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APPROVED AS TO FORM AND LEGALITY



CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. 90392 C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR THEIR DESIGNEE OR SUCCESSOR TO APPLY FOR, ACCEPT AND APPROPRIATE UP TO \$5 MILLION IN FUNDS FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT UNDER THE LOCAL HOUSING TRUST FUND PROGRAM FOR AFFORDABLE HOUSING PRODUCTION PROGRAMS

WHEREAS, the State of California (the "State") Department of Housing and Community Development (the "Department") is authorized to provide up to \$53 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)) ("Program"); and

WHEREAS, the State of California Department issued a Notice of Funding Availability ("LHTF NOFA") dated July 9, 2024 under the LHTF Program; and

WHEREAS, the City of Oakland's Affordable Housing Trust Fund, established pursuant to Section 15.62 of the Oakland Municipal Code, is an eligible Local or Regional Housing Trust Fund applying to the Program to administer one or more eligible activities using Program funds; and

WHEREAS, the Department may approve funding allocations for the LHTF Program, subject to the terms and conditions of California Health and Safety Code Section 50842.2, the LHTF Program Guidelines, LHTF NOFA, Program requirements, the Standard Agreement and other related contracts between the Department and LHTF award recipients; now, therefore, be it

RESOLVED: That the City Council authorizes and directs the City Administrator, or their designee or successor, to apply for the LHTF funds under the above referenced LHTF NOFA in an amount not to exceed \$5,000,000, and provide matching funds from Affordable Housing Trust Fund, Jobs/Housing Impact Fee Fund, or Affordable Housing Impact Fee Fund; and be it

FURTHER RESOLVED: That if awarded, the City Administrator, or their designee or successor, on behalf of the City of Oakland is authorized to accept the LHTF funds and appropriate said funds in the amount not to exceed \$5,000,000, which shall be deposited in California Housing and Community Development Fund (2144), Housing Development Organization (89929), Project To Be Determined(TBD); and be it

FURTHER RESOLVED: That if the City of Oakland receives an award of LHTF funds from the Department pursuant to the above referenced LHTF NOFA, it represents and certifies that it will use all such funds on Eligible Projects in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including, without limitation, all rules and laws regarding the LHTF Program, as well as any and all contracts Applicant may have with the Department ("Eligible Projects"); and be it

FURTHER RESOLVED: That the City of Oakland is hereby authorized to act as the manager in connection with the Department's funds to Eligible Projects pursuant to the above described LHTF NOFA in an amount not to exceed \$5,000,000 (the "LHTF Award"); and be it

FURTHER RESOLVED: That the City of Oakland hereby agrees to match on a dollar for dollar basis the LHTF Award pursuant to LHTF Program Guidelines Section 104. The City of Oakland hereby agrees to utilize matching finds on a dollar-for-dollar basis for the same Eligible Project for which Program Funds are used, as required by California Health and Safety Code Section 50843.5(c); and be it

FURTHER RESOLVED: That pursuant to **Attachment 1** and the City of Oakland's certification in this resolution, the LHTF funds will be expended only for Eligible Projects and consistent with all program requirements; and be it

FURTHER RESOLVED: That the City of Oakland shall be subject to the terms and conditions as specified in the Standard Agreement, California Health and Safety Code Section 50842.2 and LHTF Program Guidelines; and be it

FURTHER RESOLVED: That the City Administrator, or their designee or successor, is authorized to execute the LHTF Program Application, the LHTF Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the LHTF Award to the City of Oakland, as the Department may deem appropriate; and be it

FURTHER RESOLVED: That all agreements shall be reviewed and approved by the City Attorney's Office for form and legality prior to execution by the City; and be it

FURTHER RESOLVED: That the City Administrator, or their designee or successor is, hereby authorized to take any other action consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 30 2024

PASSED BY THE FOLLOWING VOTE:

AYES - ~~FIFE~~, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, ~~REID~~, AND
PRESIDENT FORTUNATO BAS - *ce*

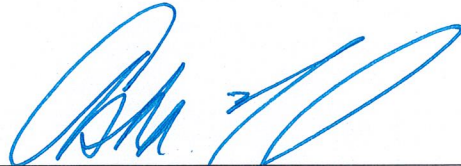
NOES - *0*

ABSENT - *0*

ABSTENTION - *0*

2 Excused - Fife & Reid

ATTEST:



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

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Attachment 1

City of Oakland LHTF Program Application

One-hundred percent (100%) of the funds awarded through the State of California's Department of Housing and Community Development's Local Housing Trust Fund (LHTF) Program and the matching funds from the City of Oakland's Affordable Housing Trust Fund (Funds 1870, 2423, 2424) will be committed to the City of Oakland's New Construction of Multifamily Affordable Rental Housing Projects, as funded under the City's 2023-2024 Notices of Funding Availability ("City New Construction NOFAs").

Under the City New Construction NOFA, eligible projects include the new construction of multifamily affordable rental housing developments, including permanent supportive housing and transitional housing intended for occupancy by lower income households. The City will take the following priorities into account for administering the funds:

- Readiness of new affordable rental housing developments to commence construction.
- Assistance for housing projects targeting people experiencing homelessness and extremely low-income households including Permanent Supportive Housing projects.
- Projects located in neighborhoods that are experiencing displacement and gentrification.
- Projects that include an "emerging developer", as part of the development team (an "emerging developer" is defined as a developer who has less than five (5) years of experience as a developer and/or less than five completed projects).

Awarded funds will be used on eligible projects in a manner consistent and in compliance with the applicable LHTF Program's Area Median Income (AMI) requirements, as well as the minimum affordability requirements established by the City New Construction NOFA. Taking the more restrictive requirements of the two, the AMI thresholds are as follows:

- One hundred percent (100%) of City-assisted units must be restricted to low-income households, with rents no greater than 30% of 60% of AMI for the Oakland area.
- Rents for affordable units must be the lessor of the designated restricted rent limit or ten percent (10%) below market rate rents within a one-mile radius of the project.
- A minimum of thirty percent (30%) of program funds and matching funds, after

deducting administrative expenses, shall be expended on assistance to extremely low-income households, with rents no more than 30% of 30% of AMI for the Oakland area.

- No more than fifteen percent (15%) of unassisted affordable units may be designated for moderate-income households.

Priority will be given to projects that exceed the threshold affordability minimums. All activities/projects will be delivered within the City of Oakland.