

2023-24 Super-NOFA Application for Affordable Housing Funds

Marin County Housing & Federal Grants Division

This application is for affordable housing developers in Marin County, California who would like to apply for multiple state, local, and federal funding sources simultaneously. Please refer to the Notice of Funding Availability (NOFA) released on February 6, 2023 for detailed information about qualifications and application requirements.

The following grant sources and amounts are available through this application:

1. **Marin County Affordable Housing Fund (HTF) and State Permanent Local Housing Allocation (PLHA)** - \$2.3 million
2. **Federal HOME-ARP** - \$2.4 million
3. **Federal CDBG Housing** - \$600 thousand

Applicant Information

Organization Name

Eden Housing

Website URL

<https://edenhousing.org/>

DUNS

058211947

Mailing Address

22645 Grand Street
Hayward, California, 94541

Project Contact Name

Kate Blessing-Kawamura

Title

Associate Director of Real Estate Development

Email Address

kate.blessing-kawamura@edenhousing.org

Phone Number

(510) 329-5102

Executive Director Name

Linda Mandolini

Executive Director Email Address

LMandolini@edenhousing.org

Is there a co-applicant organization?

No

Briefly describe your organization, including mission, programs, staff experience, and number of clients served. Describe the co-applicant organization, if applicable.

Eden Housing is one of the oldest and most experienced affordable housing non-profit organizations in California. Our mission is to create and sustain high-quality affordable housing communities that advance equity and opportunity for all. Since our inception in 1968, Eden has worked in partnership with cities and local community partners to develop, acquire, or rehabilitate more than 12,000 affordable homes in 170 properties throughout California, and currently provides homes to a diverse population of more than 22,000 lower-income residents.

Eden works in 15 counties, including the County of Marin, where we own and operate The Fireside and Warner Creek. As a mission-driven non-profit, we serve low-income families, seniors, and people living with disabilities. Eden's work goes beyond building high quality buildings, as we strive to create strong communities for the residents who live in our housing and a permanently affordable, high-quality asset for the cities we partner with. Our vision is for everyone to have access to safe, decent, affordable housing. We believe that housing is a basic human necessity that is essential to everyday life and future success. We serve very low, low and moderate-income families, seniors, veterans, people living with physical, mental, or developmental disabilities, and the formerly homeless.

Under the Eden Housing umbrella, Eden Housing Management, Inc. (EHMI) provides quality onsite management and maintenance of our affordable homes, and Eden Housing Resident Services, Inc. (EHRSI) offers free onsite support services and programs for residents. In 2022, Eden Housing brought on John Stewart Company (JSCo) as the property management agent for several of its upcoming permanent supportive housing projects, including 3301 Kerner, to accommodate a growing pipeline.

Have there been any recent or upcoming leadership transitions?

Chief Operating Officer, Oyeshola ("Shola") Olatoye joined Eden in October of 2022. Shola previously served as director of Housing and Community Development for the City of Oakland. Under her leadership, Oakland's City Council approved HCD's two-year Strategic Action Plan, which focused the department's resources on protecting, preserving and producing affordable housing. During her tenure, the City of Oakland won six state Homekey awards resulting in more than 400 new permanent deeply affordable units. Shola also launched the city's federal \$48M Emergency Rental Assistance program and served more than 3,000 Oaklanders who needed immediate rent relief. She also secured the department's research relationship with Stanford University's Impact Lab, resulting in new \$50K impact grant to develop new technology for residents to access affordable rental housing.

A nationally recognized housing leader, Shola has also held executive and senior-level posts at Suffolk Construction, Enterprise Community Partners, HSBC Bank, and HR&A Advisors. In 2014, Mayor Bill de Blasio appointed her as Chair and CEO of the New York City Housing Authority, a role she held for four years. She conducts frequent speaking engagements, including as a panelist at Harvard's T.H. Chan School of Public Health, and was selected as one of four national Fellows for the UC Berkeley Turner Center for Housing Innovation in June 2021.

Shola is responsible for oversight of Property Operations (property management and resident services), Human Resources and Talent Development, and Business Technology.

Have there been any recent expansions or cutbacks in activities and/or budget? If so, please explain.

Eden Housing published a new Strategic Plan in 2020 that aims at the creation of 10,000 new homes in the next ten years. The four pillars of this strategic plan are: (1) Significantly increase housing for low-income Californians; (2) Support the stability and economic mobility of residents; (3) Embed commitment to racial, social and economic justice in all of our work; and (4) Invest in key

infrastructure to increase organizational agility and readiness for scale. As a part of its growth goals Eden plans to expand from a robust Northern California pipeline to a statewide development platform with the capacity to create more homes in high need communities.

If applicable, what is the organization’s standing with licensing or other accreditation authorities?

Eden and its related organizations are in compliance with any applicable licensing requirements.

How does your organization verify client income?

In general, Eden Housing uses the following procedure for determining resident eligibility and for certifying household income: (1) Each prospective resident shall complete an application form and return it to the Property Manager with signed permission for third party verification of income; (2) When an applicant's name nears the top of the waiting list, pertinent information will be confirmed as current and third-party verification letters are sent; (3) The manager shall conduct a personal interview with all members of the prospective household; (4) Third party verification forms will be used to compute income eligibility and a determination will be made concerning applicant household's ability to live harmoniously within the Project community; and (5) Previous landlord verification, credit checks, criminal checks and sex offender checks will be performed. Written notice will be sent advising applicants of their final eligibility status. These procedures may be revised for any units subject to Housing First policies.

General Project Information

Project Name

3301 Kerner

Project Address

3301 Kerner Blvd
San Rafael, California, 94901

Assessor’s Parcel Number (APN)

008-082-52

Funding Requests

Which funding source(s) are you seeking for this project? Please refer to the NOFA for a description of each funding source and eligible project types. Those applying for HOME-ARP funds are highly encouraged to apply for HTF/PLHA funds as well.

HTF/PLHA

HTF/PLHA Amount Requested

\$1,000,000

Project Details

Scope of Work: Describe the proposed project, including details such as property characteristics, proposed use of funds, and number of housing units involved. Explain how the project will benefit the community.

The site is located at 3301 Kerner Boulevard in San Rafael. This project is an adaptive reuse development of a four-story office building to provide 41 units of permanent supportive housing (32 studio units, 8 one-bedroom units, and 1 two-bedroom unit). Located in the Canal neighborhood of San Rafael, this project will provide critically-needed permanent supportive housing and supportive services

for homeless or formerly homeless households with mental illness.

The development will be 100% permanent supportive housing with 14 units for households with severe mental illness at or below 20% AMI through the No Place Like Home Program (NPLH) and 26 units for households at or below 30% AMI who will move from permanent supportive housing at Voyager Carmel Center to 3301 Kerner once construction is complete. One unrestricted two-bedroom unit is set aside for an on-site property manager. Building amenities include: a courtyard, community room, conference room, and offices for case managers and a property manager. The residential floors include a laundry facility on the second floor and trash chutes on every floor.

As of the date of this funding application, the project team is preparing to close on its construction financing and start construction in the next couple of weeks. In the last week, the project team learned that the building structure as currently designed is in a floodplain and that the finished floor of the first-floor residential units will need to be raised. Our request for \$1,000,000 in additional County funding will directly offset these unanticipated costs.

Describe the property's history leading up to this request. Include when the organization acquired/will acquire the property, any previous requests for County funding, attempts to secure other financing, etc.

The County of Marin received a Project Homekey award from the State of California to purchase an office building located on a 1-acre site at 3301 Kerner Boulevard in San Rafael. Project Homekey is a State program using Federal CARES Act funding to purchase existing properties – intended in large part to target hotels, but also allows for creative re-use of other property types, including office buildings as proposed for Kerner. The County closed escrow on the building in December 2020 and engaged Homeward Bound to run a temporary homeless shelter at the site until fall 2022. Kerner Canal, L.P., a single purpose entity controlled by Eden Housing, Inc., entered into a Purchase and Sale Agreement with the County in January 2023.

The project team has secured multiple sources of other financing. These include: \$25.8M in California Housing Accelerator (CHA) funding instead of tax credits; \$4.9M in capital and a \$2.7M Capitalized Operating Subsidy Reserve through the No Place Like Home (NPLH) Program; an \$899,250 County loan funded by Permanent Local Housing Allocation (PLHA), Local Housing Trust Fund (LHTF), and corresponding matching funds from the Affordable Housing Fund; an \$850,000 City of San Rafael loan; a \$1.235M sponsor loan leveraging multiple grants (including a \$200,000 predevelopment grant from the County); accrued deferred interest from soft loans; and a \$19.6M 20-year operating subsidy from the County. The project is currently ineligible for project-based rental subsidy due to its location in a HUD-impacted census tract, which is why the County's ongoing support is essential to the project's viability.

The project team is preparing to close on its construction financing, acquire the property from the County, and start construction in the next couple of weeks. In the last week, the project team learned that the building structure as currently designed is in a floodplain and that the finished floor of the first-floor residential units will need to be raised to comply with local floodplain requirements for residential structures. Our request for \$1,000,000 in additional County funding will directly offset these unanticipated costs. The project team still intends to close and start construction in the next couple of weeks and incorporate much-needed additional funding into the project's capital stack post-closing.

Describe any nearby amenities, such as parks, public transportation, grocery stores, health care facilities, schools, childcare, libraries, parks/open space, etc. that residents of the project are/would be able to use.

The building is in an ideal location within walking distance to public transportation, grocery stores, retail services, and recreation. The site has close connections to the Marin Transit bus transportation, and is within 0.5 miles of Cardenas Market, Pickleweed Park, and the Marin Health and Wellness Campus / Behavioral Health Clinic. The site's proximity to the Marin Health and Wellness Campus / Behavioral Health Clinic will allow residents housed under the NPLH program close access to supportive services.

The Marin Transit bus stop is a short 14 min ride to the San Rafael Transit Center which provides train and bus access to several destinations within Marin and Sonoma County as well as the larger Bay

Area. The station is a major transfer point for Sonoma-Marín Area Rail Transit (SMART) and bus routes in the North Bay, with connections to San Francisco, the East Bay, as well as airports. In addition to SMART, the station is also served by several regional and intercity bus operators which include Golden Gate Transit, Greyhound, Marin Transit, Sonoma County Transit, and Sonoma County Airport Express.

Select the known environmental issues of the proposed project site, and/or adjacent properties if relevant.

Flood zone

Notes or clarifying information on environmental issues:

As noted above, it has come to light very recently that the building is in a floodplain and that the first-floor residential units will need to be raised to comply with local floodplain requirements for residential structures. Our request for \$1,000,000 in additional County funding will directly offset these unanticipated costs.

Have you begun any state or federal environmental review procedures for the proposed project?

No

What is the anticipated timeline for the environmental review(s)?

Pursuant to Health and Safety Code section 50675.1.1, projects acquired through Project Homekey are exempt from CEQA. The project does not have any federal funding and therefore is not required to complete NEPA.

Who is the staff member that will supervise and manage the proposed project? Describe their past experience with project management.

Cory Hiraga, Project Developer, is leading the project management of this project and oversees the day-to-day responsibilities across all stages including entitlements, design, financing, and construction. Cory has experience providing project management, planning, and construction management for affordable housing new construction and acquisition/rehab projects. In addition to 3301 Kerner, he currently manages a 176-unit family project in Hayward, CA that has closed on its construction financing and is about to break ground.

Kate Blessing-Kawamura, Associate Director of Real Estate Development, is supervising this project and has managed new construction and preservation projects at various stages of development. Since joining Eden, she financed and begun construction of a 62-unit family project in San Leandro, CA; planned the substantial rehabilitation of a 200-unit, 10-acre project in Santa Rosa, CA; led a robust community engagement process and obtained entitlements for a 50-unit mixed use development in Palo Alto; and obtained entitlements and closed on the construction financing for a 176-unit family project in Hayward, CA.

Susie Criscimagna, Senior Director of Real Estate Development, is also supervising this project and is experienced with managing affordable housing projects in all stages of development. She supervises project management staff, providing training and guidance on affordable housing development. She has worked on the development of several other affordable housing projects with Eden Housing as a project manager or supervising staff, including a 66-unit development in Dublin, 130-unit development in Alameda, and 62-unit project in San Leandro.

Will the project involve hiring an external property management company?

Yes

Describe the property management company. Include the company name and the number of affordable housing sites and units that it currently manages.

Property management will be provided by The John Stewart Company. In 2022, Eden Housing brought on John Stewart Company (JSCo) as the property management agent for several of its upcoming permanent supportive housing projects to accommodate a growing pipeline. Founded in 1978 to provide high quality property management to affordable housing in the Bay Area, JSCo has developed into a full-service housing management, development, and consulting organization and is the largest affordable housing manager in California. JSCo has extensive permanent supportive housing management experience. The John Stewart Company currently manages 100+ PSH properties across the state of California within their portfolio of 450+ properties containing over 34,000 residential units.

If awarded funding, you will need to draft and submit an Affirmative Marketing Plan for this project. The plan would describe how you will market the project to different groups of people based on protected characteristics such as race, color, national origin, religion, sex (including sexual orientation and gender identity), familial status, and disability. Please refer to the Affirmative Marketing tab of the [Federal Grants website](#) for more information.

Describe any prior experience with affirmative marketing or similar initiatives.

The marketing and management of the project will ensure that occupancy shall be open to all persons regardless of race, color, ancestry, religion, national origin, sex, marital status, age, physical handicap, or other arbitrary factors. Affirmative marketing will be used to actively promote the goals of fair housing. The units will be marketed in a variety of local publications, online, and through major employers, local libraries, community centers, service organizations and schools. The marketing plan will include specific strategies for targeted outreach to minority populations and difficult to reach groups. Referrals will be accepted from Marin Coordinated Entry System and Marin Health and Human Services. All advertisements will include the prominent use of Equal Housing Opportunity logos, slogans and/or statements of intent to affirmatively market the units.

Annually, The John Stewart Company will analyze the race, ethnicity, and other categories of current tenants and the applicants on the waiting list to measure the success of our marketing efforts before starting its marketing. Thereafter, The John Stewart Company will annually review the affirmative marketing for 3301 Kerner to ensure that its marketing efforts are targeting the persons least likely to apply to ensure a balance of the applicants on the waiting list and the residents. The Compliance Manager will review the demographic data for the housing area to determine if the housing area must be extended to ensure that The John Stewart Company is conducting outreach to under-represented populations before doing any future marketing.

All projects funded by HUD programs must Affirmatively Further Fair Housing. This is defined as combating housing discrimination and taking meaningful actions to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to housing opportunities based on protected characteristics: race, color, national origin, religion, sex (including sexual orientation and gender identity), familial status, and disability.

Describe any past community engagement activities for this project, and future plans for community engagement.

In July 2021 a mural was unveiled by the Canal Arts Initiative on the 3301 Kerner building as a welcome sign to the Canal neighborhood of San Rafael. Eden intends to preserve the mural and engage with the Canal Art Initiative on the possibility of commissioning another mural on the building. It is our hope that the Kerner building not only provides permanent supportive housing but also supports the community in which the building is located.

Eden also intends to hold multiple community meetings with neighbors, community organizations, and

the business community during construction, lease-up, and operation of the property. We have already engaged with community organizations such as Resilient Shore and the Canal Alliance. Eden is invested in this project and in the Canal neighborhood of San Rafael and its many stakeholders.

Demographics and Unit Information

In the table below, enter the existing or anticipated number of units based on income level and bedroom count. Refer to the [Current Marin County Income Limits](#) to determine income level.

Anticipated Unit Count by Bedrooms and Income Level

	Extremely Low	Very Low	Low	Moderate	Market Rate	TOTAL UNITS
Studio	32					32
1 bed	8					8
2 bed					1	1
3 bed						0
4 bed						0
Other						0
TOTAL UNITS	40	0	0	0	1	41

Notes or clarifying information on the unit count:

Per near-final draft PLHA/AHF loan docs as of the date of this application, the County intends to restrict 40 units at Extremely Low Income. The two-bedroom manager's unit will be unrestricted.

In the table below, enter the demographics of the people who live (or will live) in the proposed housing project. If unknown, use the demographics of households within similar existing Marin complexes as the proposed project, within the organization's purview. Specify the number of Hispanic/Latino residents in its stand-alone column. The "Total" column must include the number of Hispanic/Latino residents as part of the sum.

Are these numbers specific to the proposed project, or to a similar existing Marin complex?

Similar existing Marin complex

Demographic Information

	Total Number of Persons	Persons Identifying as Hispanic/Latino
White	77	
Black/African American	8	
Asian	15	
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		

	Total Number of Persons	Persons Identifying as Hispanic/Latino
American Indian/Alaskan Native & White		
Asian & White		
Black/African American & White		
American Indian/Alaskan Native & Black.African American		
Other Multi-Racial		
Other/Not Disclosed	8	8
TOTAL (Unduplicated)	108	8

Fill in a number for each of the fields below. For new construction, or if you are unsure, please put 0.

Families

17

Female-headed households

61

Households that include person(s) with a disability

13

Notes or clarifying information on demographics:

This is aggregated demographic data from two Eden properties in Marin County from 2022.

The Race/Ethnicity fields above do not directly align with the data fields from our records. See below.

Race/Ethnicity

White 77
 Latinx 8
 Black 8
 API 15
 Total 108

Project Planning

Select the current phase of the proposed project.

Building

Describe the project timeline and specify a real or estimated completion date for each milestone below. Add/explain any additional milestones as needed.

For acquisition projects:

Appraisal

Monday, April 4, 2022

Written Offer

Monday, January 1, 1900

Purchase Option Agreement Signed

Tuesday, January 10, 2023

Inspections

Monday, January 1, 1900

Negotiations

Monday, January 1, 1900

Closing

Thursday, March 30, 2023

Explain any additional milestones for Acquisition Projects below:

The project team is preparing to close on its construction financing, acquire the property from the County, and start construction in the next couple of weeks.

For fields that are not applicable to the project, I used this date: January 1, 1990.

For new construction and/or rehabilitation projects:**Define scope of work/finish design**

Friday, December 9, 2022

Complete planning and environmental review

Monday, January 1, 1900

Release bid package

Sunday, January 15, 2023

Select contractor

Tuesday, February 1, 2022

Finalize contract

Friday, March 24, 2023

Obtain building permits

Monday, April 3, 2023

Start construction

Monday, April 3, 2023

Complete construction

Sunday, September 1, 2024

Explain any additional milestones for New and/or Rehabilitation Projects below:

The project team is preparing to close on its construction financing, acquire the property from the County, and start construction in the next couple of weeks. The building permit will be issued immediately after closing.

For fields that are not applicable to the project, I used this date: January 1, 1990.

Will you be seeking Project Based Section 8 Vouchers for this project?

No

Please be aware that if Project Based Section 8 Vouchers (PBV) are committed to the project, the environmental review process and subsidy layering must be completed before the acquisition is complete or construction commences. Actions taken prior to PBV being committed are not subject to this requirement.

Describe the type of site control that your organization has for the proposed property. If this request includes funds for acquisition, summarize the acquisition terms, price, contingencies, and conditions.

Kerner Canal, L.P., a single purpose entity controlled by Eden Housing, Inc., entered into a Purchase and Sale Agreement with the County in January 2023. The project anticipates closing on its construction financing and acquiring the property from the County in the coming weeks.

Expanding on the Scope of Work, please describe the rehabilitation that is proposed for the property and how it will address specific conditions (i.e., replacement needs, deferred maintenance, existing building violations, required seismic upgrades, building or health code problems). Please describe any other existing rehabilitation needs that are not included in the project scope and explain their exclusion.

The redesign includes utility upgrades and site improvements including accessible parking and paths of travel and localized grading and drainage as deemed necessary. The patio courtyard will be redeveloped and a portion of the landscape will be replaced or new planting designed and coordinated with existing irrigation. A portion of the top level of the parking garage will be designed as an outdoor open space and gardening area.

The redesign will also include structural upgrades to the building and new construction to the extent required by the City of San Rafael. The mechanical, electrical, and plumbing (MEP) systems will be redesigned for the new residential building program to residential type V- 1hr codes and sprinkler and Emergency Systems Specifications. The MEP system required upgrades will be integrated into the existing building systems.

As noted above, it has come to light very recently that the building is in a floodplain and that the first-floor residential units will need to be raised to comply with local floodplain requirements for residential structures. Our request for \$1,000,000 in additional County funding will directly offset these unanticipated costs.

Describe the accessibility of the building. Do you plan to make accessibility improvements?

The Project will comply with the Tier 2 California Housing Accelerator Program Guidelines, most recently amended August 31, 2022. Under these Housing Accelerator Guidelines, adaptive reuse projects are considered rehabilitation projects. As noted above, site improvements include improvements to accessible parking and paths of travel.

How will the rehabilitation be staged to minimize risk and inconvenience to the residents? If certain systems or parts of residents' units will be temporarily inoperable or unusable (e.g., kitchen or bathroom) during construction, what is the estimated duration of such interruptions? What mitigations will you provide?

Not applicable. There are no current residents of the building.

Describe in detail any temporary relocation of existing tenants at the site due to proposed rehab activities. Explain why relocation is needed and provide the estimated duration and number of impacted tenants. If known, identify which laws (local, state, federal) must be followed in carrying out the relocation.

Not applicable. There are no existing tenants.

Financing Plan

What is the status of all proposed project funding sources as of the date of this application?

California Housing Accelerator (CHA) - \$25,824,201 - Committed
NPLH - \$4,981,492 - Committed
Marin County (PLHA + LHTF+ AHF) - Existing - \$899,250 - Committed
City of San Rafael (AHTF) - \$850,000 - Committed
Sponsor Loan (HPN + MCF + County) - \$1,235,000 - Committed
Accrued Interest on Committed Soft Loans - \$78,325 - Committed
Marin County (PLHA + AHF) - Requested - \$1,000,000 - Applied For
Accrued Interest on Marin County (PLHA + AHF) - Requested - \$37,918 - Applied For

What is the timing and likelihood for obtaining commitments of anticipated funding sources?

All of the sources above have been committed to the project, with the exception of the \$1,000,000 in additional County funding requested and associated accrued interest.

In the event that any funding sources are not obtained or are committed at lower levels than requested, what alternatives will be pursued?

The project is considering approaching other funders, such as the Marin Community Foundation, for additional funding.

For each item in your project budget, to be attached to this application, please explain how the budgeted amount was derived, whether costs are estimated or bid, and any other relevant information that justifies the budgeted expense (e.g., cost per square foot, percentage of other costs, estimated number of work hours).

Acquisition Costs: Based off of actual anticipated closing costs for our upcoming closing.

Hard Costs: Based off of hard bids from our contractor and subcontractors.

Soft Costs: Based off of actual predevelopment costs already incurred, invoices for impact and permit fees, and anticipated costs for our upcoming closing.

Costs of issuance/financing fees: Based off of actual and estimated fees for our upcoming closing.

Is your organization receiving any other Marin County funding for this project?

Yes

Please describe. Include a brief overview of the goals and accomplishments achieved through this funding.

The project has \$899,250 in PLHA, LHTF, and AHF soft loan debt from the County of Marin committed. In addition, the County of Marin provided a \$200,000 predevelopment grant to Eden Housing for this project, which is being structured as a larger sponsor loan for the project. These committed funds have reduced the accrued predevelopment interest expense for the project and provided indispensable soft financing to get us to construction closing.

Does your organization have unspent funds that were previously awarded by the County (for any project)?











Yes

What is your timeline for expending the fund balance?

The funds outlined above will be expended at our construction closing in the coming weeks.

Attachments

Please closely review the Notice of Funding Availability (NOFA) for instructions on which documents you must attach. The County requires specific attachments for each funding type (HTF/PLHA, HOME-ARP, CDBG Housing). Please label your attachments in this manner: "2023-24 [Document Name] for [Organization Name]- [Project Name]."

 2023-2024 Board for Eden - 3... .pdf	 2023-2024 Budget for Eden -pdf
 2023-2024 Const S&U for Ede...pdf	 2023-2024 FS (19-20) for Ede...pdf
 2023-2024 FS (20-21) for Ede...pdf	 2023-2024 IRS Exempt for Ed... .pdf
 2023-2024 Op Budget and Ca...pdf	 2023-2024 Perm S&U for Ede... .pdf
 2023-2024 Project Schedulexlsx	 2023-2024 Site Control for Ed...pdf

Certification

Please review your responses above for accuracy.

Name of Person Completing this Application

Kate Blessing-Kawamura

Title of Person Completing this Application

Associate Director of Real Estate Development

By checking this box,

I hereby certify that the information in this application is true and accurate to the best of my knowledge.