

2014 SEP -4 AM 11:15

APPROVED AS TO FORM AND LEGALITY

DEPUTY CITY ATTORNEY

## OAKLAND CITY COUNCIL

RESOLUTION No. 85172 C.M.S.

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**A RESOLUTION APPROVING A GRANT OF \$50,000 IN COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS TO HOUSING AND ECONOMIC RIGHTS ADVOCATES FOR FORECLOSURE PREVENTION LEGAL SERVICES, AND AUTHORIZING A PROGRAM ANALYST III POSITION FOR THE BUILDING BUREAU'S FORECLOSED AND INVESTOR OWNED PROPERTIES PROGRAMS**

**WHEREAS**, the City of Oakland has been devastated by the foreclosure crisis, with over 12,000 foreclosures from 2007 to 2013, a rate of about 1 in 14 households in foreclosure; and

**WHEREAS**, properties throughout the City of Oakland which lenders have recorded a notice of default (defaulted) or have taken ownership through a deed of trust (foreclosed) have been and continue to be significant and unnecessary attractors for blighting conditions that create severe health hazards in neighborhoods, including explosions of vector populations, accumulations and dispersals of pollutants and target-organ toxins, degradation of air quality; and conditions that adversely impact the quality of life for Oakland residents; and

**WHEREAS**, defaulted and foreclosed properties throughout the City also have been and continue to be significant and unnecessary attractors for 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**, defaulted and foreclosed properties throughout the City also have been and continue to be a significant and unnecessary discourager to economic development and contributor to the decline of property values in neighborhoods; and

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

**WHEREAS**, historically, the resource requirements for monitoring defaulted or foreclosed properties increases with the time that building remains vacant or occupied by involving an escalating commitment from Code Enforcement administrative, fiscal,

and supervisory staff, and involving a proliferating interaction with other City departments and agencies, including Real Estate, Finance, City Attorney, Fire, and Police and by City officers and officials; and

**WHEREAS**, historically, there are additional citywide costs of said resource requirements in areas of real estate divestiture and acquisition, fire prevention and suppression, neighborhood revitalization, nuisance and criminal activities, hazardous material identification and disposal, litigation, liens and collections, degradation of the general tax levy, and public notification and hearings; and

**WHEREAS**, defaulted and foreclosed properties impose additional financial burdens on neighbors, prospective purchasers, and the business community in the City of Oakland; and

**WHEREAS**, the Council in June 2012 dedicated the use of penalty funds recovered from the City's defaulted and foreclosed properties blight program to fund foreclosure prevention efforts (penalty funds); and

**WHEREAS**, City staff has engaged in planning efforts with multiple State and community organizations working on foreclosure prevention and mitigation efforts and developed an integrated approach including community outreach, housing counseling, legal advocacy, tenant counseling, referral to the State Attorney General's office, a new foreclosure mitigation loan fund program, registration and blight abatement of properties, and City coordination; and

**WHEREAS**, City staff has engaged in appropriate outreach and procedures in order to provide a grant of \$150,000 to Housing and Economic Rights Advocates (HERA), a housing legal advocacy organization with an effective track record of negotiating loan modifications for homeowners in foreclosure, to serve 150 homeowners in foreclosure, with \$100,000 of the grant coming from the City's penalty funds where the City Administrator has the authority to issue grants up to \$100,000, and \$50,000 of the grant coming from available one-time Community Development Block Grant funds; and

**WHEREAS**, the Council-approved budget for the City's Foreclosed Properties and Investor Owned Properties operations for Fiscal Year 2014-15 includes funding sufficient for a new Program Analyst III position; and

**WHEREAS**, the requirements of the California Environmental Quality Act (CEQA), the Guidelines as prescribed by the Secretary of Resources, and the provisions of the Statement of Objectives, Criteria and Procedures for Implementation of the California Environmental Quality Act: City of Oakland, have been satisfied, and that in accordance with CEQA Guidelines Section 15301 (existing facilities) this project is categorically exempt; now, therefore, be it

**RESOLVED**: That the City Council hereby allocates \$50,000 as a grant to Housing and Economic Rights Advocates for foreclosure prevention legal services, to be funded from the City's one-time Community Development Block Grant Funds from Fund (2108), Organization (89919), Program (YS11) contingent upon receipt of final approval from HUD for the reallocation of the one-time funds; and be it

**FURTHER RESOLVED:** That the Council hereby authorizes a new position of Program Analyst III to be created for the Department of Planning and Building's Defaulted and Foreclosed Properties and Investor Owned Properties program to be funded out of program revenue from special revenue Development Services Fund (2415), Neighborhood Preservation Inspections Organization (84454), Foreclosed Registration Project (A456210), Livable Neighborhood Code Enforcement Services Program (NB31); and be it

**FURTHER RESOLVED:** That the Council hereby authorizes the reallocation of any position savings, related to this Council action, to the operations and maintenance budget for the Department of Planning and Building's Defaulted and Foreclosed Properties and Investor Owned Properties program in Development Services Fund (2415), Neighborhood Preservation Inspections Organization (84454), Foreclosed Registration Project (A456210), Livable Neighborhood Code Enforcement Services Program (NB31); and be it

**FURTHER RESOLVED:** That the Council hereby authorizes the City Administrator or his or her designee to negotiate and execute a grant agreement with Housing and Economic Rights Advocates and take whatever action is necessary with respect to such funding and to the creation of the new staff position consistent with this Resolution and its basic purposes.

SEP 23

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2014

PASSED BY THE FOLLOWING VOTE:

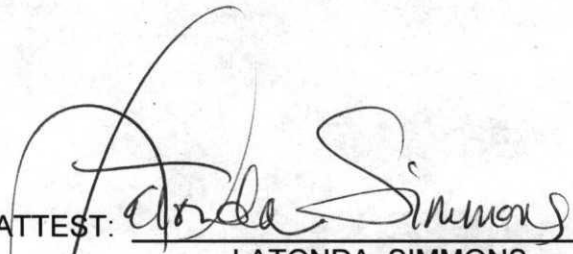
AYES - BROOKS, GALLO, GIBSON, MCELHANEY, KALB, KAPLAN, REID,  
SCHAAF AND PRESIDENT KERNIGHAN - 9

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:

  
LATONDA SIMMONS  
City Clerk and Clerk of the Council  
of the City of Oakland, California