APPROVED AS TO FORM AND LEGALITY

Y ATTORNEY'S OFFICE

## **OAKLAND CITY COUNCIL**

## **RESOLUTION NO.** C.M.S.

## INTRODUCED BY VICE MAYOR KAPLAN AND COUNCILMEMBER FIFE

RESOLUTION AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO ISSUE A NOTICE OF DEVELOPMENT OPPORTUNITY FOR A 100% AFFORDABLE HOUSING PROJECT ON THE CITY-OWNED CLAY STREET GARAGE PARCEL ON THE BLOCK BOUNDED BY CLAY STREET, 14TH STREET, 16TH STREET, AND CITY HALL

WHEREAS, Oakland is facing multiple extraordinary challenges when it comes to meeting its housing needs: the COVID-19 pandemic, gentrification and displacement, high rates of unemployment, and homelessness; and

WHEREAS, according to the City's Housing Element Annual Progress Report for 2020, the City has met only 43% of its Regional Housing Needs Allocation (RHNA) goals for very low-income housing, 25% of its RHNA goals for low-income housing, 3% of its RHNA goals for moderate income housing, and 22% of its overall affordable housing goals; and

WHEREAS, the December 2021 RHNA allocation plan for the Bay Area for 2023-2031 concluded Oakland needs 6,511 units of very low income housing, 3,750 units of low income housing, 4,457 units of moderate income housing, and 11,533 units of above moderate income housing - for a total need of 26,251 units; and

WHEREAS, the City's top policy objective when surveying potential uses for City-owned land is utilizing land to address housing and shelter inequities, as outlined in the March 2016 report on the City's Public Lands Policy Framework, and underscored in the August 2019 informational memorandum on the status of the Public Lands Policy Ordinance; and

WHEREAS, on December 14, 2018, the City Council adopted Resolution No. 87483 C.M.S., authored by Councilmembers Guillén and Kaplan, setting forth a framework for the City's Public Land Policy which prioritizes using public land to address the City's most pressing housing, job, and health inequities; and WHEREAS, the public parking garage located in downtown Oakland at 1414 Clay Street, between 14th and 16th Streets directly behind City Hall, closed indefinitely in December 2016 after an assessment of the building concluded the 50+ year old structure was structurally dangerous and at too great a risk of being unable to withstand a major seismic event; and

**WHEREAS,** building affordable housing on the 1414 Clay Street parcel next to City Hall would ensure residents of all income levels have access to public services, public transportation, and Oakland businesses, and use an ideally located parcel which has not been in use for over five years; and

WHEREAS, the parcel located at 1414 Clay Street is located blocks from the 980 freeway, in close proximity to BART and multiple AC Transit lines, to amenities in Old Oakland and Chinatown, downtown and Jack London Square, and to employment centers; and

**WHEREAS**, the City's rules for disposition of real property for development, codified in Oakland Municipal Code Chapter 2.42, Article IV, require a public and competitive Notice of Development Opportunity (NODO) process to solicit development proposals prior to disposition; and

**WHEREAS,** California Government Code Section 54221(f)(1)(F)(i) exempts properties from the Surplus Lands Act (SLA) that are put out to open, competitive bid to housing sponsors and designated local public entities, among other, and that meet certain criteria; and

WHEREAS, in order to qualify for this exemption, the site must be developed with a housing development, which may have ancillary commercial ground floor uses, that restricts 100 percent of the residential units to persons and families of low or moderate income, with at least 75 percent of the residential units restricted to lower income households, as defined in Section 50079.5 of the Health and Safety Code, with an affordable sales price or an affordable rent, as defined in Sections 50052.5 or 50053 of the Health and Safety Code, for a minimum of 55 years for rental housing and 45 years for ownership housing, and in no event shall the maximum affordable sales price or rent level be higher than 20 percent below the median market rents or sales prices for the neighborhood in which the site is located; and

WHEREAS, it is both California and City of Oakland policy to prioritize the use of available public lands when possible for affordable housing; and

WHEREAS, the City shall make a concerted effort to ensure contracts are awarded with an equity framework so that small, local, BIPOC, and women-owned firms are able to participate in the development of this project and that it is designed and planned in a manner to meet community needs; now, therefore be it

**RESOLVED:** That the City Administrator is hereby authorized and directed to issue a Notice of Development Opportunity (NODO) for those interested in developing a 100% affordable housing project on the City-owned parcel bounded by Clay Street, 14th Street, 16th Street, and City Hall, commonly known as the "Clay Street Garage"; and be it

**FURTHER RESOLVED:** That the NODO shall seek project proposals for 100% affordable project that meet the criteria in California Government Code Section 54221(f)(1)(F)(i); and be it

**FURTHER RESOLVED:** That local government entities, as defined in California Health and Safety Code Section 50079, and housing sponsors, as defined in California Health and Safety Code Section 50074, along with others, shall be invited to participate in the NODO process; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to take any other action with respect to the NODO consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT -

ABSTENTION -

ATTEST:

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