


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE PERIODIC REALLOCATION OF THE OAKLAND SHARED APPRECIATION MORTGAGE PROGRAM REPAYMENT REVENUES TO MAKE NEW OAKLAND SHARED APPRECIATION MORTGAGE PROGRAM LOANS UNDER THE PROGRAM FOR A PERIOD OF FIVE YEARS WITHOUT RETURNING TO COUNCIL

WHEREAS, Oakland City Council adopted Resolution No. 81782 C.M.S. on February 3, 2009, and the former Redevelopment Agency adopted Resolution No. 2009-0006 C.M.S. on February 3, 2009, to authorize the City Administrator and Agency Administrator, respectively, to apply for and accept up to \$2,000,000 in funds from the California Department of Housing and Community Development under the Local Housing Trust Fund Program; and

WHEREAS, the City of Oakland received an award of \$1,575,000 in Local Housing Trust Fund Program funding in 2010 to fund the renovation of affordable rental housing and to assist low income homebuyer purchases; and

WHEREAS, the Oakland City Council adopted Resolution No. 84051 C.M.S., on October 2, 2012, to amend Resolution Nos. 81782 C.M.S. and 2009-0006 C.M.S. to authorize the City Administrator to determine how much of the \$1,575,000 in the matching funds for the Local Housing Trust Fund Program to provide from the City's First Time Homebuyer Program and/or from the City's Affordable Rental and Ownership Program; and

WHEREAS, in 2013, the City allocated \$1,023,750 of \$1,575,000 to the City's Homeownership Programs Fund 2144 to develop and operate the Oakland Shared Appreciation Mortgage (SAM) Program to provide mortgage assistance to first-time homebuyers with very low and lower-incomes (those with household incomes of not more than 80% of the Area Median Income (AMI)) until the funds were fully expended; and

WHEREAS, the City of Oakland fulfilled the obligations of the Local Housing Trust Fund Program grant's active period in 2015, and thereafter entered the inactive grant period, during which the State approved reuse plans are implemented to extend the Oakland SAM Program's operations into the future; and

WHEREAS, the City of Oakland desires to continue to operate the Oakland SAM Program to provide expanded housing opportunities to low income homebuyers; and

WHEREAS, there is a substantial need for additional funds to assist in providing mortgage assistance to lower-income, first-time homebuyers in Oakland including Section 8 Homeownership Program buyers; and

WHEREAS, the Oakland SAM Program’s loans will continue to generate repayment revenues of loan principal and interest payments to Fund 2144 when homebuyers pay back their loans, which repayment revenues may be used to make new loans under the Oakland SAM Program; and

WHEREAS, the Oakland SAM Program’s State-approved plan for the reuse of the program-generated revenue requires the periodic reallocation of repayment revenues as a revolving loan fund to make new loans under the Oakland SAM Program; and

WHEREAS, the City of Oakland’s Budget and Treasury Departments desire that the Oakland SAM Program revenues be periodically and regularly reallocated at a minimum of twice annually and that an authorizing resolution be provided with each reallocation request; now, therefore, be it

RESOLVED: That the City Administrator, or designee, is authorized to submit a reallocation of Oakland SAM Program revenues collected on a semi-annual basis for a period of up to five (5) years without returning to Council; and be it

FURTHER RESOLVED: That the City Administrator or designee is authorized to periodically reallocate the Oakland SAM Program revenues that have been collected to a “ReUse Fund”, and deposit said funds in the California Department of Housing and Community Development Fund (Fund 2144), Project 1000386, and use said funds to make new Oakland SAM Program loans to assist very low to lower-income first-time homebuyers.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

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

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of
the City of Oakland, California