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Date: March 15, 2022

Members of City Council and Members of the Public To:

From: Vice Mayor Kaplan

Resolution To Support Affordable Housing And Strengthen Oakland's Applications Re: For Funding By Authorizing And Directing The Administration To: (1) Allow The

Inclusion Of The Value Of City Land To Be Part Of The Local Match In Homekey Funding Applications Where Applicable, (2) Obtain When Needed And Requested By the State Appraisals, Environmental Site Assessments, And Other Studies For City Property Seeking Homekey Funding, And (3) Bolster State Advocacy To

Ensure The City Receives An Equitable Share Of Homekey Funds

Dear Colleagues on the City Council and Members of the Public,

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. Part of the City's effort to overcome these challenges is jointly applying with local organizations for funds from the State's Homekey Program. The Homekey Program will provide approximately \$1.45 billion in grant funding to local public entities within the State to sustain and rapidly expand housing for people experiencing homelessness or at-risk of homelessness. To enhance the viability and competitiveness of the City's applications, this resolution allows the City to include the value of City land to be part of the local match in funding applications.

When surveying potential uses for city-owned land, the City's top policy objective is utilizing land to address housing and shelter inequities. This was elemental to Resolution No. 87483 C.M.S., which set forth a framework for the City's Public Land Policy, prioritizing the use of public land to address the City's most pressing housing, job, and health inequities.

Unfortunately, the need for affordable housing has only increased in recent years. 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, and 25% of its RHNA goals for low-income housing. Furthermore, the December 2021 RHNA allocation plan for the Bay Area for 2023-2031 concluded Oakland needs 6,511 units of very low income housing and 3,750 units of low income housing.

Applying to the State Homekey Program is one of the many ways the City is hoping to address its serious needs around housing and homelessness. As the co-applicant for several projects, the City has applied for almost \$180 million in Homekey grant funds. One component which makes applications more competitive to receive grants is demonstrating a local match to leverage the potential funds received through Homekey. Some project applicants with which the city is co-applying are proposing to use city land for building housing; therefore, appraising the value of City land and incorporating that value into the local match calculation will increase the chances of our Homekey projects' selection.

Accordingly, this resolution allows the City to include the value of City land to be part of the local match in Homekey applications, where applicable. In addition, the resolution authorizes the Administration to take further steps, including issuing letters of intent, obtaining environmental site assessments and other studies to help ensure progress on all pending Homekey applications approved by the Oakland City Council. Given the large State budget surplus, and the urgent need to take greater action State-wide on the escalating crisis of homelessness, we also strongly urge the State of California to take action to fund pending Homekey applications in order to improve the equity of awards, allocate more funding overall towards Homekey and other homlessness intervention efforts to help get more people off the streets in a timely and effective way.

Respectfully submitted,

Vice Mayor Rebecca Kaplan

Alena Caston