

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2018 APR 26 PM 1:58

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL
ORDINANCE NO. 13492 C.M.S.

ORDINANCE AUTHORIZING A LEASE AGREEMENT WITH EAST OAKLAND COMMUNITY PROJECT FOR LEASE OF THE CITY-OWNED PROPERTY AT 3824 WEST STREET OAKLAND FOR A TERM OF FIVE YEARS FOR ZERO RENT IN EXCHANGE FOR IN-KIND SERVICES TO PROVIDE HOUSING AND SUPPORTIVE SERVICES TO HOMELESS YOUTH

WHEREAS, the City of Oakland owns several properties that it leases for use as interim housing for homeless individuals and families, including a three-bedroom single family unit at 3824 West Street ("the Property"); and

WHEREAS, pursuant to Ordinance No. 12667 C.M.S. passed in 2005, City Council authorized a lease agreement with East Oakland Community Project for multiple sites, including the Property, in order to provide housing and support services for homeless youth enrolled in the Oakland Homeless Youth Housing Collaborative ("OHYHC"), Housing and Urban Development ("HUD") Continuum of Care ("CoC") and the Families in Transition ("FIT") programs; and

WHEREAS, EOCP is an Oakland-based nonprofit with significant experience in managing and operating emergency and transitional housing facilities and programs, and providing services including property management, credit repair, life skills support, and assistance identifying and securing permanent housing for program participants; and

WHEREAS, The City receives funding from HUD to provide said services, and has a grant agreement with EOCP to administer the HUD CoC funds; and

WHEREAS, the City desires to continue leasing the Property to EOCP for an additional five-year term which expires in July 31, 2022 to provide interim housing and supportive services for up to ten homeless youth who participate in the OHYHC program; and

WHEREAS, EOCP does not pay rent to the City for use of the Property, instead EOCP provides services to the City and the community by providing supportive services, case

management, intake assessment, benefits advocacy, alcohol and drug counseling, health education, educational services, youth advocacy, 15-week life management training, money management, vocational counseling, job development, assistance with tuition and training materials, transportation and emergency food assistance, and security deposit assistance and rental guarantee for permanent housing placement; and

WHEREAS, through a grant from the City, EOCP receives approximately \$164,113 of HUD CoC funding annually to provide these services; and

WHEREAS, EOCP provides in-kind services valued at approximately \$42,538 annually to augment the HUD funding and fully fund the support services offered to the youth, including food, client travel, utilities, security, and staffing costs; and

WHEREAS, the youth participants pay a nominal rental fee to EOCP that is 30% of their annual income, which is a HUD requirement and can only be used to support the West Street program; and

WHEREAS, Oakland Municipal Code (“OMC”) Section 2.42.100 provides that leases of City property require Council approval by ordinance; and

WHEREAS, OMC Section 2.42.110 provides that City property must be leased for a rent equal to or exceeding the property’s fair market value, unless the City Council determines that the lease of the property for less than its fair market value is in the best interests of the City; and

WHEREAS, OMC Section 2.42.110 provides that the value of in-kind services in lieu of cash rent provided by lessees to the City or the community at large, including property security and maintenance, and social and cultural benefits to the community, may be considered by the Council in making a finding that the lease of property for less than its fair market rental value is in the best interests of the City;

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this Ordinance.

Section 2. The City Administrator is authorized to execute a lease agreement with East Oakland Community Project for a term of five years beginning on July 1, 2017 and expiring on July 31, 2022 for use of the Property for the provision of interim housing and supportive services to participants in the HUD CoC OHYHC program.

Section 3. Pursuant to OMC Section 2.42.110 and based on the value of the in-kind services provided by EOCP as discussed above and in the City Administrator’s report accompanying this Ordinance, the City Council hereby determines that the lease of the Property for less than its fair market rental value is in the best interest of the City.

Section 4. The City Attorney shall review and approve the proposed lease agreement as to form and legality, and a copy shall be placed on file with the City Clerk.

Section 5. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

Section 6. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

IN COUNCIL, OAKLAND, CALIFORNIA,
PASSED BY THE FOLLOWING VOTE:

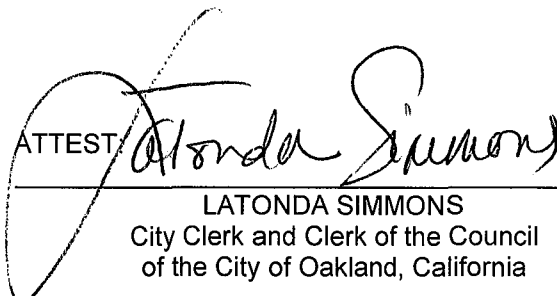
AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, ~~KAPLAN~~
~~KAPLAN~~ ~~AND PRESIDENT~~ 6

NOES - 0

ABSENT - 0

ABSTENTION - 0

Excused - Reed, Kalb

ATTEST 
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California
Date of Attestation: **JUN 21 2018**

NOTICE AND DIGEST

ORDINANCE AUTHORIZING A LEASE AGREEMENT WITH EAST OAKLAND COMMUNITY PROJECT FOR LEASE OF THE CITY-OWNED PROPERTY AT 3824 WEST STREET OAKLAND FOR A TERM OF FIVE YEARS FOR ZERO RENT IN EXCHANGE FOR IN-KIND SERVICES TO PROVIDE HOUSING AND SUPPORTIVE SERVICES TO HOMELESS YOUTH

This Ordinance would authorize the City Administrator to negotiate and execute a lease agreement with East Oakland Community Project for lease of the City-owned property at 3824 West Street in Oakland for a term of five years through July 30, 2022. This ordinance would authorize lease of the property for less than its fair market value in exchange for in-kind services to the City and community in the form of housing and supportive services to homeless youth