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OFFICE OF THE CITY CLERK  
OAKLAND

2016 SEP - 1 AM 10: 23

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 86365 C.M.S.

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**RESOLUTION AMENDING RESOLUTION NO 77655 C.M.S., WHICH APPROPRIATED LOAN REPAYMENTS UNDER THE MORTGAGE ASSISTANCE PROGRAM FOR CONTINUATION OF THE PROGRAM, TO INSTEAD APPROPRIATE CURRENT AND FUTURE LOAN REPAYMENTS TO THE LOW AND MODERATE INCOME HOUSING ASSET FUND FOR THE DEVELOPMENT OF AFFORDABLE HOUSING, AND APPROPRIATING \$1,600,000 IN AFFORDABLE HOUSING TRUST FUNDS TO THE MORTGAGE ASSISTANCE PROGRAM**

**WHEREAS**, City Council Resolution No 77655 C.M.S., passed on February 25, 2003, reaffirmed the First-Time Homebuyer Mortgage Assistance Program as a revolving loan program; and

**WHEREAS**, under the Resolution, funds received from repayments of the loans made under the Mortgage Assistance Program that were not otherwise restricted or encumbered were appropriated to provide new loans under the Mortgage Assistance Program; and

**WHEREAS**, the Oakland City Council adopted Resolution No. 83680 C.M.S. on January 10, 2012, electing for the City to retain and assume the housing assets and functions of the Redevelopment Agency pursuant to Health & Safety Code Section 34176 upon Redevelopment Agency dissolution; and

**WHEREAS**, the Redevelopment Agency dissolved on February 1, 2012; and

**WHEREAS**, loans made from Redevelopment Agency funds under the Mortgage Assistance Program are housing assets retained and assumed by the City of Oakland; and

**WHEREAS**, funds generated from housing assets, including repayments on loan receivables transferred to the City as housing successor, must be deposited into a separate Low and Moderate Income Housing Asset Fund under Health & Safety

Code Section 34176(d); and

**WHEREAS**, funds in the Low and Moderate Income Housing Asset Fund may only be used for the development of affordable housing occupied by households earning 80% or less of the area median income under Health & Safety Code Section 34176.1(a)(3)(A); and

**WHEREAS**, "development" is defined under Health & Safety Code Section 34176.1(a)(3)(A) as new construction, acquisition and rehabilitation, substantial rehabilitation, acquisition of long-term affordability covenants on multifamily units, and the preservation of an assisted housing development, and does not expressly include mortgage assistance as an eligible use of Low and Moderate Income Housing Asset Funds; and

**WHEREAS**, the Mortgage Assistance Program makes loans to households up to 120% of area median income, while funds in the Low and Moderate Income Housing Asset Fund are restricted to serving households at or below 80% of area median income; and

**WHEREAS**, there is \$629,038.05 of housing assets appropriated to the Mortgage Assistance Program in the Oakland Redevelopment Agency Grants Fund (2185), Homeownership Programs Organization (89989), First-time Homebuyer Mortgage Assistance Program Loan Repayments Project (P41710); and

**WHEREAS**, there is \$1,525,000 of program revenue collected to date from loan repayments in Mortgage Assistance Program in the Oakland Redevelopment Agency Grants Fund (2185), Municipal Lending Organization (89939), First-time Homebuyer Mortgage Assistance Program Loan Repayments Project (P41710); and

**WHEREAS**, Council is considering a resolution that would change the funding allocation for the Affordable Housing Acquisition, Rehabilitation and Preservation Program and the Affordable Housing Multifamily Emergency Repair Program from the Affordable Housing Trust Fund (1870) to the Low and Moderate Income Housing Asset Fund (2830), making up to \$1,600,000 available to fund Mortgage Assistance Program loans from the Affordable Housing Trust Fund; and

**WHEREAS**, Council wishes to reappropriate existing loan repayments and future loan repayments under the Mortgage Assistance Program to the Low and Moderate Income Housing Asset Fund (2830) for the development of affordable housing, and appropriate the equivalent amount of existing loan repayments from the Affordable Housing Trust Fund (1870) to replace the Mortgage Assistance Program revenue now required to be appropriated to the Low and Moderate Income Housing Asset Fund; now, therefore, be it

**RESOLVED:** That the City Council hereby amends Resolution No 77655 C.M.S. to delete the description of the Mortgage Assistance Program as a revolving loan

fund, and to reappropriate \$629,000 in current repayment amounts from Mortgage Assistance Program loans from Oakland Redevelopment Agency Grants Fund (2185), Homeownership Programs Organization (89989), First-time Homebuyer Mortgage Assistance Program Loan Repayments Project (P41710) and up to \$2,100,000 from Oakland Redevelopment Agency Grants Fund (2185), Homeownership Programs Organization (89939), First-time Homebuyer Mortgage Assistance Program Loan Repayments Project (P41710) to the Low and Moderate Income Housing Asset Fund (2830) (Housing Development Project (P473610), Housing Development Organization (89929) for housing development activities; and be it

**FURTHER RESOLVED:** That the City Council hereby amends Resolution No 77655 C.M.S. to appropriate future repayments of Mortgage Assistance Program loans to the Low and Moderate Income Housing Asset Fund (2830) ( Housing Development Project (P473610), Housing Development Organization (89929)) for housing development activities; and be it

**FURTHER RESOLVED:** That the City Council authorizes the appropriation of \$1,600,000 in funds distributed to the City as a taxing entity under the redevelopment dissolution law from the Affordable Housing Trust Fund (1870), Housing and Community Development Organization (89929), Housing Development Project (P435210) to the Affordable Housing Trust Fund (1870), Housing and Community Development Organization (89929) First Time Homebuyer Program Project (P489520 ) as replacement program funding.

IN COUNCIL, OAKLAND, CALIFORNIA, SEP 20 2015

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, ~~REID~~, and PRESIDENT GIBSON MCELHANEY - 7

NOES- 0

ABSENT- 0

ABSTENTION- 0

Excused - Reid - 1

ATTEST: LaTonda Simmons  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California