

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER REBECCA KAPLAN & COUNCILMEMBER
CARROLL FIFE

**RESOLUTION TO ALLOCATE AN AMOUNT NOT TO EXCEED
EIGHTEEN MILLION DOLLARS (\$18,000,000) OF THE 2022
AFFORDABLE HOUSING AND INFRASTRUCTURE BOND
(MEASURE U) FUNDS FOR THE MANDELA STATION AFFORDABLE
DEVELOPMENT IN WEST OAKLAND AND TO ADDRESS RACIAL
INEQUITIES AND EXPEDITIOUSLY RESPOND TO THE HOUSING
CRISIS**

WHEREAS, on November 8, 2022, Oakland voters passed Measure U, the 2022 Affordable Housing Infrastructure Bond ("Measure U"), an \$850 million general obligation bond to invest in vital infrastructure projects to improve public safety, protect and provide affordable housing, and preserve the quality of life in all neighborhoods throughout Oakland; and

WHEREAS, Measure U will fund the construction, acquisition, and rehabilitation of 2,200-2,400 affordable housing units over the next four to six years, getting Oakland closer to meeting the goal of 10,000 units of affordable housing by 2030; and

WHEREAS, pursuant to Section 3(A)(1) of Measure U, an estimated amount of \$350 million of Measure U funding is provided for affordable housing preservation projects, including projects consistent with the acquisition, rehabilitation, or new construction of interim and permanent affordable and social housing; and

WHEREAS, the Oakland Housing and Community Development Department (HCDD) 2020-2021 Acquisition and Conversion to Affordable Housing Notice of Funding Availability ("NOFA") received over \$9.1 million in funding requests but only had \$8.7 million available to allocate, and the HCDD 2021-2022 New Construction NOFA received over \$93 million in funding requests but only \$30.6 million to allocate, with a significant portion of the pipeline remaining unfunded; and

WHEREAS, Oakland is one of the most expensive housing markets in the country, just behind San Francisco, New York, and Boston, and with rising rents outpacing the increase in

incomes faster than any other place in the country, protecting Oakland residents from displacement and providing affordable housing opportunities is necessary to preserve the quality of life for all City residents, to protect the City's low-income families, seniors and persons with disabilities, and to ensure the City's long-term economic vitality; and

WHEREAS, in the 2022 Oakland Point-In-Time Count, 5,055 individuals were counted in the City as experiencing homelessness accounting for more than 50% of the homeless population in Alameda County, and of the 5,055 individuals, 3,337 were unsheltered with the remaining 1,718 individuals identified as living in a tent, car, RV, on the street, or in an abandoned building; and

WHEREAS, Oakland has identified critically needed investment in anti-displacement, interim, temporary, and affordable housing, streets and roads, public facilities, parks and open spaces, and technological infrastructure as integral to protecting the quality of life for all Oaklanders and the City's long-term economic vitality; and

WHEREAS, as a more robust process is being undertaken to formulate and identify new projects able to be funded by Measure U, this Resolution takes immediate action to allocate a small fraction of the eligible funds, which will allow an existing project in our pipeline to be funded and built; and

WHEREAS, allocating a small portion of funds upfront will help remedy substantial racial inequities in how funding is awarded in other existing programs and grants; and

WHEREAS, the Mandela Station Affordable Development in West Oakland is a visionary mixed-use, mixed-income transit-oriented development - with a proposed 240-unit mix-use transit-oriented affordable rental housing project with approximately 16,000 square feet of neighborhood retail space - at the heart of the most visible and accessible historic black commercial corridor of the Bay Area; and

WHEREAS, adjacent to the affordable project will be two additional development projects as part of a larger masterplan sponsored by the affiliated Mandela Station Partners, LLC; the two other projects will contain 300,000 square feet of office and life science space, 522 market-rate rental apartments, 37,000 square feet of retail space, and 1.7 acres of public plazas and paseos; and

WHEREAS, the Mandela Station Affordable Development is working with the Oakland Housing Authority (OHA) which will provide Project Based Vouchers and a financial contribution in exchange for participating in the development, management, and oversight of the project; they will also have the right to acquire the leasehold interest at the end of the 15-year tax credit participation period; and

WHEREAS, investing in the Mandela Station Affordable Development will help Oakland reach its Regional Housing Needs Allocation (RHNA) numbers by building a 240-unit affordable housing project that sets aside over one-third of the units for extremely low-income families (30% of AMI), as well as, help create quality local jobs, and reduce congestion by developing a housing project near the West Oakland BART station; and

WHEREAS, the City Council certified an Environmental Impact Report (EIR) for the West Oakland Specific Plan (WOSP) on July 15, 2014; and

WHEREAS, on February 6, 2019, the City Planning Commission determined that an Addendum to the WOSP EIR was appropriate under California Environmental Quality Act (CEQA) Guidelines Section 15162 and 15164 for the initial entitlement of the Mandela Station Project because no new information about the site, changes to the project, or circumstances under which the project would be undertaken from what was initially studied in the WOSP EIR.

WHEREAS, California Public Resources Code section 21166 and CEQA Guidelines section 15164 state that an Addendum to a certified EIR is allowed when minor changes or additions are necessary and none of the conditions for preparation of a Subsequent EIR are met. The City's CEQA Addendum found that the scope of the Mandela Station Project was within what was studied under the WOSP EIR; and

WHEREAS, on November 4, 2020, the Mandela Station Project was amended, but after CEQA review the City Planning Commission determined the revised Mandela Station Project would not require subsequent analysis under CEQA Guidelines Section 15162; and

WHEREAS, the [Bay Area Black Housing Advisory Taskforce](#), a coalition of Black housing developers, Black housing advocates, and community-based organizations, identified the Mandela Station Affordable Development as a priority local investment that will serve Black communities that need immediate investment from local, regional, and federal sources; and

WHEREAS, Section 5 of Measure U provides that “[t]he net proceeds of the bonds shall be deposited into a special trust account with or established by the Treasury of the City of Oakland and shall be allocated and expended at the direction of the City Council for purposes set forth in Section 1 of this Ordinance”; and

WHEREAS, Section 3(C) of Measure U provides that “[p]rojects will be completed as needed according to City Council established priorities, including those set forth within the City’s Capital Improvement Plan which incorporates the Capital Improvement Plan Prioritization Process”; and

WHEREAS, pursuant to Section 3(C) of Measure U, prior to issuance of the bonds, the City Council shall identify the specific projects to be funded in such issuance and disclose, to the extent applicable, 1) how the projects address improvements to the City's existing core capital assets, 2) how the projects maintain or decrease the City's existing operations and maintenance costs, and 3) how the projects address social and geographic equity and provide greater benefit to underserved populations and geographic areas of greatest need; and

WHEREAS, in compliance with Section 3(C) of Measure U, Exhibit A, attached hereto and incorporated herein by reference, reflects how the Mandela Station Affordable Development project addresses improvements to the City's existing core capital assets, maintains or decreases the City's existing operations and maintenance costs, and addresses social and geographic equity and provides greater benefit to underserved populations and geographic areas of greatest need; and

WHEREAS, the final allocation of Measure U bond funding for the Mandela Station Affordable Development project, as described herein, is conditioned on subsequent review and approval of bond counsel; and

WHEREAS, Oakland has received a State pro-housing designation due to the City's continued efforts to support projects on public lands, private lands, and faith-based properties that substantially expand the affordable housing supply, including projects that further transit-oriented development in priority-development areas; the Mandela Station Affordable development builds on this vital work to increase our affordable housing supply; now, therefore, be it

RESOLVED: That the City Council hereby allocates funds in an amount not to exceed eighteen million dollars (\$18,000,000) of the 2022 Affordable Housing and Infrastructure Bond (Measure U) affordable housing project funds for the Mandela Station Affordable Development in West Oakland to address racial inequities, and expeditiously respond to the housing crisis; and be it

FURTHER RESOLVED: That the Oakland City Council calls upon the State of California to fund the Mandela Station Affordable Development to build urgently needed affordable housing and authorizes Oakland's lobbyist to advocate for the selection of the Mandela Station Affordable Development for state grants and funds.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –
ABSENT –
ABSTENTION –

ATTEST: _____

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