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OAKLAND

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CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION No. 89243 C.M.S.

**RESOLUTION AMENDING CITY COUNCIL RESOLUTION NO. 88765
C.M.S. AUTHORIZING AFFORDABLE HOUSING DEVELOPMENT
LOANS TO THE FRIENDSHIP SENIOR HOUSING AND THE PHOENIX
PROJECTS TO CHANGE THE FUNDING SOURCES FOR A PORTION
OF THE LOANS TO INCLUDE ALLOCATIONS FROM THE CALIFORNIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S
LOCAL HOUSING TRUST FUND PROGRAM**

WHEREAS, on April 30, 2020, the City of Oakland issued a Notice of Funding Availability ("NOFA") soliciting applications for funding for new construction of affordable housing development projects; and

WHEREAS, on July 28, 2020, pursuant to City Council Resolution No. 88249 C.M.S., authorized funding commitments in the amount of \$13,050,000 to three affordable housing projects submitted in response to the NOFA and which were the top ranked projects in staff's evaluation of project proposals; and

WHEREAS, funds for affordable housing development in the amount of \$13,050,000 were identified as being available from the Jobs/Housing Impact Fees, Affordable Housing Impact Fees, and Boomerang funds deposited into the Affordable Housing Trust Fund (1870), as well as Excess Redevelopment Bond Funds (Funds 5610-13), HUD HOME Investment Partnership Program Funds (2109), and loan repayments deposited into the Low and Moderate Income Housing Asset Fund (2830) to assist the projects; and

WHEREAS, the funding commitments authorized from the above funding sources included an additional \$4,350,000 to the Friendship Senior Housing Project (Project 1004670); bringing total loan funding commitments to the project to \$6,350,000 and a \$4,350,000 acquisition funding commitment to The Phoenix project (Project#TBD), which also had a \$600,000 site acquisition commitment; and

WHEREAS, the State of California Department of Housing and Community Development ("CA HCD") was authorized to provide up to \$57 million under the Local Housing Trust Fund ("LHTF") Program from the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1) (as described in Health and Safety Code section 50842.2 et seq. (Chapter 365, Statutes of 2017 (SB 3)) (the "LHTF Program"); and

WHEREAS, in July 2020, pursuant to authorization provided on July 14, 2020, by City Council Resolution No. 88213 C.M.S. the City applied to the 2020 LHTF Program NOFA and successfully was awarded \$5 million from the LHTF Program to fund affordable housing production activities for the new construction of affordable housing, and committed to providing matching funds from either or both Measure KK Bond funds (Fund 5331) and Affordable Housing Trust Funds (Fund 1870); and

WHEREAS, CA HCD's award to the City provides for \$500,000 in administrative costs for the City to administer the funding awards, leaving \$4,500,000 available to fund affordable housing production projects; and

WHEREAS, the City has received a 2020 award letter from CA HCD for the \$5,000,000 in LHTF funding, which has been proposed to appropriate to the Cal-HCD Fund (Fund 2144), Housing Development Project (Project 1006204), Organization (89929) as part of City HCD's mid-year Fiscal Year 2022-2023 budget revision; and

WHEREAS, the City of Oakland's Affordable Housing Trust Fund, established pursuant to Section 15.62 of Oakland Municipal Code, is an eligible Local Housing Trust Fund under the LHTF Program; and

WHEREAS, the City's 2020 LHTF NOFA funding application identified the Friendship Senior Housing and The Phoenix affordable housing development projects as potential recipients for LHTF Program funding; and

WHEREAS, the funding match requirement requires swapping funding sources for a portion of the funding for those projects, without an increase to the overall funding commitments; and

WHEREAS, the funding swap will permit the other City funding sources to fund additional affordable housing in the City of Oakland; now, therefore, be it

RESOLVED: That the City Council hereby amends City Council Resolution No. 88765 C.M.S. to change the source of \$4,350,000 of the funding commitments provided to the Friendship Senior Housing and The Phoenix affordable housing projects from the fund balance in the City's Local Housing Trust Fund (1870) to funds awarded under the 2020 LHTF Program NOFA award, with funds available in the Cal-HCD Fund (Fund 2144), Housing Development Project (Project TBD), Organization (89929) once those funds are made available in the mid-cycle budget revision for Fiscal Year 2022-2023; and be it

FURTHER RESOLVED: That the remaining \$150,000 from the 2020 LHTF Program Award for affordable housing production will be awarded to the other eligible projects under the 2021-2022 City New Construction of Affordable Housing NOFA; and be it

FURTHER RESOLVED: That the City Council hereby appropriates future repayments of development loans deposited into the Cal-HCD Fund (2144) to housing development activities.

IN COUNCIL, OAKLAND, CALIFORNIA,

JUN 07 2022

PASSED BY THE FOLLOWING VOTE:

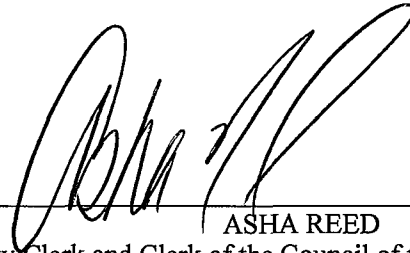
AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND PRESIDENT FORTUNATO BAS 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:



ASHA REED

City Clerk and Clerk of the Council of the City of Oakland,
California