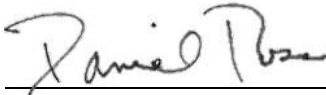


APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL
RESOLUTION NO. _____ C.M.S.

**RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 90640
C.M.S. AUTHORIZING THE CITY OF OAKLAND TO APPLY FOR,
ACCEPT, AND APPROPRIATE FUNDS AS A LOCAL AGENCY JOINT
PARTNER UNDER THE CALIFORNIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT'S HOMEKEY + PROGRAM FOR
THE MARK TWAIN HOMES AFFORDABLE HOUSING PROJECT AT
3525-3539 LYON AVENUE IN AN AMOUNT NOT TO EXCEED
\$35,000,000 AND MAKING RELATED CALIFORNIA
ENVIRONMENTAL QUALITY ACT FINDINGS**

WHEREAS, the California Department of Housing and Community Development ("California HCD") has issued a Notice of Funding Availability ("NOFA"), dated November 26, 2024 , for the Homekey + Program ("Homekey +" or "Program") pursuant to: Health and Safety Code Section 50675.1.3 (Assembly Bill No. 140, 2021-2022 Reg. Sess.); Health and Safety Code Section 50675.1.5 (Assembly Bill No. 531, 2023-2024 Reg. Sess.); Section 14184.402 of the Welfare and Institutions Code; Section 5891.5 of the Welfare and Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance and Prevention ("HHAP") grant program (Assembly Bill No. 129, Chapter 40, Statutes 2023, and Assembly Bill No. 166, Chapter 48, Statutes 2024), respectively; and

WHEREAS, California HCD is authorized to administer Homekey + pursuant to the Multifamily Housing Program (Chapter 6.7, commencing with Section 50675 of Part 2 of Division 31 of the Health and Safety Code), and Homekey + funding allocations are subject to the terms and conditions of the NOFA, the application for funding, the HCD-approved Standard Agreement (STD) 213, Standard Agreement with the City of Oakland ("City") and other partners (the "Standard Agreement"), and all other legal requirements of the Homekey + Program; and

WHEREAS, the Homekey + Program will make available grant funding to local public entities, including cities, counties, or other local public entities within California to sustain and rapidly expand housing for persons experiencing homelessness or at-risk of homelessness, and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic; and

WHEREAS, Resolution No. 89976 adopted on November 7, 2023 waived any City requirements under its Local and Small Local Business Enterprise Program, Local Employment Program, and Oakland Apprenticeship Program, for Homekey and Homekey +projects; and

WHEREAS, Resolution No. 89977 adopted on November 7, 2023, established the Rapid Response Homeless Housing (“R2H2”) Program, allocated funds to the R2H2 Program, authorized the City Administrator to fund loans or grants from R2H2 funds without returning to Council, including using R2H2 funds as a local capital or operating match for Homekey+ projects, and waived application of the above-referenced City’s employment and contracting programs for R2H2-funded projects; and

WHEREAS, the City’s Housing & Community Development Department issued a NOFA for New Construction of Multifamily Affordable Rental Housing (“City New Construction NOFA”) on January 31, 2023, to solicit proposals from potential developers/operators for New Construction projects; and

WHEREAS, Mark Twain Partners, LP, and MPI Properties, Inc., submitted a proposal in response to the 2023 City New Construction NOFA to develop the Mark Twain Homes affordable housing project for persons experiencing homelessness or at-risk of homelessness at 3525-3539 Lyon Avenue in the City (the "Project"); and

WHEREAS, the Project involves 107 total units with 35 units for people at risk of homelessness, 5 units for people who are chronically homeless, and 67 units for people who are homeless, with on-site supportive services; and

WHEREAS, the Project met the City New Construction NOFA’s threshold scoring and requirements in staff’s evaluation of project proposals; and

WHEREAS the City of Oakland desires to jointly apply for Homekey + grant funds with Mark Twain Partners LP, MPI Properties, Inc, MPI Mark Twain LLC, and Hearthstone CA Properties V, LLC to California HCD for the Project. Therefore, Applicant is joining Mark Twain Partners LP, MPI Properties, Inc, MPI Mark Twain LLC, and Hearthstone CA Properties V, LLC in the submittal of an application for Homekey+ funds (“Application”) to HCD for review and consideration; and

WHEREAS, the City Administrator will determine what R2H2 local matching funds, if any, will be provided to the Project under the authority delegated to the City Administrator under Resolution No. 89977; and

WHEREAS, on October 1, 2019, the City adopted Ordinance No. 13564 C.M.S., an Emergency Ordinance Declaring a Shelter Crisis in the City, with provisions to suspend State or local regulatory statutes, regulations, and ordinances that could prevent timely delivery of housing and shelter solutions for the City’s homeless residents, which Homekey projects could address with the support of exemptions from local City contract compliance requirements; and

WHEREAS, the City is the Lead Agency for this action for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, the City has determined pursuant to Planning Case File No. PLN20138 that the Project is exempt from CEQA review pursuant to CEQA Guidelines Sections 15332 (infill development), 15183 (consistency with local zoning), and 15183.3 (streamlining for urban infill projects); and

WHEREAS, Resolution No. 90640 authorized this application, but did not name Mark Twain Partners LP, Hearthstone CA Properties V, LLC, and MPI Mark Twain LLC and is now being amended and restated through this Resolution; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Administrator to submit a joint application with Mark Twain Partners LP, MPI Properties, Inc, MPI Mark Twain LLC, and Hearthstone CA Properties V, LLC, or an approved affiliate of Developer, to California HCD for the Project in response to the City New Construction NOFA in an amount not to exceed \$35,000,000; and be it

FURTHER RESOLVED: That the City Administrator is authorized to accept and appropriate the Homekey + grant funds in the amounts stated to the California Housing and Community Development Fund (2144), Mark Twain Homes Project (1005804); and be it

FURTHER RESOLVED: That, if the application for a Homekey + grant funding of the Project is approved, the City Administrator, or his or her designee, is authorized to enter into, execute, and deliver a Standard Agreement for the total amount awarded to the Project, and any and all other documents required or deemed necessary or appropriate to secure the Homekey+ funds from California HCD, and all amendments thereto (collectively, "the Homekey+ Documents"), on behalf of the City as a local agency partner, and to participate in the Homekey+ Program with respect to the Project; and be it

FURTHER RESOLVED: That the City acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, that the NOFA and application will be incorporated in the Standard Agreements by reference and made a part thereof, that any and all activities, expenditures, information, and timelines represented in the application will be enforceable through the Standard Agreement, and that funds are to be used for the allowable expenditures and activities identified in the Standard Agreement; and be it

FURTHER RESOLVED: That, contingent upon the award of Homekey + funds for the Project, the City Administrator is hereby authorized to enter into a grant or loan agreement with Developer, or an approved affiliated entity or entities, to provide Homekey + funds, along with any local matching funds, if any, to the Project; and be it

FURTHER RESOLVED: That the above agreements shall be reviewed and approved by the Office of the City Attorney for form and legality and placed on file in the Office of the City Clerk; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator to conduct negotiations, draft and execute documents (including the Homekey+ Documents), administer the loan or grant, extend or modify the repayment terms, and take any other action with respect to the Project and the application for and acceptance of Homekey + funds, consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROWN, FIFE, GALLO, HOUSTON, RAMACHANDRAN, UNGER, WANG, AND
PRESIDENT JENKINS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

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