



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Shola Olatoye,  
Director, Housing and  
Community Development

**SUBJECT:** 2022/2023 Consolidated Annual  
Action Plan

**DATE:** June 13, 2022

City Administrator Approval

Date: Jun 24, 2022

## **RECOMMENDATION**

**Staff Recommends That The City Council Conduct A Public Hearing And Upon Conclusion Adopt The Following Pieces Of Legislation:**

**1. A Resolution:**

- (1) Accepting And Appropriating An Award Of United States Department Of Housing & Urban Development Grant Funds In The Amount Of \$14,878,176 For Community Development Block Grant (CDBG), Home Investments Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) programs for Fiscal Year 2022-2023;**
- (2) Authorizing The City Administrator To Prepare And Submit To The United States Department Of Housing And Urban Development The Annual Action Plan For Fiscal Year 2022-2023;**
- (3) Appropriating \$850,000 In Revolving Loan Program Income And Any Amounts Collected In Excess Thereof For Housing Rehabilitation Activities And Other CDBG-Eligible Activities And Projects;**
- (4) Authorizing The City Administrator To Negotiate And Execute Grant Agreements For The Fiscal Year 2022-2023 CDBG, HOME, ESG, And HOPWA Programs;**
- (5) Authorizing The City Administrator To Approve CDBG Future Funding Recommendations To Be Submitted Under The 2022/2023 CDBG Request For Proposals Process Without Returning To Council; And**
- (6) Authorizing The Use Of General-Purpose Funds To Pay Central Service Overhead Charges For The Emergency Solutions Grant and Housing Opportunities for Persons With AIDS Programs**

City Council  
July 5, 2022

**2. A Resolution Authorizing The City Administrator To:  
(1) Prepare And Submit To The United States Department Of Housing & Urban Development A Third Substantial Amendment To The City Of Oakland's Annual Action Plan For Fiscal Year 2021/2022 To Update HOPWA Allocations For HUD Grant Years 2018, 2019, And 2020**

**EXECUTIVE SUMMARY**

The City of Oakland (City) has prepared its Fiscal Year (FY) 2022/2023 Annual Action Plan (AAP) and the Third Substantial Amendment to the FY 2021/2022 AAP, to be submitted to the United States Department of Housing & Urban Development (HUD) by July 12, 2022.

On May 13, 2022, HUD announced Community Planning and Development (CPD) Formula Allocations for FY 2022 ([https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy22](https://www.hud.gov/program_offices/comm_planning/budget/fy22)) under which the City of Oakland is allocated funding for the four formula grants below:

**2022 FEDERAL ENTITLEMENT FORMULA GRANTS AWARDED TO THE CITY**

Community Development Block Grant (CDBG)	\$ 7,449,871
HOME Investment Partnership (HOME)	\$ 3,384,815
Housing Opportunities for Persons with AIDS (HOPWA)	\$ 3,391,991
Emergency Solutions Grant (ESG)	\$ 651,499
<b>Total</b>	<b><u>\$14,878,176</u></b>

The first proposed resolution requests that the City Council (Council) accept and appropriate the \$14,878,176 allocated under HUD/CPD 's FY22 Appropriations Budget; authorization to prepare and submit the AAP to HUD by July 12, 2022; authorization to execute grant agreements under each of these programs for projects, programs and activities included in the AAP without returning to Council; to waive Central Service Overhead (CSO) for the HOPWA and ESG programs; and to authorize the continued use of City Residential Lending/Rehabilitation Revolving Loan Program Income (RLPI) for its Rehabilitation loan programs and any amount collected in excess of \$850,000 to be used for loan and grant-funded rehabilitation activities, operations and /or other CDBG eligible activities.

And the second proposed resolution authorizes the City Administrator to submit to HUD a third substantial amendment to the 2021/2022 AAP to provide to the public, project- and activity-level information for allocations made under HOPWA grants awarded to the City under HUD grant years 2018, 2019 and 2020.

**BACKGROUND / LEGISLATIVE HISTORY.**

The Five-Year Consolidated Plan (Con Plan), mandated by Title 24 HUD Code of Federal Regulations Part 91 (24 CFR 91 Subparts A-C and F), is designed to help local jurisdictions assess their affordable housing needs, community development needs, market conditions, and

to make data-driven, place-based investment decisions that meet priority needs and the City's identified goals. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the Community Planning & Development (CPD) Formula Entitlement Grant programs: CDBG, HOME, HOPWA, and ESG. The 2020/21 – 2024/25 Five Year Consolidated Plan was authorized under [Oakland City Council Resolution No. 88202 C.M.S.](#), adopted on June 30, 2020.

The Con Plan is carried out through AAPs as mandated by 24 Code of Federal Regulations (CFR) 91.220 providing a concise summary of the actions and activities, the specific federal and non-federal resources (including match and leverage sources) that will be used each year to address the priority needs and specific goals identified by the Con Plan. The AAP describes planned actions and activities in the furtherance of outcomes and objectives identified in the Con Plan; evaluation of past performance; and a summary of citizen participation and consultation process (including efforts to broaden public participation).

The City's FY 2022/2023 AAP is the third annual update to the current Five-Year Con Plan. The Third Substantial Amendment to the FY 2021/2022 AAP is provided in order for the public to make informed comments on specific activities carried out with 2018, 2019, and 2020 HOPWA funds per 24 CFR 91.505 - Citizen Participation requirement.

HUD CPD allocations for CDBG, HOME, HOPWA, and ESG are typically announced in February. The AAP, which provides the City's planned use of the funds is typically due to HUD on May 15<sup>th</sup> each year (45 days before the start of the program year). On March 25, 2022, the CPD Notice was released providing guidance on submitting both the Consolidated and Annual Action Plans for FY 2022/2023 advising that jurisdictions not submit their AAP until after the 2022 HUD CPD allocations are announced. Said notice further advises that the AAP is due 60 days after the date allocations are announced. HUD announced 2022 CPD allocations via email on May 13, 2022, making the City's 2022/2023 AAP due on July 12, 2022.

HOPWA funds are annually awarded to the City as an Eligible Metropolitan Statistical Area (EMSA) under the HUD CPD formula grant process. The Oakland EMSA is made up of two counties: Alameda County and Contra Costa County. Both counties have a combined population of more than 500,000 and have at least 2,000 HIV/AIDS cases. Oakland is typically allocated funds between the two counties based on the number of people living with HIV/AIDS in each county. This allocation between the two Counties is included in the City's AAP, section AP-38, and made available during the citizen participation process. The Substantial Amendment to the 2021/2022 AAP provides an opportunity to receive feedback on the specific HOPWA activities funded by each County, following the AAP process.

HCD has developed the draft FY 2022/2023 AAP, described in the *Analysis* section below, for funds to be awarded to the City under the HUD CPD's 2022 CDBG, HOME, HOPWA, and ESG programs. The review and public hearing process will meet citizen participation requirements as set forth in the City's adopted Citizen Participation Plan as mandated by Title 24 Code of Federal Regulations (CFR) 91.105 and 24 CFR 91.115.

**ANALYSIS AND POLICY ALTERNATIVES**

Eligible and proposed uses as established in the Background/Legislative History section of this report provides an opportunity for the City to support the acquisition, production, protection and/or preservation of affordable housing for the most vulnerable populations of Oakland. These actions also support and advance the Citywide Priorities of housing, homeless solutions, economic and cultural security.

As a condition of receiving 2022 CDBG, HOME, HOPWA, and ESG funds, Federal regulations require jurisdictions to prepare and present priorities and strategies for addressing affordable housing and community development needs in the form of the Five-Year Con Plan and the annual updates (AAP). The AAP constitutes the City's formal application for the entitlement grant funds.

The current Five-Year Con Plan includes the following priority needs:

Priority	Description
<b>Affordable housing/Fair Housing</b>	<p>Affordable Housing for lower-income households is defined in State law as not more than 30 percent of gross household income with variations (Health and Safety Code Section 50052.5). The comparable federal limit, more widely used, is 30 percent of gross income, with variations. When housing developers create affordable housing, this means that the housing provider must make units available and affordable to households below specific income levels, most often below 80% of the Area Median Income. As a condition of public funding, affordable housing units may be restricted to households with lower levels of income, including Very Low Income, or Extremely Low Income.</p> <ul style="list-style-type: none"> <li>• Extremely low income: 0-30% of AMI</li> <li>• Very low income: 30% to 50% of AMI</li> <li>• Low income: 50% to 80% of AMI; the term may also be used to mean 0% to 80% of AMI</li> <li>• Moderate income: 80% to 120% of AMI</li> </ul>
<b>Homeless Solutions</b>	<p>Assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homeless. Homeless Solution activities may include the following: engagement of homeless individuals and families living on the street; improving the number and quality of emergency shelters for homeless individuals and families; helping operate these shelters; providing essential services to shelter residents; rapidly re-housing homeless individuals and families; and preventing families and individuals from becoming homeless.</p>

<p><b>Economic Development</b></p>	<p>Economic Development activities may include: a) The acquisition, construction, reconstruction, rehabilitation, or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the recipient or public or private nonprofit subrecipients; (b) The provision of assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project, excluding those described as ineligible in § 570.207(a). In selecting businesses to assist under this authority, the recipient shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods; and (c) Economic development services in connection with activities eligible under this section, including, but not limited to, outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of all necessary agreements; management of assisted activities; and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities, including the costs of providing necessary training for persons filling those positions.</p>
<p><b>Neighborhood Stabilization</b></p>	<p>Neighborhood stabilization activities include: Code Compliance; displacement prevention (businesses and homeowners); Housing Activities: Providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income; Area Benefit Activities: Benefiting all the residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income; Serving a limited clientele whose incomes are at or below 120% of area median income.</p>
<p><b>Community Development – Public Services</b></p>	<p>Activities that build stronger and more resilient communities. Activities may address needs such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc.</p>
<p><b>Public Facility and Infrastructure Improvements</b></p>	<p>Acquisition, construction, and rehabilitation of facilities for public use serving the homeless, seniors, youth, health, abused and neglected children, parks, recreation centers, and</p>

	parking facilities. Infrastructure improvements include street improvements, sidewalks, and tree planting.
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The 2022/2023 AAP update to the Five-Year Con Plan supports the priority needs identified in the Five-Year Con Plan and with the City Housing & Community Development (HCD) Strategic Action Plan for 2021 – 2023, a strategic framework that reinforces the City’s commitment to the “Three P Approach” of Protection, Preservation and Production, supporting low- and moderate-income residents of Oakland. This alignment is demonstrated in the table below which provides a cross-reference of the 2022/23 AAP key goals, the “Three P Approach”, HCD Strategic Plan strategies, and the 2020/2021 – 2024/2025 Five-Year Con Plan.

<b>2022/23 ANNUAL ACTION PLAN/ 2021-2023 HCD STRATEGIC PLAN KEY OBJECTIVES</b>	<b>5 YEAR CON PLAN PRIORITIES</b>
<p><b>Protection</b>            Protection strategies are designed to prevent displacement and to ensure that low-income renters and homeowners have the information, tools, and support needed to remain in their homes in accordance with local and state laws. These tools include legal services and financial assistance. The objective of a proactive protection approach is two-fold: to blunt economic and market factors that create housing instability and to strengthen low-income residents’ standing as renters and homeowners to remain housed in Oakland if they choose.</p>	<ul style="list-style-type: none"> <li>Affordable Housing/Fair Housing</li> <li>Homeless Solutions</li> <li>Economic Development</li> <li>Neighborhood Stabilization</li> <li>Public Facility Capital Improvements</li> <li>Community Development</li> </ul>
<p><b>Preservation</b>            Preservation entails placing regulatory restrictions on existing buildings to ensure long-term affordability for residents. Such actions typically, but not always, include capital repairs. These strategies are designed to retain an affordable housing infrastructure for both renters and homeowners. Such preservation strategies also include resident ownership that positions traditionally vulnerable households to have an ownership stake in their homes. Preservation strategies can also serve to preserve neighborhoods and ensure that long-standing residents and community institutions are not displaced.</p>	<ul style="list-style-type: none"> <li>Affordable Housing</li> <li>Homeless Solutions (Anti-displacement)</li> <li>Neighborhood Stabilization</li> <li>Community Development</li> </ul>

<p><b>Production of Affordable</b> Production strategies provide new affordable housing opportunities through new construction of housing, provision of financing for first-time homebuyers to acquire an affordable home, and the provision of rental and operating subsidies that create affordability for low-income residents over the long term. These actionable production strategies are critical in addressing homelessness, displacement, and rent burdens for low-income households.</p>	<p>Affordable Housing/Fair Housing Homeless Solutions (Anti-displacement) Neighborhood Stabilization</p>
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The FY 2022/2023 AAP also aligns with the objectives and outcomes of the Regional Analysis of Impediments to Fair Housing Choice, the City’s Housing Element Report, the City’s Permanent Access to Housing (PATH) Strategy, HOME ARP plan, and the Alameda County EveryOne Home Plan.

The projects recommended for approval are summarized in **Attachment A** (CDBG, HOME, HOPWA & ESG Allocations). **Attachment B** (Priority Needs) provides 2022/2023 Funding priority needs by category (Protection, Preservation, Production, & Other Community Development Activities) for FY 2022/2023.

### **Public Engagement Process**

The City of Oakland follows HUD requirements for jurisdictions receiving CPD Formula Grant Entitlement funding to hold at least two public hearings per program year to obtain residents' feedback; one during the planning stage of the year and the other during the program-performance reporting stage of the year as follows:

1. Review of the Annual Action Plan (AAP)  
(Public hearings are typically held in late April or early May)
2. Review of the Consolidated Annual Performance & Evaluation Report (CAPER)  
(Public hearings are typically held in September)

A public hearing for the 2022/2023 AAP will take place during the Oakland City Council Meeting held on July 5, 2022, at 12 pm. The City Council meetings are currently held virtually through Zoom. The Zoom link, instruction for public participation, available translation services, and disability assistance are provided in the July 5, 2022 City Council agenda at <https://oakland.legistar.com/Calendar.aspx>. Public hearing participants requiring special assistance to participate in Oakland City Council are requested to please contact the Office of the City Clerk. When possible, please notify the City Clerk 5 days prior to the meeting staff can make reasonable arrangements to ensure accessibility.

Per 24 CFR 91.105, the public must be given 30 days to comment on Con Plans, AAPs, and Substantial Amendments to those plans. On June 8, 2022, the 2022/2023 AAP and the Third

Substantial Amendment to the 2021/2022 AAP is posted on the City's website or a 30-day public review period from June 9, 2022 through July 9, 2022 at <https://www.oaklandca.gov/news/2022/public-review-for-the-2022-2023-annual-action-plan>. All feedback received during the public comment period will be included in the final AAP submitted to HUD and online.

To broaden citizen participation, approximately 21% of the annual CDBG allocation is typically set aside and made part of the City's CDBG Request for Proposals (RFP) process for which CDBG funding priorities are established by the seven Community Development District Boards. However, assessing current need for increased housing prevention services, housing stability assistance and inventory of housing for the homeless, staff recommends Alternative #1 below.

Alternative #1 - Recommendation:

As one-time funding sources awarded to the City in response to COVID related housing matters move closer to expiration and more Oaklanders risk housing instability, the need to keep Oaklanders housed during the pandemic, post-pandemic and after Oakland's eviction moratorium remains a high-level priority for the City of Oakland.

As of June 6, 2022, the City's Emergency Rental Assistance Program (ERAP) has provided rental assistance housing related legal services and housing stability services to the most vulnerable and most at-risk of becoming homeless. There are approximate 12,784 applications received since April 2021. While 3,939 applications were denied, ineligible or duplicate applications, more than 2,700 Oakland residents received rental assistance, with 867 household application in process and 4,078 on the waitlist to be served.

Those most at-risk of housing instability are households in Fruitvale, East Oakland, East Lake and West Oakland areas. Approximately 51% of those most at risk are Black, 4.4% Asian, 16.5% Multi racial and 26% with Hispanic ethnicity. Over 87% of ERAP applicants assisted to date have incomes at 0-30% Average Median Income (AMI) and another 11% with incomes at 31-50% AMI.

As a result, staff recommends the utilization of CDBG set-aside funds in the amount of \$1,577,409 to support legal assistance for homeless prevention services, housing stability services, and to support acquisition of property for affordable housing units to house unsheltered and low- and moderate-income residents of Oakland. Approximately \$1,067,774 is recommended to support acquisition costs of affordable housing units. The approximate \$509,635 balance is recommended to fund homeless prevention and housing stability activities. Staff is certain this use of the \$1,577,409 CDBG set-aside would produce greatest impact for Oaklanders preventing Oaklanders from becoming homeless and bringing unhoused Oaklanders out of homelessness through access to service and added acquisition of housing inventory for the homeless.

A competitive process would be convened to procure desired homeless prevention services under Alternative #1A, It is at the discretion of the City Council that the City Administrator will authorize grant agreements for successful CDBG applicants for homeless prevention services without returning to Council.



Alternative #2:

As a second alternative, staff recommends allocating the \$1,577,409 CDBG set-aside to Council Districts 1 – 7, at the FY 2021/2022 levels listed below:

District 1	District 2	District 3	District 4	District 5	District 6	District 7	Total
\$115,151	\$ 282,356	\$249,231	\$130,925	\$304,440	\$250,808	\$244,498	\$ 1,577,409

As second alternative, funding priorities for each district would be made part of the City of Oakland CDBG RFP process for one-year funding term. Community Development District (CD District ) Boards would set funding priorities for their allocation of CDBG funds.

Once the RFP is released, interested applicants may apply for funding for projects and activities applicable to each Districts' funding priorities for CDBG-eligible activities. Once applications are submitted (at date to be determined between August and September 2022) in response to the CDBG RFP, it is the CD District Boards who review and rank applications and ultimately select agencies to recommend for CDBG funding over a one-year period.

As part of the Annual Action Plan, \$1,577,409 in CDBG funding is identified as funds to be distributed through the CD District Board CDBG RFP process to convene by September 2022, as a second alternative. Due to the delayed HUD CPD funding announcement made on May 13, 2022, the CD District RFP process was delayed as well. The forming of CD District Boards are delayed as well. Staff desires to honor the CD District funding recommendation process, but for it to occur following the approval of the 2022/2023 AAP if City Council does not choose to approve staff's recommendation for Alternative #1 above.

Once CD District CDBG funding recommendations are completed through this competitive process, it is at the discretion of the City Council that the City Administrator will authorize grant agreements for successful CDBG RFP applicants without returning to Council. If authorized to do so staff will submit with the 2021/22 Consolidated Annual Performance Report (CAPER) at the end of September, an updated District Board allocation for 2022/2023 CDBG funds.

**FISCAL IMPACT**

The proposed resolution accepts and appropriates \$14,878,176 in HUD CPD funds for the FY 2022/2023 budget from the four Federal entitlement grants, available CDBG carryforward funds, and revolving loan fund/ program income to be earned during the fiscal year. Specific projects have been recommended for funding from CDBG, HOME, HOPWA, and ESG funds available and are included in the Action Plan. CDBG grant funds in the amount of \$7,449,871 shall be appropriated to Fund 2108 (HUD-CDBG Fund), HOME grant funds in the amount of \$3,384,815 shall be appropriated to Fund 2109 (HUD-HOME Fund), and the HOPWA and ESG grant funds in the total amount of \$4,043,490 shall be appropriated to Fund 2103 (HUD-HOPWA and HUD-ESG Fund). The appropriations presented in this report will become a part of the City's FY 2022/2023 Budget. CDBG funds in the amount of \$1,577,409 shall be awarded through the

City's CDBG RFP process for the seven community development districts described in the section titled *Public Engagement Process*.

### ***Use of General-Purpose Funds for Central Service Overhead (CSO)***

HUD regulations stipulate that no more than 7.5 percent of ESG funds awarded and not more than 3 percent of HOPWA funds awarded to the City may be used to cover grantee (the City's) administration costs. The limited ESG and HOPWA grantee administrative funds are necessary to cover personnel and operations costs for the Community Housing Services (CHS) Division of the Human Services Department, payment of Central Services Overhead (CSO) may cause CHS to exceed the 7.5 percent and 3 percent caps mandated by ESG and HOPWA grants. Therefore, the Department of Human Services, Community Housing Services Division seeks a contribution from the City's General-Purpose Fund to cover Central Service Overhead charges associated with the HOPWA and ESG programs which are estimated to be \$15,691 and \$11,777 respectively.

### ***Use of Revolving Loan Fund/Program Income (RLF/PI)***

Per 24 CFR Subpart J – Rehabilitation and 24 CFR 570.202, the City may utilize program income generated from the Residential Lending/Rehabilitation program as leverage to the CDBG award. Utilizing program income or Revolving Loan Fund/Program Income (RLF/PI) as leverage to CDBG increases the CDBG totals available for public services and administration costs. RLF/PI funds used as leverage to CDBG funds are considered CDBG funds and are held to the same mandates and eligibility standards. The Residential Lending/Rehabilitation Division of the City's Department of Housing & Community Development expects to collect \$850,000 in Revolving Loan Program Income from loan fees and payments under the City's CDBG-funded Residential Lending and Housing Rehabilitation Program

The \$850,000 to be appropriated from Fund 2108 under the RLF/PI, generated from the City's Residential Lending and Rehabilitation Program, and any PI received in excess of the \$850,000 will be used for (1) owner-occupied housing rehabilitation activities, (2) Residential Lending/Rehabilitation Program staff costs (up to 20 percent of the RLF/PI) and (3) other CDBG-eligible activities as authorized by the proposed first resolution.

As mentioned above, RLF/PI funds used as leverage funds to the CDBG award must be used for purposes stated in the City's AAP and must be utilized for housing rehabilitation or other CDBG-eligible activity.

PI used as leverage to CDBG funds, increases HUD caps for public service and administration allocations for CDBG funded Activities. Per 24 CFR 570.200(g), planning and administrative costs, as defined in §§ 570.205 and 570.206, respectively, shall be limited to an amount no greater than 20 percent of the sum of the grant made for that program year plus the program income received by the recipient and its subrecipients during that program year. For FY 2022/2023, administration cap for CDBG is \$1,659,974.20 ( $\$7,449,871 \text{ CDBG} + \$850,000 \text{ RLPI} \times .20 = \$1,659,974.20$ ).

Per 24 CFR 570.201(e) and 570.207, the total amount of CDBG funds obligated for public services activities must not exceed 15 percent of the annual grant allocation *plus* 15 percent of

program income received during the prior program year. For FY 2022/2023, public services cap for CDBG is \$1,244,980.65 ( $\$7,449,871 \text{ CDBG} + \$850,000 \text{ RLPI}$ )  $\times .15 = \$1,659,974.20$ .

### **PUBLIC OUTREACH / INTEREST**

Public outreach related to the 2022/2023 AAP and Third Amendment to the 2021/2022 AAP has involved broad engagement with community-based agencies, Alameda County, Contra Costa County, affordable housing organizations, City Departments, District Boards, and Oakland residents through the City's Citizen Participation process.

Said engagement includes but not limited to community outreach and feed back requested in the review of the 2022/2023 AAP, planning and development of the Oakland Housing & Community Development Strategic Plan for 2021-2023 which feeds into the 2022/2023 AAP, stakeholder and Continuum of Care engagement around the Permanent Access To Housing (PATH) Strategy Framework, and stakeholder and community engagement for the HOME American Recovery Plan (ARP) application,

Additional consultation and citizen participation activities linked to the 2022/2023 AAP are provided in Sections AP-10 and AP-12 of the AAP available at <https://www.oaklandca.gov/news/2022/public-review-for-the-2022-2023-annual-action-plan>.

Said Plan documents are made available for public review and comment for the required 30-day period before submitting the plan to HUD. This report and proposed legislation are also presented as a public hearing item at a duly noticed meeting of the City Council.

A summary of public comments on the Plan documents will be made part of AAP and Substantial Amendment documents to record public feedback and interest.

### **COORDINATION**

This report and legislation were prepared in coordination with the City Attorney's Office, Budget Bureau, Human Services Department, Department of Housing & Community Development, and Department of Economic and Workforce Development.

HCD consulted with the Department of Human Services, Community Housing Services Division (CHS), to coordinate activities and funding under the CDBG, ESG, HOME, and HOPWA programs and the related request for a waiver of Central Service Overhead costs for the HOPWA and ESG programs.

CHS staff is in regular consultation and coordination with the Alameda County EveryOne Home Planning Committee which sets priorities for the homeless and special needs population of Alameda County. The Alameda County EveryOne Home Plan feeds into the City of Oakland's Permanent Access to Housing (PATH) Strategy and HIV/AIDS Housing & Services plans.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** HUD CPD Entitlement formula grants will fund and support organizations that provide economic development, repair public facilities and infrastructure, provide social services for low- and moderate-income communities, and expand social service and construction jobs. City staff continues to explore the best use of limited Entitlement formula grant funds, particularly CDBG awards to potentially provide more efficient use of funding, making visible and impactful changes in Oakland with CDBG funds.

Projects that receive funding through HOME will expand the affordable housing inventory and generate construction and professional service jobs. HOPWA will expand the number of affordable housing units and the assessed needed support services for persons living with AIDS and their families. ESG will support homeless and near-homeless persons with rapid rehousing, permanent supportive housing, homeless prevention, outreach, and shelter services.

**Environmental:** The CDBG program provides funding for services to rehabilitate blighted or substandard housing, remove hazards such as lead-based paint, and other health and building safety issues that help preserve existing City housing stock and improve the environment. The CDBG also funds the Residential Lending Program which administers the housing rehabilitation programs. Staff encourages construction contractors, property owners, and housing developers to make substantial use of recycled content building materials, energy-conserving building designs and appliances, and water-conserving fixtures and landscaping.

Affordable housing development loans support construction projects that will meet or exceed the green building standards developed by Stop Waste of Alameda County and must be GreenPoint Rated. Also, affordable housing development projects that are infill projects near transportation are prioritized; these projects will help reduce pressure to build on agricultural and other undeveloped land and thereby reduce dependency on automobiles.

**Race & Equity:** Services and housing to be provided under CDBG, HOPWA, HOME, and ESG promote fair and affordable access to housing, services, business assistance, and other activities that benefit low- to moderate-income residents, homeless, those with special needs, and Black and Latinx communities and other communities of color.

Based on FY 2020/2021 outcomes of approximately 6,746 residents and businesses directly benefitted, it is estimated that the benefit of these programs by race and ethnicity will be approximately: 18 percent White, 56 percent African American, 8 percent Asian, 3 percent American Indian/American Native, 1 percent Native Hawaiian/Pacific Islander, 14 percent mixed race, with 13 percent of all races having Hispanic ethnicity.

Activities funded under these programs would potentially not be accessible to the populations served if not for the requirements of these funding programs. Through HOPWA, persons living with HIV/AIDS gain access to services and affordable housing units and the needed support services for persons living with AIDS and their families. ESG will support homeless and near-homeless persons with rapid rehousing, permanent supportive housing, homeless prevention, outreach, and shelter services. HOME will expand the affordable housing inventory and general professional service jobs for those eligible for affordable housing. CDBG supports activities for

the equitable safety, security, and well-being of Oakland residents by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That the City Council Conduct A Public Hearing And Upon Conclusion Adopt The Following Pieces Of Legislation:

- 1 A Resolution To:
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For questions regarding this report, please contact Gregory Garrett, CDBG Manager, at 510.697.6444.

Respectfully submitted,

*Shola Olatoye*

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SHOLA OLATOYE

Director, Department of Housing & Community  
Development

Reviewed by:

Emily Weinstein, Deputy Director  
Department of Housing & Community  
Development

Prepared by:

Gregory Garrett, CDBG Manager  
Department of Housing & Community  
Development

Attachments (2)

(A): CDBG, HOME, HOPWA, ESG, and RLFPI Allocations

(B): Priority Needs – Protection, Preservation, Production & Other Community Development  
Activities

CDBG, HOME, ESG, HOPWA 2022/23 ALLOCATIONS

Attachment A

PROJECT	AWARDEE	Project Numbers (2022/2023 funding)*	CDBG FY 22/23	CDBG CARRY-FORWARD	REVOLVING LOAN PROGRAM	HOME	HOME CARRY-FORWARD	HOPWA	ESG	TOTAL
City of Oakland Housing & Community Development HOPWA	1 City of Oakland /Human Services Department (HSD)Request For Proposals Applicants for Alameda County Projects	1005609						\$ 2,273,487.00		\$ 2,273,487.00
City of Oakland Housing & Community Development HOPWA	2 Contra Costa County	1005609						\$ 1,016,744.00		\$ 1,016,744.00
City of Oakland Housing & Community Development HOPWA	3 City of Oakland /HSD/CHS	1005609						\$ 101,760.00		\$ 101,760.00
City of Oakland Housing and Community Development Minor Home Repair Program	4 Alameda County Healthy Homes Department	1006231	\$ 90,580.00	\$ 68,620.00						\$ 159,200.00
City of Oakland Access Improvement Project and Lead Safe Painting	5 City of Oakland HCD Residential Lending/Rehabilitation	1006235	\$ 185,755.00	\$ 254,665.91						\$ 440,420.91
Affordable Housing Funding New Construction/Rehabilitation of Affordable Rental	6 City of Oakland HCD/ Housing Development Services	1000394				\$ 338,481.00				\$ 338,481.00
Affordable Housing Funding New Construction/Rehabilitation of Affordable Rental	7 City of Oakland HCD/ Housing Development Services	1000394				\$ 3,046,334.00				\$ 3,046,334.00
Emergency Home Repair Program & Home Maintenance & Improvement	8 City of Oakland HCD Residential Lending/Rehabilitation	1006234 CDBG 1006236 (RLPI)	\$ 69,891.00		\$ 850,000.00					\$ 919,891.00
Department of Human Services/ EOCP Shelter Operation	9 East Oakland Community Project	1005715	\$ 158,244.00							\$ 158,244.00
Department of Human Services/ Admin	10 Community Housing Services Administration	1005590	\$ 495,462.00							\$ 495,462.00
Department of Human Services/ Program Delivery	11 Community Housing Services Program Delivery	1005592	\$ 240,327.00							\$ 240,327.00
Department of Human Services/ PATH Set Aside	12 Community Housing Services PATH 3rd Party Agreements	1005594	\$ 246,772.00							\$ 246,772.00
City of Oakland Business Assistance	13 Economic Workforce Development	1006328	\$ 310,858.00							\$ 310,858.00
City of Oakland HCD Fair Housing	14 East Bay Community Law Center	1006230	\$ 261,476.00							\$ 261,476.00
City of Oakland HCD Fair Chance Ordinance	15 To Be Determined	1006448	\$ 90,000.00							\$ 90,000.00
Affordable Housing Funding New Construction/Rehabilitation of Affordable Rental	16 City of Oakland HCD/ Housing Development Services - Affordable Housing 95th/International	1004668					\$ 1,433,821.00			\$ 1,433,821.00
Affordable Housing Funding New Construction/Rehabilitation of Affordable Rental	17 City of Oakland HCD/ Housing Development Services- Affordable Housing Acora Place	1004439					\$ 2,371,571.00			\$ 2,371,571.00
Affordable Housing Funding New Construction/Rehabilitation of Affordable Rental	18 City of Oakland HCD/ Housing Development Services - Affordable Housing Aurora Apartments	1004673					\$ 200,000.00			\$ 200,000.00
Code Compliance Relocation Program	19 City of Oakland HCD/Community Development Engagement	1006447	\$ 262,000.00							\$ 262,000.00
AntiDisplacement Info and Referral - CDE Supervisor	20 City of Oakland HCD/Community Development Engagement	1005477	\$ 230,000.00							\$ 230,000.00
Rehabilitation Program Delivery	21 City of Oakland HCD/Res. Lending - Rehabilitation	1006241	\$ 785,826.00							\$ 785,826.00

CDBG Program Administration	22	City of Oakland Community Development & Engagement	1006242	\$ 742,623.00							\$ 742,623.00
CDBG Program Delivery	23	City of Oakland Community Development & Engagement	1006242	\$ 601,635.00							\$ 601,635.00
Earthquake Safe Homes Program (1-4 units)	24	City of Oakland/HCD Seismic Retrofit	1006252.1000523 (Carry forward)	\$ 20,000.00	\$ 76,000.00						\$ 96,000.00
Safer Housing for Oakland Program (	25	City of Oakland/HCD Seismic Retrofit	1006253.1000532 (Carry forward)	\$ 125,000.00	\$ 125,000.00						\$ 250,000.00
Commercial Lending	26	Main Street Launch	1006233	\$ 300,000.00							\$ 300,000.00
Housing Stability/Housing Related Legal and Rental Assistance*	27	Various external agencies	1006449	\$ 656,013.00							\$ 656,013.00
Alternative #1: Housing prevention, housing related legal service and acquisition for affordable housing	28	City of Oakland/HCD Protection and Preservation	1006239	\$ 1,577,409.00							\$ 1,577,409.00
PATH ESG Admin	29	City of Oakland /HSD/CHS	1005599						\$ 48,862.43		\$ 48,862.43
PATH ESG Grant Agreements	30	City of Oakland /HSD/CHS	1005594						\$ 602,636.57		\$ 602,636.57
		<b>Totals</b>		<b>\$ 7,449,871.00</b>	<b>\$ 524,285.91</b>	<b>\$ 850,000.00</b>	<b>\$ 3,384,815.00</b>	<b>\$ 4,005,392.00</b>	<b>\$ 3,391,991.00</b>	<b>\$ 651,499.00</b>	<b>\$ 20,257,853.91</b>
Alternative #2 to line 28. Community Development District Request	28	Various City and external agencies selected by the 7 CD District Boards	1006239	\$ 1,577,409.00							\$ 1,577,409.00



ALLOCATIONS BY PRIORITY NEED

Attachment B

PRIORITY NEEDS	GRANT/FUND SOURCE									OHA FUNDS & OTHER RESOURCES		
	CDBG	CDBG CARRY-FORWARD	REVOLVING LOAN PROGRAM INCOME*	HOME	HOPWA	ESG	Total CPD & RLFPI	HOME ARP	Other Fund Sources*	OAKLAND HOUSING AUTHORITY (OHA) FUNDS	OHA LEASES	PROJECT BASED VOUCHERS
<b>Preservation of Affordable Housing</b>												
Acquisition & Rehabilitation							\$ -		\$ 34,040,900	\$ 3,000,000		39
Acquisition & Conversion							\$ -		\$ 44,090,606	\$ 5,000,000		
Preservation of existing Affordable Housing	\$ 145,000	\$ 201,000					\$ 346,000		\$ 8,750,000			
Preservation of Owner Occupied Properties	\$ 1,132,052	\$ 323,286	\$ 850,000				\$ 2,305,338					
<b>Production of Affordable Housing</b>												
New Construction of Affordable Housing				\$ 7,051,726	\$ 2,290,231		\$ 9,341,957	\$ 9,627,050	\$ 67,367,500	\$ 10,000,000	0	152
Acquisition of Building for Immediate Conversion to Housing for Homelessness	\$ 1,000,000						\$ 1,000,000					
ADU Construction									\$ 3,000,000			
First Time Homebuyers							\$ -		\$ 2,850,000			
Supply of Affordable Housing for Ownership									\$ 1,259,037			
(Construction/Acquisition/Rehab) Acquisition Affordable Housing							\$ -		\$ 24,180,580			
<b>Protection of Affordable Housing</b>												
Anti- Displacement Programs	\$ 230,000						\$ 230,000					
Housing Stability & Housing Related Legal Services	\$ 656,013						\$ 656,013				17,028	
Fair Housing Services	\$ 351,476						\$ 351,476					
Neighborhood Stabilization							\$ -					
Rent Arbitration Program/Community Education Outreach							\$ -					
Reduction of Homelessness & Elimination of Chronic Homelessness	\$ 1,140,805					\$ 602,637	\$ 1,743,442		\$ 8,274,700	\$ 331,869		
Program Delivery	\$ 601,635						\$ 601,635					

Relocation	\$ 262,000						\$ 262,000					
Adjustment for duplication In Public Services	\$ (1,531,356)						\$ (1,531,356)					
<b>Other Community Development Activities</b>												
Public Services*	\$ 1,191,414				\$ 1,000,000		\$ 2,191,414					
Economic Development	\$ 610,858						\$ 610,858					
Public Facility *							\$ -					
Grantee Administration, Program Delivery and Planning	\$ 1,659,974	0	\$ -	\$ 338,481	\$ 101,760	\$ 48,862	\$ 2,149,077	\$ 1,698,891	\$ 227,655			
							\$ -					
<b>TOTAL</b>	<b>\$ 7,449,871</b>	<b>\$ 524,286</b>	<b>\$ 850,000</b>	<b>\$ 7,390,207</b>	<b>\$ 3,391,991</b>	<b>\$ 651,499</b>	<b>\$ 20,257,854</b>	<b>\$ 11,325,941</b>	<b>\$ 194,040,978</b>	<b>\$ 18,331,869</b>	<b>17,028</b>	<b>191</b>