

CITY OF OAKLAND

2016 APR -6 AM 11:37

BILL ANALYSIS



Date: April 4, 2016

Bill Number: AB 2200

Bill Author: Assemblymember Tony Thurmond

DEPARTMENT INFORMATION

Contact: Jamila A. English

Department: City Council – Vice Mayor Annie Campbell Washington

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RECOMMENDED POSITION: SUPPORT

Summary of the Bill

AB 2200 seeks to close the achievement gap by allowing school employees, such as teachers, to remain in the cities where they work. Specifically, the bill creates a \$100 million grant program which will provide financial assistance to school districts that cannot fund housing for school employees. The grant allocates 5% of its funds towards predevelopment assistance for financially strained school districts.

Positive Factors for Oakland

There is currently a nationwide teacher shortage impacting all education employers, especially California public schools. Cities with high housing and living costs like those in the Bay Area, one of the nation's costliest regions, are having difficulties attracting and retaining educators.

The Oakland Unified School District (OUSD) has established recruiting, hiring and retaining great educators as one of its top priorities, but with the starting Oakland teacher's salary around \$42,000 and the average monthly apartment rent in the area being \$2,802, housing costs are a barrier to recruiting and retaining teachers. AB 2200 (Thurmond) will help to deflect the high housing costs, in Oakland and assist OUSD in their efforts to attract educators.

Negative Factors for Oakland

N/A

PLEASE RATE THE EFFECT OF THIS MEASURE ON THE CITY OF OAKLAND:

Critical (top priority for City lobbyist, city position required ASAP)

Very Important (priority for City lobbyist, city position necessary)

Somewhat Important (City position desirable if time and resources are available)

Minimal or  None (do not review with City Council, position not required)

Item: \_\_\_\_\_  
Rules & Legislation Comte.  
Date xx, 2006

**Known support:**

N/A

**Known Opposition:**

N/A

**Attach bill text and state/federal legislative committee analysis, if available.**

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Annie Campbell Washington". The signature is written in a cursive, flowing style with some loops and flourishes.

Annie Campbell Washington  
City of Oakland Vice Mayor

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2200**

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**Introduced by Assembly Member Thurmond**

February 18, 2016

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*An act relating to teachers: to add Chapter 12 (commencing with Section 51520) to Part 3 of Division 31 of the Health and Safety Code, relating to housing, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2200, as amended, Thurmond. ~~Teachers: recruitment and retention. School Employee Housing Assistance Grant Program.~~

*Existing law requires the California Housing Finance Agency to administer various housing programs.*

*This bill would require the California Housing Finance Agency to administer a grant program, as specified, to provide development financing assistance to a qualified school district, as defined, for the creation of affordable rental housing for school employees, including teachers. The bill would transfer \$100,000,000 from the General Fund to the School Employee Housing Assistance Grant Fund, which would be created by this bill, and would continuously appropriate those moneys to the agency for the purposes described above. The bill would require a qualified school district to apply for grants, as provided, and to submit specified information to the agency.*

~~Existing law establishes various programs for the recruitment of teachers:~~

~~This bill would state the intent of the Legislature to enact legislation that would guarantee that every pupil has access to high-quality educators by ensuring that pupils' educators are able to live in the~~

communities in which they serve. The bill would also state legislative findings and declarations relating to that purpose.

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 12 (commencing with Section 51520) is  
2 added to Part 3 of Division 31 of the Health and Safety Code, to  
3 read:

4  
5 CHAPTER 12. SCHOOL EMPLOYEE HOUSING ASSISTANCE GRANT  
6 PROGRAM  
7

8 51520. For purposes of this chapter, a “qualified school  
9 district” means a school district that satisfies all of the following:

10 (a) Has acquired and designated surplus land from any of the  
11 following:

- 12 (1) A school district.
- 13 (2) A special district.
- 14 (3) A city.
- 15 (b) Has a high average cost for the recruitment of teachers.
- 16 (c) Has a low retention rate.
- 17 (d) Has 60 percent of its students participating in the National  
18 School Lunch Program.

19 51521. (a) The agency shall administer a grant program to  
20 provide development financing assistance to qualified school  
21 districts for the creation of affordable rental housing for school  
22 district employees, including teachers. The agency shall do all of  
23 the following:

- 24 (1) Be responsible for overseeing the grant program.
- 25 (2) Award grants to qualified school districts.
- 26 (3) Determine the predevelopment grant amount and the  
27 development grant amount for each qualified school district  
28 pursuant to Section 51523.
- 29 (4) Publish deadlines and written procedures for a qualified  
30 school district to apply for grants.
- 31 (5) Provide technical assistance to a qualified school district  
32 that is not eligible to receive a development grant in applying for  
33 additional public funds.

1 (b) A qualified school district seeking a grant shall do both of  
2 the following:

3 (1) Apply for a grant in the form and manner prescribed by the  
4 agency.

5 (2) Submit both of the following to the agency:

6 (A) An eligible basis certification pursuant to Section 10322 of  
7 Division 17 of Title 4 of the California Code of Regulations, as it  
8 read on January 1, 2017.

9 (B) An itemized list of funds from state and federal programs  
10 and private funds used to cover projects costs.

11 51522. (a) There is hereby transferred from the General Fund  
12 to the School Employee Housing Assistance Grant Fund, which is  
13 hereby created in the State Treasury, the sum of one hundred  
14 million dollars (\$100,000,000).

15 (b) (1) Notwithstanding Section 13340 of the Government Code,  
16 all moneys in the fund shall be continuously appropriated to the  
17 agency for the purposes of this chapter.

18 (2) The agency shall use 5 percent of the moneys appropriated  
19 to it pursuant to this section for predevelopment grants.

20 51523. (a) The agency shall determine both of the following  
21 for each qualified school district to be awarded a grant:

22 (1) (A) The predevelopment grant amount, which shall be equal  
23 to the predevelopment costs of the project excluding any costs  
24 related to the acquisition of the land.

25 (B) In order to be eligible to receive a predevelopment grant,  
26 the qualified school district must show a measurable degree of  
27 incapacity to fund the predevelopment project costs.

28 (2) The development grant amount, which shall be the difference  
29 between the eligible basis as specified in the eligible basis  
30 certification, excluding any costs related to the acquisition of the  
31 land and any predevelopment project costs, and the total amount  
32 of any public and private funds received for the development of  
33 the project.

34 (b) In order to be eligible to receive a development grant, the  
35 qualified school district must show that the project is not eligible  
36 for additional public funds as described in its eligible basis  
37 certification and that the project is subject to a project labor  
38 agreement and prevailing wage requirements.

39 SECTION 1. (a) The Legislature finds and declares all of the  
40 following:

- 1     ~~(1) The rising cost of housing in California is having a direct~~  
2     ~~impact on education.~~
- 3     ~~(2) Many school districts have difficulty retaining and recruiting~~  
4     ~~teachers and other employces due to low compensation and high~~  
5     ~~living and housing costs.~~
- 6     ~~(3) This teacher shortage results in greater inequities among~~  
7     ~~pupils, especially in communities serving high populations of~~  
8     ~~low-income pupils, English learners, and foster youth.~~
- 9     ~~(b) It is, therefore, the intent of the Legislature to enact~~  
10    ~~legislation that would guarantee that every pupil has access to~~  
11    ~~high-quality educators by ensuring that pupils' educators are able~~  
12    ~~to live in the communities in which they serve.~~

OAKLAND

16 APR -6 PM 12:07

Approved as to Form and Legality

*[Signature]*  
City Attorney's Office

# OAKLAND CITY COUNCIL

Resolution No. \_\_\_\_\_ C.M.S.

INTRODUCED BY VICE MAYOR ANNIE CAMPBELL WASHINGTON

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**RESOLUTION IN SUPPORT OF AB 2200 (THURMOND) THE SCHOOL EMPLOYEE HOUSING ASSISTANCE GRANT PROGRAM WHICH WOULD CREATE A \$100 MILLION GRANT PROGRAM TO PROVIDE DEVELOPMENT FINANCING ASSISTANCE TO QUALIFIED SCHOOL DISTRICTS FOR THE DEVELOPMENT OF AFFORDABLE RENTAL HOUSING FOR SCHOOL EMPLOYEES, INCLUDING TEACHERS**

**WHEREAS**, the current housing crisis combined with the nationwide teacher shortage is negatively impacting the recruitment and retention of teachers for the City of Oakland; and

**WHEREAS**, the starting annual salary for a teacher in Oakland is a little over \$42,000 and the average monthly apartment rent in the area is \$2,803; and

**WHEREAS**, Oakland is now the fourth most expensive rental market in the United States, as median rents for a one bedroom home increased 19% over calendar year 2015 rents; and

**WHEREAS**, median income required to purchase a home in Oakland is \$150,000 which is not affordable to educators, or many others; and

**WHEREAS**, school districts in California have begun to increase teacher retention by providing housing to teachers; and

**WHEREAS**, AB 2200 (the "Bill") creates a \$100 million grant program which will provide development financing assistance to qualified school districts who cannot fund housing for school employees, including teachers; and

**WHEREAS**, the Bill requires the qualified school district to use five percent (5%) of the moneys appropriated to it for predevelopment grants to be used for predevelopment costs, excluding land acquisition costs; and

**WHEREAS**, the Oakland Unified School District has established recruiting, hiring and retaining great educators as one of its top priorities; and

**WHEREAS**, Oakland families desire educators for their students who were born in Oakland and reside in Oakland, and they desire that these educators reflect the race and ethnicity of the students they teach; and

**WHEREAS**, teacher turnover has a significant and negative impact on the achievement of students in schools with large populations of low-performing and minority students; and

**WHEREAS**, there is an inadequate supply of housing in Oakland to meet the growing demand, and many current tenants are increasingly vulnerable to displacement; now, therefore, be it

**RESOLVED:** That the City of Oakland supports AB 2200 to create a development financing assistance to qualified school districts for the creation of affordable rental housing for school employees, including teachers.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLÉN, KALB, KAPLAN,  
REID AND PRESIDENT GIBSON MCELHANEY

NOES –  
ABSENT –  
ABSTENTION –

ATTEST:

\_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council of  
the City of Oakland, California