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OFFICE OF THE CITY CLERK
OAKLAND

2014 SEP -4 AM 9:33

AGENDA REPORT

TO: HENRY L. GARDNER
INTERIM CITY ADMINISTRATOR

FROM: RACHEL FLYNN

SUBJECT: County Auction Pilot Properties
For Affordable Housing Use

DATE: August 21, 2014

City Administrator
Approval

Date

9-3-14

COUNCIL DISTRICT: City-wide

RECOMMENDATION

Staff recommends that the City Council adopt:

A Resolution Approving (1) The Removal Of Liens On 34 Properties To Facilitate The County Tax Collector's Sale Of These Properties For Affordable Housing Purposes And Appropriate the Sale Proceeds From These Properties To The Affordable Housing Trust Fund And (2) The Removal of Liens on 25 Properties To Facilitate The Sale of These Properties In The County Tax Auction Process And Appropriate the Sale Proceeds From These Properties To Code Enforcement And Blight Abatement

EXECUTIVE SUMMARY

Staff requests Council removal of City liens on 59 tax-defaulted and abandoned properties to facilitate the sale of 34 properties for affordable housing purposes and the sale of 25 properties in the upcoming County tax auction process. All 59 properties were part of a City/Alameda County pilot program in 2012 but did not sell. Under the pilot program, the City and County agreed to remove their liens against 76 properties to facilitate the sale of the properties at County tax auction at a minimum bid price of \$45,000. As part of the City's new Community Buying program, 34 properties would be sold to the City's Community Buying partners for \$13,500 per property, the purchase price negotiated by City and County staff with a commitment to develop the properties as approximately 60 new affordable housing units. Staff is proposing that City proceeds from the sale of the 34 properties be utilized to help subsidize the affordable housing development needs. In addition, the County would sell the remaining 25 properties at an upcoming County tax auction utilizing a minimum bid price of \$20,000 for 24 properties and \$100,000 for one property. Staff is proposing that City proceeds from the sale of the remaining 25 properties be dedicated for Code Enforcement blight abatement operations.

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OUTCOME

The outcomes from the requested Council action would be:

1. Removal of City liens on 34 properties to facilitate the sale of the properties to the City's Community Buying nonprofit administrator, Hello Housing, for a purchase price of \$13,500.00 per property.
2. Development of the 34 properties as approximately 60 new affordable ownership and rental housing units. City proceeds from the sale of the 34 properties would be used to help subsidize the affordable housing development.
3. Removal of City liens on 25 properties to facilitate the sale of the properties at a County tax auction utilizing a minimum offer price of \$20,000 per property for 24 properties and \$100,000 for 1 property. City proceeds from the sale of the 25 properties would be used for Code Enforcement blight abatement operations.
4. Removal of 59 properties from the City's ongoing blight abatement efforts and costs.

BACKGROUND

In 2012, the City Oakland worked with Alameda County to develop an innovative solution to blighted properties that were not being maintained by the property owners, causing significant impacts on the neighborhoods and City finances. City Building Services and Finance department staff worked with the Alameda County Tax Collector, Donald White, and his staff on a pilot program to sell 76 properties with old and unpaid County property taxes and City liens. The goal was to remove the abandoned properties from the City's continuous clean-up list and transform them to active reuse. The City considers these properties "abandoned" given the historic lack of property maintenance and responsiveness from the current property owners. On October 2, 2012, the City Council adopted Resolution No. 84057 C.M.S. authorizing the removal of City liens on the properties in order to facilitate the sale of the properties at County auction at a minimum offering price of \$45,000 per property.¹

The City hoped to achieve the following outcomes from the pilot program:

1. **Reduce blighted abandoned properties, including mitigating the impact on City finances.** The City spends about \$225,000 a year cleaning up these properties with very

¹ <https://oakland.legistar.com/LegislationDetail.aspx?ID=1195395&GUID=0D405FE9-1C11-4693-A43F-46A41B500FCB> One property with an existing multi-family residential structure, 2821 Martin Luther King Jr., had a larger minimum bid price of \$213,500.

little chance of recovering City costs from the property owners. These properties were selected for the auction program because they did not sell in prior County auction(s) because of the amount of old County and City liens on them. Normally County auction prices are set to include both the County and City liens.

2. **Receive funds from the County tax auction proceeds.** The City had hoped to receive about \$1 million from the tax auction and intended to allocate any proceeds from the auction program to be used towards repayment of the Development Services Fund (2415) negative fund balance.

At the Spring 2013 tax auction, 16 of the pilot 76 properties were sold. The sales of four properties were prevented by bankruptcy filings and one property was pulled from the auction. The City received \$1,187,822.24 in direct proceeds from the sale of the 16 properties, as well as additional funds from real estate transfer taxes and future property tax revenues.

In Fall 2013, the City Housing and Community Development Department staff launched a new Community Buying program to transform abandoned properties into new affordable housing opportunities to help address Oakland's housing crisis. Through a Solicitation for Partners, City staff selected Hello Housing, a nonprofit affordable housing organization, to serve as the nonprofit administrator of the program. Nonprofit and mission-driven private developer partners were selected and have committed to creating homeownership or rental housing opportunities for Oakland's lower income families making below 120% of Area Median Income (AMI).

The City's Community Buying partners reviewed the properties that did not sell in the 2013 tax auction, assessed project feasibility, and selected 34 properties for development as new affordable housing. The other 25 properties were not selected because of active community uses, such as community gardens, or difficult to build lots. To help promote potential community ownership of the properties with community gardens, City staff provided the list of community garden properties to and met with relevant Oakland groups—the Oakland Food Policy Council, HOPE Collaborative, and Oakland Community Land Trust. However, it did not appear that the current community gardeners were interested in working with the City on their possible acquisition of the properties.

Based upon a feasibility analysis conducted by Hello Housing and Community Buying partners, City staff proposed to the County Tax Collector the purchase of the 34 properties at an offer price of \$13,552 per property (please see *Attachment A*). The County Tax Collector, Don White, agreed to sell 34 properties for \$13,500 per property utilizing the State Chapter 8 process which allows the County to sell properties directly to eligible nonprofit entities. In addition, the

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County Tax Collector wishes to take the other 25 properties to an upcoming tax auction utilizing a minimum bid price of \$20,000 each for 24 properties and \$100,000 for one property.²

ANALYSIS

Hello Housing, in partnership with the Community Buyer developers, have performed due diligence inspections and determined the following:

1. The 34 properties are deemed suitable for constructing new affordable housing;
2. 29 lots will be developed for affordable homeownership;
3. Of the 29 lots to be developed for affordable homeownership, 12 will support households earning below 120% of AMI and 17 will support households earning 80% AMI or less, and;
4. Five lots could be developed for affordable mixed-use rental supporting roughly 24 households earning 80% AMI or less, should additional low income housing subsidy funds become available.

Due to the loss of redevelopment funds for affordable housing and need to generate new innovative resources, all 34 properties are to be treated as one aggregate project with cross-subsidization of the most difficult to develop lots. Staffing is proposing that the City's proceeds from the sale of these 34 properties be used to help subsidize the affordable housing needs. The County currently does not have information available on the anticipated proceeds since the amount for the City's share of each property sale varies property by property.

The Community Buying partners include the following agencies:

- ***Alliance for Revitalized Communities:*** With a thirty year history in real estate development and property management, the ARC has been an active participant in the National Community Stabilization Trust in the Bay Area since 2010. These activities have included the acquisition, renovation and resale of distressed single-family homes and duplexes for households earning below 120% AMI.
- ***Allen Temple Housing and Development Corporation:*** With over twenty years of experience, Allen Temple is dedicated to providing homeownership opportunities to low and

² According to the County Tax Collector's office, 2821 Martin Luther King Jr would have a minimum bid price of \$100,000.

moderate-income persons within Alameda County. They work in partnership with NACA, a HUD certified counseling agency approved to provide counseling in the City of Oakland.

- **ASIAN, Inc.:** Throughout its 42-year history, ASIAN, Inc. has provided housing development, housing management and related services to its service communities. Since 2008, ASIAN, Inc. has counseled over 1000 homeowners facing foreclosure, achieved 150 loan modifications and 100 foreclosure prevention alternatives.
- **Community Development Housing Corporation:** CHDC's mission is to create and sustain vibrant communities that make a positive impact in people's lives by providing high quality affordable housing and neighborhood services. CHDC serves Contra Costa, Alameda and Solano Counties focusing on families with incomes below 80% AMI.
- **Habitat for Humanity East Bay/Silicon Valley:** Habitat for Humanity East Bay/Silicon Valley brings people together to build homes, communities and hope. They revitalize neighborhoods, build affordable and sustainable housing solutions, and empower families through successful homeownership.
- **Hello Housing:** Founded in 2005, Hello Housing develops and preserves affordable housing for traditionally underserved communities. Skilled at co-creating innovative housing programs with government partners and their constituencies, Hello Housing helps local governments achieve their goals by deploying scarce affordable housing dollars in a timely, cost-effective and responsible manner. Since 2012, Hello Housing has partnered with *Sustainable Financial, LLC* to expand affordable homeownership opportunities to low and moderate-income buyers in the Bay Area.
- **Nehemiah Reinvestment Enterprises:** Nehemiah's mission is to provide innovative, socially responsible programs and services that expand opportunities for homeownership, economic and community development, and education for diverse populations. Nehemiah, among other successes, created the first privately funded down payment assistance program in the US, helping over 325,000 families achieve homeownership.
- **Self-Help Community Development Corporation:** Based in Oakland, Self-Help CDC is part of the Center for Community Self-Help, a nationally recognized nonprofit organization that strengthens under-served communities by providing fair and responsible consumer loans, and by financing nonprofits, child care centers, community health facilities, public charter schools, and residential and commercial real estate projects. Self-Help CDC has been a leader in foreclosure recovery efforts in the greater Bay Area.
- **Turner Group Construction:** Founded in 2005, Turner Group Construction is a licensed general contractor who, among other projects, served as the general contractor for the City of

Oakland's Neighborhood Stabilization Program in partnership with the Oakland Community Land Trust.

Under the disposition agreement, Hello Housing would purchase all 34 parcels, as the master purchaser per section 3794.1 of the State Revenue & Taxation code. Following the initial purchase, Hello Housing would obtain insurable title for each parcel by filing quiet title actions with the Alameda County Superior Court. Following the quiet title judgment, each property will be purchased by developer partners participating in the Community Buying Program at various price points based on affordability levels and end disposition strategies for each parcel. Development of each property will be performed by Community Buyers that have been approved by the City to participate in the Community Buying Program. Developer partners were identified based on their successful track record and ability to meet both City and County goals for creating affordable homeownership and rental opportunities throughout the City of Oakland. For a schedule of properties and the affordable disposition strategy, please refer to *Attachment A*.

This innovative public-private partnership would transform 34 abandoned properties into approximately 60 units of affordable housing. Property purchases will be completed following Alameda County's Board of Supervisors final approval and submission to the State Controller's Office for authorization to purchase. The purchase process can take up to one year following the Board of Supervisors approval to allow for compliance with statutory notification and publication requirements for tax defaulted transactions. Development of the properties would commence following entry of quiet title judgments and take no longer than 48 months to complete all properties.

This transaction represents efforts between the City of Oakland and mission-driven housing developers working together to remove blight, address property abandonment and create much-needed affordable housing opportunities in neighborhoods experiencing a high level of displacement due to foreclosure and investment activity. The commitment by the City and the County to release uncollectable liens and the County's agreement to an affordable purchase price for these abandoned properties will provide a long-term public benefit for the City and its residents. These properties will generate tax revenues once again while creating affordable housing in the City of Oakland.

Given Oakland's housing crisis and housing market escalation, the City is committed to using restrictions and other mechanisms to preserve the long-term affordability of homes created from this project, with the goal of achieving 30 year affordability terms. In addition, City Planning staff is looking into the feasibility of waiving some of the City's permit fees to help facilitate affordable housing outcomes for this project.

PUBLIC OUTREACH/INTEREST

Staff has provided information to community organizations concerned about blighted abandoned properties in Oakland, including the Alliance of Californians for Community Empowerment, Alameda County Public Health Department, Urban Strategies Council, Oakland Food Policy Council, and HOPE Collaborative.

COORDINATION

Coordination has occurred between Building Services, Housing, Revenue and Tax, Budget, and the City Attorney's offices.

COST SUMMARY/IMPLICATIONS

Relevant fiscal information on these properties includes:

- The City Council's 2012 action to remove the liens on the pilot auction properties, including on these 59 properties, was based upon the following fiscal information:
 1. These targeted properties have several years worth of outstanding lien receivables recorded on them, collection of which is extremely doubtful given City and County past attempts at recovery. The original City liens on the 59 properties amounted to about \$936,907. Many of these liens are over ten (10) years old. More than half of the lien receivables are attributable to the Development Services Fund (2415), but due to their age, some go back to the General Purpose Fund (1010) prior to the creation of 2415, and a small amount relate to the Multipurpose Reserve Fund (1750).
 2. Based on Generally Accepted Accounting Principles (GAAP), any receivable outstanding for more than 360 days should be given an allowance for doubtful collection based on the actual collection rate. The associated accounting allowance for doubtful collection offsetting the liens on **all** code enforcement properties is about \$7.4 million, which more than covers the outstanding amount associated with the targeted properties (Fund 2415: \$5.36 million, Fund 1010: \$1.86 million, and Fund 1750: \$0.18 million). Therefore, the removal of liens on these targeted properties would not negatively impact the associated funds.
 3. It is estimated that the auction program would result in an annual cost savings of \$225,000 in clean-up costs for these properties, as well as recover an approximately \$50,000 in real estate transfer taxes.

4. The City anticipated recovering additional funds through auction proceeds.
- The City has already received \$1,187,822.24 in direct proceeds from the sale of the 16 properties in the 2013 tax auction, as well as additional funds from real estate transfer taxes and future property tax revenues. The City had hoped to recover about \$1 million from the pilot auction program.
 - The remaining 59 properties have uncollectable liens on them but is offset by an allowance for uncollectable liens as described in the September 2012 Council report.
 - The disposition of the 59 properties through the sale to Hello Housing or the upcoming tax auction will result in an annual cost savings to the City from clean-up costs for these properties.
 - The City would recover additional funds through proceeds from the sale of the 59 remaining properties, and related real estate transfer taxes and property taxes, but the anticipated amount is currently not available. Staff is proposing that proceeds from the sale of the 34 properties being utilized for affordable housing be deposited into the City's Affordable Housing Trust Fund and dedicated to help subsidize the affordable housing development of these properties. In addition, staff is proposing that proceeds from the sale of the remaining 25 properties going to the upcoming County tax auction be used for Code Enforcement blight abatement operations.

SUSTAINABLE OPPORTUNITIES

Economic: The proposed action by transforming blighted abandoned properties into active reuse will retard the deterioration of property values and will support future development and assist the economic growth and revitalization of the City.

Environmental: The proposed action will reduce blight, including accumulation of garbage, dispersal of pollutants and target-organ toxins, and uncontrolled growth of vector populations.

Social Equity: The proposed action will result in new affordable housing opportunities and encourage the infusion and recurrence of diverse multi-cultural activities, businesses, and events.

CEQA

In accordance with CEQA Guidelines Section 15301 (existing facilities) this action is categorically exempted.

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Henry L. Gardner, Interim City Administrator

Subject: Removal of City Liens for County Disposition of "Abandoned" Properties

Date: August 21, 2014

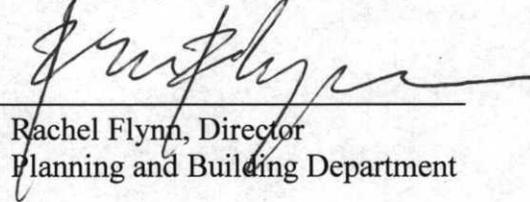
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For questions regarding this report, please contact Margaretta Lin at 510-238-6314.

***Attachment A: List of 34
Properties for Affordable
Housing Disposition***

***Attachment B: List of 25
Properties for County Tax
Auction***

Respectfully submitted,



Rachel Flynn, Director
Planning and Building Department

Reviewed by:

Deborah Sandercock, Building Official
Department of Planning & Building

Prepared by:

Margaretta Lin, Strategic Initiatives
Planning and Building Department
Housing and Community Development Department

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ATTACHMENT A

City of Oakland Tax-Defaulted Properties

**Preliminary Affordability Level by% of Area
Median Income & Housing Type**

No.	PARCEL	ADDRESS	
1	38-3215-25	1725 62ND AVE	≤ 80% AMI - Low Income Home Ownership
2	41-3893-64	1180 60TH AVE	≤ 80% AMI - Low Income Home Ownership
3	41-4135-4-3	72ND AV	≤ 80% AMI - Low Income Home Ownership
4	42-4267-28	1063 87TH AVE	≤ 80% AMI - Low Income Home Ownership
5	44-4954-16	9114 B ST	≤ 80% AMI - Low Income Home Ownership
6	45-5254-19	10628 PEARMAIN ST	≤ 80% AMI - Low Income Home Ownership
7	45-5254-9	10545 PIPPIN ST	≤ 80% AMI - Low Income Home Ownership
8	45-5369-12-6	306 105TH AVE	≤ 80% AMI - Low Income Home Ownership
9	4-61-10	1424 12TH ST	≤ 80% AMI - Low Income Home Ownership
10	5-452-10-2	MARKET ST	≤ 80% AMI - Low Income Home Ownership
11	41-4146-30	1090 71ST AVE	≤ 80% AMI - Low Income Home Ownership
12	43-4604-1	2276 AUSEON AVE	≤ 80% AMI - Low Income Home Ownership
13	20-164-6	1839 FOOTHILL BLVD	≤ 80% AMI - Low Income Home Ownership
14	40-3396-4	7521 MACARTHUR BLVD	≤ 80% AMI - Low Income Rental
15	40-3396-5	7525 MACARTHUR BLVD	≤ 80% AMI - Low Income Rental
16	40-3396-6	7533 MACARTHUR BLVD	≤ 80% AMI - Low Income Rental
17	40-3407-1	7951 MACARTHUR BLVD	≤ 80% AMI - Low Income Rental
18	40-3407-2	7963 MACARTHUR BLVD	≤ 80% AMI - Low Income Rental
19	41-4129-44	1238 72ND AVE	≤ 80% AMI - Low Income Home Ownership
20	41-4148-59	1020 70TH AVE	≤ 80% AMI - Low Income Home Ownership
21	41-4198-50	1266 79TH AVE	≤ 80% AMI - Low Income Home Ownership
22	45-5369-17	10575 TOPANGA DR	≤ 120% AMI - Low Income Home Ownership
23	4-93-27	1562 8TH ST	≤ 80% AMI - Low Income Home Ownership
24	41-4133-34	7014 HAMILTON ST	≤ 120% AMI - Low Income Home Ownership
25	6-21-33	1731 CHASE ST	≤ 120% AMI - Low Income Home Ownership
26	3-31-13	878 20TH ST	≤ 120% AMI - Low Income Home Ownership
27	6-23-15	925 WILLOW ST	≤ 120% AMI - Low Income Home Ownership
28	3-17-19	873 ATHENS AVE	≤ 120% AMI - Low Income Home Ownership
29	32-2111-28	3558 GRAY ST	≤ 120% AMI - Low Income Home Ownership
30	4-75-22	1488 3RD ST	≤ 120% AMI - Low Income Home Ownership
31	5-435-13	1076 24TH ST	≤ 120% AMI - Low Income Home Ownership
32	5-465-3	1071 32ND ST	≤ 120% AMI - Low Income Home Ownership
33	7-554-9	1616 15TH ST	≤ 120% AMI - Low Income Home Ownership
34	40A-3419-27	73RD AV	≤ 120% AMI - Low Income Home Ownership

ATTACHMENT B

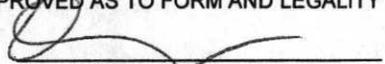
City of Oakland Tax-Defaulted Properties			Year of Default
ID No.	PARCEL	ADDRESS	
1	6-13-42	1005 CAMPBELL ST RM OAKLAND	1989
2	3-13-12	834 ATHENS AVE RM OAKLAND	1991
3	6-23-20	905 WILLOW ST OAKLAND	1989
4	12-965-21-1	3700 WEST ST OAKLAND	1990
5	5-478-7	3425 CHESTNUT ST RM OAKLAND	2004
6	21-293-4	2117 25TH AVE RM OAKLAND	2004
7	5-429-5	1021 24TH ST RM OAKLAND	1990
8	5-434-24	1034 24TH ST RM OAKLAND	1993
9	9-692-5	804 27TH ST RM OAKLAND	1990
10	15-1306-22-1	1077 57TH ST RM OAKLAND	2000
11	41-4148-19	1027 70TH AVE RM OAKLAND	1996
12	26-757-24	2210 23RD AVE RM OAKLAND	1992
13	39-3251-22	1701 CHURCH ST RM OAKLAND	1999
14	48E-7347-19	BALBOA DR RM OAKLAND	2004
15	48E-7347-20	BALBOA DR RM OAKLAND	2004
16	9-710-2	3041 WEST ST RM OAKLAND	1990
17	4-93-24	1556 8TH ST RM OAKLAND	1986
18	44-4952-3	9109 INTERNATIONAL BLVD RM OAKLAND	2003
19	9-695-6	2821 M L KING JR WAY	1990
20	5-471-1-1	3346 CHESTNUT ST	1994
21	6-13-51	1020 WILLOW ST.	1993
22	36-2420-5-2	5154 IGNACIO AVE	1996
23	43-4620-1-1	8215 MACARTHUR BLVD.	1995
24	44-5009-8	9630 WALTER AVE	1992
25	42-4256-14	1201 84TH AVE	1996

[INCLUDING EXHIBITS A AND B]

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OAKLAND

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APPROVED AS TO FORM AND LEGALITY


DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION APPROVING (1) THE REMOVAL OF LIENS ON 34 PROPERTIES TO FACILITATE THE COUNTY TAX COLLECTOR'S SALE OF THESE PROPERTIES FOR AFFORDABLE HOUSING PURPOSES AND APPROPRIATE THE SALE PROCEEDS FROM THESE PROPERTIES TO THE AFFORDABLE HOUSING TRUST FUND AND (2) THE REMOVAL OF LIENS ON 25 PROPERTIES TO FACILITATE THE SALE OF THESE PROPERTIES IN THE COUNTY TAX AUCTION PROCESS AND APPROPRIATE THE SALE PROCEEDS FROM THESE PROPERTIES TO CODE ENFORCEMENT AND BLIGHT ABATEMENT

WHEREAS, abandoned and blighted properties throughout the City of Oakland create severe health hazards in neighborhoods, including explosions of vector populations, accumulations and dispersals of pollutants and target-organ toxins, and degradation of air quality, and that adversely impact the quality of life in neighborhoods and deny residents their enjoyment of life; and

WHEREAS, abandoned and blighted properties throughout the City also have and continue to significantly and unnecessarily attract trespassers and transient occupants that foster and enable criminal activities, including theft, vandalism, prostitution, and the sale and use of narcotics and other controlled substances; and

WHEREAS, abandoned and blighted properties throughout the City also have and continue to significantly and unnecessarily discourage economic development and contribute to the decline of property values in neighborhoods; and

WHEREAS, the City has expended and continues to expend vast amounts of limited resources and scarce funds investigating abandoned and blighted properties, mitigating the detrimental effects of neglected maintenance, curtailing associated criminal activity, and monitoring the recurrence of nuisance activities; and

WHEREAS, a critical and immediate need therefore exists to safeguard life and limb, health, property, and public welfare and to reduce the substantial economic toll on the business community and the citizens of Oakland resulting from the effects of abandoned and blighted properties; and

WHEREAS, in 2012, the City and Alameda County developed a special partnership program to transform 76 abandoned and blighted properties that did not sell in prior County auctions because the amounts of City and County liens burdening them approach or exceed market value

discouraging investment in and rehabilitation of these properties (“pilot program”). Many of these properties were offered in multiple auctions without any purchase; and

WHEREAS, the City Council adopted Resolution No. 84057 C.M.S. on October 2, 2012, authorizing the removal of City liens from the 76 properties, should the properties be sold for a minimum bid price of \$45,000 at the County’s Spring 2013 tax auction to facilitate the purchase and active reuse of the properties; and

WHEREAS, 16 of the 76 properties sold in the County Spring 2013 tax auction, providing the City with \$1,187,822.24 in direct proceeds from the sale of the 16 properties, as well as additional funds from real estate transfer taxes and future property tax revenues; and

WHEREAS, the City Housing and Community Development Department launched a new Community Buying program to transform vacant and/or abandoned properties into new affordable housing opportunities to help address Oakland’s housing crisis and selected a nonprofit Administrator, Hello Housing, and developer partners; and

WHEREAS, the City’s Community Buying partners had reviewed the list of 59 pilot program properties that did not sell in the Spring 2013 auction and identified 34 properties for purchase in order to develop into affordable housing (“affordable housing properties”). The list of the 34 properties is provided in **Exhibit A**; and

WHEREAS, the County Tax Collector, pending approval from the County Board of Supervisors, has agreed to sell the 34 properties to Hello Housing for a purchase price of \$13,500 per property; and

WHEREAS, the County Tax Collector, pending approval from the County Board of Supervisors, plans to take the remaining 25 pilot program properties to the upcoming tax auction in 2015 with a minimum bid price of \$20,000 per property for 24 properties and \$100,000 for one property. The list of the 25 properties is provided in **Exhibit B**; and

WHEREAS, the City will recover additional funds from the sale of all 59 properties, through distribution from the taxes and penalties recovered that are specific to each property, as well as real estate taxes and future property taxes; now therefore be it

RESOLVED, that the City Council finds and determines that the foregoing recitals are true and correct and are hereby adopts and incorporates them into this Resolution; and be it

FURTHER RESOLVED, that the Council approves the removal of City liens from the 59 properties identified in **Exhibits A and B**, should the County sell these properties through Chapter 8, Chapter 7, or other available disposition vehicles, for purposes of facilitating the purchase and active reuse of these properties; and be it

FURTHER RESOLVED, that should property disposition plans change for the 59 properties in **Exhibits A and B**, the Council authorizes the City Administrator or his/her designee to negotiate new terms with the County Tax Collector to facilitate the disposition of these properties into active reuse, including the determination of a different purchase price or minimum bid price or disposition vehicle, without the need for further Council action; and be it

FURTHER RESOLVED, that the proceeds from the sale of the 34 properties for affordable housing purposes be deposited into the City's Affordable Housing Trust Fund (7450), Organization (88929), Account Miscellaneous Fee (45419) and Contract Contingencies (54011), Project (0000000), Program (SC14), and the City Administrator is hereby authorized to appropriate such funds to help subsidize the affordable housing development on these properties; and be it

FURTHER RESOLVED, that the proceeds from the sale of the remaining 25 properties going to the upcoming County tax auction be deposited into the fund for Code Enforcement blight abatement operations, special revenue Development Service Fund (2415), Neighborhood Preservation Organization (84454), Miscellaneous Sales Account (48119) and Contract Contingencies (54011) Blight Abatement Project (P60420), Livable Neighborhood Code Enforcement Services Program (NB31), and the City Administrator is hereby authorized to appropriate such funds for Code Enforcement blight abatement operations.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2014

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY KALB, KAPLAN, REID,
SCHAAF AND PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A

City of Oakland Tax-Defaulted Properties

Preliminary Affordability Level by % of Area
Median Income & Housing Type

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20	41-4148-59	1020 70TH AVE	≤ 80% AMI - Low Income Home Ownership
21	41-4198-50	1266 79TH AVE	≤ 80% AMI - Low Income Home Ownership
22	45-5369-17	10575 TOPANGA DR	≤ 120% AMI - Low Income Home Ownership
23	4-93-27	1562 8TH ST	≤ 80% AMI - Low Income Home Ownership
24	41-4133-34	7014 HAMILTON ST	≤ 120% AMI - Low Income Home Ownership
25	6-21-33	1731 CHASE ST	≤ 120% AMI - Low Income Home Ownership
26	3-31-13	878 20TH ST	≤ 120% AMI - Low Income Home Ownership
27	6-23-15	925 WILLOW ST	≤ 120% AMI - Low Income Home Ownership
28	3-17-19	873 ATHENS AVE	≤ 120% AMI - Low Income Home Ownership
29	32-2111-28	3558 GRAY ST	≤ 120% AMI - Low Income Home Ownership
30	4-75-22	1488 3RD ST	≤ 120% AMI - Low Income Home Ownership
31	5-435-13	1076 24TH ST	≤ 120% AMI - Low Income Home Ownership
32	5-465-3	1071 32ND ST	≤ 120% AMI - Low Income Home Ownership
33	7-554-9	1616 15TH ST	≤ 120% AMI - Low Income Home Ownership
34	40A-3419-27	73RD AV	≤ 120% AMI - Low Income Home Ownership

EXHIBIT B

City of Oakland Tax-Defaulted Properties

Year of
Default

ID No.	PARCEL	ADDRESS	Year of Default
1	6-13-42	1005 CAMPBELL ST RM OAKLAND	1989
2	3-13-12	834 ATHENS AVE RM OAKLAND	1991
3	6-23-20	905 WILLOW ST OAKLAND	1989
4	12-965-21-1	3700 WEST ST OAKLAND	1990
5	5-478-7	3425 CHESTNUT ST RM OAKLAND	2004
6	21-293-4	2117 25TH AVE RM OAKLAND	2004
7	5-429-5	1021 24TH ST RM OAKLAND	1990
8	5-434-24	1034 24TH ST RM OAKLAND	1993
9	9-692-5	804 27TH ST RM OAKLAND	1990
10	15-1306-22-1	1077 57TH ST RM OAKLAND	2000
11	41-4148-19	1027 70TH AVE RM OAKLAND	1996
12	26-757-24	2210 23RD AVE RM OAKLAND	1992
13	39-3251-22	1701 CHURCH ST RM OAKLAND	1999
14	48E-7347-19	BALBOA DR RM OAKLAND	2004
15	48E-7347-20	BALBOA DR RM OAKLAND	2004
16	9-710-2	3041 WEST ST RM OAKLAND	1990
17	4-93-24	1556 8TH ST RM OAKLAND	1986
18	44-4952-3	9109 INTERNATIONAL BLVD RM OAKLAND	2003
19	9-695-6	2821 M L KING JR WAY	1990
20	5-471-1-1	3346 CHESTNUT ST	1994
21	6-13-51	1020 WILLOW ST.	1993
22	36-2420-5-2	5154 IGNACIO AVE	1996
23	43-4620-1-1	8215 MACARTHUR BLVD.	1995
24	44-5009-8	9630 WALTER AVE	1992
25	42-4256-14	1201 84TH AVE	1996