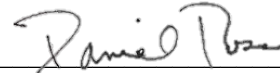


Approved as to Form and Legality



City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

A RESOLUTION:

- 1. AUTHORIZING THE CITY ADMINISTRATOR TO APPLY AS A LOCAL AGENCY PARTNER FOR FUNDS FOR AFFORDABLE HOUSING DEVELOPMENT GRANTS FROM ROUND FOUR OF THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S HOMEKEY PROGRAM,**
- 2. WAIVING LOCAL AND SMALL LOCAL BUSINESS ENTERPRISE (L/SLBE) PROGRAM, LOCAL EMPLOYMENT, AND OAKLAND APPRENTICESHIP REQUIREMENTS FOR HOMEKEY PROJECTS, AND**
- 3. MAKING RELATED CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS**

WHEREAS, the California Department of Housing and Community Development ("California HCD") is authorized to administer the Homekey Program ("Homekey" or "Homekey Program") pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code), and Homekey funding allocations are subject to the terms and conditions of the Notice of Funding Availability ("NOFA"), the Application, the HCD-approved STD 213, Standard Agreement ("Standard Agreement"), and all other legal requirements of the Homekey Program; and

WHEREAS, California HCD may issue a NOFA for Round 4 of the Homekey Program in 2024; and

WHEREAS, past rounds of Homekey have provided grant funding to local public entities, including cities, counties, or other local public entities within California to sustain and rapidly expand housing for persons experiencing homelessness or at-risk of homelessness, and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic; and

WHEREAS, the City of Oakland desires to jointly apply for Round 4 Homekey grant funds ("Applications") with qualified developers/operators ("Qualified Sponsors") to California HCD for review and consideration; and

WHEREAS, any Homekey funding allocations will be subject to the terms and conditions of the NOFA, the Applications, the Standard Agreement, and all other legal requirements of the Homekey Program; and

WHEREAS, the City will issue a Homekey Round 4 Request for Proposals ("City Homekey RFP") to solicit Homekey project proposals for the City to jointly apply with Qualified Sponsors for Round 4 Homekey grant funds, and

WHEREAS, staff will evaluate submitted proposals in response to the City Homekey RFP for threshold scoring and requirements; and

WHEREAS, if California HCD issues a NOFA for Round 4 of Homekey, the City wishes to jointly apply, as the local agency partner, with Qualified Sponsors to California HCD for Homekey funds for qualified proposals received under the City Homekey RFP; and

WHEREAS, Homekey has a matching incentive for both the aggregate acquisition and development costs of a property as well as an aggregate six-year operating subsidy at such property; and

WHEREAS, Homekey has in the past awarded funds for project costs to eligible projects from \$150,000 to \$200,000 per unit, with up to an additional \$100,000 per unit with a 1:1 local match, and up to three years of operating costs; and

WHEREAS, the City desires to include soft commitments for local matching capital and operating funds for the City's Homekey applications to enhance the viability and competitiveness of the applications; and

WHEREAS, the City Council is establishing a Rapid Response Homeless Housing ("R2H2") Program to provide an ongoing framework to build housing for the homeless via innovative, swift, and cost-efficient methods, and funds allocated by the City Council to the R2H2 Program may be used as a local capital and/or operating match for the City's Homekey applications; and

WHEREAS, on October 1, 2019, the City adopted Ordinance No. 13564 C.M.S., an Emergency Ordinance Declaring a Shelter Crisis in the City of Oakland, with provisions to suspend State or local regulatory statutes, regulations, and ordinances that could prevent timely delivery of housing and shelter solutions for the City's homeless residents, which Homekey projects could address with the support of exemptions from local City contract compliance requirements; and

WHEREAS, the City is the Lead Agency for these projects for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, California Health and Safety Code section 50675.1.4 establishes a statutory exemption from the CEQA for projects using Homekey grant funds and other public funds that (a) provide safe and sanitary units restricted to individuals and families experiencing homelessness or at risk of homelessness for at least 55 years, (b) include commitments requiring all contractors performing construction work to be paid prevailing wage and use a skilled and trained workforce in accordance with California Public Contract Code Section 2600 et seq., and (c) do not increase the footprint of the building by more than 10 percent; and

WHEREAS, for those projects receiving federal funds, execution of loan or grant documents or other documents legally committing the City to fund the projects shall be expressly conditioned on compliance with the requirements of the National Environmental Protection Act ("NEPA"), as certified by the City Administrator; now, therefore, be it

RESOLVED: That the foregoing recitals are true and correct, and the City Council hereby makes them part of this Resolution; and be it

FURTHER RESOLVED: That the City Council hereby authorizes and directs the City Administrator Jestin D. Johnson, or his designee or successor as City Administrator, to submit an Application or Applications to California HCD in response to the NOFA for Round 4 of the Homekey Program, if issued, for Homekey grant funds in amounts to be determined by the City Administrator, for capital and operating expenditures for Homekey projects selected by the City Administrator for application through the City Homekey RFP process; and be it

FURTHER RESOLVED: That, after submitting Applications to California HCD, the City Administrator will return to the City Council for approval of specific Round 4 Homekey projects and allocations of Homekey funding to those projects, and for full authorization to enter into, execute, and deliver Standard Agreements for particular Round 4 Homekey projects for the total amount awarded, any and all other documents required or deemed necessary or appropriate to secure the Homekey funds from California HCD, and to participate in the Homekey Program, and all amendments thereto (collectively, "the Homekey Documents") on behalf of the City, as a local agency partner; and be it

FURTHER RESOLVED: That the City Council hereby affirms that funds allocated to the R2H2 Program may be used as the local capital and/or operating match for Round 4 Homekey projects, and that the City Administrator is authorized to award R2H2 funds as the local match for Round 4 Homekey projects without returning to Council, and to enter into such agreements that may be necessary to provide such funding; and be it

FURTHER RESOLVED: That the City Council hereby waives the requirements of the City's Local and Small Local Business Enterprise (L/SLBE) Program, Local Employment Program, and Oakland Apprenticeship Program for Round 4 Homekey projects; and be it

FURTHER RESOLVED: That the City Council hereby determines that the actions authorized by this Resolution are not subject to CEQA because this Resolution is not committing the City to any specific projects, and the City will be making the appropriate CEQA determinations before specific projects are authorized for funding; and be it

FURTHER RESOLVED: That the City Administrator is authorized to take whatever action is necessary with respect to the City Homekey RFP, the Applications, and the City's participation in Round 4 of the Homekey Program consistent with this Resolution and its basic purpose.

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