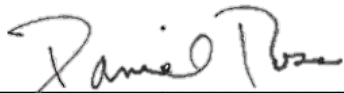


APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER [IF APPLICABLE]

RESOLUTION APPROPRIATING \$1,577,870.14 FROM FUNDING REIMBURSED TO THE CITY BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S HOUSING DEVELOPMENT GRANT PROGRAM TO HOUSING DEVELOPMENT ACTIVITIES

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") established the Housing Development Grant ("HDG" or "HODAG") program for the purpose of funding grants to support new affordable housing construction or substantial rehabilitation projects; and

WHEREAS, the HODAG program funded nine (9) affordable housing projects totaling over \$11.5 million between 1984 and 1987 in the City of Oakland; and

WHEREAS, the City received approval for "early construction start" to begin construction without HUD having executed loan documents on some of the projects, with the City and the former Redevelopment Agency advancing funds for completion of the work; and

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

WHEREAS, the Redevelopment Agency dissolved on February 1, 2012, and the housing funds of the former Redevelopment Agency are housing assets retained and assumed by the City of Oakland; and

WHEREAS, in the early 1990's HUD executed escrow agreements for five (5) of the projects with the City: California Hotel (HUD Project No. CA400HG602); Marin Way Court/San Antonio Commons ((HUD Project No. CA400HG401), San Antonio Terrace (HUD Project No. CA400HG703), Madrone Hotel (HUD Project No. CA400HG603), and Slim Jenkins Court (HUD Project No. CA400HG702); and

WHEREAS, through the course of the 1990's, the City provided evidentiary packages to HUD for these projects, and HUD authorized 90% of the HODAG grant funding to the City, withholding 10% until final settlement/accounting of the projects; and

WHEREAS, in late 2020, City and HUD staff reached agreement that four of the escrowed fund accounts should be returned to the City, totaling \$1,198,744.64 (which includes interest earnings on the escrow accounts), and one account for the San Antonio Terrace project (with approximately \$157,000 plus accrued interest) to be returned to HUD; and

WHEREAS, funds generated from the return of these escrowed accounts reimbursing prior City expenditures were deposited into the Mortgage Revenue Fund for future affordable housing project funding; and

WHEREAS, the City of Oakland desires to maximize the use of these one-time housing funds to fund the development of affordable housing units; and

WHEREAS, those funds were not previously appropriated; now, therefore, be it

RESOLVED: That the City Council hereby appropriates the sum of \$1,198,744.64 from the fund balance in the Mortgage Revenue Fund (2826) to the Housing Development Project (1000383), Housing Development Organization (89929), to be used for housing development activities; and be it

FURTHER RESOLVED: That the City Council hereby appropriates future repayments of development loans deposited into the Mortgage Revenue Fund (2826) to housing development activities.

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