

Approved as to Form and Legality

 4/5/2022
City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION:

- 1) AUTHORIZING THE CITY ADMINISTRATOR TO APPLY FOR, ACCEPT, AND APPROPRIATE FUNDS UNDER THE CALIFORNIA HOUSING AND COMMUNITY DEVELOPMENT STATE RENTAL ASSISTANCE CASHFLOW LOAN PROGRAM IN AN AMOUNT NOT TO EXCEED TWENTY MILLION DOLLARS (\$20,000,000) UNDER THE CALIFORNIA HOUSING & COMMUNITY DEVELOPMENT TEMPORARY EMERGENCY RENTAL ASSISTANCE CASHFLOW LOAN PROGRAM TO CONTINUE TO PROVIDE FINANCIAL ASSISTANCE FOR ELIGIBLE OAKLAND TENANTS;**
- 2) AUTHORIZING GRANT AGREEMENTS WITH PROGRAM PARTNERS, INCLUDING ANY AMENDMENTS AND REALLOCATION OF FUNDS BETWEEN PROGRAM PARTNERS NOT TO EXCEED THE AMOUNT AWARDED UNDER THE CASHFLOW LOAN FUNDING, WITHOUT RETURNING TO COUNCIL IF NECESSARY, TO PROVIDE TIMELY EXPENDITURE OF CASHFLOW FUNDS FINANCIAL ASSISTANCE FOR PAYMENT OF RENT AND OTHER HOUSING RELATED EXPENSES TO ELIGIBLE HOUSEHOLDS; AND**
- 3) AUTHORIZING THE APPLICATION FOR, ACCEPTANCE AND APPROPRIATION OF ANY ADDITIONAL CASHFLOW LOAN FUNDING MADE AVAILABLE BY THE CALIFORNIA DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT AND TO AMEND GRANT AGREEMENTS BETWEEN EXISTING PROGRAM PARTNERS TO INCREASE FUNDS AWARDED PURSUANT THIS RESOLUTION WITHOUT RETURNING TO COUNCIL ON THE CONDITION THAT STAFF RETURN TO COUNCIL TO REPORT PROGRAM PROGRESS AND ADDITIONAL FUNDS RECEIVED.**

WHEREAS, the City of Oakland has applied for additional Emergency Rental Assistance Program (ERAP) funding to continue the processing of applications for financial assistance submitted by Oakland low-income Renters under the City of Oakland ERAP currently funded by United States Treasury ERAP I in the amount of \$12,874,764, ERAP II in the amount of

\$19,644,850.30, and Round 2 of the California Housing & Community Development State Rental Assistance Program (SRA2) in the amount of \$12,077,713.52 for a total of \$44.5M; and

WHEREAS, the City's ERAP is oversubscribed as of March 31, 2022, with a total of 8,979 total applicants of which 3,835 are waitlisted in the Keep Oakland House Homeless Prevention Platform at <https://hpp.bayareacs.org>; and

WHEREAS. the City must act quickly to address the significant financial needs of households impacted by and during the COVID-19 pandemic and eagerly awaiting financial assistance; and

WHEREAS, The Consolidated Appropriations Act of 2021 authorized the Federal ERAP and appropriated \$25 billion for it. The law authorizes the U.S. Department of the Treasury (Treasury) "beginning on September 30, 2021," to "recapture excess funds, as determined by the Secretary, not obligated by a grantee" and reallocate any such funds to grantees who, at the time of such reallocation, have obligated at least 65 percent of the amount originally allocated and paid to such grantee. The law also provides that the amount of any such reallocation shall be determined based on demonstrated need within a grantee's jurisdiction, as determined by the Secretary; and

WHEREAS, the City has satisfied Federal ERAP requirement to obligate at least 65 percent of the amounts originally allocated; in order to support the current demand of rental assistances among Oaklanders at 80% Area Median Income (AMI) and below, the City has applied for additional fund resources through the Federal ERAP reallocation process and to date has not received notice of award; and

WHEREAS, the California Senate Bill 115 (SB 115) authorized local jurisdictions and federally recognized tribal governments to request, from the California State Housing & Community Development Department, a temporary Cashflow Loan for Emergency Rental Assistance Program expenditures for complete, eligible applications by households described in paragraphs (1) through (3) of SB 115, inclusive, of subdivision (b) of Section 50897.1 that were received on or before March 31, 2022, and that are consistent with the provisions of Chapter 17 (commencing with Section 50897) of Division 31 of Part 2 of the Health and Safety Code; and

WHEREAS, SB 115 provides that to the extent anticipated federal funding to cover the cost of the foregoing is not received as anticipated by June 30, 2023, the Department of Finance shall forgive an amount up to the amount not covered by a federal allocation.

WHEREAS, the City Staff has applied for and anticipates an award of \$20,000,000 under the U.S. Treasury ERAP Reallocation process and recommends that the City apply for bridge funding made available under the SB 115- approved California HCD Cashflow Loan program in an amount up to \$20,000,000; and

WHEREAS, if awarded, Cashflow Loan funds shall be allocated among the City of Oakland's existing Oakland ERAP Partners – Bay Area Community Services, Building Opportunities For Self Sufficiency, East Bay Asian Local Development Corporation, Collective Legal Services–The Eviction Defense Center, Safe Passages and Catholic Charities of the East Bay – not to exceed the amount awarded to the City under Cashflow Loan Program to provide financial assistance to eligible low-income Oakland Renters for payment of rent and other housing related expenses; now, therefore be it

RESOLVED: That the City Council hereby authorizes the City Administrator to apply for, accept and appropriate Cashflow Loan Program funds to provide rental assistance to eligible low-income Oakland renters that have applied for Oakland ERAP assistance; and be it

FURTHER RESOLVED: That the City shall apply Cashflow Loan funds towards the eligible uses and compensation requirements specified at Health and Safety Code section 50897.1 and, upon approval by the Department, the other eligible uses provided in Section 3201(d)(1)(D) of Subtitle B of Title III of American Rescue Plan Act (ARPA); shall make commercially reasonable efforts to ensure that the Cashflow Loan funds are not used unlawfully or fraudulently and are only disbursed for the eligible uses specified at Health and Safety Code section 50897.1; shall make commercially reasonable efforts to ensure that only eligible applicants receive rental assistance under the Cashflow Loan Program; and shall prioritize payments of rental assistance in accordance with the Cashflow Loan Program Requirements; and be it

FURTHER RESOLVED: That the City Council awards Cashflow Loan funds to the following non-profit agencies in the specified "Grant Amount" to provide financial assistance to eligible households for the payment of rent and other housing related expenses in accordance with ARPA, including an estimated 3.5% amount (\$700,000) to be retained to cover City Administration costs in the provision of rental assistance and housing stability services and an approximate \$2,000,000 (10%) for Community Partner Administration for program delivery.

COMMUNITY PARTNER (GRANTEE)	GRANT AMOUNT	Direct Rent Assistance	Estimated Administration (10%)
Bay Area Community Services (BACS)	\$11,488,095	10,297,619	1,190,476
Collective Legal Services - Eviction Defense Center	\$5,973,810	5,354,761	619,048
East Bay Asian Local Development Corporation (EBALDC)	\$919,048	823,810	95,238
Building Opportunities for Self Sufficiency (BOSS)	\$919,047	823,810	95,238
Estimated City Administration (3.5%)	\$700,000		700,000
Total	\$20,000,000	\$17,300,000	2,700,000

; and be it

FURTHER RESOLVED: That the appropriations made to the aforementioned ERAP Partners shall be made based on assessed capacity and the estimated number of applications said ERAP Partners are able to process in a timely manner to benefit low-income Oakland Renters, to the greatest extent possible, who have been impacted by and during the COVID-19 pandemic with emergency rent assistance; and be it

FURTHER RESOLVED: That the City Administrator or designee is authorized to execute and amend Cashflow Loan appropriations and agreements awarded pursuant to this resolution and may modify the amount of the agreements accordingly, without returning to council, if necessary to ensure timely expenditure after review of the assessed capacity and the estimated number of applications ERAP Partners are able to process in a timely manner including: increasing or decreasing the amount awarded to the ERAP Partners under this resolution; awarding funds to ERAP Partners not originally awarded funds under this resolution; applying for, accepting and appropriating additional Cashflow Loan funds made available from the California Department of Housing & Community Development in addition to the amount provided for in this resolution; and be it

FURTHER RESOLVED: That the \$20,000,000 in Cashflow Loan funds shall be budgeted and identified as one-time COVID-19 funding for emergency rental assistance and is hereby appropriated to California Housing and Community Development Fund (2144); Admin: Housing and Community Development Organization (89919); Project (To Be Determined); and be it

FURTHER RESOLVED: That the City Council directs the City Administrator to provide regular reporting to the City Council and the public with respect to status of administering funds, status of expenditures, planned expenditures at risk of not being timely spent, reallocations, additional Cashflow funding received from California Department of Housing & Community Development, and other pertinent information to ensure complete transparency with regard to the City's use of these funds; and be it

FURTHER RESOLVED: That prior to execution, all agreements shall be reviewed and approved as to form and legality by the City Attorney's Office and executed copies of each agreement shall be filed with the City Clerk.

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