Maximum Sales Price Calculation**
Proposed Policy:
v: Our sweat equity program does not require any down payment. Please consider adding language allowing the Habitat program parameters.
- 5- I. **Homebuyer Affordability Terms:**
Proposed Policy
iii: Please consider not including the Measure A1 funds as liens on the property when calculating the homeowner’s equity at resale of the property to another eligible buyer.
- 6- L. **Contract Administration and Compliance**
Proposed Policy
i: Please consider including a maximum annual monitoring amount.
- 7- Exhibit A:
Please consider adding an item for Interest to be at zero.
- 8- Exhibit A:
L: The “Developer Fees” should not include the Developer’s Administration Cost. Please consider adding an item for Administration Cost that will allow 10% of total development cost as Developer’s Administration Cost.
- 9- Exhibit A:
S
ii and iii: Quarterly report after occupancy and Annual report after occupancy should not apply to homeownership program and it may be for rentals only.

Thank you.

Regards;

Hamid Taeb

Director of Real Estate Development

Habitat for Humanity East Bay/Silicon Valley

Phone: 510-803-3355

HTaeb@HabitatEBSV.org

East Bay: 2619 Broadway, Oakland, CA 94612

Web: HabitatEBSV.org | Facebook: [/HabitatEBSV](https://www.facebook.com/HabitatEBSV) | Twitter: [@HabitatEBSV](https://twitter.com/HabitatEBSV) | eNews



IMAGINE
WHAT MORE WE CAN BUILD

Notice: This message may contain confidential information. Unauthorized use, disclosure, distribution, or copying is prohibited. If received in error, please return to sender.

From: MLee@fremont.gov
Sent: Thursday, July 6, 2017 1:13 PM
To: Bergdoll, Jim, CDA; AC Housing Bond, CDA
Cc: Starratt, Michelle, CDA
Subject: RE: Comments on A1 Bond Owner Development Funding Policy

Good afternoon, Jim. Thank you for providing us with an opportunity to comment on A1 Bond Owner Development Funding Policy.

Below please find the City of Fremont comments:

- 1) There should be a provision that if County funds are being sought for a project already receiving City funding, the City loan must be senior to any subsequent County loan unless the City agrees to subordinate.
- 2) We are a bit concerned that County provisions might conflict with the City provisions, for example calculation of restricted resale price. Again, we think if County funding is being sought to fill a gap for a project already funded by the City (e.g. Habitat), there might be an issue if the County requirements are inconsistent with what has already been negotiated with the City. Ideally there would be a way for the County to live with the City's requirements as long as they are reasonable and pre-existing. Otherwise a lot of money and time will get soaked up in renegotiating agreements.
- 3) There is a provision stating that any loan made by the County would not be included in the calculation of purchase price for purposes of property tax assessment. Please clarify if the County's loan will be recorded against the property.

May Lee

On Wednesday, July 5, 2017 6:11 AM, Cheryl League <cheryl.league@yahoo.com> wrote:

Dear Colleagues,

I have forwarded the comments prepared by Diane Lewis, Chair of the Advocacy and Public Policy Committee of the National Coalition of 100 Black Women which will be presented at the Board of Supervisors Health Committee on July 17, 2017. Any questions you may have, be sure to let me know.

Cheryl

Cheryl Perry League
President
NCBW Oakland Bay Area Chapter
510-928-9912

On Tuesday, July 4, 2017 7:15 PM, Aduke Lewis <siweldy@yahoo.com> wrote:

Greetings Linda and Michelle-

Thank you for your hard work and diligence in undertaking the daunting task of developing the draft policies for allocation of Measure A1 funds. I have reviewed the proposed policies for allocation of funds for both rental and home ownership units in my role as Chair of the Public Policy & Advocacy Committee of the National coalition of 100 Black Women, Oakland/Bay Area Chapter ("NCBW"). NCBW is a national organization committed to improving life opportunities and outcomes for Black women and girls in particular, and the Black community in general. We focus on education, health and economic empowerment. We consider affordable housing to be an economic empowerment issue, and are directing advocacy efforts to stem displacement and to facilitate home ownership. We view the allocation of Measure A1 funds as an important opportunity to address our economic empowerment goals. Please review my

comments below, which are intended to address both draft policies.

1) II. Project Selection Criteria. Amount of Measure A1 Investment Per Project/Unit. I have been informed that both non-profit and for-profit developers have been reluctant to partner with community-based organizations ("CBOs") to undertake affordable housing development due to the cap on development fees imposed by the County. Additionally, I understand that management fees must be deferred for 20 years. I suggest that the permitted developer fee be increased, the management fee deferral be abbreviated sufficiently to engage more developers in partnerships with CBOs.

2) VIII. Wage Levels and Employment Opportunities. Community-based organizations and nonprofits should not be exempt from SLEP or ECOP goals. Organizations that receive funds for development or providing housing related services will be spending public funds to secure needed services, and they should be required to spend those public funds to further the County's small business goals. Goals established by the County and by the City of Oakland should be adopted for small business and hiring targets under Measure A1. Moreover, developers and contractors should be required to establish internship or apprenticeship programs for work undertaken pursuant to Measure A1 funding.

3) VIII. Wage Levels and Employment Opportunities. Despite local policies to enhance contracting and procurement opportunities for SLEBs, there are still too few small business that are able to benefit from such opportunities. I recommend that SLEBs be given a better chance of success by providing a 10% bid preference on eligible contracts. Additionally, bonding assistance should be provided for SLEBs under the Measure A1 programs, as is provided under other County programs.

4) Innovation and Opportunity Fund. I. Anti-Displacement of Tenants. As mentioned above, NCBW is concerned about displacement of tenants that is leading to increased homelessness. I recommend that anti-displacement be a top Measure A1 priority. Specifically, a) parties using Measure A1 funds should not be permitted to permanently displace low or moderate income people; b) In instances where people must be displaced in order to rehabilitate or replace units, funds should be available to compensate them for their temporary move; c) Once units are complete, those who had been displaced should be offered first right of refusal to return to their previous or replaced unit; and d) The County needs to develop a system to track those who are displaced and monitor the developments to assure that the displaced are offered the opportunity to return to the unit at a cost comparable to what they had paid before being displaced.

4) VIII. Wage Levels and Employment Opportunities. Community-based organizations and nonprofits should not be exempt from SLEP or ECOP goals. Organizations that receive funds for development or providing housing related services will be spending public funds to secure needed services, and they should be required to spend those public funds to further the County's small business goals. Goals established by the County and by the City of Oakland should be adopted for small business and hiring targets under Measure A1. Moreover, developers and contractors should be required to establish internship or apprenticeship programs for work undertaken pursuant to Measure A1 funding.

Finally, in addition to our written comments above, our Chapter President, Cheryl Perry League, plans to present testimony regarding our concerns at the County Health Committee meeting to discuss the draft policies, on July 17th. We look forward to working with you to finalize the policies to achieve the maximum benefit for the community.

Sincerely,

Diane Lewis, Chair
Public Policy & Advocacy Committee
National Coalition of 100 Black Women- Oakland/Bay Area Chapter



housing and
economic
rights advocates

July 5, 2017

HCD Staff
224 Winton Avenue, Room 108
Hayward, CA 94544

Dear HCD Staff:

Thank you for your hard work and diligence in undertaking the daunting task of developing the draft policies for allocation of Measure A1 funds. I have reviewed the proposed policies for allocation of funds for both rental and home ownership units as both elements are of great concern for us at Housing and Economic Rights Advocates (HERA). We have a broad economic justice, anti-discrimination mission, and we focus on helping low and moderate income residents achieve their financial goals. The financial well being of both renters and homeowners is important to us, and the struggles of residents in our county are unprecedented.

We consider affordable housing to be an economic empowerment issue, and we have been directing advocacy efforts to stem displacement and to facilitate homeownership. We view the allocation of Measure A1 funds as an important opportunity to address our economic empowerment goals. Please review my comments below, which are intended to address both draft policies.

1) II. Project Selection Criteria. Amount of Measure A1 Investment Per Project/Unit. I have been informed that both non-profit and for-profit developers have been reluctant to partner with community-based organizations ("CBOs") to undertake affordable housing development due to the cap on development fees imposed by the County. Additionally, I understand that management fees must be deferred for 20 years. I suggest that the permitted developer fee be increased, at least modestly, and that the management fee deferral be abbreviated sufficiently to engage more developers in partnerships with CBOs.

2) VIII. Wage Levels and Employment Opportunities. Community-based organizations and nonprofits should not be exempt from SLEB or ECOP goals. Organizations that receive funds for development or providing housing related services will be spending public funds to secure needed services, and they should be required to spend those public funds to further the County's small business goals. Goals established by the County and by the City of Oakland should be adopted for small business and hiring targets under Measure A1. Moreover, developers and contractors should be required to establish internship or apprenticeship programs for work undertaken pursuant to Measure A1 funding.

3) VIII. Wage Levels and Employment Opportunities. Despite local policies to enhance contracting and procurement opportunities for SLEBs, there are still too few small businesses

phone 510.271.8443
fax 510.868.4523

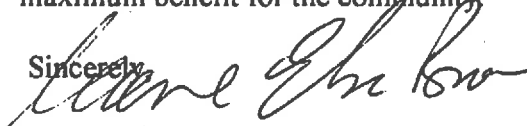
that are able to benefit from such opportunities. I recommend that SLEBs be given a better chance of success by providing a 10% bid preference on eligible contracts. Additionally, bonding assistance should be provided for SLEBs under the Measure A1 programs, as is provided under other County programs.

4) Innovation and Opportunity Fund. I. Anti-Displacement of Tenants. As mentioned above, HERA is concerned about displacement of tenants that is leading to increased homelessness. I recommend that anti-displacement be a top Measure A1 priority. Specifically, a) parties using Measure A1 funds should not be permitted to permanently displace low or moderate income people; b) In instances where people must be displaced in order to rehabilitate or replace units, funds should be available to compensate them for their temporary move; c) Once units are complete, those who had been displaced should be offered first right of refusal to return to their previous or replaced unit; and d) The County needs to develop a system to track those who are displaced and monitor the developments to assure that the displaced are offered the opportunity to return to the unit at a cost comparable to what they had paid before being displaced.

4) VIII. Wage Levels and Employment Opportunities. Community-based organizations and nonprofits should not be exempt from SLEB or ECOP goals. Organizations that receive funds for development or providing housing related services will be spending public funds to secure needed services, and they should be required to spend those public funds to further the County's small business goals. Goals established by the County and by the City of Oakland should be adopted for small business and hiring targets under Measure A1. Moreover, developers and contractors should be required to establish internship or apprenticeship programs for work undertaken pursuant to Measure A1 funding.

I appreciate your hard work on this tremendous opportunity to improve outcomes for residents of Alameda County. We look forward to working with you to finalize the policies to achieve the maximum benefit for the community.

Sincerely,



Maeve Elise Brown, Esq.
Executive Director

From: marie <marie@realestatebayareas.com>
Sent: Monday, June 12, 2017 3:38 PM
To: Bergdoll, Jim, CDA
Subject: RE: A1 - Homeownership Development Policies Draft for Public Review

Greetings Jim,

My public comment would be during the lottery process that whatever district the housing is built in that 40% of the applicants come from that district. The City and County of San Francisco has implemented this process. This comment should be applied to rental housing as well.

Sincerely,
Marie Sturgell
Regional Vice President
California Association Of Real Estate Brokers Northern CA Chapters.
Realtor
RE/MAX Prestigious Properties
Direct: 415-671-6948
Email: marie@realestatebayareas.com