



PLEASE POST

City of Emeryville

INCORPORATED 1896

1333 Park Avenue, Emeryville, CA 94608-3517
t (510) 596-4300 | f (510) 596-4389

Chair Samuel Feldman
Vice Chair Fran Quittel
Member David Kritzberg
Member Navarre Oaks
Member Dora Siu

BUDGET ADVISORY COMMITTEE

Regular Meeting
Civic Center, Garden Level
1333 Park Avenue Emeryville, CA 94608
March 12, 2026 – 2:00 PM

Actions taken by Advisory Bodies are not official actions of the City Council, but must be considered and potentially ratified at a regular City Council meeting.

All writings that are public records and relate to an agenda item, which are distributed to a majority of the legislative body less than 72 hours prior to the meeting is noticed, will be made available via email by request to the Committee Secretary. In compliance with the Americans with Disabilities Act, a person requiring an accommodation, auxiliary aid, or service to participate in this meeting should contact the Committee Secretary as far in advance as possible, but no later than 72 hours prior to the scheduled event. The best effort to fulfill the request will be made. Assistive listening devices will be made available for anyone with hearing difficulty and must be returned to the Committee Secretary at the end of the meeting. All documents are available in alternative formats upon request. No animals shall be allowed at, or brought in to, a public meeting by any person except (i) as to members of the public or City staff utilizing the assistance of a service animal, which is defined as a guide dog, signal dog, or other animal individually trained to provide assistance to an individual with a disability; or (ii) as to police officers utilizing the assistance of a dog(s) in law enforcement duties.

Public comment for agenda items can be submitted online via a written comment card at www.emeryville.org/advisorybodies, or submitted by email to the Committee Secretary. If you would like to support, oppose, or otherwise comment on an upcoming agenda item, please send in your comments prior to the meeting.

FURTHER INFORMATION may be obtained by contacting Sharon Friedrichsen, Committee Secretary, at 510-596-4352 or sharon.friedrichsen@emeryville.org / bac@emeryville.org. The next regular meeting is scheduled for May 14, 2026, at 2:00 PM.

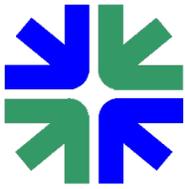
DATED: MARCH 4, 2026

Post On: MARCH 6, 2026
Post Until: MARCH 13, 2026

AGENDA

1. Call to Order
2. Roll Call
3. Public Comment
 - 3.1 *Submit a written comment card at www.emeryville.org/advisorybodies*
4. Approval of February 12, 2026, Regular Meeting Action Minutes
5. Action Item
 - 5.1 Investment Portfolio Strategies
 - 5.2 FY25 Affordable Housing Expenditure Plan and Measure C Affordable Housing Bond Annual Report
6. Information Items
7. Future Agenda Item
 - 7.1 Sewer Fees & Update Plans
8. Announcements / Member Comments
9. Adjournment


Lorrayne Leong, Deputy City Clerk



City of Emeryville

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1333 Park Avenue, Emeryville, CA 94608-3517

t (510) 596-4300 | f (510) 596-4389

BUDGET ADVISORY COMMITTEE MINUTES

Regular Meeting

Civic Center, Council Chambers

1333 Park Avenue Emeryville, CA 94608

February 12, 2026 – 2:00 PM

1. Call to Order

Chair Feldman called the meeting to order at 2:02 p.m.

2. Roll Call

Present-Quittel, Feldman, Siu, and Kritzenberg.

Absent-Oaks

3. Public Comment

No public comment.

4. Approval of December 16, 2026 Regular Meeting Minutes

Action: M/S/C (Motion/Second/Carried) Siu/Kritzberg

Vote: Ayes – Feldman, Kritzenberg, Quittel and Siu.

Absent-Oaks.

5. Action Items

5.1 Appointment to Visual Arts and Community Promotions Grants' Subcommittees.

Amber Evans, Community and Economic Development Coordinator with the Community Development Department, and Rebecca Sermena, Director of the Community Services Department, presented an opportunity for the Committee to delegate a member to serve on the Visual Arts and Community Promotions Grants subcommittee. They responded to Committee members' questions regarding the Visual Arts and Community Promotions Grants.

Motion to delegate Chair Sam Feldman to serve on both subcommittees of Visual Arts and Community promotion grants was made from member Quittel and second by Kritzenberg.

Motion: Quittel

Second: Kritzenberg

Vote: Ayes – Feldman, Kritzberg, Quittel and Siu.

Absent-Oaks.

5.2 Discussion of Committee’s Goal, Principles and Accomplishments for Calendar Year 2025 and Proposed Committee Priorities for Calendar Year 2026 And Designating the Committee Chair or Another Committee Member to Present the Annual Report to Council.

Finance Director Friedrichsen provided a brief overview of the Committee’s accomplishments for calendar year 2025, outlined its goals for calendar year 2026, and reviewed the presentation process for the upcoming council meeting. Finance Director Friedrichsen responded to questions from Committee members regarding the proposed priorities. The Committee provided feedback and suggested minor changes to the goals and priorities to be presented by the Committee Chairperson Feldman for the Council meeting.

No Public Comment.

Motion/Second: Feldman/Siu

Vote: Ayes – Feldman, Kritzberg, Quittel and Siu.

Absent-Oaks.

6. Information Items

6.1 FY25-26 Second Quarter General Fund Financial Update

Finance Director Friedrichsen presented an update on the Fiscal Year 2025-2026 second quarter for the General Fund. Finance Director Friedrichsen and Captain Nicholas Calonge with the Police Department responded to Committee’s questions.

No Public Comment

7. Future Agenda Items

7.1 Sewer Fees and Update Plans.

8. Announcements / Member Comments

8.1 Next Meeting-March 12, 2026

8.2 Member Quittel request Finance Director Friedrichsen to distribute copies to the Committee members an article in the Contra Costa News regarding the

Board of Supervisors asking voters to backfill federal cuts with sales tax measures.

8.3 Member Quittel announced that The Commonwealth Insurance Club is having a forum on Friday, February 13, 2026, online introducing California Insurance Commissioner candidates.

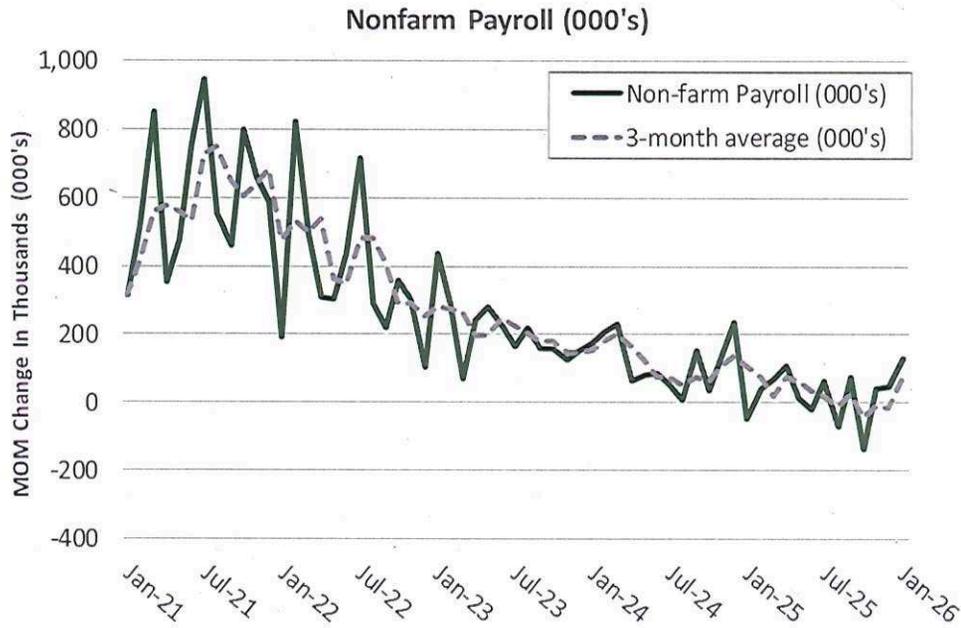
8.4 Finance Director Friedrichsen introduced the new Accounting Manager Renee Eshun. Director Friedrichsen and the Committee welcomed Renee Eshun to the City of Emeryville.

9. Adjournment

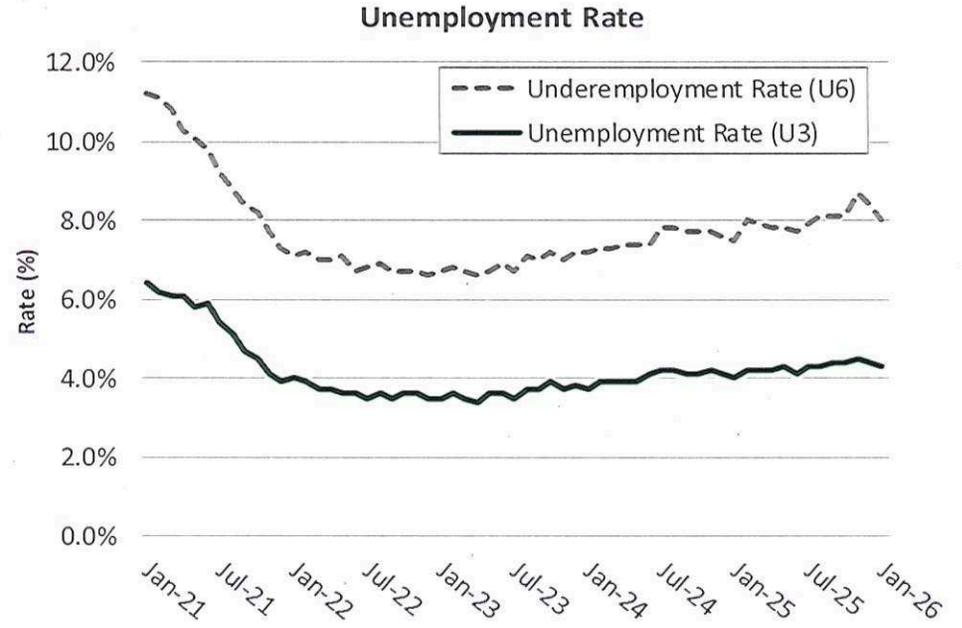
The meeting adjourned at 3:28 p.m.

INVESTMENT STRATEGIES UPDATE

City of Emeryville | March 12th, 2026



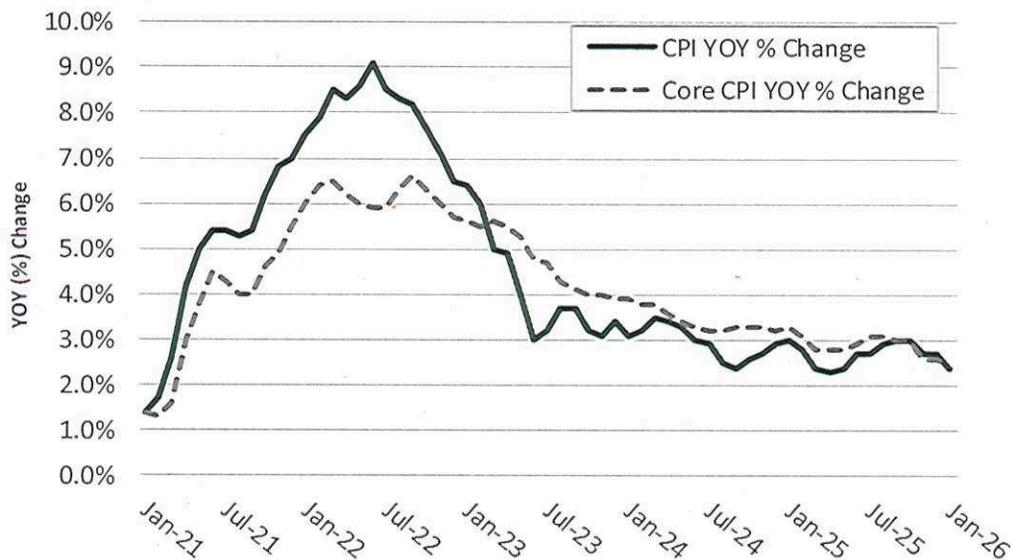
Source: US Department of Labor



Source: US Department of Labor

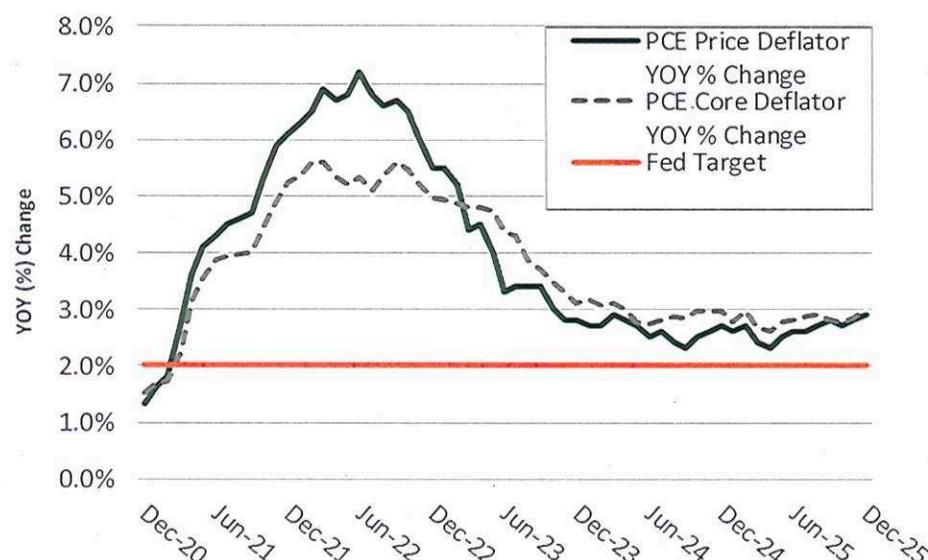
The January Nonfarm Payrolls report exceeded expectations, adding 130,000 jobs compared to the forecast of 65,000. Job gains were concentrated in the private education and health services sectors, while government employment posted the largest decline. Meanwhile, the unemployment rate declined for a second straight month to 4.3% in January, according to the Bureau of Labor Statistics. Taken together, the data suggest the labor market may be showing signs of stabilization at the start of 2026.

Consumer Price Index (CPI)



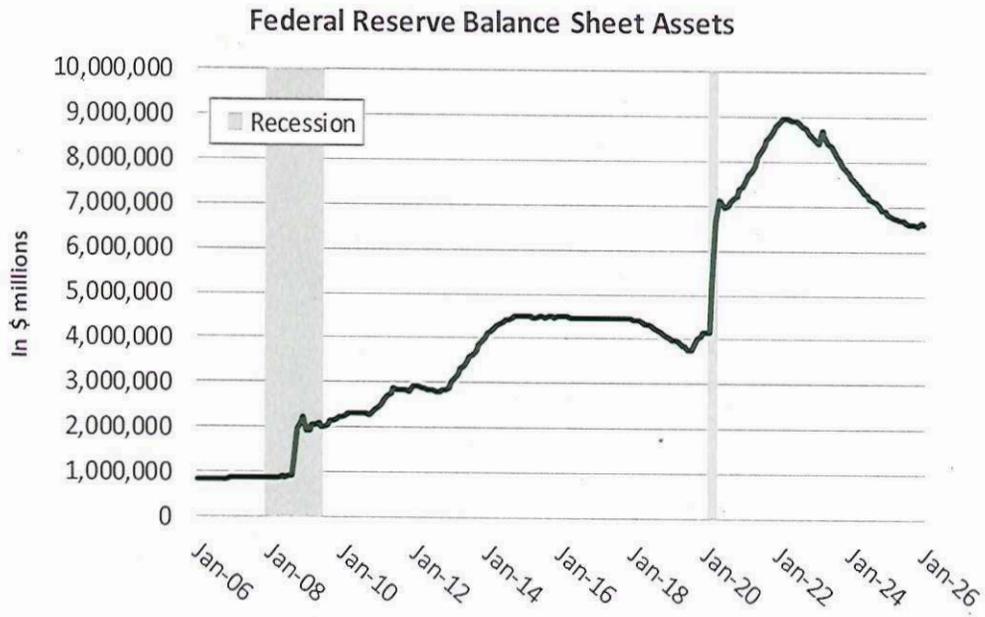
Source: US Department of Labor

Personal Consumption Expenditures (PCE)

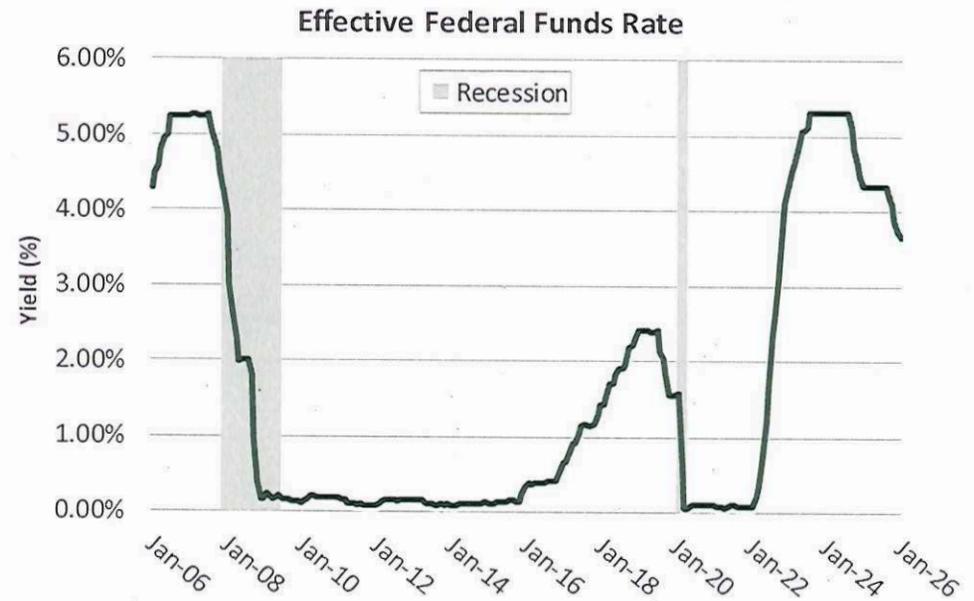


Source: US Department of Commerce

On the headline basis, inflation moderated in January with the Consumer Price Index (CPI) rising 0.2% for the month, down from 0.3% in December. On an annual basis, headline CPI eased to 2.4% from 2.7% a year earlier. Core CPI, which excludes volatile food and energy prices, edged up to 0.3% in January from 0.2% the previous month, while the annual rate eased slightly to 2.5% from 2.6%. The Personal Consumption Expenditures (PCE) Index for December, released on February 20, showed both headline and core inflation rising 0.4%, which was 0.1% higher than expectations. On an annual basis, headline PCE inflation advanced 2.9% and Core PCE, which excludes food and energy, rose 3.0% in December.



Source: Federal Reserve



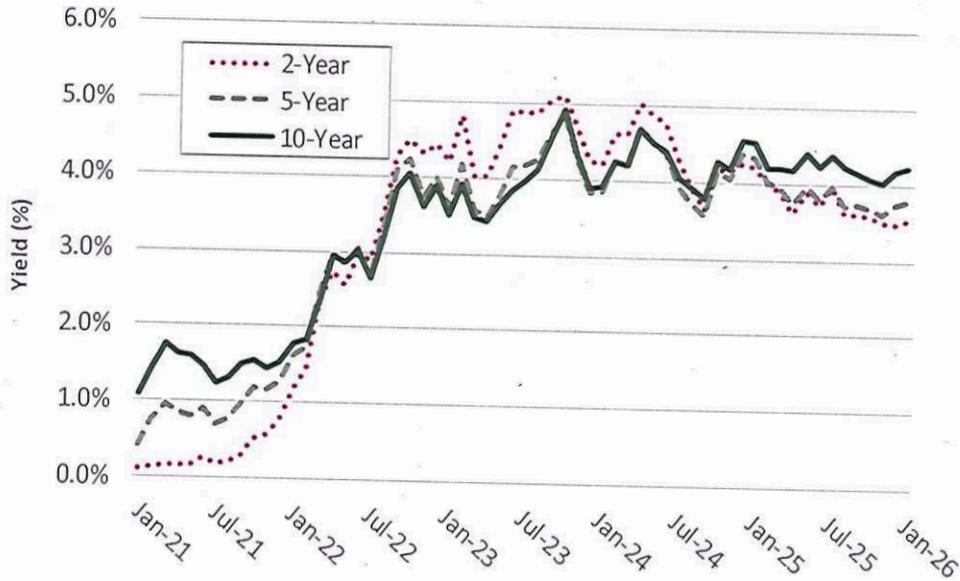
Source: Bloomberg

The Federal Reserve left its benchmark interest rate unchanged in January, keeping the target range at 3.50% to 3.75% after the December quarter-point cut that was justified by signs of softening in the labor market. Policymakers maintained a cautious tone, acknowledging that inflation has continued to moderate but emphasizing that the outlook remains uncertain and that future adjustments will depend on incoming data. The Fed minutes, released in February, indicated several participants would have supported ‘two-sided’ language on the go forward rate path, implying some possibility the next move by the FOMC could be an increase in the Fed Funds rate. The Committee also reaffirmed its December decision to halt balance sheet runoff and to reinvest principal and interest payments from its securities holdings, signaling a desire to maintain ample reserves and support orderly market functioning while it assesses the effects of earlier tightening and recent rate cuts.

BOND YIELDS

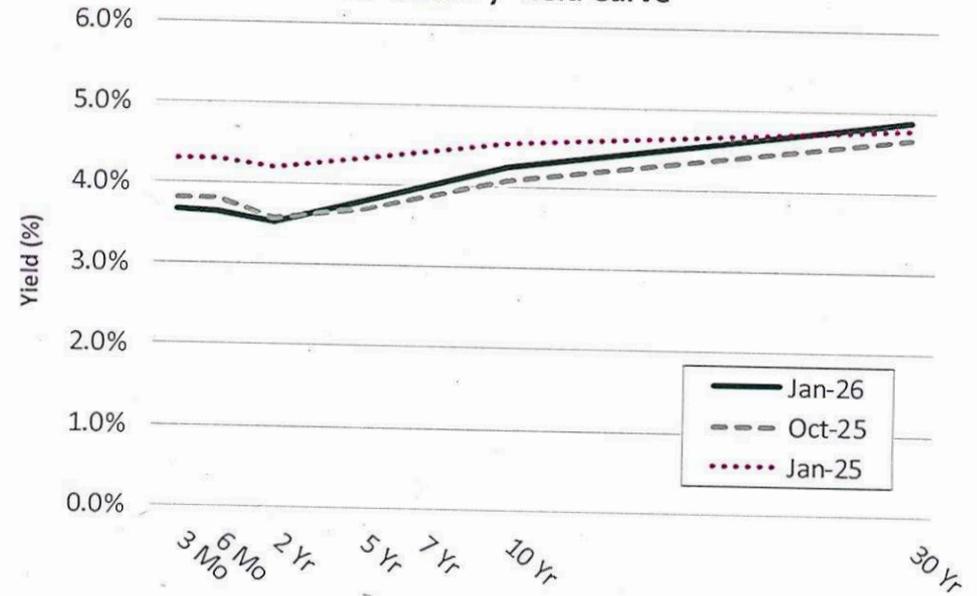


US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of January, the 2-year yield was 8 basis points lower, and the 10-year yield was 7 basis points higher, year-over-year. The spread between the 2-year and 10-year Treasury yield points on the curve increased to +71 basis points at January month-end versus +69 basis points at December month-end. The prior 2-year/10-year yield curve inversion, which spanned from July 2022 to August 2024, was historically long. The average historical spread (since 2005) is about +95 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was +58 basis points in January versus +54 basis points in December.

ACCOUNT PROFILE

Investment Objectives

The investment objectives of the City of Emeryville are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all operating requirements; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return over a market cycle that equals or exceeds the market index, the ICE BofA 1-3 Year US Treasury & Agency Index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality money market instruments, US Treasury securities, Agency securities and high-grade Corporate securities, with a maximum maturity of five years.

PORTFOLIO CHARACTERISTICS



City of Emeryville | Account # [REDACTED] | As of December 31, 2025

	Benchmark*	12/31/2025 Portfolio	9/30/2025 Portfolio
Average Maturity (yrs)	1.85	1.95	1.96
Average Modified Duration	1.76	1.81	1.82
Average Purchase Yield		4.33%	4.36%
Average Market Yield	3.50%	3.63%	3.77%
Average Quality**	AA+	AA+	AA+
Total Market Value		113,012,965	111,785,376

Emeryville Liquidity | Account # [REDACTED] | As of December 31, 2025

	Benchmark*	12/31/2025 Portfolio	9/30/2025 Portfolio
Average Maturity (yrs)	0.16	0.35	0.35
Average Modified Duration	0.15	0.34	0.34
Average Purchase Yield		3.91%	4.12%
Average Market Yield	3.63%	3.59%	3.96%
Average Quality**	AA+	AA+	AA+
Total Market Value		33,327,309	32,989,084

*Benchmark: ICE BofA 1-3 Year US Treasury & Agency Index, *Benchmark: ICE BofA 3-Month US Treasury Bill Index

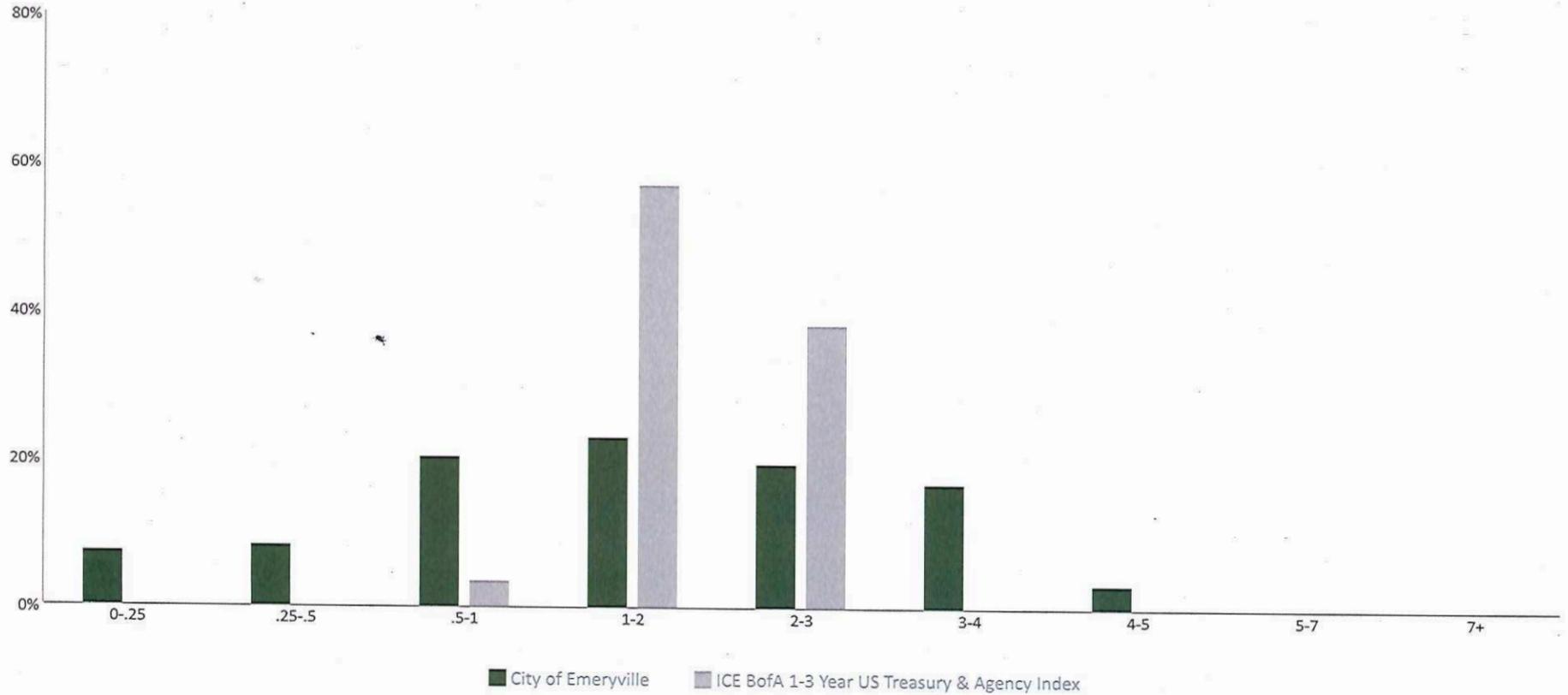
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

DURATION DISTRIBUTION



City of Emeryville | Account # [REDACTED] | As of December 31, 2025

Portfolio Compared to the Benchmark



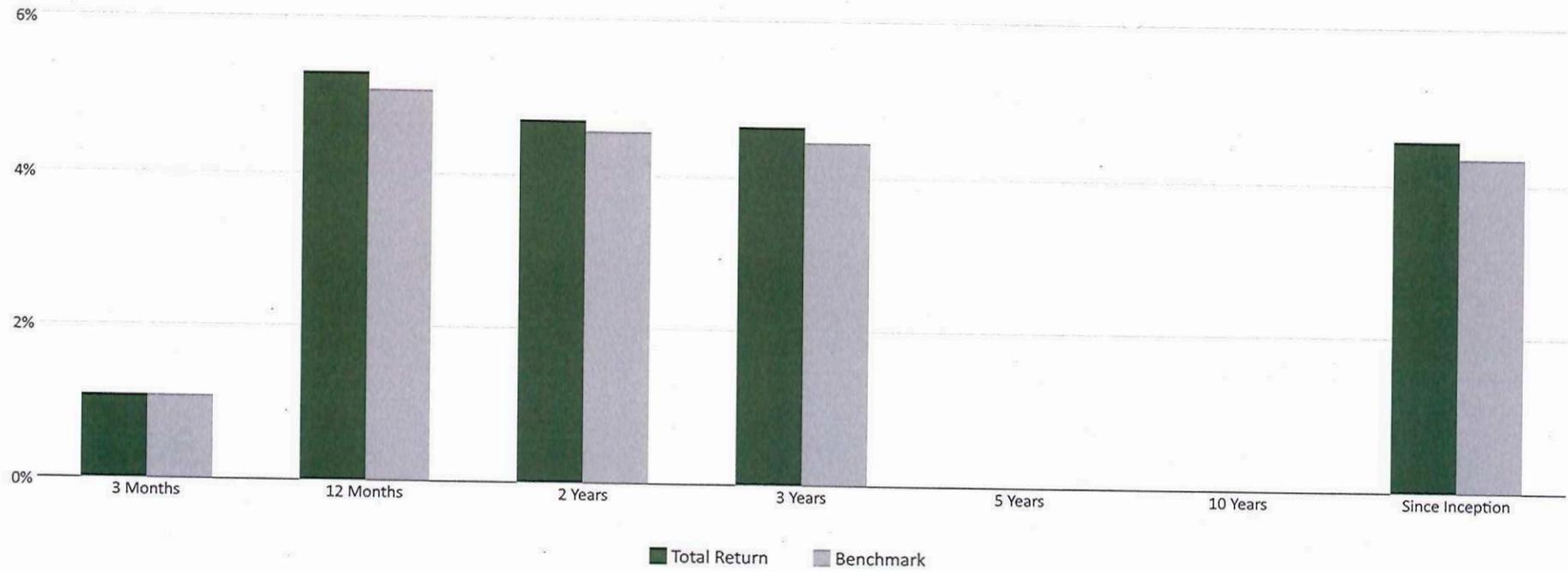
	0-0.25	0.25-0.5	0.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	7.7%	8.5%	20.4%	23.2%	19.6%	17.1%	3.6%	0.0%	0.0%
ICE BofA 1-3 Year US Treasury & Agency Index	0.0%	0.0%	4.0%	57.4%	38.6%	0.0%	0.0%	0.0%	0.0%

INVESTMENT PERFORMANCE



City of Emeryville | Account # [REDACTED] | As of December 31, 2025

Total Rate of Return : Inception | 10/01/2022



TOTAL RATE OF RETURN*	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
City of Emeryville	1.10%	5.33%	4.73%	4.68%			4.59%
Benchmark	1.12%	5.09%	4.58%	4.48%			4.36%

*Periods over 1 year are annualized.

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Benchmark: ICE BofA 1-3 Year US Treasury & Agency Index

PORTFOLIO CHARACTERISTICS



City of Emeryville Reporting | Account # [REDACTED] | As of December 31, 2025

	12/31/2025 Portfolio	9/30/2025 Portfolio
Average Maturity (yrs)	0.03	0.04
Average Modified Duration	0.03	0.04
Average Purchase Yield	3.34%	3.76%
Average Market Yield	3.49%	3.92%
Average Quality**	AA+	AAA
Total Market Value	80,332,268	79,496,086

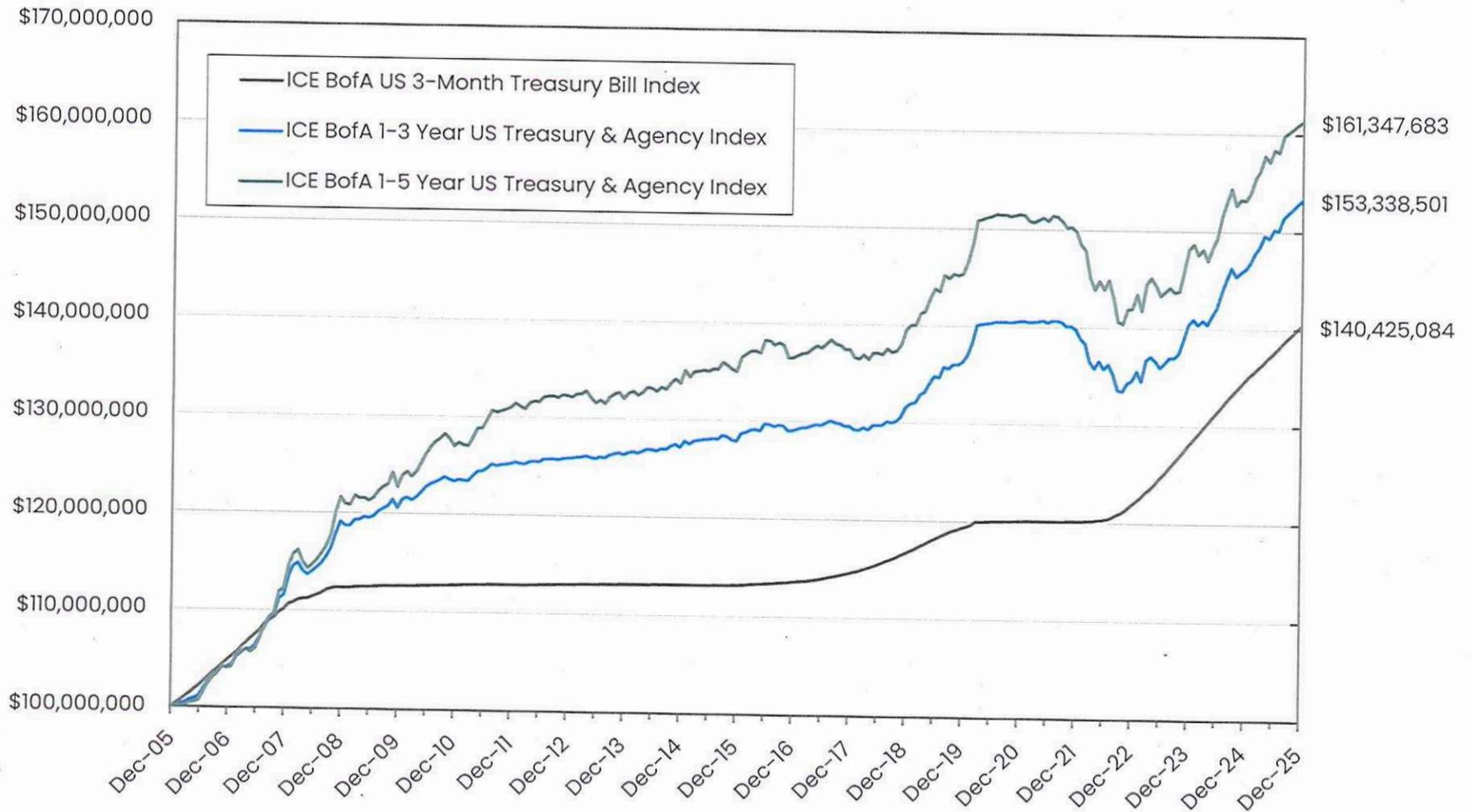
*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

HISTORICAL INDEX PERFORMANCE



Hypothetical Example: Growth of \$100 Million Over 20 Years

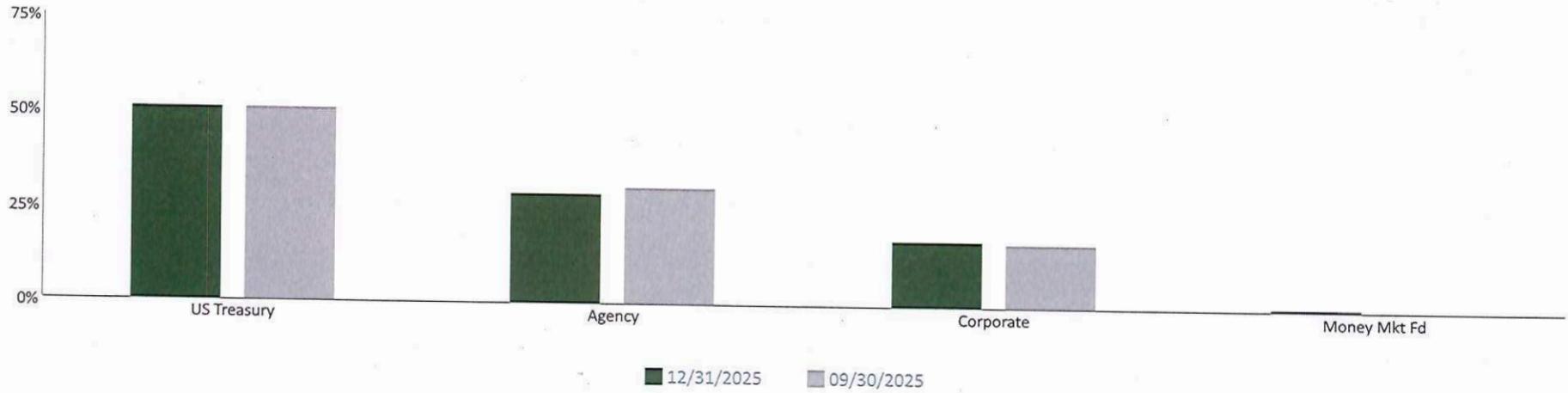


Source: Bloomberg. Graph demonstrating the performance of commonly used benchmarks among our clients. Historical benchmark performance data for the 3 Month Treasury Bill Index, 1-3 Year Treasury Index, and 1-5 Year Treasury & Agency indices sourced from Bloomberg AIM. Index returns assume reinvestment of all distributions. Historical performance results for investment indexes do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index. Past performance is not indicative of future performance. Please see important hypothetical disclosures at the end of this presentation

SECTOR DISTRIBUTION



City of Emeryville | Account # [REDACTED] | As of December 31, 2025



Sector as a Percentage of Market Value

Sector	12/31/2025	09/30/2025
US Treasury	51.24%	51.10%
Agency	29.64%	30.91%
Corporate	17.94%	17.35%
Money Mkt Fd	1.17%	0.64%

- **Reallocate** proceeds from maturing securities in the liquidity portfolio into the Limited Maturity 1-3 year duration target portfolio
- **Position** for a lower money market rate and steeper yield curve environment
- **Discuss** changing the core strategy into a Short-Term Bond 1-5 year duration target strategy to further extend duration
- **Begin** incorporating AAA rated Asset Backed Securities (ABS) into the core strategy for diversification, relative value, and better credit exposure

IMPORTANT DISCLOSURES



2025 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

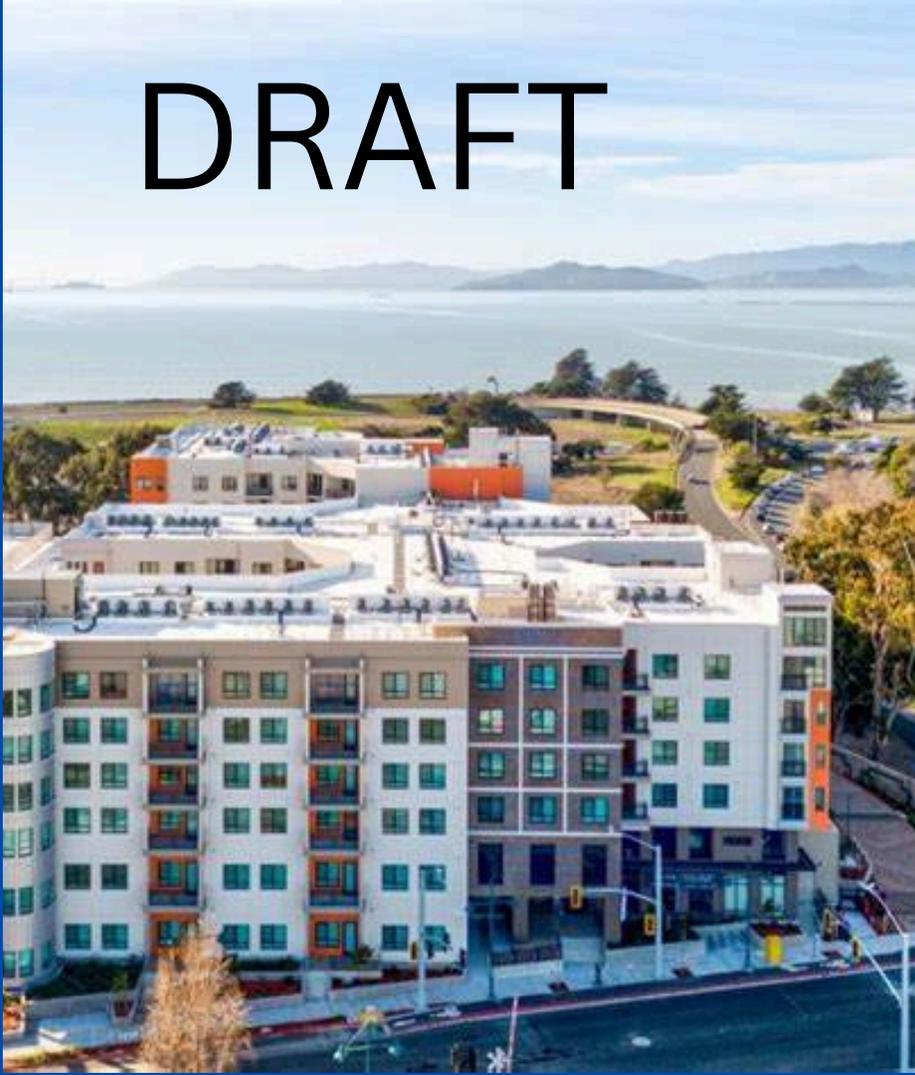
Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

BENCHMARK DISCLOSURES



Benchmark	Disclosure
ICE BofA 1-3 Yr US Treasury & Agency Index	The ICE BofA 1-3 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.

DRAFT



FY25 Affordable Housing Expenditure Plan & Affordable Housing Program Annual Report

Presented To:
Emeryville City Council
April 21, 2026

Executive Summary



Avenue 64 Apartments



Elevation 22 Condominiums



3900 Adeline Apartments

This annual report includes an update on the following:

- 1. Affordable Housing Expenditure Plan;**
- 2. Measure C Housing Bond; and**
- 3. Affordable Housing Set-Aside Program**

Section 1 of the report provides an update on the activities planned in the City of Emeryville's Affordable Housing Bond Administration and Expenditure Plan. With the Plan, the Emeryville City Council adopted a set of preservation and production strategies for affordable housing and identified \$65.09 million to support these activities. By the end of FY25, the City of Emeryville ("City") had expended \$16.5 million, or 25%, of these funds and made progress in the Preservation Initiative, under the Homebuyer Assistance Program, Rental Preservation Program, and Accessibility Improvement Program. Specifically, the City issued Homebuyer Assistance to two moderate income homebuyers to purchase Below-Market Rate condos, provided capitalized reserves to one multifamily rental project serving a special needs population to address deferred maintenance, and provided accessibility improvements to six borrowers that will impact 1,316 mixed income residential units.

Section 2 of the report provides an update on the actions, expenditures and performance measures, specifically for the \$50 Million Measure C Housing Bond.

Section 3 of the report provides an update on the Below Market Rate portfolio of rental and ownership housing units created in the City. The BMR portfolio currently consists of 798 BMR rental units and 232 BMR ownership units. No new BMR units completed construction or were lost in 2024, however 89 of rental units were under construction and three of the ownership units were sold to new homeowners.

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The Bridge Apartments



Section 1.

Affordable Housing Expenditure Plan Report

July 2024 - June 2025



Nellie Hannon Gateway Apartments
Under Construction

Introduction

This report provides an update on the activities planned in the City of Emeryville’s Affordable Housing Bond Administration and Expenditure Plan (“Housing Expenditure Plan”). The Housing Expenditure Plan governs the implementation of Measure C Bond funds, as well as the City’s other affordable housing financial resources and will remain in effect until amended pursuant to the City Council’s approval resolution or by future actions of the City Council. More detailed descriptions of these additional funding sources appear in Attachment A.

Housing Expenditure Plan Programs

All programs within the Housing Expenditure Plan are either a part of the City's Preservation Initiatives or Production Initiatives. Preservation programs are designed to preserve the existing supply, quality, and affordability of the housing stock as well as prevent the displacement of existing tenants. Production programs are designed to build new affordable housing units. Below is a brief description of each program.

Preservation Initiatives

Acquisition of BMR Homebuyer Units.

Allocation: \$1,578,373

Purchase Below Market Rate (BMR) ownership units that are at risk of becoming market rate units.



Homebuyer Assistance.

Allocation: \$1,950,000

Assist low to moderate, first-time homebuyers in purchasing a home by providing eligible borrowers down payment and/or closing cost assistance in the form of a deferred loan.

Foreclosure Prevention.

Allocation: \$150,000

Assist income eligible homeowners to prevent displacement through foreclosure by providing eligible homeowners with assistance through a deferred loan.

Rental Preservation.

Allocation: \$4,266,250

Provide rental property owners with loans to make needed improvements or provide capitalized reserves to address capital needs for properties occupied by income eligible tenants.

Special Needs Housing Incentive.

Allocation: \$4,050,000

Incentivize the creation of additional Below Market Rate (BMR) units for Special Needs Populations at existing Rental Developments.



FY24 Accessibility Improvement.

Allocation: \$232,826

Provide loans to make accessibility or aging in place improvements to individual homes or to make accessibility improvements in common areas of multi-unit buildings.

Production Initiatives

Rental Development.

Allocation: \$41,216,438

Fund new construction of rental units for very low-, low- and moderate-income households and special needs populations, on development sites with a City financial interest.

Development Opportunities.

Allocation: \$8,319,804

Fund strategic acquisition or development of residential housing for very low to moderate income units.

Funding Allocation

At the end of FY25, the City had committed \$19,842,168 (30%) and expended \$16,576,768 (25%). Table A lists the percentage of funds committed and expended by the end of FY25 per funding category. Funds are reported as committed when a funding agreement has been put in place, and expended when funds have been paid out by the City of Emeryville.

Table A: Housing Expenditure Plan Funding Status

FUNDING CATEGORY	FUNDING ALLOCATION	FUNDS COMMITTED	AMOUNT EXPENDED
BOND ISSUANCE FEES	\$ 801,932	\$745,175	\$745,175
ADMINISTRATION	\$2,526,170	\$229,624	\$195,913
BMR ACQUISITION	\$1,578,373	\$701,493	\$701,493
HOMEBUYER ASSISTANCE	\$1,950,000	\$300,000	\$300,000
FORECLOSURE ASSISTANCE	\$150,00	\$-	\$-
RENTAL PRESERVATION	\$4,266,250	\$266,250	\$266,250
SPECIAL NEEDS HOUSING	\$4,050,000	\$-	\$-
ACCESSIBILITY IMPROVEMENT	\$232,826	\$232,826	\$232,826
RENTAL PRODUCTION	\$41,216,438	\$17,366,800	\$14,135,111
DEVELOPMENT OPPORTUNITY	\$8,319,804	\$-	\$-
TOTAL	\$65,091,793	\$19,842,168	\$16,576,768

FY24-25 Housing Expenditure Plan Highlights



UNDER CONSTRUCTION

Nellie Hannon Gateway, 3600 San Pablo Ave.
89 affordable apartments + nonprofit space



BORROWERS APPROVED

Issued 10 Conditional Approval Letters to income eligible homebuyers totaling \$1,694,000 in potential Homebuyer Assistance



IMPROVEMENTS COMPLETED

Completed accessibility improvements in 3 homeowner units, 1 multi-family rental project and 2 multi-family ownership projects.



FUNDING RESERVED

City Council reserved \$12,757,855 to support the development of 4300 San Pablo Avenue.

Program Status and Performance Measures in FY 2025

Homeownership Assistance Program

The City issued ten conditional approval letters to income eligible homebuyers, reserving \$1,694,000 in Homebuyer Assistance Program funding. Two homeowners closed on units and the City provided a total of \$300,000 in homebuyer assistance in FY25.

Rental Preservation Program

The City provided \$266,250 in capitalized reserve funding to Bay Bridge Apartments to address long term maintenance needs and capital improvements of a 6-unit apartment complex serving special need households with income below 50% AMI.

Accessibility Improvement Program

The City approved six borrowers to receive accessibility improvement funding. Three borrowers were low-income senior homeowners, one borrower was the owner of a 6-unit multifamily rental property serving very low-income special need households and two borrowers were homeowner associations with a combined 1,307 mixed income units that received common area improvements. All projects were completed and funds expended in FY25.

Rental Development Program

Nellie Hannon Gateway

Construction continued on Nellie Hannon Gateway, a 90-unit multi-family rental development serving low-income households and a special needs population.

4300 San Pablo Avenue

City Council reserved \$12,757,588 in support of the Developer's application for Multifamily Housing Program (MHP) funding from the California Department of Housing and Community Development (HCD) Round 3 Super NOFA. The Developer revised the income targeting of the project to serve households between 30% and 60% AMI, with no more than 14 units serving households at 30% AMI.

Christie Sites/Perennial Apartments

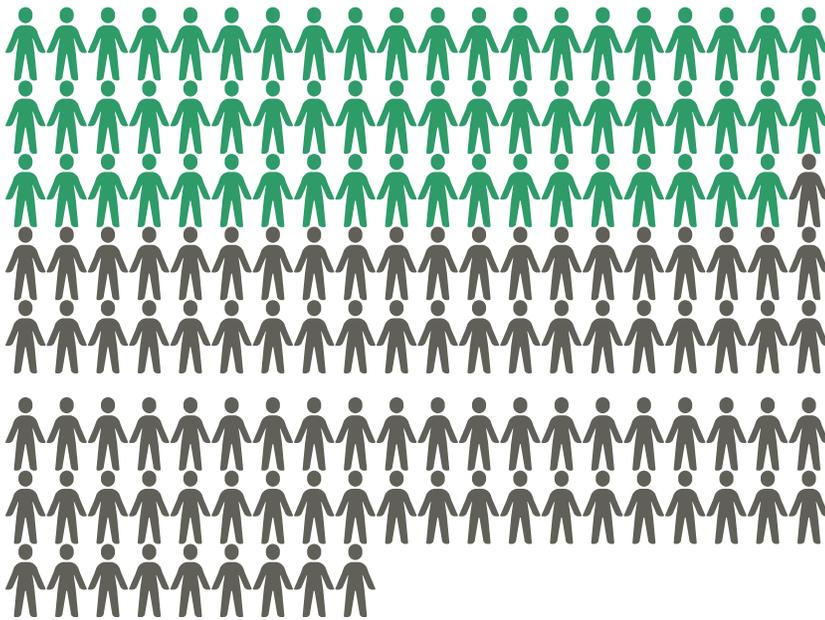
The City issued entitlements on Perennial Apartments, a multi-phased development consisting of 362 multi-family rental housing units.

Housing Expenditure Plan Overall Performance Measures

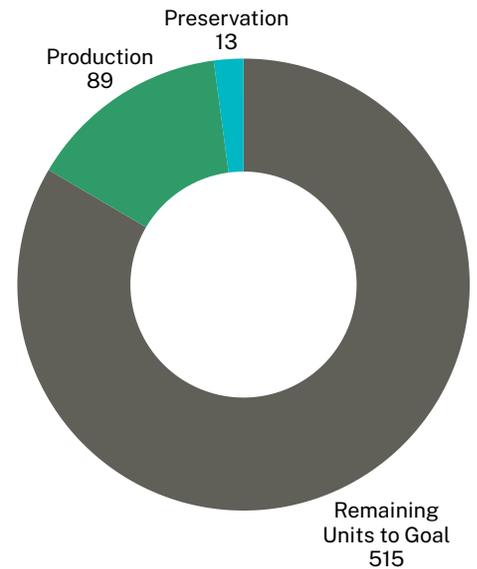
Income Targeting

Income Category	Actual Households/Units	New Program Goal	% Accomplished
Very Low (20% to 50% AMI)	59	282	21%
Low (50% to 80% AMI)	40	177	23%
Moderate (80% to 120% AMI)	3	158	2%

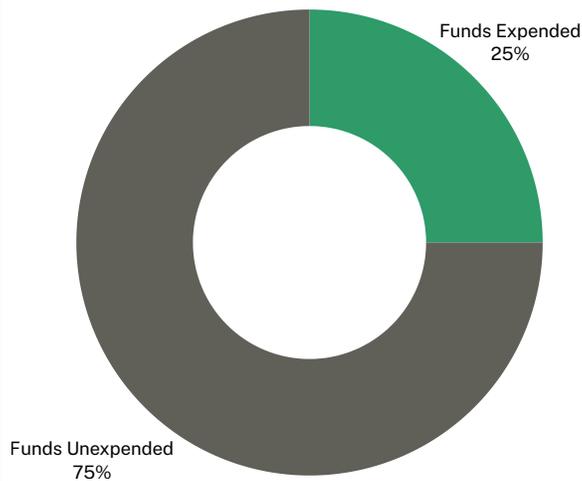
Special Needs Set-Aside (59 out of 149)



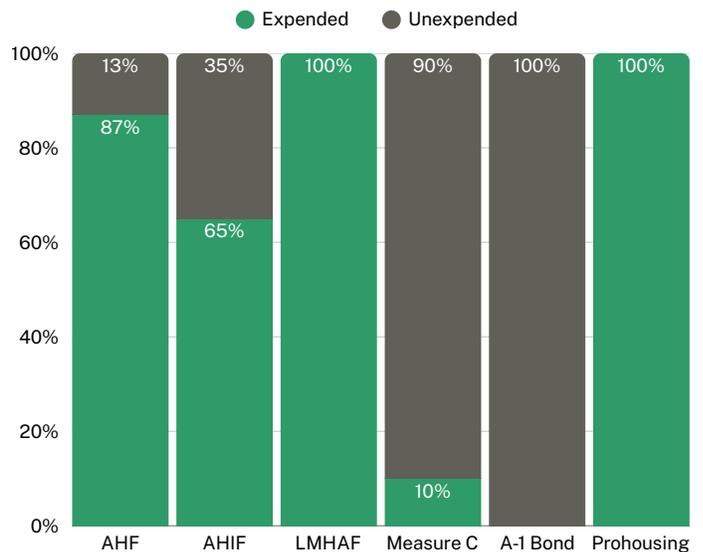
Total Units



Total Funds Expended



Funds Expended Per Source



Section 2.

Measure C Bond Annual Report



City of Emeryville
CALIFORNIA

**MEASURE C MAINTAINING
AFFORDABILITY AND
QUALITY OF LIFE**

Introduction

Measure C supports the City's Housing Element and General Plan policies by financing affordable housing development costs for extremely low, very low, and low-income households as well as for persons with special needs. On June 5, 2018, during a Special Election, more than 2/3rd of Emeryville voters approved Measure C. Measure C allows the City of Emeryville to issue \$50,000,000 in bonds to provide affordable housing, representing about 77% of the funds identified in the *City of Emeryville's Affordable Housing Bond Administration and Expenditure Plan*.

The object and purpose of issuing the Measure C bonds is to finance the costs of providing and/or enhancing the acquisition or improvement of real property in order to provide affordable housing for extremely low, very low, low and middle-income individuals and families, including vulnerable populations such as veterans, seniors, local artists, the disabled, current or former foster youth, victims of abuse, people experiencing homelessness and individuals suffering from mental health or substance abuse illnesses.

Projects to be financed through Measure C may include:

- Acquisition or improvement of real property to produce new affordable housing projects;
- Rehabilitation of existing multi-family projects that are affordable to extremely low, very low, low and moderate-income families and individuals;
- Acquisition of additional affordability commitments in new, privately developed mixed-income projects for veterans, seniors, the disabled, current or former foster youth, victims of abuse, people experiencing homelessness and individuals suffering from mental health or substance abuse illnesses;
- Help for low and middle-income households, including local artists, to purchase homes and stay in the community with first time homeowner loans;
- Displacement prevention for vulnerable populations in Emeryville, including extremely low, very low, low and moderate-income households, veterans, seniors and people with disabilities; and permanent supportive housing for people experiencing homelessness.

Table B identifies the Measure C Budget, funds expended in FY25, total funds expended, funds available to expend, funds reserved to projects but not expended and the funds available to reserve to projects.

Table B: Measure C Funding Allocation

Program	Funding Allocation	Funds Expended FY25	Total Funds Expended	Funds Available to Expend	Funds Reserved, Not Expended	Funds Available to Reserve
BMR Acquisition	\$1,178,373	\$-	\$359,727	\$818,646	\$-	\$818,646
Homebuyer Assistance	\$1,820,000	\$300,000	\$300,000	\$1,520,000	\$1,194,000	\$326,000
Foreclosure Prevention	\$150,000	\$-	\$-	\$150,000	\$-	\$150,000
Rental Preservation	\$4,000,000	\$-	\$-	\$4,000,000	\$-	\$4,000,000
Special Need Housing Incentive	\$4,050,000	\$-	\$-	\$4,050,000	\$2,797,067	\$1,252,933
Rental Production	\$27,179,891	\$-	\$3,429,775	\$23,750,257	\$23,410,000	\$340,116
Development Opportunities	\$8,319,804	\$-	\$3,429	\$8,319,804	\$8,319,804	\$-
Cost of Issuance	\$801,932	\$-	\$745,175	\$56,757	\$-	\$56,757
Administration	\$2,500,000	\$127,920	\$169,743	\$2,330,257	\$33,711	\$2,296,546
Total	\$50,000,000	\$427,920	\$4,576,500	\$44,995,580	\$35,754,582	\$9,240,998

Housing Bond Social Impact Reporting

The Measure C Housing Bonds were issued as Social Bonds by Wells Fargo Bank (Investor). Social Bonds require Investors to ensure that bond proceeds to be exclusively applied to finance eligible Social Projects that align with the following four Social Bond Principals.

- Use of Proceeds: Bond proceeds shall only be used for eligible Social Projects, that have clear social benefit and aim to address or mitigate a specific social issue. Affordable Housing is an eligible Social Project.
- Process for Project Evaluation and Selection: Social Projects shall have social objectives and identify what the intended benefit is to the target population.
- Management of Proceeds: Social Bond net proceeds shall be tracked in an appropriate manner.
- Reporting: Information on the use of Bond proceeds shall be included in an annual report, which identifies a description of the projects, amount of funds allocated, and expected impact.

Table C was developed by the City to demonstrate compliance with the social impact reporting for the Measure C bond funded activities in FY25.

Table C: Measure C Social Impact Portfolio Reporting

Social Bond Category

Project Name	Initiative	Program	Eligible Category	Sub-Category	Sustainable Development Goal Addressed
First Home Emeryville Downpayment Assistance	Preservation	Homebuyer Assistance	Real Estate	Affordable Quality Housing	11.1

Target Population

Project Name	Objective	Income Targeting	Special Needs Target
First Home Emeryville Downpayment Assistance	Increase accessibility of homeownership	80-120% AMI	Low- and moderate-income, first-time homebuyers

Allocation Information

Project Name	Total City Funding	Measure C Allocated Amount	Measure C Share of Funding	Financial Life of Project
First Home Emeryville Downpayment Assistance	\$300,000	\$300,000	100%	30 years

Social Bond Indicators

Project Name	Indicator 1: # of Housing Units Financed	Indicator 2: # of Individuals Housed	Indicator 3: Client Saving Premium
First Home Emeryville Downpayment Assistance- Borrower 25-FHE-002	1	1	70.50% LTV
First Home Emeryville Downpayment Assistance- Borrower 25-FHE-003	1	1	52.27% LTV

Section 3.

Affordable Housing Program Annual Report



Adeline Place Condominiums

Introduction

In July 2014, the City Council passed Ordinance 14-009 which retitled and amended Article 4 of Chapter 5 of Title 9 of the City of Emeryville's Planning Regulations as the Affordable Housing Program. The purpose of the Affordable Housing Program is to lessen the shortage of housing which is affordable to moderate, median, low and very low-income households by ensuring developers include Below Market Rate (BMR) units in residential developments of a certain size and to establish a housing impact fee for the creation of affordable housing units.

Since the adoption of the Affordable Housing Program in 2014, ten (10) residential rental projects have been developed, creating 234 BMR units. One residential rental project is under construction that will create 89 BMR units. Additionally, the City has entitled three residential rental projects, which will create 429 BMR units. No new residential ownership projects have been created since 2014.

Section 418 of Article 4 of Chapter 5 of Title 9 of the Emeryville Planning Regulations states the following:

"The City shall prepare, or cause to be prepared, an annual report to the City Council on the status of the affordable units constructed under the provisions of this article. The report shall include the number, size, type, tenure, and general location of the affordable units as well as the number of resales and rental vacancy rate. This report shall provide a basis for an evaluation of the overall effectiveness of this article."

This report fulfills the requirement for an Affordable Housing Program Annual Report and includes the above forementioned information for all residential developments built in the City of Emeryville with an affordable housing requirement for BMR Units.

BMR Rental Projects

The BMR Rental Portfolio is made up of 22 rental projects that were subject to the Affordable Housing Set-Aside Program when it received its entitlements, received a financial investment (i.e. loan) from the City, participated in the Community Development Bonus Program, and/or or participated in the State Density Bonus Program when it received its entitlement. An Affordable Housing Agreement is typically recorded against each phase of a rental housing development restricting the income and rental rate of the BMR rental units for anywhere between 55-99 years. For older projects that do not have an Affordable Housing Agreement, the income and rental rate restrictions are outlined in the loan agreement. There are 798 BR rental units.

All BMR Rental properties are required to submit an annual report to confirm compliance with the requirements within their Affordable Housing Agreement. The overall quality of reporting declined during the reporting period, primarily due to high staff changes and organization restructuring within the management companies. Hello Housing, the City BMR Administrator, conducted seven formal workshop training sessions with property management staff to review the annual reporting requirements and review their desk audit finding reports. These training sessions covered Affordable Housing Agreement requirements and reporting timelines, provided detailed guidance on reporting templates, and offered information on conducting income certifications. In addition to these workshop sessions, Hello Housing staff conducted a number of individual training sessions with property management staff across the portfolio on income eligibility reviews and annual compliance requirements.

Table D illustrates the location, project type, number of BMR units, income targeting and BMR vacancy rate for all leased BMR properties for the 2024/2025 reporting periods.

Table D - BMR Vacancy Rate

Project Information					BMR Income Targeting			BMR Vacancy Rate			
Project Name	Neighborhood	Project Type	Total Number of Units	Total BMR	Very Low	Low	Moderate	2024			
3900 Adeline	Triangle	Family	101	12	5	0	7	8%			
Ambassador Family Housing**	East Bay Bridge	Family	70	69	69	0	0	10%			
Artistry Emeryville	North Bayfront	Family	261	52	52	0	0	8%			
Avalon Market Place Bldg C	North Bayfront	Family	66	7	0	3	4	0%			
Avalon Market Place Bldg D	North Bayfront	Family	223	25	0	11	14	0%			
Avalon Senior Apts.	San Pablo Corridor	Special Needs	67	66	66	0	0	2%			
Avenue 64	North Bayfront	Family	224	23	0	8	15	4%			
Bakery Lofts I & II **	Triangle	Family	41	8	0	0	8	13%			
Bay Bridge Apartments	Triangle	Special Needs	6	6	6	0	0	0%			
Bay House	Powell/Christie Core	Family	284	57	57	0	0	0%			
Bayview Emeryville	North Bayfront	Family	186	8	8	0	0	25%			
Emery Villa Senior	San Pablo Corridor	Special Needs	50	49	49	0	0	Unknown			
Emme	North Bayfront	Family	190	29	29	0	0	0%			
Estrella Vista **	San Pablo Corridor	Special Needs	87	86	70	16	0	3%			
Icon at Park Apartments	Park Avenue	Family	54	3	3	0	0	33%			
Magnolia Terrace	Triangle	Special Needs	5	5	5	0	0	0%			
Ocean Avenue Court	Doyle	Family	6	6	3	3	0	0%			
Parc on Powell	South Hollis	Family	169	21	8	0	13	0%			
The Bridge Apartments	East Bay Bridge	Family	220	88	24	64	0	0%			
The Courtyards at 65th	North Hollis	Special Needs	331	63	1	0	62	2%			
The Emery (Bldg B1)	South Hollis	Family	64	11	2	4	5	3%			
The Emery (Bldg B2)	South Hollis	Family	130	22	8	8	6				
The Emery (Bldg C)	South Hollis	Family	122	21	4	5	12				
The Emery (Bldg D)	South Hollis	Family	184	31	6	13	12	12%			
The Intersection	San Pablo Corridor	Special Needs	108	11	0	11	0	NA			
Triangle Court	Triangle	Family	20	19	9	10	0	5%			
					Total Units	3269	798	484	156	158	
					Average Vacancy Rate			6%			

** Project is Located in Emeryville and Oakland

NA: Annual Report was not required to be submitted for this year



BMR Ownership Projects

The City has a portfolio of 18 ownership housing developments which originally created 239 BMR ownership units between 1993 and 2009. The BMR ownership units were primarily sold to moderate income households (61%) however 14% were sold to very low-income households and 25% were sold to low-income households. All BMR ownership units have a resale restriction agreement recorded against the units restricting the resale of the unit at an affordable sales price and to an income eligible household for anywhere from 25 to 45 years. No new affordable ownership units have been created in Emeryville since 2009. Additionally, the City previously lost seven (7) BMR ownership units (3%) through foreclosure or the expiration of the resale restriction agreement, bringing the BMR ownership portfolio to 232 units. In 2025, 3 BMR ownership units were resold to new homeowners.

All BMR ownership units, except for those at Artist Co-op are monitored annually to ensure the homeowner is continuing to reside in the unit as their principal place of residence. 90% of the BMR Homeownership Portfolio was in compliance for 24/25 fiscal year, 19 Homeowners did not respond to the request for information, and 2 homeowners submitted partial responses to the request for information.

Table E: BMR Ownership Projects

Project Information				Income Targeting			Unit Size					Changes in BMR Units			2024 Monitoring Status		
Project Name	Neighborhood	Total Units	Original BMR Total	Very Low	Low	Moderate	Studio	1 Bed	2 Bed	3 Bed	Live/Work	Foreclosures	Current BMR Total	Resales 24/25	Satisfactory Response	No Response	Partial Responders
Affordable Condos (VHP)	Doyle	4	4	-	-	4	-	-	1	3	-	-	4	-	3	1	0
Affordable Condos (VHP)	Doyle	5	5	-	-	5	-	-	5	-	-	-	5	-	3	2	0
Oliver Lofts	Doyle	50	10	-	5	5	-	5	5	-	-	-	10	-	9	1	0
Terraces at EmeryStation	North Hollis	101	20	-	-	20	4	13	3	-	-	3	17	-	15	2	0
Liquid Sugar Lofts	North Hollis	55	11	-	5	6	-	11	-	-	-	-	11	-	9	2	0
Elevation 22	North Hollis	71	14	-	7	7	-	4	10	-	-	-	14	-	14	0	0
CityLimits**	North Hollis	31	9	-	4	5	-	-	9	-	-	-	9	-	9	2	0
Artisan Walk**	Doyle	6	6	-	1	5	-	-	3	3	-	-	6	-	4	1	1
Glashaus Lofts	North Hollis	145	29	5	6	18	2	8	19	-	-	1	28	-	26	2	0
Artist Co-Op	Park Avenue	53	39	29	4	6	-	-	-	-	39	-	39	NA	NA	NA	NA
Affordable Condos (VHP)	Triangle	2	2	-	-	2	-	-	1	1	-	-	2	-	2	0	0
Gateway Commons Townhouses**	San Pablo Corridor	6	6	-	1	5	-	-	5	1	-	-	6	-	6	0	0
Emeryville Warehouse Lofts	Park Avenue	141	26	-	2	24	3	8	15	-	-	1	25	-	25	0	0
Green City Lofts**	Triangle	31	6	-	3	3	3	3	-	-	-	-	6	-	6	0	0
Andante I and II	San Pablo Corridor	125	25	-	15	10	-	15	10	-	-	2	23	2	20	2	1
Vue46**	Triangle	47	9	-	3	6	-	5	4	-	-	-	9	1	8	1	0
Oak Walk - 5 houses renovation	Triangle	5	5	-	-	5	-	1	4	-	-	-	5	-	3	2	0
Adeline Place	San Pablo Corridor	36	13	-	3	10	-	7	6	-	-	-	13	-	12	1	0
Total BMR Ownership Units		914	239	34	59	146	12	80	100	8	39	7	232	3	174	19	2
Percent of BMR Ownership Units			26%	14%	25%	61%	5%	33%	42%	3%	16%	3%	97%	1%	90%	10%	1%

Note: ** Partially in Oakland

Attachment A: City Affordable Housing Funding Sources

Low- and Moderate-Income Housing Asset Fund (LMHAF): On February 1, 2012, the Emeryville Redevelopment Agency dissolved, and the City of Emeryville became the Housing Successor Agency responsible for overseeing the expenditure of all funds remaining in the Low- and Moderate-Income Housing Asset Fund (LMHAF). Funds can be expended towards the development of housing affordable to and occupied by households earning 80 % or less of the Area Median Income (AMI), with at least 30% of these remaining funds expended for the development of rental housing affordable to and occupied by households earning 30% or less of AMI and no more than 20% of these remaining funds expended for the development of housing affordable to and occupied by households earning between 60% and 80% of AMI. No more than 50% of funds can be expended towards Senior Housing.

Affordable Housing Fund (AHF): City Council established the Affordable Housing Fund subsequent to the dissolution of the Emeryville Redevelopment Agency. The City Council's policy has been to allocate 20% of residual receipts from the Redevelopment Property Tax Trust Fund (RPTTF) to support the City's affordable housing programs. Residual RPTTF, colloquially termed "boomerang" funds, are the City's portion of real property tax increment generated in redevelopment areas after the payment of enforceable obligations of the former Emeryville Redevelopment Agency.

Affordable Housing Impact Fee (AHIF): Within Article 4 of Chapter 5 of Title 9, the City established an affordable housing impact fee fund for the purpose of receiving and disbursing certain monies to address the housing needs of extremely low, very low, low, median and moderate-income households. The fees collected under this article and all earnings from investment of the fees shall be expended exclusively to provide or assure continued provision of affordable housing in the City to meet the housing needs of the City's workforce through acquisition, construction, development assistance, substantial rehabilitation, financing, rent or other subsidies, or other methods, and for costs of administering programs which serve those ends. Any non-residential project, for which a discretionary permit or building permit is required, must pay the housing impact fee, which is based on the square footage of the project. Residential rental projects for which the developer opts not to provide affordable housing units in compliance with Article 4 of Chapter 5 of Title 9 must also pay the affordable housing impact fee, based on the number of residential units.

Measure A1: In June 2016, the Alameda County Board of Supervisors placed a General Obligation Bond on the ballot to increase affordable housing countywide. In November 2016 73% of voters supported Measure A1. Measure A1 generates \$ 580,000,000 for a range of affordable housing projects and programs in Alameda County. Of this amount, \$225,000,000 is designated for Base City Allocations" based on city population.

Prohousing Incentive Pilot (Prohousing): In 2023, the City was awarded \$575,000 in Prohousing funds from the California Department of Housing and Community Development to accelerate affordable housing production and preservation.

Attachment B: FY2024/2025 Housing Affordability Table

The City Council adopted the Affordable Housing Table (Figure 10) for FY24/25 on June 18, 2024. The Housing Affordability Table outlines the maximum income limit, maximum rental rate, and the estimated maximum resale price for the City's Below Market Rate portfolio.

Figure 1: Affordable Housing Table

**HOUSING AFFORDABILITY TABLE
MAXIMUM SALES PRICES AND RENTS*
2024/25 Program Year,
Adopted June 18, 2024, Effective July 1, 2024**

MAXIMUM INCOME LIMITS *Note: On May 9, 2024, the CA Housing and Community Development (HCD) released the income limits based on U.S. Department of Housing and Urban Development (HUD) revisions to the Public Housing and Section 8 Income Limits that HUD most recently released. The income limits reflected below are for Alameda County. For households of 6 or more, please contact emeryville@hellohousing.org.*

Household Size	1 person	2 person	3 person	4 person	5 person
Moderate Income (120%)	\$130,800	\$149,500	\$168,150	\$186,850	\$201,800
Median Income (100%)	\$109,000	\$124,550	\$140,150	\$155,700	\$168,150
Low Income (80%)	\$84,600	\$96,650	\$108,750	\$120,800	\$130,500
Very Low Income (50%)	\$54,500	\$62,300	\$70,100	\$77,850	\$84,100
Extremely Low (30%)	\$32,700	\$37,400	\$42,050	\$46,700	\$50,450

ESTIMATED MAXIMUM RESALE PRICE *Note: Maximum Sales Prices are calculated on a per unit basis, based on the average 90- day fixed 30-YR mortgage interest rate and the actual HOA fees charged to the unit. Maximum Sale Prices identified below is for illustrative purposes only. To confirm the maximum Resale Price of a specific BMR Unit, contact emeryville@hellohousing.org.*

Unit Type	Studio	1 Bedroom	2 Bed/ Equivalent**	3 Bedroom	4 Bedroom
Moderate Income (120%)	\$356,203	\$410,399	\$457,239	\$503,490	NA
Median Income (100%)	\$257,257	\$299,255	\$330,017	\$362,151	NA
Low Income (80%)	\$152,491	\$177,625	\$195,310	\$212,499	NA

MAXIMUM MONTHLY GROSS RENTAL RATE *Note: Gross rent includes the total of monthly payments for a rental including a reasonable allowance for utilities, provided by the Housing Authority of Alameda County, and any required service charges or fees charged to tenants. Utility allowance and required charges/fees must be deducted from rents shown below.*

Unit Type	Studio	1 Bedroom	2 Bed/ Equivalent**	3 Bedroom	4 Bedroom
Moderate Income (120%)	\$2,998	\$3,425	\$3,854	\$4,282	N/A
Low Income (80%)	\$1,635	\$1,868	\$2,102	\$2,336	N/A
Very-Low Income (50%)	\$1,363	\$1,557	\$1,752	\$1,946	N/A
Extremely Low Income (30%)	\$818	\$934	\$1,051	\$1,168	N/A

* The maximum sales prices and rents allowed pursuant to the City's Affordable Housing Program are based on the housing affordability definitions found in the California Health and Safety Code at Section 50052.5 and 50053. These are to be considered maximum amounts and do not take into account market conditions that may limit actual sales and rent values.

** 2 Bedroom/Equivalent includes units with two bedrooms or units with 1 bedroom and a bonus area. To confirm if a unit is classified as a 2 bedroom equivalent, please contact the Owner or the City.



City of Emeryville

CALIFORNIA

2025 Annual Report Prepared By:
City of Emeryville
Community Development Department
Economic Development & Housing Division



Clockwise: Emeryville Warehouse Lofts, Park Place Plaza, Courtyard at 65th Apartments, Triangle Court Apartments