

# **City of Oakland HOME-ARP Allocation Plan**

## **DRAFT for Public Review**

### **Guidance**

- To receive its HOME-ARP allocation, a PJ must:
  - Engage in consultation with at least the required organizations;
  - Provide for public participation including a 15-day public comment period and one public hearing, at a minimum; and,
  - Develop a plan that meets the requirements in the HOME-ARP Notice.
- To submit: a PJ must upload a Microsoft Word or PDF version of the plan in IDIS as an attachment next to the “HOME-ARP allocation plan” option on either the AD-26 screen (for PJs whose FY 2021 annual action plan is a Year 2-5 annual action plan) or the AD-25 screen (for PJs whose FY 2021 annual action plan is a Year 1 annual action plan that is part of the 2021 consolidated plan).
- PJs must also submit an SF-424, SF-424B, and SF-424D, and the following certifications as an attachment on either the AD-26 or AD-25 screen, as applicable:
  - Affirmatively Further Fair Housing;
  - Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
  - Anti-Lobbying;
  - Authority of Jurisdiction;
  - Section 3; and,
  - HOME-ARP specific certification.

**Participating Jurisdiction: City of Oakland, CA**

**Date: December 1, 2021**

**Consultation**

Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

***Summarize the consultation process:***

The City of Oakland regularly consults with community stakeholders such as nonprofit agencies, social services providers, local Continuum of Care (CoC), developers, homeless providers, local public housing agency, and City of Oakland departments regarding the availability of funds to benefit low- and moderate-income residents of Oakland in need of affordable housing; homeless housing or services, homeless prevention, and housing and services for persons with human immunodeficiency virus, acquired immunodeficiency syndrome (HIV/AIDS); promoting community development needs for the homeless and low- to moderate-income residents and neighborhoods Oakland, for the Protection, Preservation and Production of affordable housing.

In the development of the City of Oakland’s Five Year Consolidated Plan for fiscal years (fy) 2020/21 – 2024/25, the 2021/22 Annual Action Plan (AAP), and the First Substantial Amendment to the 2021/22 AAP for the 2021/22 HOME Investment Partnerships American Rescue Plan (HOME ARP) the City of Oakland consulted with City departments, local nonprofit agencies, Oakland Housing Authority, EveryOne Home (EOH) Continuum of Care for Alameda County, and other stakeholders in consideration of short-range and long range perspectives on affordable housing, homeless solutions, homeless prevention, HIV/AIDS housing and services and other community development activities impacting the most vulnerable populations.

Consultation leading up to the First Substantial Amendment to the City of Oakland 2021/22 AAP to add the HOME ARP Plan, Five Year Con Plan and 2021/22 AAP included scheduled meetings, phone/email conversations, developer meetings, townhall type meetings with the public regarding Plan documents and participation in regional planning efforts for fair housing activities, homeless solutions, and HIV/AIDS housing and other activities benefitting special needs populations.

See Table 1 below for further detail.

***List the organizations consulted, and summarize the feedback received from these entities.***

**Table 1**

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
East Bay Housing Organization (EBHO)	EBHO is a member-driven organization working to preserve, protect, and create affordable housing opportunities for low-income communities in the East Bay by educating, advocating, organizing, and building coalitions.	August 2021 public presentation at member meeting to solicit feedback on funding strategies, including use of HOME-ARP funds	General support for use of HOME-ARP funds towards permanent affordable housing projects including Homekey. Advocacy to issue a New Construction NOFA as well.
Economic & Workforce Development, City Planning & Building, Human Services	City Departments	Bi-weekly meetings from May 2021 to present	Strategic collaboration and planning to line up funding and City resources to support Homekey applications
Oakland Department of Human Services Department	Local Government City Department	Annual Action Plan Coordination.	Input on the Continuum of Care, PATH Strategy to End Homelessness (Oakland Plan), HOPWA planned activities and strategies, Anti-Poverty input, Special Needs activities
All-City Workgroup (Alameda County HCD +Local Jurisdictions)	Housing Services - Housing Services-homeless	Bi-weekly meetings.	Discussed housing interventions, homeless housing interventions, funding and best practices
East Bay Community Law Center	Fair Housing	Regular meetings and progress updates	Fair Chance Housing Ordinance activity prohibiting rental housing providers from screening criminal history of applicants during the advertisement, application, selection, or eviction process. Reporting Fair Housing Activities

Alameda County Health Services	Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Health Agency	Method of Consultation.	Input to local and Alameda County homeless Services Strategies (EveryOne Home and Oakland Permanent Access To Housing (PATH) Strategies
EveryOne Home	Continuum of Care	Scheduled Regional meetings	Alameda County HCD, City of Berkeley and City of Oakland met to discuss regional issues affecting all three entitlement jurisdictions and to coordinate HOPWA and Continuum of Care consultations.
Housing & Community Development (HCD) Plan Stakeholders*	Foundations, Research, Non-Profit Providers, City Council, City Departments, Office of the Mayor, Race & Equity, California Housing Partnership, Fair Housing.	Small Group Meeting, Interviews, and One on Ones	Discussions provided data and analysis about Oakland and its residents for the City of Oakland 2021-2023 HCD Action Plan Needs Analysis  *See additional stakeholder information below.

Alameda County Entitlement Jurisdictions	Regional Government Organizations	Regularly Scheduled Regional Meetings of Jurisdictions and Community Meetings prior to the Oakland 2020/21 – 2024/25 Five Year Consolidated Plan	Formed a countywide effort to increase fair housing choices for residents across the county. The County of Alameda, as lead agency, and multiple participating jurisdictions the cities of Alameda, Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, and Union City; the housing authorities for the cities of Alameda, Berkeley, Livermore, and Oakland; and the Housing Authority of the County of Alameda have formed a regional collaborative for the purpose of completing an Analysis of Impediments to Fair Housing Choice (Regional Analysis of Impediments) while meeting their goals and obligations under the fair housing rules to affirmatively further fair housing
Oakland Housing Authority	Public Housing Authority	Annual Consultation of Plans	Consultation as part of the Alameda County Regional Analysis of Impediments to Fair Housing, Oakland Housing Authorities planned activities and strategies regarding public housing concerns, needs analysis and anti-poverty matters, City’s Five Year and Annual Action Plans.
Low- and Moderate-Income Residents	Oakland Residents	Virtual Townhall Public Hearing	Public review and feedback for the 2020/21 – 2024/25 Consolidated Plan and 2021/22 AAP.

## HCD Action Plan Stakeholders Consultation 2020-2021

### Bay Area 4 All (BA4A) Preservation Table (City of Oakland)

- Alliance of Californians for Community Empowerment (ACCE)
- Asian Pacific Environmental Network (APEN)
- Causa Justa :: Just Cause (CJJC)
- East Bay Asian Youth Center (EBAYC)
- East Bay Housing Organizations (EBHO)
- Oakland Community Land Trust (OakCLT)
- Public Advocates
- Urban Habitat
- Great Communities Collaborative (GCC)
- OPAC (see above)

### The California Housing Partnership

### Community Housing Development Corporation (CHDC)

### East Bay Community Law Center (EBCLC)

### East Bay Housing Organization (EBHO)

### Enterprise Community Partners

### Housing Accelerator Fund (HAF)

### Just Cities

### Local Initiatives Support Corporation

### The Non-Profit Housing Association of Northern California (NPH)

### Oakland Property Acquisition Collaborative (OPAC)

- Enterprise Community Partners (support)
- Oakland Community Land Trust
- Richmond Neighborhood Services
- East Bay Asian Local Development Corporation
- Housing Consortium of the East Bay

### San Francisco Foundation

### Stanford University – Changing Cities Research Lab (CCRL)

### University of California, Berkeley – Terner Center

### University of Pennsylvania – The Housing Initiative at Penn

### City of Oakland Departments

### City Council

### Economic and Workforce Development

### Homeless Services

### Housing and Community Development

### Oakland Housing Authority

### Office of the City Administrator

### Office of the Mayor

### Planning and Building Development

### Race and Equity

*Table: 2021-2023 City of Oakland HCD Action Plan - Stakeholder Consultation*

## Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an

opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

***Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:***

*Description:*

- **Public comment period:**  
Start date – **December 1, 2021**. End date – **December 31, 2021**
  
- The First Substantial Amendment to the City of Oakland 2021/22 AAP to add the HOME ARP Plan is posted on the City of Oakland’s website at <https://www.oaklandca.gov/news/2021/notice-of-public-hearing-public-review-for-the-city-of-oaklands-2021-22-annual-action-plan-and-first-substantial-amendment-to-the-five-year-consolidated-plan-fy-2020-21-through-2024-25>
  
- **Public hearing:**  
Public hearing for the HOME APR Plan will be held December 21, 2021 at the Oakland City Council meeting convening at 1pm via Zoom. – Virtual Public Hearing.

For public participation and viewing instructions of the December 21, 2021 public hearing,

1. go to <https://oakland.legistar.com/Calendar.aspx>
2. Select the “Agenda” icon for the December 21, 2021 City Council meeting
3. Updated Zoom link, dial-in and KTOP access instructions are provided in the agenda for the December 21, 2021 Council Meeting/Public hearing.

***Describe any efforts to broaden public participation:***

A PJ (Participating Jurisdiction) must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.

Public outreach related to the First Amendment to the City of Oakland’s FY 2021-2022 AAP for the HOME-ARP Plan has involved broad engagement with community-based agencies, affordable housing organizations, and Oakland residents through the City’s Citizen Participation process and Consultation process.

The HOME ARP Plan is made available for public review and comments for not less than a fifteen-day period prior to submitting the plan to HUD. Staff has made the HOME ARP Plan available from more than fifteen days from December 6, 2021 – December 21, 2021.

Public notices regarding the HOME ARP Plan have been posted in English, Spanish and Cantonese in the *East Bay Times, El Mundo, The Post, and Sing Tao* news publications serving the general Oakland population and those residents living in low- and moderate-income areas of Oakland.

Public notice of the HOME ARP Plan is also forwarded via email blasts to Oakland residents, non-profits, shareholders, EOH participants, Oakland Community Development District Boards, City departments, including entities consulted with prior to the submission of the HOME ARP Plan.

Final opportunity for public participation will be the Public Hearing portion of the Oakland City Council to be held on December 21, 2021. City Council will provide attendees and interested parties the opportunity to respond to the posted First Substantial Amendment to the City of Oakland 2021/22 AAP to add the HOME ARP Plan and provide feedback in an open public forum. Said Public Hearing will be recorded and available online for future viewing. A Summary of all comments will be included in the final submission of the HOME ARP Plan prior to submitting to the U. S. Department of Housing & Urban Development.

***Summarize the comments and recommendations received through the public participation process:***

To be added after the public participation process, ending December 31, 2021.

***Summarize any comments or recommendations not accepted and state the reasons why:***

If any, a summary of comments and recommendations not accepted will be included in the final HOME ARP after the December 21, 2021 Public Hearing.



## Needs Assessment and Gaps Analysis

PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	188	52	672	17	28								
Transitional Housing	141	75	417	15	15								
Permanent Supportive Housing	203	84	1246	35									
Other Permanent Housing													
Sheltered Homeless						196	655	51	33				
Unsheltered Homeless						2	3197	310	205				
<b>Current Gap</b>										334		-1517	-1517

### OPTIONAL Homeless Needs Inventory and Gap Analysis Table

**Data Sources:** 1. Point in Time Count (PIT) *EveryOne Counts! 2019 Homeless Count & Survey*-Alameda County, CA; 2. Alameda County EveryOne Home Housing Inventory Count (HIC); 3. Consultation with Oakland Human Services Department - Community Housing Services.

**OPTIONAL Housing Needs Inventory and Gap Analysis Table**

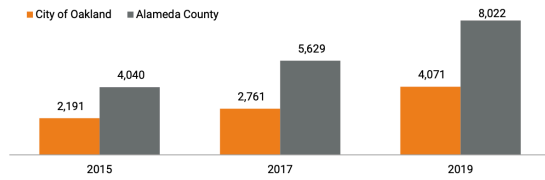
<b>Non-Homeless</b>			
	<b>Current Inventory</b>	<b>Level of Need</b>	<b>Gap Analysis</b>
	# of Units	# of Households	# of Households
Total Rental Units	96,305		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	15,550		
Rental Units Affordable to HH at 50% AMI (Other Populations)	12,095		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		23,170	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		12,920	
<b>Current Gaps</b>			8,445

**Data Sources:** 1. <https://www.huduser.gov/portal/datasets/cp.html> 2014-2018 Comprehensive Housing Affordability Strategy (CHAS)

**Describe the size and demographic composition of qualifying populations within the PJ’s boundaries:**

**Homelessness:**

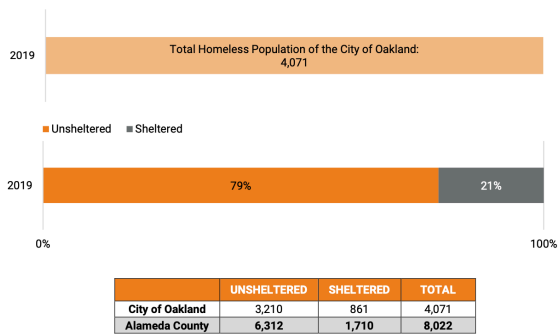
The Alameda County 2019 EveryOne Counts Homeless Point In Time Count and Survey figures for Oakland identified a homeless population of 4,071 individuals, an increase of 1,310 individuals (+47 percent) from 2017. The population of persons experiencing homelessness in Oakland represented over half (51 percent) of the total number of persons enumerated in Alameda



**SHELTERED AND UNSHELTERED STATUS**

While the number of individuals served by shelters remained stable (+0.2%) between 2017 and 2019, there was an increase of 2,449 unsheltered individuals (+63%). In 2019, 79% of the people experiencing homelessness in the city of Oakland were unsheltered compared to 69% in 2017.

FIGURE 3. TOTAL NUMBER OF PERSONS EXPERIENCING HOMELESSNESS BY SHELTER STATUS

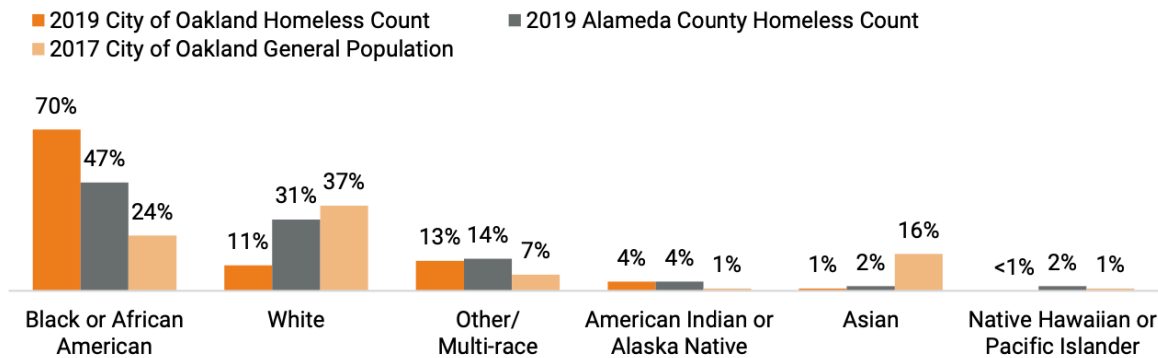


County during the 2019 Point-in-Time Count. See Figure 3 of the Alameda County EveryOne Counts - 2019 Homeless Count Survey, below.

Seventy-nine percent (79%) of the homeless population is reported to be unsheltered. Over one-third (35%) of the population were residing in vehicles. An additional 32 percent were residing in tents or makeshift shelters and 10 percent were identified sleeping on the streets and in other outdoor locations. One percent (1 percent) was identified in non-residential buildings.

While the number of individuals sleeping on the streets and other outdoor locations decreased by 33 percent (206 individuals), the number of individuals sleeping in tents increased by 130 percent (747 individuals). The total number of persons residing in their vehicles increased by 131 percent (812 individuals), with the number of persons residing in RVs increasing by 131 percent (399 individuals) and the number of persons residing in cars or vans increasing by 132 percent

FIGURE 9. TOTAL NUMBER OF PERSONS EXPERIENCING HOMELESSNESS BY RACE



City of Oakland Homeless Count n=4,071; Alameda County Homeless Count n=8,022

Note: Percentages may not add up to 100 due to rounding.

(413 individuals).

Individuals identifying as Black/African American were overrepresented in the population experiencing homelessness. An estimated 70 percent of persons experiencing homelessness in Oak-

land identified as Black/African American compared to 47 percent of the overall County's population experiencing homelessness and 24 percent of the city's general population. Alternatively, 17 percent identified as Hispanic, Latino or Latinx, and 2 percent of those counted identified as Asian.

The Oakland Equity Indicators report on housing and anti-displacement further supports this finding, reporting a homeless rate of 1,797 per 100,000 for Black/African Americans compared to 286.6 per 100,000 and 329.3 per 100,000 Latinx homeless rates resulting from displacement. This same report indicates that 58.4 percent of African American residents and 52.7 percent Latinx residents are rent burdened, meaning more than 30 percent of their annual income is spent on rent (1.67 times more than White households).

With Affordable Rental Housing ranked at the top (47 percent) of the Alameda County 2019 EveryOne Counts Homeless Point In Time Count and Survey, the top six recommended uses of new money include Affordable Rental Housing (47 percent), Permanent Help with Rent Subsidy (41 percent), Employment Training and Job Opportunities (30 percent), Short Term Financial Assistance (18 percent), Housing With Supportive Services (22 percent), and Substance Use and/or Mental Health Services (24 percent).

As noted in the City's FY 2021-2022 AAP, 53 percent of Oakland residents are extremely low-income, very low-income, or low-income, with incomes ranging from 0-80 percent of Area Median Income (AMI). Of the 53 percent, 25 percent are extremely low-income (0-30 percent AMI), 15 percent are very low-income (31-50 percent AMI), and 13 percent are low-income (at 51-80 percent AMI).

### **Affordable Housing:**

Oakland has experienced numerous shifts in its residential pattern in the years since the Great Recession of 2008. With a current population of 440,981, Oakland's population has grown by approximately 13% compared to the 2010 Oakland population count.

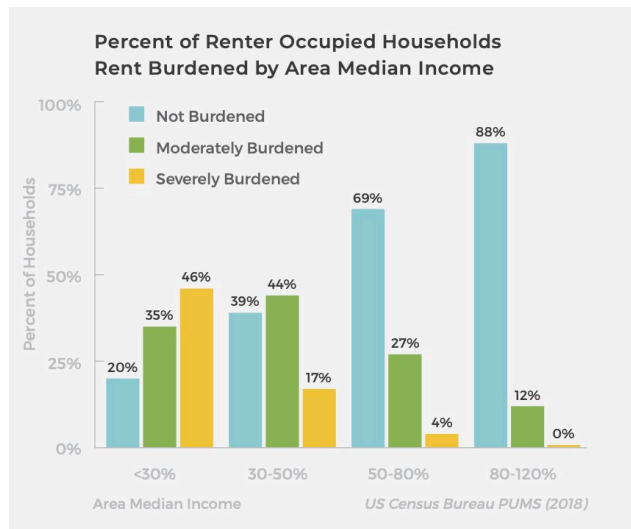
HCD partnered with the Changing Cities Research Lab at Stanford University and the Federal Reserve Bank of San Francisco to understand the shifts in neighborhoods, impact of displacement and overall picture of who and how City residents, especially Black and Brown community members are faring.

Oakland's central housing needs center on lack of affordable housing, high incidence of housing cost burden, particularly among extremely- and very low-income renter populations, increasing degrees of homelessness and lack of housing and critical services for homeless and special needs at-risk populations, and increasing displacement and gentrification pressures that have occurred over the past decade.

Oakland’s lowest income households are experiencing the highest rent burden. Over 80% of extremely low-income (ELI) households pay more than 30% of their income towards rent, with 46% paying over 50% of their income towards rent.

When disaggregated by race, rent burden varies significantly. Black households have the lowest median household income, and approximately 60% of Black renter households are rent burdened with about one-third severely rent burdened — the highest rate of any racial/ethnic group in Oakland.<sup>1</sup>

With a current population of 440,981, Oakland’s population has grown by approximately 13% compared to the 2010 Oakland population count.



Per a recent 2020 University of Pennsylvania (UPENN) renter vulnerability index based on several indicators, including rent burdens and share of non-white renters, the most vulnerable to housing insecurity are in East Oakland and West Oakland.

***Describe the unmet housing and service needs of qualifying populations, including but not limited to:***

- *Sheltered and unsheltered homeless populations;*
- *Those currently housed populations at risk of homelessness;*
- *Other families requiring services or housing assistance or to prevent homelessness; and,*
- *Those at greatest risk of housing instability or in unstable housing situations:*

Per the Alameda County 2019 Point in Time (PIT) homeless count, over half (51%) of the homeless population of Alameda County (8,022) are individuals experiencing homeless in Oakland (4072). Of the 4,072 experiencing homelessness in Oakland; the highest number of homeless reported by City in the Alameda County, 3,210 are unsheltered and 861 are sheltered.

Many individuals experiencing homeless have significant barriers in retaining permanent housing. These barriers can range from housing affordability and availability to accessing the economic and social supports (e.g.), increased income, rental assistance and case management needed to access and retain housing.

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<sup>1</sup> City of Oakland Housing & Community Development 2021-2023 Strategic Action Plan

When asked what might have helped them retain housing, most respondents to the EveryOne Counts 2019 Homeless County and Survey most often cited the followings as resources that would have prevented their homeless status as the time:

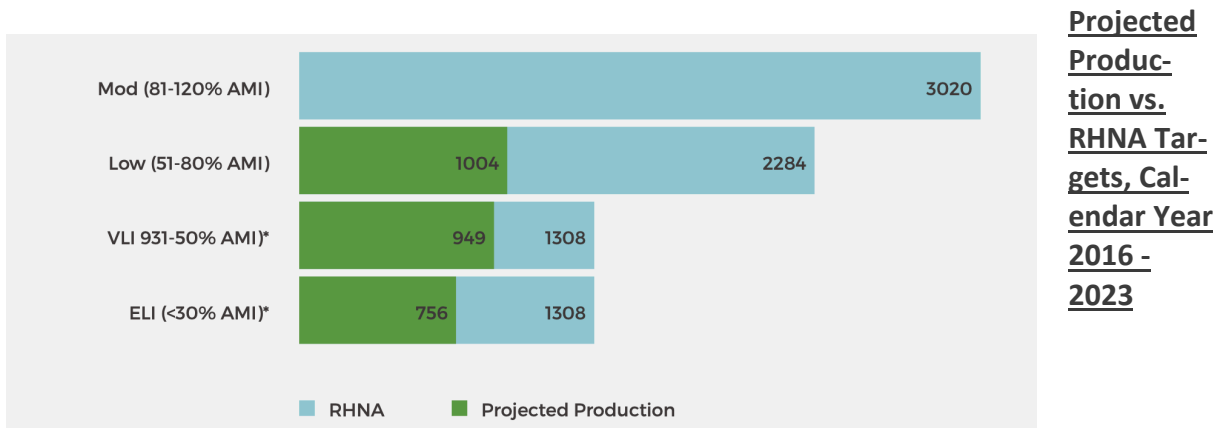
1. Rental Assistance (35%)
2. Benefits/Income (32%)
3. Mental Health Services (22%)
4. Alcohol/Drug Counseling (19%)
5. Employment Assistance (16%)

Under State law, every city and county in California must adopt a Housing Element or plan, as part of its General Plan. An updated Element allows a City to access critical local, state and federal funds.

The Regional Housing Needs Allocation (RHNA) is a State rule that requires all California cities to plan enough regional housing to meet housing needs for all income levels. Per these Plans, Oakland must plan for 14,765 new housing units between 2015 and 2023. The Oakland Housing Cabinet released Oakland At Home recommending an ambitious set of strategies through the 17k/17k Plan to preserved 17,000 housing units and produce a total of 17,000 units for Oakland residents by 2023, including 4,760 affordable units.

As of 2021, Oakland must produce at least 2,084 affordable housing units to meet the 2015 - 2023 target of 4,760 total affordable housing units per the RHNA targets.

Applying historical affordability levels onto the projected production rates, the City falls short of RHNA goals across all categories of affordability. To meet the higher RHNA targets, the City must identify new capital and operating subsidies beyond \$307million to produce the units need to create housing security for all Oakland residents.



*Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:*

*The City of Oakland Permanent Access To Housing (PATH) Strategy and framework is implemented with the goal of making homelessness brief, rare and one-time. Currently PATH receives annual funding of approximately \$40M per year to provide overnight shelter, transitinal/supportive housing , housing and services for persons with HIV/AIDS, HIV/AIDS short term rental mortgage utility assistance, Community Cabins, rapid rehousing services, homeless encampment services , and other activities benefiting over 2,619 sheltered and unsheltered residents of Oakland experiencing homelessness.*

In response to COVID-19, City of Oakland homeless service agencies reduced bed capacity to create social distancing, to reduce the potential of exposure to the coronavirus for staff and it's clients. Where possible shelter-in-place was encouraged. To offset the reduction of bed capacity, Oakland agencies were able to access 1,142 FEMA Non-Congregate shelter beds for adults without children.

CARES Act allocations under the Emergency Solutions Grant (ESG-CV) are allocated to provide rapid rehousing, shelter services, homeless prevention and portable hygiene stations benefiting the homeless.

Other sources are allocated to provide services to those who are at imminent risk of homeless through one-time CARES Act allocations under Community Development Block Grant (CDBG-CV) providing housing stability, housing related legal services and development of housing for the homeless; one-time CARES Act allocations under the Housing Opportunities for Persons With AIDS (HOPWA-CV) to provide rent assistance to persons with HIV/AIDS transitioning from Roomkey units to permanent housing; and one time allocations under the U.S. Treasury Emergency Rental Assistance Program (ERAP) enabling current renters to stay housed providing rent relief for up to 18 months.

For Affordable Housing, current project sources available to the City Oakland is \$73,937,323 for FY 2020/21 - FY 2022/23. Sources include Affordable Housing Impact Fee, Job Housing Impact Fee, Boomerang funds, HOME funds, HOME ARP funds, Excess Redevelopment Bond, Cal Home and Local Housing Trust. Strategies for these funds are Protection, Preservation and Production.

Under the Production Strategy, the City has invested nearly \$110 million in City funding into affordable housing production since 2017, leveraging more than \$730 million of additional investment. This means for every \$1 of City funding, the City has leveraged nearly \$7 of other sources – this is largely due to availability of A1 funding from Alameda County. However, this ratio should go down to about \$1 for every \$4 of other sources moving forward, as County A1 funding has been fully allocated.

Production strategies provide new affordable housing opportunities through new construction of housing, provision of financing for first-time homebuyers to acquire an affordable home, and the provision of rental and operating subsidies that create affordability for low-income residents over the long term. These actionable production strategies are critical in addressing homelessness, displacement, and rent burdens for low-income households, especially in historically disinvested neighborhoods.

*Identify any gaps within the current shelter and housing inventory as well as the service delivery system:*

Enter narrative response here.

*Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:*

Enter narrative response here.

*Identify priority needs for qualifying populations:*

Priority needs for the homeless (a qualifying population) is to

1. Raise capital funds to create 3,000 units of deeply affordable housing;
2. Increase capacity to re-house 1,000 per year who recently fell into homelessness
- 3.

*Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:*

Enter narrative response here.



## HOME-ARP Activities

*Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:*

The City of Oakland, through its Affordable Housing Notice of Funding Availability (NOFA) process, will solicit applications from non-profit and for-profit developers to increase housing opportunities through new construction, substantial rehabilitation and preservation of housing for extremely low-, very low-, low- and moderate-income households.

The application will be made available to applicants electronically through City Data Services (CDS), enabling applicants to enter data into the electronic form and further upload into the NOFA portal. Training to support applicants completing this new form is made available via Zoom and posted on the City’s Rental Affordable Housing NOFA page of the City’s website.

Pre-bidders conferences are held at announced times and dates via Zoom. Pre bidders conferences are recorded and posted on the Rental Affordable Housing NOFA page of the City’s website.

Schedule “NOFA Office Hours” are made available via Zoom for City staff to answer any application questions or concerns. All Zoom recordings mentioned in this section are then posted on the City’s Rental Affordable Housing NOFA page of the City’s website at <https://www.oaklandca.gov/resources/2021-new-construction-of-multifamily-affordable-housing-nofa>

Projects that apply to the NOFA will be ranked based on scoring criteria described in the NOFA that include the following categories:

Affordable Housing NOFA Scoring Criteria		
<b>I.</b>	<b>Readiness</b>	<b>43 points</b>
	A. Leveraging & Readiness	8
	B. Funding Commitments	15
	C. Discretionary Land Use Approvals	20
<b>II.</b>	<b>Location</b>	<b>33 points</b>
	A. Geographic Equity	7

## Affordable Housing NOFA Scoring Criteria

	B. Educational Quality	5
	C. Neighborhood Revitalization	6
	D. Proximity to Public Transit	5
	E. Proximity to Grocery or Drug Store	10
<b>III.</b>	<b>Target Population</b> <i>(Weighted scores below subject to change based on target HOME ARP target population)</i>	<b>38</b>
	A. New Permanent Supportive Housing Units for Homeless	10
	B. Units for people with Special Needs	5
	C. Income Targeting	18
	D. Unit Size	5
<b>IV.</b>	<b>Development Experience and Capacity</b>	<b>41 points</b>
	A. Developer Experience Exceeds Minimum	20
	B. Developer Capacity	8
	C. Developer Financial Strength	6
	D. Strength of Development Team	3
	E. Bonus Point Category	4
<b>V.</b>	<b>Sustainability</b>	<b>10</b>
<b>VI.</b>	<b>Penalty for Nonperforming Previously Funded Projects</b>	<b>-10</b>
	<b>Total Possible Points</b>	<b>165</b>

Staff will recommend that the City Council approve the ranked list of projects and a total amount of funds to be awarded. Top ranking projects will be awarded.

Applicants under the City’s Rental Affordable Housing NOFA will be awarded points for deeply affordable units set aside for new permanent housing units for homeless facilities and individuals.

A Resident Services Plan must be submitted that demonstrates how essential supportive and social service needs of the homeless population will be provided and funded. Additional points are given to applicants that commit to using Alameda County’s Home Stretch Coordinated Entry System in their tenant selection process to fill designated permanent supportive housing units for homeless individuals with disabilities.

Further points are given to applicants with a Memorandum of Understanding (MOU) with a lead service provider that will deliver the services described in the Resident Services Plan. If the owner is providing direct services, then a commitment letter or board resolutions will satisfy this requirement.

*If any portion of the PJ’s HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ’s entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ’s HOME-ARP program:*

N/A. HOME ARP Administration funds provided to the City of Oakland are maintained to support internal administration and planning cost for the City of Oakland.

*PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.*

**Use of HOME-ARP Funding**

	<b>Funding Amount</b>	<b>Percent of the Grant</b>	<b>Statutory Limit</b>
Supportive Services	\$		
Acquisition and Development of Non-Congregate Shelters	\$		
Tenant Based Rental Assistance (TBRA)	\$		
Development of Affordable Rental Housing	\$ 9,627,050		
Non-Profit Operating	\$ 0	# %	5%

Non-Profit Capacity Building	\$ 0	# %	5%
Administration and Planning	\$ 1,698,891	15 %	15%
<b>Total HOME ARP Allocation</b>	\$ 11,325,941		

**Use of HOME ARP funding Additional narrative, if applicable:**

The proposed HOME-ARP Plan - First Substantial Amendment to the FY 2021/2022 AAP establishes funding priorities for the HOME-ARP plan that targets the Development of Affordable Rental Housing for the homeless through but not limited to the following activity categories:

- (1) Acquisition, construction, and rehabilitation of permanent affordable and deeply affordable rental housing for Oakland residents experiencing homelessness; and/or
- (2) Acquisition of hotels, motels, and dorms to permanently house homeless households, especially youth aging-out of the foster care system, families, and veterans; and /or
- (3) Construction of innovative modular permanent units to house people experiencing homelessness.

The City of Oakland intends to use most of these HOME-ARP funds towards production of permanent affordable rental housing, with focus on Oakland Homekey projects. The HOME-ARP funds would provide the necessary capital match to leverage State Homekey funding and support the capital costs associated with the acquisition and construction of permanent housing for those experiencing homelessness. Homekey projects will provide immediate permanent units to serve people experiencing homelessness. Should Oakland Homekey projects not require the full allocation of HOME-ARP funds, any remaining funds could then support new construction projects that are awarded under the New Construction Notice of Funding Availability (NOFA), issued November 16, 2021.

The New Construction NOFA will identify affordable rental housing development projects for City funding, including deeply affordable and homeless units, which are clearly aligned with the eligible uses under the HOME-ARP program.

Specific projects to be funded are to be determined through the upcoming Homekey application to be submitted by the City and the November 2021 HCD New Construction NOFA.

Increased access to housing and support service opportunities will be increased for those experiencing homelessness, extremely low- and low-income residents. Approximately 2,849 of the total 4,071 Oaklanders experiencing homeless are Black/African American and 17 percent of Hispanic ethnicity.

*Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:*

Based on the HUD Comprehensive Housing Affordability Strategy (CHAS) data released September 29, 2021 for the 2014-2018 period, it reported Oakland to have a total of 161,785 owner occupied and renter occupied housing units. This is 16,984 units less than reported in the 2020 American Census Survey (ACS) Experimental Data release. Of the 161,785 total units 96,305 (60%) are recorded as rental units.

Per ACS, Physical Housing Characteristics for Occupied Housing Units table (S2304) for the same period of the 2014-2018 CHAS report, 30.3% of the rental housing inventory was built in or prior to 1939. 48.6% of the rental housing inventory was built between 1940 and 1979; 10.7% built between 1980 and 1999 and only 2.2% in years 2010 or later<sup>2</sup>.

As of 2021 approximately 30.3% of the Oakland rental housing inventory is over 82 years old; another 20.7% is between 62-81 years old and 27.9% is between 42 and 61 years old.

The 2014-2018 CHAS reports 53% (51,360) of renter-occupied units having at least one of four housing problems:

1. Incomplete kitchen facilities,
2. Incomplete plumbing facilities,
3. More than 1 person per room, and
4. Cost burden greater than 30%.

Further, the CHAS reports 34.2% (32,985) of renter-occupied units having at least 1 of 4 severe housing problems

1. Incomplete kitchen facilities,
2. Incomplete plumbing facilities,
3. More than 1 person per room, and
4. Cost burden greater than 50%.

**Income by Cost Burden is reported as follows:**

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<sup>2</sup> Physical Housing Characteristics for Occupied Housing Units table (S2304)  
<https://data.census.gov/cedsci/table?q=housing&g=1600000US0653000&y=2019&tid=ACSST1Y2019.S2504>

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden >50%	Total
Household Income less-than or= 30% HAMFI	22,555	17,575	29,325
Household Income >30% to less-than or= 50%	11,500	4,690	15,550
Household Income >50% to less-than or= 80%	5,260	840	12,095
HAMHousehold Income >80% to less-than or= 100% HAMFIFI	2,605	320	8,875
Household Income >100% HAMFI	2,530	95	30,460
<b>TOTAL</b>	<b>44,810</b>	<b>23,520</b>	<b>96,305</b>

As mentioned earlier in the Plan, Oakland’s lowest income households are experiencing the highest rent burden. Over 80% of extremely low-income (ELI) households pay more than 30% of their income towards rent, with 46% paying over 50% of their income towards rent.

New affordable housing developments typically take approximately 3 - 6 years from predevelopment to occupancy. The City is applying for State Homekey program funds, requiring project completion within 12 months of the funding award, which will result in an expedited time line of producing designated affordable units. The HOME-ARP funds will support a Homekey project(s) and/or Other Oakland HCD deeply affordable housing projects through the HCD NOFA. The actual number of units is to be determined based on the application pool. However it is estimated that not less than 32 units of affordable housing will result from the HOME-ARP allocation. The 12-month timeline will allow the City to be more responsive to the current need for affordable housing, particularly for the most vulnerable populations.

## HOME-ARP Production Housing Goals

*Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:*

Staff intends to leverage HOME ARP funds with funds to be applied for by the City in the Winter of 2021 under the upcoming Homekey application process. In addition, a portion of funds included in the City's November 2021 Department of Housing & Community Development (HCD) New Construction NOFA will be used as leverage to HOME ARP funds.

Specific projects to be funded will be determined by funds to be awarded under Homekey application process and HCD New Construction NOFA projects targeting qualifying populations.

Based on subsidy limit per unit for a 4-bedroom and 2-bedroom units under the HOME program as established in the HCD New Construction NOFA, it is estimated that between 32-45 units of affordable rental housing units will be produced or supported with HOME ARP funds for qualifying populations.

*Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:*

In 2016, the Oakland Housing Cabinet released "Oakland At Home: Recommendations for Implementing A Roadmap Toward Equity from the Oakland Housing Cabinet . The Housing Cabinet set an ambitious target of 17,000 units (17k/17k plan) to be produced in the City from 2016 through 2023, with **4,760** of those units to be affordable. When compared to the Regional Housing Needs Assessment (RHNA) production goals for 2015 to 2023, the 17k/17k plan exceeds the RHNA production goals of units for households earning no more than 80% AMI.

To meet the 17k/17k affordable unit production target, the City needs to produce an average of 595 units per year. However, in order to make up the deficit from past years' production, this annual target must increase to **927 units per year to reach 4,760 total affordable units by 2023.**

City of Oakland's priority needs of increased affordable housing and housing for the homeless are met with the challenge of identifying an additional subsidy \$307,032,000 (\$307M) for FYs 2021/22 - 2023/24 to fill this gap of an additional 2781 affordable housing units by 2023, to reach the goal of 4,760 total affordable housing units produced from 2016 - 2023.

HOME ARP funds, one-time funds as part of that \$307M subsidy of affordable housing dollars will be used leverage, Housing Trust Funds, Boomerang Funds, HOME, Low and Moderate Income Housing Asset Fund (LMIHAF), loan repayments, and other anticipated one-time funds: Measure KK, HOME ARP funds (included in this plan), and Homekey funds to be applied for.

In order to provide more immediate housing solutions and stability for existing tenants and unsheltered/homeless residents, the City commits to shifting its two-year focus to invest 50% of its available resources in the preservation and acquisition/conversion opportunities and 50% into new construction as funding allows. Implementation of this prioritization over the next

two years will target projects that result in immediate housing solutions, especially for the residents of Oakland experiencing homelessness.

HOME ARP funds will serve as a vital source in the priority of increasing affordable rental housing for those the homeless.

Further HOME ARP funds will support the City's framework of Preservation, Protection, and Production. Using the framework of Preservation, Protection and Production to focus on the highest priorities of addressing homelessness, housing for extremely low income (ELI) households, deep racial inequities, displacement, and impacts from the COVID-19 pandemic, HCD will employ these strategies to address affordable housing/homeless needs.

## Preferences

*Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:*

- Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).
- PJs are not required to describe specific projects to which the preferences will apply.

*If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ's needs assessment and gap analysis:*

As previously discussed, there is a high need for affordable housing, particularly for the increasing homeless population. This decision is significantly based on the 2019 EveryOne Counts Homeless Point In The Count and Survey<sup>3</sup>, the City of Housing & Community Development 2021-2023 Strategic Action Plan, the Oakland PATH Strategy, Addressing Homelessness in Oakland 2021 Dashboard, and data supported in the latest available CHAS report.

Survey Respondents of the 2019 point in time count were asked to identify uses for funding to end homelessness in Alameda County if new money became available. The top priority recommended is "affordable housing". Forty-seven percent (47%) of respondents in the city of Oakland identified affordable rental housing and forty-one percent (41%) identified permanent help with rent/subsidies. Employment training and job opportunities (30%), behavioral health services (24%), housing with supportive services (22%), and short-term financial assistance

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<sup>3</sup> [https://everyonehome.org/wp-content/uploads/2019/12/2019HIRDReport\\_Oakland\\_2019-Final.pdf](https://everyonehome.org/wp-content/uploads/2019/12/2019HIRDReport_Oakland_2019-Final.pdf)



(18%) were also among the top recommendations. Seventeen percent (17%) recommended that new money should be spent on emergency shelter.

Per the last three PIT Homeless counts for Oakland, homelessness has risen from 2,191 in year 2015 to 4,071 in 2019, almost doubling over that past 4-5 years. The current state of homelessness is driven in part by a housing crisis and continuing economic inequalities that hits Oakland's most vulnerable.

It is estimated that for every one homeless person housed three more people become homeless. In 2020/21 approximately 979 people moved from homelessness to permanent housing. Based on this milestone, it is expected that approximately 2,937 Oakland residents have become homeless since FY 2020/21.

*If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:*

Upon implementation, Oakland HOME ARP benefit and services gaps of the preferred "homeless" qualifying population and other qualifying populations that are not included will be assessed regularly based on applicant response to the City of Oakland Housing NOFA partner service agencies secured by successful HOME ARP applicants, leverage funds to HOME ARP made available; eligibility of said leverage sources, and other contributing factors.

## **HOME-ARP Refinancing Guidelines**

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- *Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity*

**Not applicable.**

- *Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.*

**Not applicable.**

- *State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.*

**Not applicable.**

- *Specify the required compliance period, whether it is the minimum 15 years or longer.*

**Not applicable.**

- *State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.*

**Not applicable.**

- *Other requirements in the PJ's guidelines, if applicable:*

**Not applicable.**