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FILED
OFFICE OF THE CITY CLERK
OAKLAND

Approved as to Form and Legality


City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. 89509 C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO APPLY TO PARTICIPATE IN CALIFORNIA HOUSING FINANCE AGENCY'S (CALHFA) ACCESSORY DWELLING UNIT GRANT PROGRAM, ENTER INTO A LENDER PARTICIPATION AGREEMENT WITH CALHFA, OVERSEE THE DISBURSAL OF GRANT FUNDS FROM CALHFA TO HOMEOWNERS ELIGIBLE FOR AN ACCESSORY DWELLING UNIT GRANT FROM CALHFA, AND APPROPRIATE SUCH GRANT FUNDS TO FUND 2144, ORGANIZATION 89939, PROJECT CODE TO BE DETERMINED, ACCOUNT 54912

WHEREAS, the 2022-23 State of California annual budget appropriated \$50 million to the California Housing Finance Agency (CalHFA) for the purpose of establishing the Accessory Dwelling Unit (ADU) Grant Program for homeowners; and

WHEREAS, these grants of up to \$40,000 are available to qualifying California homeowners that build or legalize an ADU with financing from a participating lender; and

WHEREAS, unpermitted ADUs that fail to meet modern health and safety standards may pose an ongoing safety and health risk to their current inhabitants; and

WHEREAS, unpermitted ADUs are often used as homes for multigenerational families or are rented as lower-cost housing; and

WHEREAS, the 2020 "Existing Conditions and Barriers Report" on ADUs in Oakland estimated that there are between 7,500 and 13,600 unpermitted ADUs city-wide; and

WHEREAS, several state laws, including AB 3182, AB 68, AB 881, and SB 13, have together relaxed zoning standards to allow ADUs where they were previously prohibited; and

WHEREAS, on January 18, 2022, the Oakland City Council adopted an ordinance (13677 C.M.S.) that adopted the latest version of state ADU law and established a five-year "amnesty" program for qualifying unpermitted ADUs; and

WHEREAS, on March 3, 2020, the Oakland City Council accepted (88061 C.M. S.) \$3 million in funds from the State of California Department of Housing and Community

Development's "CalHome" program for the purpose of creating an ADU legalization loan program; and

WHEREAS, this City of Oakland ADU legalization loan program meets the CalHFA ADU grant program requirements for a participating lender; and

WHEREAS, the CalHFA ADU grant program can provide each eligible participating homeowner up to \$40,000 in predevelopment fees and costs necessary to build and occupy an ADU, including but not limited to, non-reoccurring closing costs, architectural designs, permits, soil tests, impact fees, property survey, and energy reports; and

WHEREAS, the CalHFA ADU grant program would likely cover expenses that cannot be covered within the \$100,000 per loan cap in the City of Oakland's ADU loan program; and

WHEREAS, staff estimate the CalHFA ADU grant program would provide grants to 27 homeowners for a combined total of at least \$107,000 and as much as \$1,080,000; now, therefore, be it

RESOLVED: That the City Council authorizes and directs the City Administrator to apply for approval from the California Housing Finance Agency (CalHFA) to be a participating lender of the CalHFA Accessory Dwelling Unit Grant Program; and be it

FURTHER RESOLVED: That if approved as a participating lender by CalHFA, the City Council authorizes the City Administrator to enter into a lender participation agreement with CalHFA to act a participating lender under the CalHFA Accessory Dwelling Unit Grant Program; and be it

FURTHER RESOLVED: That if approved by CalHFA, the City Administrator on behalf of the City of Oakland is authorized to accept the CalHFA grant funds and appropriate said funds which will be deposited into Fund 2144, Organization 89939, Project Code To Be Determined, Account 54912 and held as escrow accounts for homeowner recipients of the CalHFA Accessory Dwelling Unit Grant Program; and be it

FURTHER RESOLVED: That if approved by CalHFA, the City of Oakland is hereby authorized to act as a participating lender in connection with the CalHFA Accessory Dwelling Unit Grant Program and perform related tasks thereto including, but not limited to, submitting applications to CalHFA on behalf of eligible homeowners, establishing escrow accounts for eligible homeowners for the CalHFA grant funds, and overseeing the disbursement of grant funds to eligible homeowners in compliance with the CalHFA Accessory Dwelling Unit Grant Program; and be it

FURTHER RESOLVED: That prior to execution, all agreements shall be reviewed and approved as to form and legality by the City Attorney's Office and executed copies of each agreement shall be filed with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE: **DEC 6 2022**

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND **- 7**
~~WHEELER, MONTANO, BAS~~

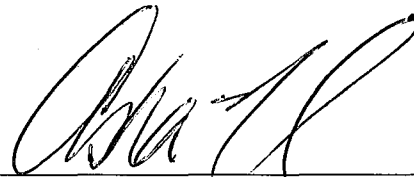
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ATTEST:



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

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