



CITY OF OAKLAND

AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Shola Olatoye
Director, HCD

SUBJECT: Clifton Hall

DATE: August 25, 2020

City Administrator Approval

Date: August 25, 2020

RECOMMENDATION

Staff Recommends That The City Council Adopt The Following Pieces Of Legislation:

1. An Emergency Ordinance:

(A) Authorizing City Administrator Or Designee To Negotiate And Execute An Agreement To Acquire The Property Located At 5276 Broadway (Clifton Hall), For An Amount Not To Exceed \$13.05 Million Including Closing Costs And Fees, For A Family Shelter And Permanent Affordable Housing;

(B) Authorizing City Administrator Or Designee To Negotiate And Execute (1) A Fifteen-Year Master Lease Agreement For Clifton Hall With A Housing Operator To Be Determined By The City Administrator Or Designee, For Zero Rent, To Provide Affordable Housing To Homeless Individuals, And (2) Subleases, For Terms Up To Fifteen Years And Terminable Annually By The City Administrator, For Zero Rent, With Cornerstone Community Development Corp. For Office Space And East Oakland Community Project For A Family Shelter;

(C) Waiving Competitive Bidding Under OMC 2.04 And Authorizing City Administrator Or Designee To Negotiate And Execute A Contract For General Construction Services At Clifton Hall With Sustainable Urban Neighborhoods, In A Total Amount Not To Exceed \$1.95 Million; And

(D) Repealing Ordinance No. 13553, Which Allocated \$3.15 Million From Measure KK For Acquisition Of A Property That Did Not Get Consummated; And (E) Making Surplus Land Act And California Environmental Quality Act Findings; And

2. A Resolution:

(A) Authorizing The City Administrator Or Designee To Apply For Up To \$10.2 Million Of Funds From The California Department Of Housing And Community Development Under The Homekey Program (Homekey Funds);

(B) Accepting And Appropriating (1) Up To \$9.6 Million In Homekey Funds For The Acquisition Of 5276 Broadway (Clifton Hall) As A Family Shelter And Permanent

Affordable Housing And (2) Up To \$600,000 For The Operation Of The Permanent Affordable Housing At Clifton Hall;

(C) Allocating, As A Local Match To The Homekey Funds, Up To (1) \$3.42 Million Of Measure KK Funds For The Acquisition Of Clifton Hall For Permanent Affordable Housing And (2) \$2 Million Of Funds From The Affordable Housing Trust Fund (Boomerang Funds) For The Rehabilitation Of Clifton Hall And Closing Costs;

(D) Amending Oakland City Council Resolution No. 88109 C.M.S., Which Appropriated \$19,697,548 In Homeless, Housing, Assistance And Prevention (HHAP) Funds For The Provision Of Homeless Services, To Allocate Up To \$5.22 Million Of Said HHAP Funds For 13 Years Of Operating Subsidy For The Permanent Affordable Housing At Clifton Hall; And

(E) Authorizing The City Administrator To Select A Grantee And Award A 15-Year Grant Agreement In An Amount Not To Exceed \$5.82 Million For Operation Of The Permanent Affordable Housing At Clifton Hall; And

3. A Resolution:

(A) Amending Oakland City Council Resolution No. 88174, Which Adopted The FY 2020-21 Midcycle Budget Amendments, To Change “Employment Programs \$1.2M” To “Family Shelter/Services \$1.2M” On Line E-11 Of Exhibit 3;

(B) Allocating \$1.2 Million Of The FY 2020-21 Measure Q Funds (Fund 2244) For The Cost Of Operating A Family Shelter By East Oakland Community Project (EOCP) At Its Current Emeryville Location And Relocating, Potentially, To Clifton Hall; And

(C) Awarding A Grant Agreement To EOCP For Operation Of A Family Shelter For One Year In An Amount Not To Exceed \$1.2 Million.

EXECUTIVE SUMMARY

The City of Oakland (City) is in position to acquire Clifton Hall (Property), a four-story, vacant dormitory building owned by the California College of the Arts (CCA) and comprised of 63 dwelling units in the amenity-rich neighborhood of Rockridge in North Oakland. On the third and fourth floors of the building, Clifton Hall would provide 42 units of permanent housing for seniors experiencing homelessness at high risk of COVID-19, with focus on those exiting a Project Roomkey motel/hotel, to be run by a qualified housing operator. The second floor (21 units) would become the permanent home for emergency shelter housing for approximately 20 families experiencing homelessness to be run by the East Oakland Community Project (EOCP), an Oakland-based agency that has provided shelter to homeless populations since 1990. On the ground floor, the Project will also house the offices of Family Front Door, which serves as the hub for the coordinated entry system for homeless families in Northern Alameda County. The City has submitted this innovative housing proposal as a priority (Tier 1) project under California’s State Housing and Community Development Department’s Homekey grant program (Homekey).

Adoption of the proposed ordinance would allow the City to acquire the Property, master lease the Property for 15 years to a qualified housing operator for zero rent, sublease space for the family shelter program for 15 years to EOCP for zero rent terminable annually, sublease office

space for 15 years to Family Front Door for zero rent terminable annually, and waive competitive bidding requirements to allow for the minor rehabilitation necessary to commence the intended use of the Property. Adoption of the first proposed resolution would allow the City Administrator or his or her designee to apply for, accept, and appropriate up to \$10,200,000 from the State of California's Homekey grant program toward the acquisition and operation of Clifton Hall for the aforementioned purposes. Adoption of the second proposed resolution would correct an error in the mid-cycle budget and award a grant agreement for the operation of the family shelter.

REASON FOR URGENCY

As discussed herein, the City has applied for funding from the State's Homekey grant program, which is a competitive program. Because Homekey capital funds are derived from the State's direct allocation of federal Coronavirus Aid Relief Funds, these capital Homekey funds (for acquisition and rehabilitation) must be expended by December 30, 2020. Staff are seeking City Council approvals during this emergency meeting to maximize the competitiveness of the City's Homekey applications and to ensure that the City is in position to accept and expend Homekey funds by the December 30, 2020 Homekey expenditure deadline. The agreed-upon terms of sale between the City and CCA likewise require close of escrow by December 30, 2020.

BACKGROUND / LEGISLATIVE HISTORY

FAMILY SHELTER

Under Resolution No. 87880 C.M.S., City Council authorized the City Administrator to enter into a grant agreement with East Oakland Community Project (EOCP) for the provision of family shelter services at a new family shelter for Northern Alameda County (Oakland, Berkeley, Albany, Emeryville, and Piedmont) which will provide services to approximately 20-25 families at a time. The program is intended to expand the capacity to serve the estimated 120 homeless families who sleep on the streets of Oakland each night. The shelter has been temporarily located in Emeryville since June 2020 while a suitable site was located and developed within Oakland within 18-24 months. Clifton Hall would provide a permanent location for this family shelter and associated services.

Occupancy will begin by moving the new family shelter (Family Matters Shelter) from its temporary location in Emeryville to its permanent location in the Clifton Hall building. Approximately 10 families will move to the new space from the temporary space. Additional homeless families will quickly be referred from the family Coordinated Entry System (CES) to ensure that the building reaches 50 percent occupancy (approximately 31 units) within 90 days, a requirement of Homekey funding. As families move out of the shelter to permanent housing, the occupancy will be gradually reduced to 20 units.

ACQUISITION OF CLIFTON HALL

Clifton Hall was built in 2002 by CCA as a dormitory to house 126 students. In 2016, CCA finalized a strategic plan to unify its two campuses in San Francisco and listed the Property for sale in June 2020. According to CCA, the City was among eight parties bidding for the Property. CCA selected the City's offer and signed a letter of intent to sell the Property to the City in accordance with the following terms:

- **Purchase price:** \$13,000,000;
- **Deposit:** City shall deposit \$105,000 into an interest-bearing escrow account upon execution of a Purchase and Sale Agreement. Upon City removing its inspection contingency by October 17, 2020, City shall increase its deposit to \$315,000 and release the deposit in full to the seller;
- **Conditions precedent to closing:** 1) approval of the transaction by City Council, 2) award of Homekey funds, 3) satisfaction with Property inspections, and 4) satisfaction of customary closing conditions, including, without limitation, the issuance of a title insurance policy;
- **Close of escrow date:** no later than December 30, 2020.

The agreed-upon purchase price is substantially less than the fair market value as determined by an independent, third-party appraisal commissioned by the City and prepared by a State certified real estate appraiser in compliance with the Uniform Standards of Professional Appraisal Practice.

The City's Environmental Services Division has reviewed the Property's environmental condition and concluded that the Property's acquisition would not introduce substantive environmental risk to the City.

The Property is in good condition, having been constructed less than 20 years ago and well maintained by CCA. Approximately \$250,000 in capital repairs are anticipated over the next 5 years to address issues with the roof, exterior, floors, fire suppression, sewer lateral and sidewalk.

OPERATIONS OF CLIFTON HALL

Upon acquisition, the City would enter into a master lease of the entire Property with a qualified housing operator for a term of 15 years. Concurrently, the City would utilize its allocation of Homeless Housing Assistance and Prevention (HHAP) and Homekey funds to grant up to \$5,820,000 (up to \$5,220,000 HHAP funds and up to \$600,000 Homekey funds) to the housing operator to support the cost of operating the facility. The master lessee would assume responsibility for capital maintenance, leasing, services, and operations of the facility and would be required to sublease space for the family shelter program to East Oakland Community Project and sublease office space to the non-profit Building Futures with Women and Children (BFWC) which operates Family Front Door.

The City would record a use restriction against the Property's title to ensure it continues providing housing for individuals and families experiencing homelessness or at risk of experiencing homelessness of no less than 55 years.

In addition to managing the Property and ensuring compliance with the use restriction, lease agreements, and grant agreements, the City would continue to hold up this public-private partnership as a model for addressing homelessness in Oakland and the nation.

HOMEKEY

On July 16, 2020, the California Department of Housing and Community Development announced the availability of approximately \$600 million in Homekey funding to rapidly sustain and expand the inventory of housing for people experiencing homelessness who are at high risk of serious illness and are impacted by COVID-19.

The Homekey grant funding will be made available to local public entities, including cities, counties, housing authorities, or federally recognized tribal governments within California to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing.

Of the \$600 million in Homekey grant funds, \$550 million is derived from the State's direct allocation of the federal Coronavirus Aid Relief Funds (CRF) for acquisition and rehabilitation. The remaining \$50 million is derived from the State's General Fund and is for operating subsidy. Each Homekey allocation must comply with the following expenditure deadlines:

- The \$550 million in CRF must be expended by December 30, 2020. For acquisitions, grantees must expend the funds and close escrow by the expenditure deadline of December 30, 2020.
- The \$50 million in State General Funds for operating subsidy must be expended by June 30, 2022.

The City applied directly for Homekey funding for Clifton Hall, along with three other projects. For Clifton Hall, the City applied for \$9,583,333 in capital funds for acquisition and \$582,546 in operating subsidy, for a total of \$10,165,879.

Homekey requires that projects exceeding \$100,000 per unit must identify matching funds from sources outside of Homekey. The proportion of match required per unit increases with the per unit cost. The proposed match sources for this project total \$5,416,667 and are comprised of the City's Measure KK and Affordable Housing Trust Fund (AHTF), described below.

MEASURE KK (5331)

In November 2016, Oakland voters passed Measure KK, the Affordable Housing and Infrastructure Bond Law, authorizing the City to issue \$600 million in general obligation bonds to fund various City infrastructure and affordable housing projects.

On November 29, 2016, the City Council approved Ordinance No. 13403 C.M.S., enacting the City of Oakland Affordable Housing and Infrastructure Bond Law (Chapter 4.54, Article IV, Oakland Municipal Code). One hundred million (\$100,000,000) was set aside for development activity related to anti-displacement and affordable housing preservation where funds may be spent on the acquisition, rehabilitation, or new construction of affordable housing, as set forth in the Affordable Housing and Infrastructure Bond Law.

On June 19, 2017, the City Council approved Resolution No. 86774 C.M.S., identifying the programs that are authorized for funding with proceeds from the first \$55 million tranche of Measure KK Bond funds.

On June 29, 2017, the City Council approved Resolution No. 86814 C.M.S., allocating \$14 million for the Acquisition of Transitional Housing Facilities, along with several other program uses.

On July 30, 2019, the City Council adopted Ordinance No. 13553 C.M.S., allocating \$3,100,000 from Measure KK Housing and Infrastructure Bond Affordable Housing Fund (Fund 5331) for the purchase of a 24-unit single room occupancy residential hotel at 2327 San Pablo Avenue, plus an additional \$50,000 in closing costs, but the transaction did not close. The proposed Resolution would repeal Ordinance No. 13553 C.M.S., and so permit the \$3,150,000 in Measure KK funds to be re-allocated to the purchase of the Property by the funding Resolution

heard concurrently with this Emergency Ordinance. Therefore, of the \$14 million under Resolution No. 86814 C.M.S., \$6,984,255 remains available, with \$3,416,667 to be allocated to Clifton Hall.

AFFORDABLE HOUSING TRUST FUND (1870)

In 2002, Oakland established the Affordable Housing Trust Fund (AHTF) pursuant to Section 15.62 of the Oakland Municipal Code (OMC.). The AHTF receives its funding from ongoing revenue streams, including the Jobs Housing Impact Fee, the Affordable Housing Impact Fee, and “boomerang” funds. The AHTF currently has \$5,182,725 in “boomerang” funds available, of which \$2,000,000 would be allocated to Clifton Hall.

The Fiscal Impact section below provides additional detail on how the City proposes allocating all City matching sources of funds across Homekey projects.

HOMELESS HOUSING, ASSISTANCE AND PREVENTION (HHAP) (FUND 2159)

Homeless Housing, Assistance and Prevention (HHAP) was signed into law on July 31, 2019 by Governor Gavin Newsom. The HHAP funds are a \$650 million one-time block grant offered by the State of California (State) to assist local governments in their response to the statewide homelessness crisis. Eligible recipients include counties, Continuums of Care (CoC), and large cities with populations exceeding 300,000. Each jurisdiction has a specific amount of funds set aside by the State based on 2019 Point In Time (PIT) count numbers. HHAP funds are the second allocation of one-time funds from the State (following the initial allocation of Homeless Emergency Assistance Program (HEAP) funds), allowing jurisdictions to continue and expand upon the interventions started with HEAP funds. The City submitted its application to the State for HHAP funds in late January 2020. The State awarded the funds to the City in April 2020 and disbursed the funds in May 2020.

The City currently has \$10,000,000 of HHAP funds available, and proposes allocating \$5,220,000 for Clifton Hall. The flexibility of this source allows for its use for operations, and it will be structured as a capitalized operating subsidy for Clifton Hall.

The Fiscal Impact section below provides additional detail on how the City proposes allocating all City matching sources of funds across Homekey projects.

ANALYSIS AND POLICY ALTERNATIVES

The target population is individuals and families who are experiencing homelessness or who are at risk of homelessness defined in Section 578.3 of Title 24 of the Code of Federal Regulation and who are impacted by the COVID-19 pandemic.

The City and its developer partners have jointly applied for \$36,569,527 in Homekey funds for the following affordable housing projects shown in **Table 1**, below. Only the Clifton Hall project would involve the City acquiring real property.

Table 1: Affordable Housing Projects

Project Name	Address	Developer	Number of Affordable Units
Clifton Hall	5276 Broadway, Oakland CA 94618	TBD	63 units (21 family shelter, 42 permanent senior housing)
Inn at Temescal	3720 Telegraph Ave, Oakland, CA 94609	Operation Dignity and Danco Communities	22 units
11 th and Franklin	392 11 th Street, Oakland, CA 94607	Oakland and the World, McCormack Baron Salazar, and Memar Properties	82 units
BACS Scattered Sites: Project Reclamation	Up to 20 small sites throughout Oakland	Bay Area Community Services (BACS)	Up to 100 doors

The 2019 Oakland Point In Time count showed that 4,071 people were experiencing homelessness in Oakland, an unprecedented 47 percent increase over 2017 levels. Acquiring and leasing-up Clifton Hall will have a direct effect towards reducing homelessness in Oakland. This acquisition is in alignment with recommendations in the 2019 PATH Framework to both invest in crisis response beds (to reduce the numbers of people sleeping on the streets) and to maintain a strong focus on the permanent housing end of the spectrum. Clifton Hall would immediately provide stability for unsheltered families through the continuation of the City's 21-unit family shelter, as well as add new affordable units to the housing stock for those experiencing homelessness and impacted by COVID-19.

The units proposed in this application, combined with the other proposed Homekey units within Oakland (totaling 266 units) would potentially contribute to a more than five percent (5%) reduction in the number of people experiencing homelessness in Oakland.

FISCAL IMPACT

Table 2 below shows the allocations of City sources across Homekey applications.

Table 2:
 City of Oakland Homekey Application Summary

Project Name	Total Units	Total Development Cost	Total Homekey Requested	Total Local Funds Requested	City of Oakland Matching Funds		
					Measure KK (5331 & 5333)	CDBG-CV (1005400)	Housing Trust Fund - Boomerang (1870)
City funds available:					7,984,255	3,500,000	5,182,725
CCA Clifton Hall	63	15,000,000	9,583,333	5,416,667	3,416,667	0	2,000,000
392 11th Street	82	21,008,581	13,836,194	7,172,387	3,517,588	2,500,000	1,154,799
Inn at Temescal	21	5,702,865	3,150,000	1,050,000	1,050,000	0	0
BACS scattered small sites	Up to 100	10,000,000	10,000,000	0	0	0	0
TOTAL	Up to 266	51,711,446	36,569,527	13,639,054	7,984,255	2,500,000	3,154,799
City funds remaining:					0	1,000,000	2,027,926

The operations and services for the Family Matters Shelter will be funded by local Measure Q (Fund 2244) funds. The mid-cycle budget attachment chart showed \$1,200,000 in Measure Q funds allocated to employment services. However, this line reflected an error as the original intention of these funds was for family shelter services (as referenced in the mid cycle budget cover memo) and employment services are funded by other sources. The proposed resolution would amend Resolution No. 88174 C.M.S. to change “Employment Programs \$1.2M” to “Family Shelter/Services \$1.2M,” as well as award a grant agreement to EOCP for the operation of the family shelter for one year for that amount. Staff will bring a report with full recommendations for all new homeless funding, including Measure Q, to City Council in early October.

The operations for the permanent senior housing will be funded by approximately \$5,220,000 from HHAP (Fund 2159) in the form of a capitalized operating reserve. This operating reserve will cover 13 years of operations, and once combined with the two years of requested operating subsidy from Homekey, will result in 15 years of dedicated operating subsidy for the permanent senior housing.

If awarded a Homekey allocation, this project would use \$3,416,667 of funds from the first tranche of Measure KK (5331), which was dedicated by City Council for the acquisition and rehabilitation of transitional housing. The underlying bond language for Measure KK requires its use only on permanent housing, and therefore this project would both meet this standard as well as City Council’s intent of addressing the homelessness crisis.

In addition, the project would access \$2,000,000 of Affordable Housing Trust Fund (1870) dollars, specifically from “boomerang” funds. This allocation would cover the limited scope required to occupy the building on schedule with Homekey, including, but not limited to, the build-out of offices and addition of security cameras and electronic key fobs.

With this upfront City subsidy investment of \$5.4 million, or under \$86,000 per unit, the City would leverage nearly \$9.6 million in Homekey funds. That is \$1.77 in Homekey for every \$1.00

of local capital subsidy. At \$86,000 of City funds per unit, the City is securing immediate housing solutions at a lower cost than most direct acquisition strategies.

PUBLIC OUTREACH / INTEREST

Representatives from the Mayor's Office reached out to neighborhood groups, including the Rockridge Community Planning Council (RCPC). On August 24th, the City participated in a community town hall meeting sponsored by District 1 Councilmember Dan Kalb. City staff and the proposed shelter service provider presented proposed project details and answered questions in the approximately two-hour session. If approved, City staff, the housing operator and ECOP will participate in future community meetings closer to the expected occupancy date. The family program will continue following its Shelter Management Plan. Families will be referred to the program through the North County Family Coordinated Entry System, the Family Front Door (FFD). Only families who have been assessed by FFD, and matched to a shelter bed with an advanced referral, will utilize the facility.

COORDINATION

Several City departments, including the Office of the Mayor, City Administrator's Office, the Office of the City Attorney, Housing and Community Development, Finance, Human Services, Economic & Workforce Development (Real Estate Asset Management Division), and Planning and Building have been working closely together to coordinate this proposed property acquisition. This report and legislation have been reviewed by the Office of the City Attorney and the Budget Bureau.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Homekey is a new program, and therefore no parties have experience securing this funding. The City will solicit qualifications from experienced permanent housing operators that will meet the following requirements for Homekey and align with the City's priorities for commitment and demonstrated experience with serving the target population:

- Experience with the development, ownership, or operation of a Project similar in scope and size to the proposed Project, or at least two affordable rental housing projects in the last 10 years, with at least one of those Projects containing at least one unit housing a tenant who qualifies as a member of the target population (individuals and seniors experiencing homelessness or at risk of homelessness).
- 3+ years of property management experience serving persons of the target population.
- The extent to which the Project can demonstrate the range of on-site and off-site supportive services or service connection provided to the target population, e.g., mental health services, substance use disorder services, primary health, employment, and other tenancy support services.

The family shelter program will be operated by the East Oakland Community Project (EOCP), a well-established homeless services agency in Oakland that has been providing shelter to homeless populations since 1990. EOCP currently operates a 145-bed shelter in East Oakland

(including 25 family beds), as well as 23 units of family transitional housing and 9 units of young adult transitional housing. The agency has a wealth of experience providing emergency shelter services to families, offering enhanced programming such as employment support for adults and education support for children, providing facility management, and maintaining positive neighborhood relations. EOCP was selected as the family shelter operator through a competitive request for qualifications (RFQ) process in 2019.

A permanent housing operator will be selected and granted a 15-year lease at no cost to manage the permanent housing units and operate and maintain the overall building. The City will enter into a sublease for up to fifteen years, terminable annually by the City Administrator, for the Family Shelter with East Oakland Community Project, at no monthly rent, in exchange for in-kind services benefits to the City and the community at large in the form of immediate shelter and supportive services for homeless families. The City will enter into a fifteen-year sublease terminable annually by the City Administrator, for the ground floor offices with Cornerstone Community Development Corporation d/b/a Building Futures with Women and Children, at no monthly rent, in exchange for benefits to the City and the community at large in the form of operating a Coordinated Entry System to connect literally homeless families in Northern Alameda County with housing resources.

SUSTAINABLE OPPORTUNITIES

Economic: This project will generate some construction, professional services, and ongoing property management jobs in Oakland. As discussed in the Fiscal Impact section, the project also leverages significant State funding towards the acquisition of the Property.

Environmental: Through the acquisition of an already existing building in very good condition, there will be less construction and less impact on the environment. The proposed project is extremely well located close to local services and public transit which enables residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development.

Race and Equity: Clifton Hall will promote social, racial, and health equity by providing permanent and temporary affordable housing to Oakland residents experiencing or at risk of homelessness.

The 2019 Point-in-Time count (PIT count) shows that Oakland has the highest concentration of people experiencing homelessness in Alameda County, with the neighborhoods to the west and south of the city experiencing the highest concentration of homelessness. Clifton Hall is located in the northeast portion of the City in a transit- and amenity-rich location that historically has not served this population. Because of the challenges of locating housing for people experiencing homelessness in high opportunity locations like this one, Clifton Hall presents an incredible opportunity to address racial and economic inequity through the building's rare site location.

In Oakland, the drivers of homelessness fall most squarely on the African American community who, due to long standing structurally racist practices such as redlining and employment discrimination, are most vulnerable to losing their homes. Over 70 percent of individuals who are homeless in Oakland are African American, while they only represent 24 percent of the City's population. African Americans are also disproportionately impacted by COVID-19.

Providing permanent housing to these at-risk individuals promotes racial, social, and health equity for the city of Oakland.

The recent systems modeling work in Alameda County, done in conjunction with technical assistance provided by the U.S. Department of Housing and Urban Development, used a racial equity framework to identify the needs of African Americans experiencing homelessness. Racial disparities were specifically identified in rates of entry into homelessness and rates of return to homelessness. Not surprisingly, permanent deeply affordable housing was identified as one of the primary resources needed to end people's homelessness. The systems modeling analysis identified the gap between the need for specific resources in Oakland (such as emergency shelter and deeply affordable permanent housing) and what is currently available. Clifton Hall will increase capacity at both ends of the system by stabilizing an emergency family shelter and adding deeply affordable units.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Under Assembly Bill (AB) 83 (2020), there is a statutory exemption from the California Environmental Quality Act (CEQA) for activities funded by Homekey (Health & Saf. Code, § 50675.1.2.) The CEQA exemption may apply when Homekey funds are used to provide housing for those who are impacted by the COVID-19 pandemic and experiencing homelessness or at risk of homelessness. (Health & Saf. Code, §§ 50675.1.1, 50675.1.2; Homekey Program 2020 Notice of Funding Availability, sec. 100.)

The City plans to use the CEQA exemption provided through the Homekey program. This project fits within the Homekey exemption parameters as an existing facility that will be used to provide housing for individuals experiencing homelessness.

The project also fits within the CEQA exemption for public acquisition of housing units (CEQA Guidelines 15326).

The City of Oakland Planning & Building Department has prepared a Notice of Exemption for the project under Homekey.

SURPLUS LAND ACT FINDINGS

The State Surplus Land Act, Government Code section 15220 et seq., applies to the disposition of surplus land that the local governing body determines is not necessary for the agency's use. The use of the Property for Family Shelter and Permanent Housing is consistent with the City's plans for affordable housing and homeless interventions, and is within the agency's use and is therefore not surplus property under the Surplus Land Act.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt The Following Pieces Of Legislation:

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For questions regarding this report, please contact Shola Olatoye, Director of the Department of Housing and Community Development, (510) 238-3714, SOlatoye@oaklandca.gov.

Respectfully submitted,



SHOLA OLATOYE

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