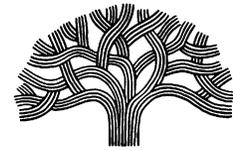


CITY OF OAKLAND



Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee
1 Frank H. Ogawa Plaza, Hearing Room 2
Oakland, California 94612

All persons wishing to address the Committee must complete a speaker's card, stating their name and the agenda item (including "Open Forum") they wish to address. The Committee may take action on items not on the agenda only if findings pursuant to the Sunshine Ordinance and Brown Act are made, that the matter is urgent or an emergency. Presentations are limited to three minutes.

The Affordable Housing & Infrastructure (I-Bond) Public Oversight Committee meetings are held in wheelchair accessible facilities. Contact Treasury Bureau, 150 Frank Ogawa Plaza, Suite 5330, or call (510) 238-6508 for additional information.

AGENDA

SPECIAL MEETING of the **AFFORDABLE HOUSING & INFRASTRUCTURE (I-BOND)** **PUBLIC OVERSIGHT COMMITTEE**

MEMBERSHIP

Ellen Wu, Chairperson
Daniel Swafford, Vice Chairperson
Gloria Bailey-Ray, Member
Carroll Fife, Member
Baldomero Gonzalez, Member
Danielle J. Harris, Member
Gary Jimenez, Member
Ken Lupoff, Member
Michael Pyatok, Member

DATE: Monday, January 27, 2020
TIME: 5:15 pm – 7:00pm
PLACE: 1 Frank Ogawa Plaza, Hearing Room 2
Oakland, California 94612

ORDER OF BUSINESS

- I. Roll Call and Determination of Quorum
- II. Open Forum/Public Comment

Affordable Housing & Infrastructure Bond (I-Bond)
1 Frank H. Ogawa Plaza, Hearing Room 2
Oakland, California 94612

- III. Approval of Draft Minutes from the Committee meeting of September 23, 2019
- IV. Brown Act Training (City Attorney's Office)
 - a. Communication Guidelines for Committee Members
- V. Finalize Draft Agenda Report (**Attachment A**)
 - a. Review and Discuss Agenda Report
 - b. Vote on Draft Agenda Report
 - c. Scheduling of the Agenda Report to Finance Committee (**Attachment B- Scheduling Calendar**)
- VI. Discussion of Next Steps
 - a. Identify Future Agenda Items
 - b. Confirm next meeting
- VII. Open Forum/Public Comment
- VIII. Adjournment

A COMMITTEE MEETING of the Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee (the “I-Bond Committee”) was held on September 23, 2019 in Hearing Room 3, One Frank Ogawa Plaza, Oakland, California.

I. Roll Call and Determination of Quorum

Committee Members

Present:

- Ellen Wu, Chairperson
- Daniel Swafford, Vice Chairperson
- Danielle J. Harris, Member
- Michael Pyatok, Member
- Gloria Bailey-Ray, Member
- Carroll Fife, Member

Committee Member

Absent:

- ~~Daniel Swafford, Vice Chairperson~~
- Gary Jimenez, Member
- Ken Lupoff, Member

Additional Attendees:

- David Jones, Secretary
- Ravi Patel, Deputy City Attorney

The meeting was called to order at 5:12 pm by Secretary David Jones.

II. OPEN FORUM/PUBLIC COMMENT

No Public Speaker.

III. APPROVAL OF DRAFT MINUTES for Meetings July 1, 2019

Member Carroll Fife motioned to approve the minutes without changes; Member Danielle J. Harris seconded the motion and minutes were approved.

IV. FY 2019-2021 Budget Summary

A budget summary was given by each department (Department of Transportation, Department of Public Works, and Housing Community Development) to the committee on projects funded with Measure KK money.

V. Review of Draft Report Template (*Attachment A-1 DOT/ OPW and Attachment A-2 HCD*)

Committee Members and department staffs discussed the information on the templates and addressed questions on the data requested to have a standard template to be used when the Committee prepares an agenda report to Finance and Management Committee or City Council. Because there were a lot of details to go through with the Departments,

Chairperson Wu proposed to form an Ad Hoc committee to work with department staffs (DOT and OPW) to finalize the template format. The Ad Hoc committee is comprised of Chairperson Wu, Member Pyatok, Member Fife, and Member Harris.

Public Speaker:

1. Mona Sabri – Expressed the needs and seeking funding for Ms. Sabri’s empty lot in a residential area on 81st for a 4-6 units.

VI. Appointment of Committee Member Baldomero Gonzalez for District 1 by City Council on September 17, 2019

Secretary Jones informed the Committee new member Baldomero Gonzalez could not attend this meeting, but that member Baldomero Gonzalez is working with Treasury to go through the sworn process prior to attending the next meeting.

Public Speakers:

1. John M’Kenna – Expressed interest in becoming a member of the I-Bond Committee in the future.

VII. Form 700 Filing

Each member will be contacted via email to complete Form 700.

VIII. Discussion of Next Steps

- a. Identify Future Agenda Items: Invite all three departments (Oakland Public Works, Department of Transportation and Housing Community Development) to the next scheduled meeting to address the information/data in the template.
- b. Confirm next meeting: Meeting date and time has been scheduled tentatively as follows:
 - Monday, December 2, 2019 at 5:00-7:00PM

IX. OPEN FORUM/PUBLIC COMMENT

No Public Speakers.

X. ADJOURNMENT

The meeting adjourned at 7:15 pm

DAVID JONES, COMMITTEE SECRETARY

DATE

A COMMITTEE MEETING of the Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee (the "I-Bond Committee") was held on July 1, 2019 in Hearing Room 3, One Frank Ogawa Plaza, Oakland, California.

I. Roll Call and Determination of Quorum

Committee Members

Present:

- Ellen Wu, Chairperson
- Daniel Swafford, Vice Chairperson
- Danielle J. Harris, Member
- Michael Pyatok, Member
- Gloria Bailey-Ray, Member
- Carroll Fife, Member
- Ken Lupoff, Member
- Gary Jimenez, Member

Committee Member

Absent:

- N/A

Additional Attendees:

- David Jones, Secretary
- Dawn Hort, Principal Financial Analyst
- Ravi Patel, Deputy City Attorney

The meeting was called to order at 5:05 pm by Secretary David Jones.

II. OPEN FORUM/PUBLIC COMMENT

Public Speakers:

1. Christine Miller (ACCE)
2. David Lyons (ACCE)
3. Alma Del Angel (ACCE)

III. Welcome New Committee Member Danielle J. Harris

New Committee Member Danielle J. Harris provided a brief introduction about herself.

IV. APPROVAL OF DRAFT MINUTES for Meetings March 18, 2019

Vice Chairperson Swafford motioned to approve the minutes without changes; Chairperson Wu seconded the motion and minutes were approved.

V. **Review of Draft Report Template (Attachment A-1 DOT/ OPW and Attachment A-2 HCD)**

Committee Members reviewed and discussed developing a template for the next City Council reporting assessing how well the money is spent and how it may impact social equity, displacement and affordable housing.

VI. **Resignation Update of Committee Members**

- a. Member Lauren Westreich resigned and new Committee Member Harris will assume her duties for District 4.
- b. Staff is working with the Mayor's Office to find a replacement for resigned Committee Member Campos for District 1.

VII. **Discussion of Next Steps**

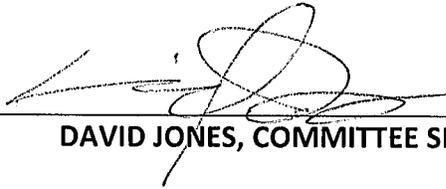
- a. Identify Future Agenda Items: Invite all three departments (Oakland Public Works, Department of Transportation and Housing Community Development) to the next scheduled meeting to present a brief summary of the final budget and address questions regarding the draft template.
- b. Confirm next meeting: Meeting date and time has been scheduled as follows:
 - Monday, September 23, 2019 at 5:00-7:00PM

VII. **OPEN FORUM/PUBLIC COMMENT**

No Public Speaker

VIII. **ADJOURNMENT**

The meeting adjourned at 6:53 pm.



DAVID JONES, COMMITTEE SECRETARY

9/23/19

DATE



Measure KK Oversight Board Meeting
CIP Prioritization Process, Budget &
Measure KK Expenditure Update

Oakland DOT & Public Works Department
March 18, 2019



CIP Overview

- CIP Prioritization Process Update
- Prioritization Factors Review
- CIP Budget FY 19-21 Timeline Update
- CIP – KK Project Expenditure Review



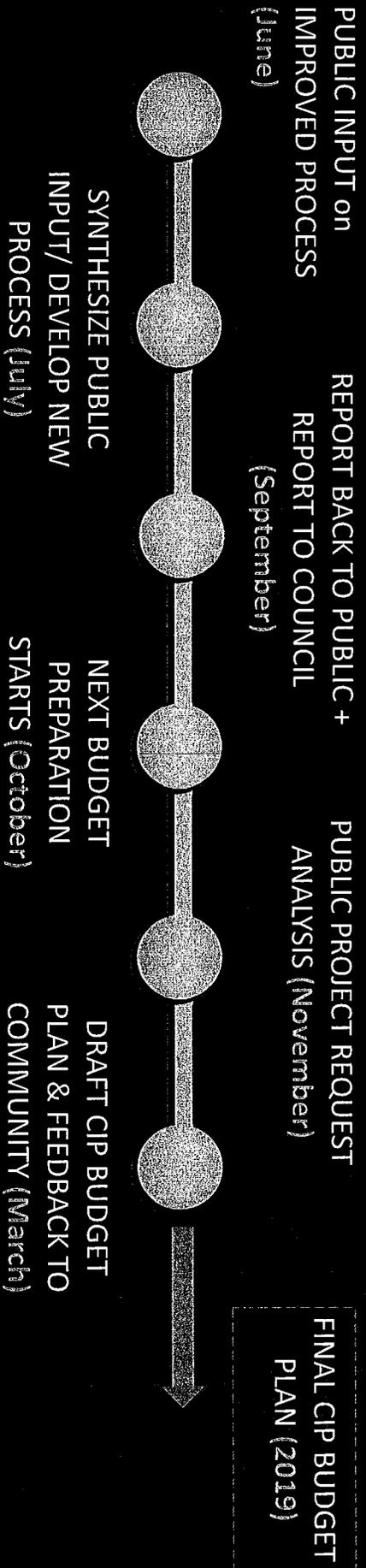
Citywide Prioritization Factors & Weighting System

Equity: Investment in Underserved Oakland (16 pts.)

<p>Health & Safety Improves Safety & Encourages Healthy Living (16 pts.)</p>	<p>Existing Conditions Renovate or Replace Broken or Outdated City Properties (13 pts.)</p>	<p>Economy: Community Investment and Economic Prosperity (13 pts.)</p>	<p>Environment: Sustainability (11 pts.)</p>
<p>Required Work: Regulatory Mandate (10 pts.)</p>	<p>Improvement: Level and Quality of Service (8 pts.)</p>	<p>Collaboration: Multiple Asset Category Benefits/ Collaborative Opportunities (8 pts.)</p>	<p>Shovel Ready: Project Readiness (5 pts.)</p>

Equity is also considered by identifying projects that **address disparities within the** Health/Safety, Economy, Environment, Improvement and Collaboration Factors

WHAT'S NEXT?



Capital Improvement Budget FY 19-21 Update

- **Anticipated CIP Sources of Funding**
 - Measure KK
 - Sewer Service Fund
 - Measure B
 - Measure BB
 - Measure HH
 - Proposition 68
 - Transportation Grants
 - Safety Grants
 - Parks Grants
 - Others



Increasing Delivery of Projects

- CIP Budgets have tripled since FY 13-15
- Minimum of 2 ½ years to 3 years to implement most projects
- Additional project resources have been procured and requested, however further project resources will be required
- Utilization of on-call design, construction management and construction contracts to assist with project resources can help with delivery of projects



Public Works – KK Expenditure Status

Update as of 3/18/19, AP 09-19

PUBLIC WORKS: PROGRAM CATEGORY	FY 2017-2019 FUNDING ALLOCATED	AMOUNT SPENT AS OF 3/12/19	FY 2017-2019 BALANCE REMAINING
Fire Department Facilities	\$6,237,500	\$625,243	\$5,612,257
Police Department Facilities	\$200,000	\$38,751	\$161,249
Library Facilities	\$4,375,000	\$357,435	\$4,017,565
Human Services and Parks & Recreation Facilities	\$9,265,000	\$3,434,623	\$5,830,377
Water, Energy & Seismic Projects	\$1,907,500	\$84,430	\$1,823,070
TOTALS	\$21,985,000	\$4,540,482	\$17,444,518

Note: Additional \$3.05 million encumbered.



TRANSPORTATION – KK Expenditure Status

TRANSPORTATION	FY 2017-2019 Funding		Funds Spent as of	
	Allocated	3/12/19	FY 2017-2019	Balance
			Remaining	
Paving	\$25,000,000	\$12,774,840	\$12,225,160	
Complete Streets Capital (grant matching)	\$5,000,000	\$438,505	\$4,561,495	
ADA Curb Ramps	\$3,600,000	\$697,507	\$2,902,493	
Bicycle Streets Paving	\$3,000,000	\$42,478	\$2,957,522	
Sidewalk Repairs	\$2,000,000	\$614,491	\$1,385,509	
Safe Routes to School	\$2,000,000	\$80,070	\$1,919,930	
TOTAL	\$40,600,000	\$14,647,891	\$25,952,109	

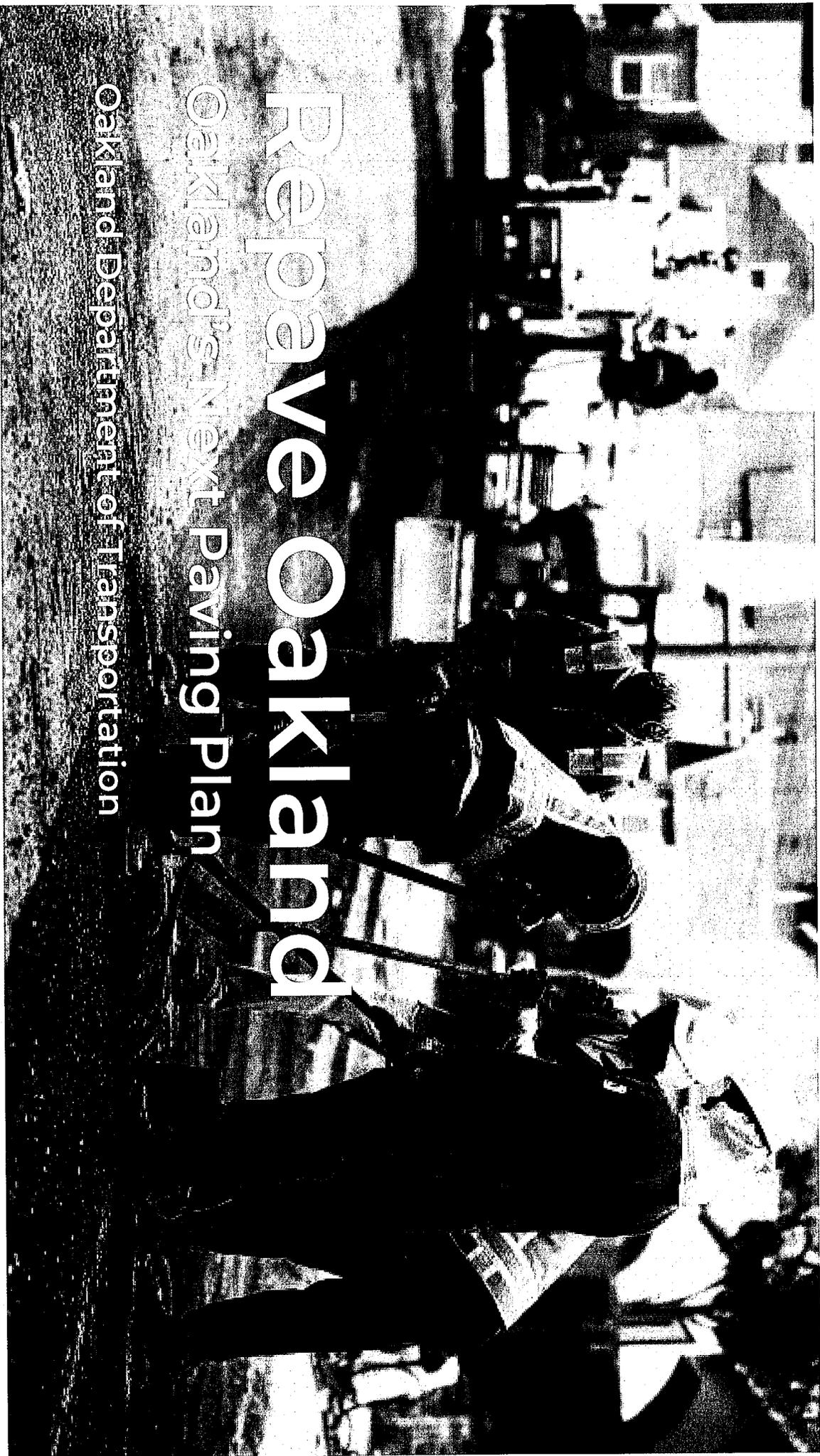
Note: Additional \$5.3 million encumbered



TRANSPORTATION – PROPOSED REALLOCATION

TRANSPORTATION	FY 2017-2019 Funding		New Total
	Allocated	Proposed Reallocation	
Paving	\$25,000,000	+\$3,250,000	\$28,250,000
Complete Streets Capital (grant matching)	\$5,000,000	-\$1,750,000	\$3,250,000
Safe Routes to School	\$2,000,000	-\$1,500,000	\$500,000





Re pave Oakland

Oakland's Next Paving Plan

Oakland Department of Transportation

Quick Definitions

Pavement Condition Index (PCI)

A grade that describes the condition of a street on a scale of 0 to 100. Anything between 0-50 is a street in poor condition. 100 is a brand new street.

Planning Area

A simple way of referring to different parts of Oakland:

- Central East Oakland
- Coliseum/Airport
- Downtown
- East Oakland Hills
- Eastlake/Fruitvale
- Glenview/Redwood Heights
- North Oakland Hills
- North Oakland/Adams Point
- West Oakland

Quick Definitions

Underserved Populations

Populations and communities that have experienced historic or current disparities.

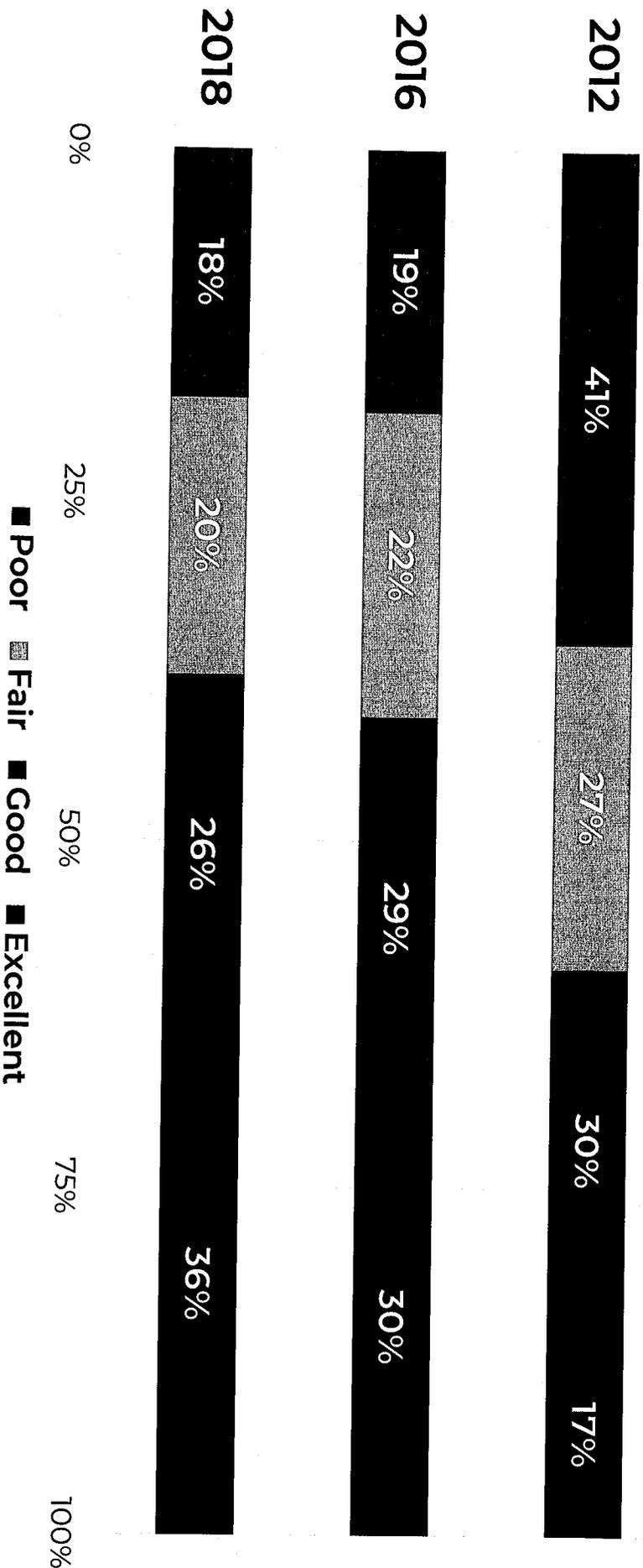
This definition includes **people of color, low-income households, people with disabilities, households with severe rent burden, people with limited English proficiency, and youth/seniors.**

Equity

Equity is a goal. It means that your identity has no detrimental effect on opportunities and outcomes for our City's residents. **To achieve equity, we prioritize the needs of underserved populations.**

Current Conditions

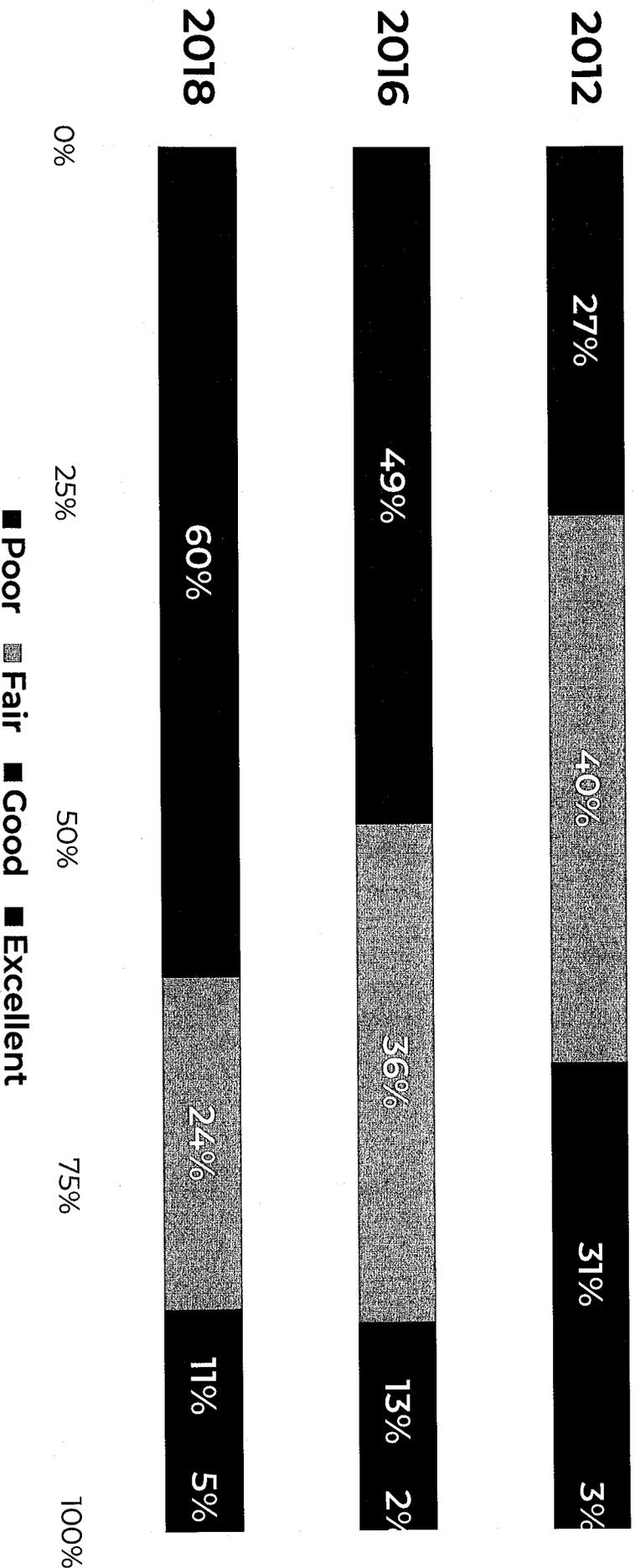
- Major Streets Have Improved**
- An increasing majority of Oakland's major streets are now in good or excellent condition
- Examples: MLK Way, E 14th St



Current Conditions

Local Streets Need Improvement

- Local streets are neighborhood streets and collectors that support local traffic on their way to major streets.
- The majority of Oakland's local streets are now in poor condition



2014 Five Year Prioritization Plan

Five Year Plan

- **Streets with more vehicle volume** because heavier vehicles = more wear and tear
- Both **preventative and significant maintenance** to stretch life of paving

80%

Worst Streets

- Selected based on **input from City Council**, staff recommendation based on **complaints**, and **street condition assessment**
- Utility cost-share

20%

2019 3-Year Paving Plan

3

Demonstrate quick action with a **3-year citywide paving plan.**

100

Deliver **\$100M in paving construction**, tripling average annual spending.

75

Prioritize \$75M on local streets to improve neighborhood quality of life.

100M

Major Streets

25M

Program funds **citywide** to keep major streets in **good condition**

Prioritize individual streets by **street condition** and **traffic safety history**

PCI Goal

70



70

Local Streets

75M

Program funds in nine planning areas by **equity** and **street condition**

Prioritize individual streets by **street condition** and **school proximity**

PCI Goal

46

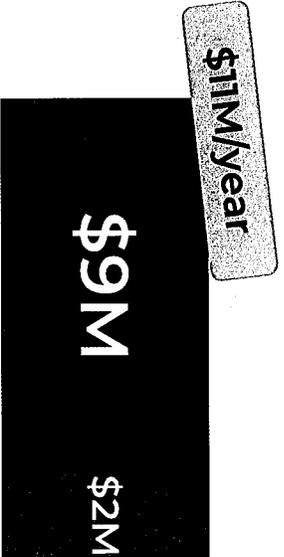


50

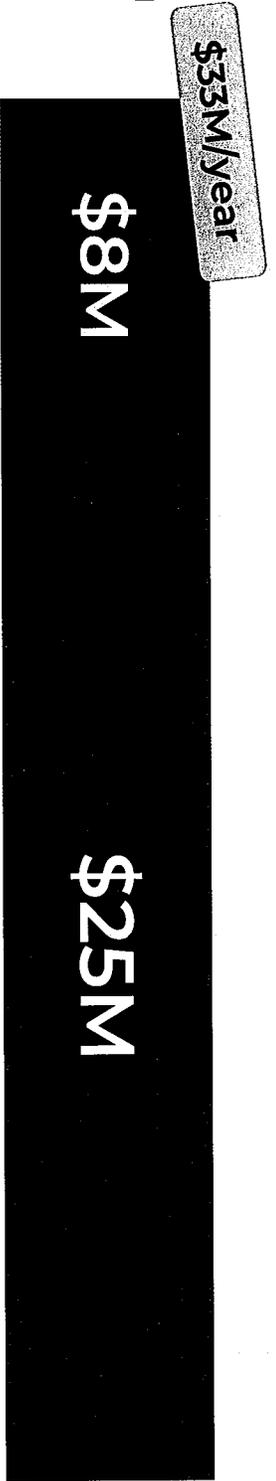
New vs Old Plan

- With little funding for paving, Oakland historically just worked to keep major streets in fair to good condition.
- More funds are available for paving now. Because of this, the 2019 Plan can **maintain funding levels for major streets** while still increasing local streets paving.

5 Year Plan
Per Year
(2014)



3 Year Plan
Per Year
(2019)



■ Major Streets
■ Local Streets

Proposed Priorities

- Use street condition, equity, and safety to prioritize
- Utility cost-share means more streets can be fully repaved after utility construction.

10% reserved for utility cost-share 5% at Council discretion

Local Streets

Prioritized by planning areas, equity factors, street condition, and school proximity

\$75M

Major Streets

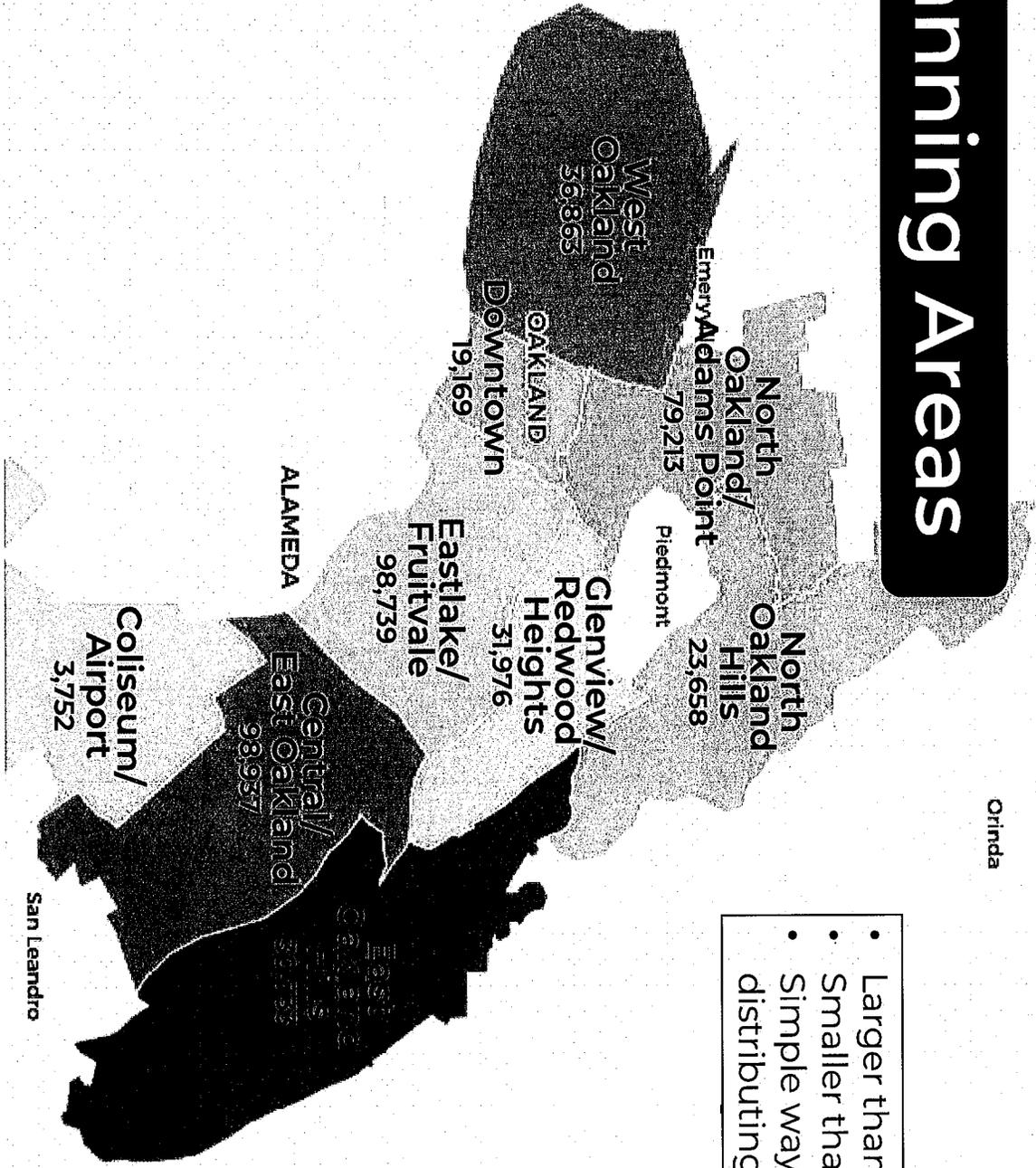
Prioritized by street condition and traffic safety history

\$25M



Planning Areas

Orinda



- Larger than neighborhoods
- Smaller than Council Districts
- Simple way of looking at distributing paving resources

Planning Areas

- Use Planning Areas to identify **Local Streets** needs based on **street condition, population density, and equity factors.**

	Pop.	Total Street Miles	Median Income	Avg Street Slope	% People of Color	% Low Income
Central / East Oakland	98,937	165	\$43K	1.3%	93%	55%
Coliseum / Airport	3,752	20	\$44K	2.1%	96%	50%
Downtown	19,169	40	\$40K	1.2%	76%	46%
East Oakland Hills	30,733	98	\$89K	5.1%	73%	22%
Eastlake / Fruitvale	98,739	134	\$45K	2.1%	85%	49%
Glenview/Redwood Heights	31,976	78	\$103K	4.7%	48%	16%
North Oakland Hills	23,658	110	\$158K	7.6%	31%	6%
North Oakland / Adams Point	79,213	126	\$76K	2.1%	50%	27%
West Oakland	36,863	60	\$37K	2.1%	77%	55%
Citywide	412,040	830	\$58K	3.2%	73%	39%

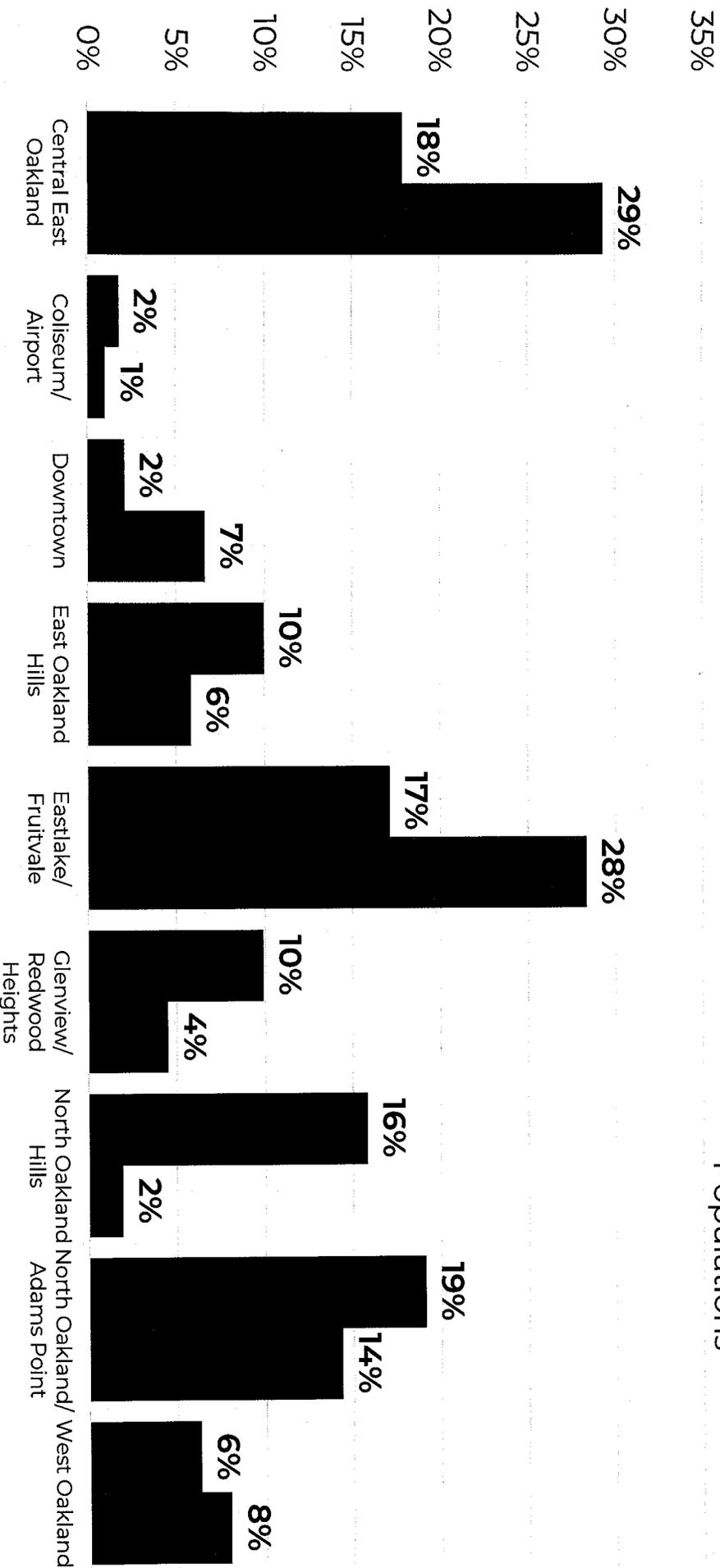
Planning Areas

- Use Planning Areas to identify **Local Streets** needs based on **street condition, population density, and equity factors.**

	Citywide Share of Pop.	Citywide Share of Underserved Pop.	Citywide Share of Local Street Miles (PCI < 50)	Local Streets Avg PCI	Local People Per Street Mile (PCI < 50)
Central / East Oakland	24%	29%	18% / 71 mi	48	1,400
Coliseum / Airport	1%	1%	2% / 7 mi	48	536
Downtown	5%	7%	2% / 8 mi	54	2,311
East Oakland Hills	7%	6%	10% / 39 mi	51	781
Eastlake / Fruitvale	24%	28%	17% / 68 mi	48	1,460
Glenview/Redwood Heights	8%	4%	10% / 39 mi	48	818
North Oakland Hills	6%	2%	16% / 62 mi	46	379
North Oakland / Adams Point	19%	14%	19% / 75 mi	40	1,050
West Oakland	9%	8%	6% / 25 mi	47	1,040
Citywide				46	1,044

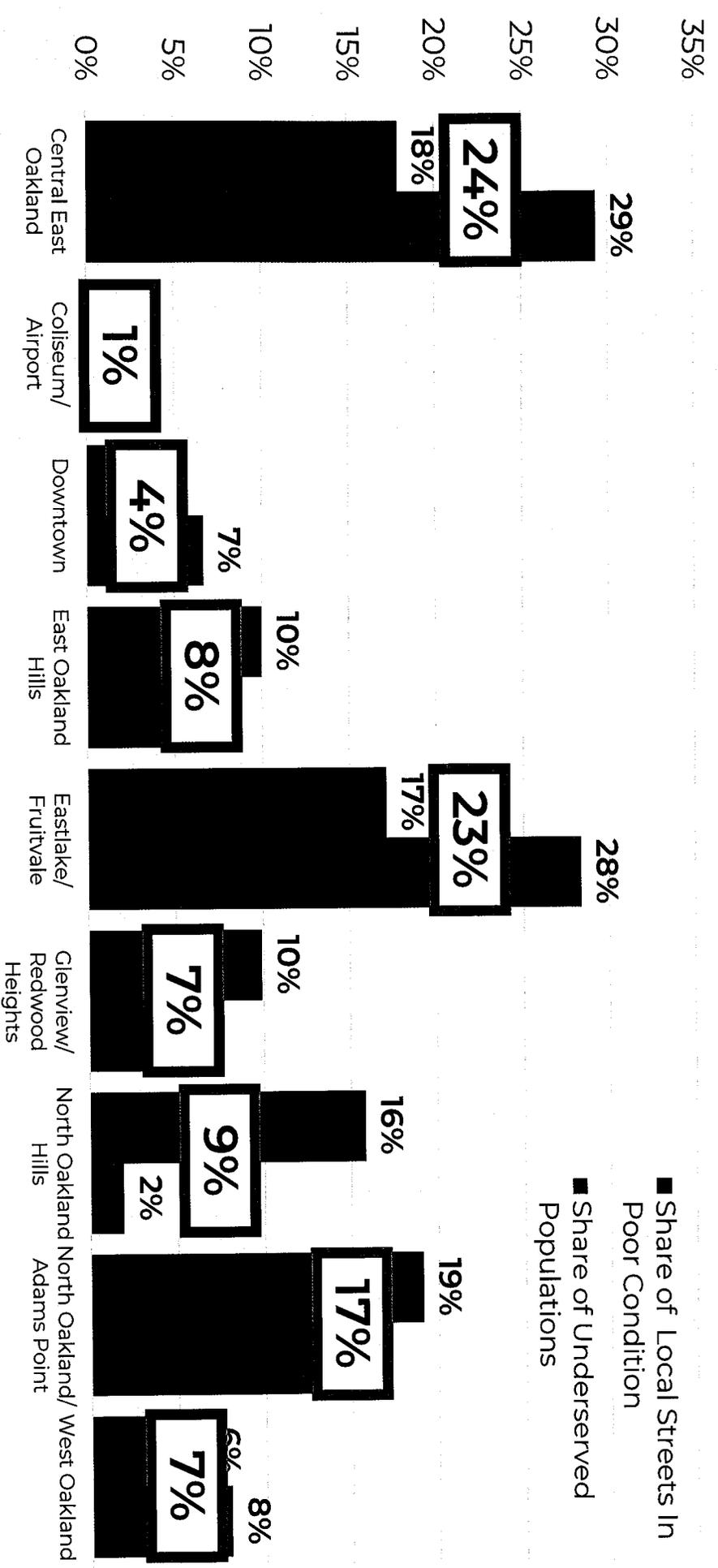
Street Condition & Equity

- Share of Local Streets In Poor Condition
- Share of Underserved Populations

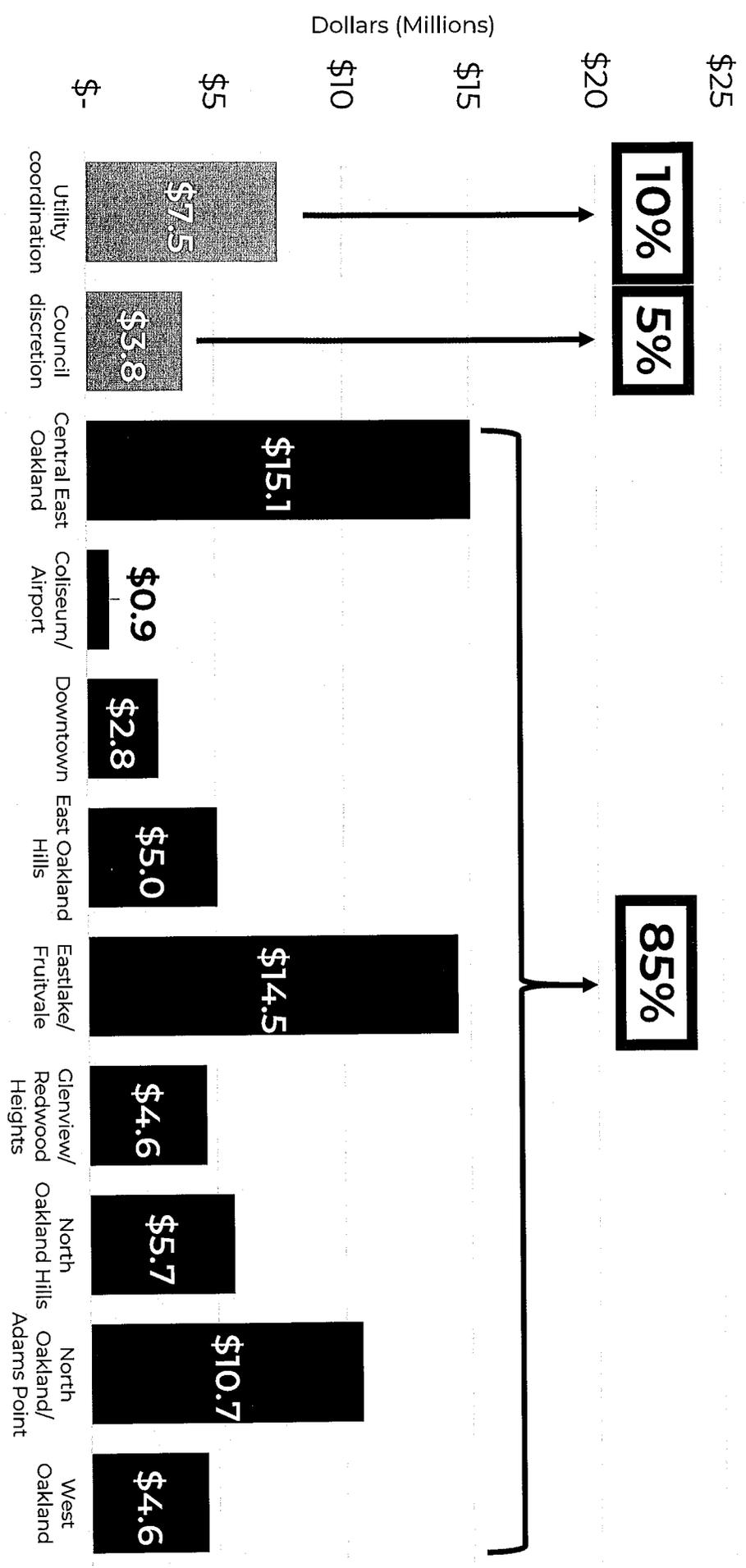


Funding By Planning Area

- Distribute funding for local streets by the share of underserved populations and share of local street miles in poor condition



Proposed Local Streets Funding



Local Streets Prioritization

Local Streets

75M

Program funds in nine planning areas by **equity** and **street condition**

Prioritize individual streets by **street condition** and **school proximity**

PCI Goal

46



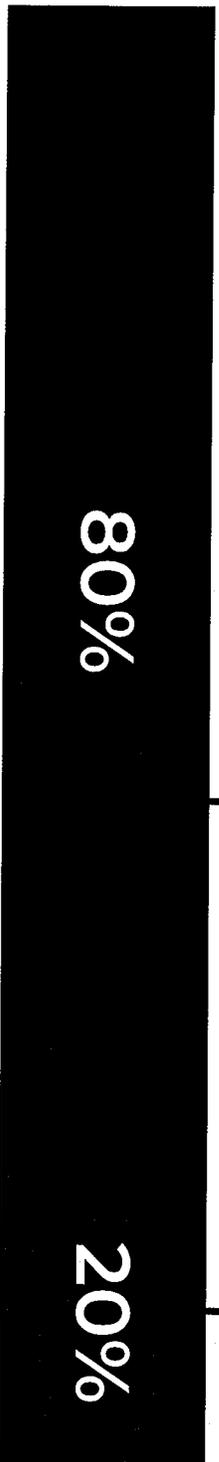
50

How We Prioritized Local Streets:

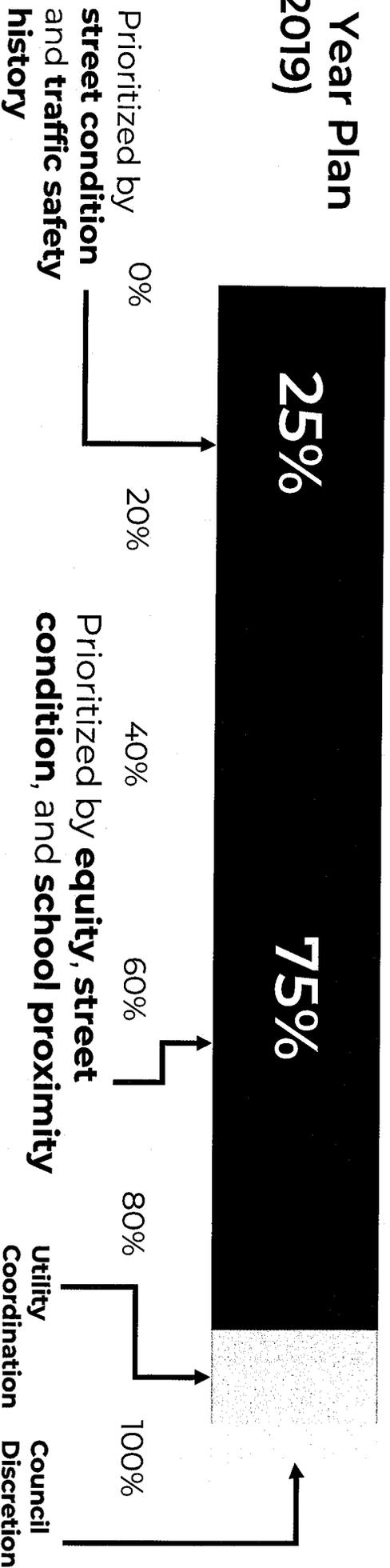
1. Select streets in poor condition near schools, then
2. Select streets in poor condition in order of worst PCI until dollar target is met

New vs Old Plan

5 Year Plan
(2014)



3 Year Plan
(2019)



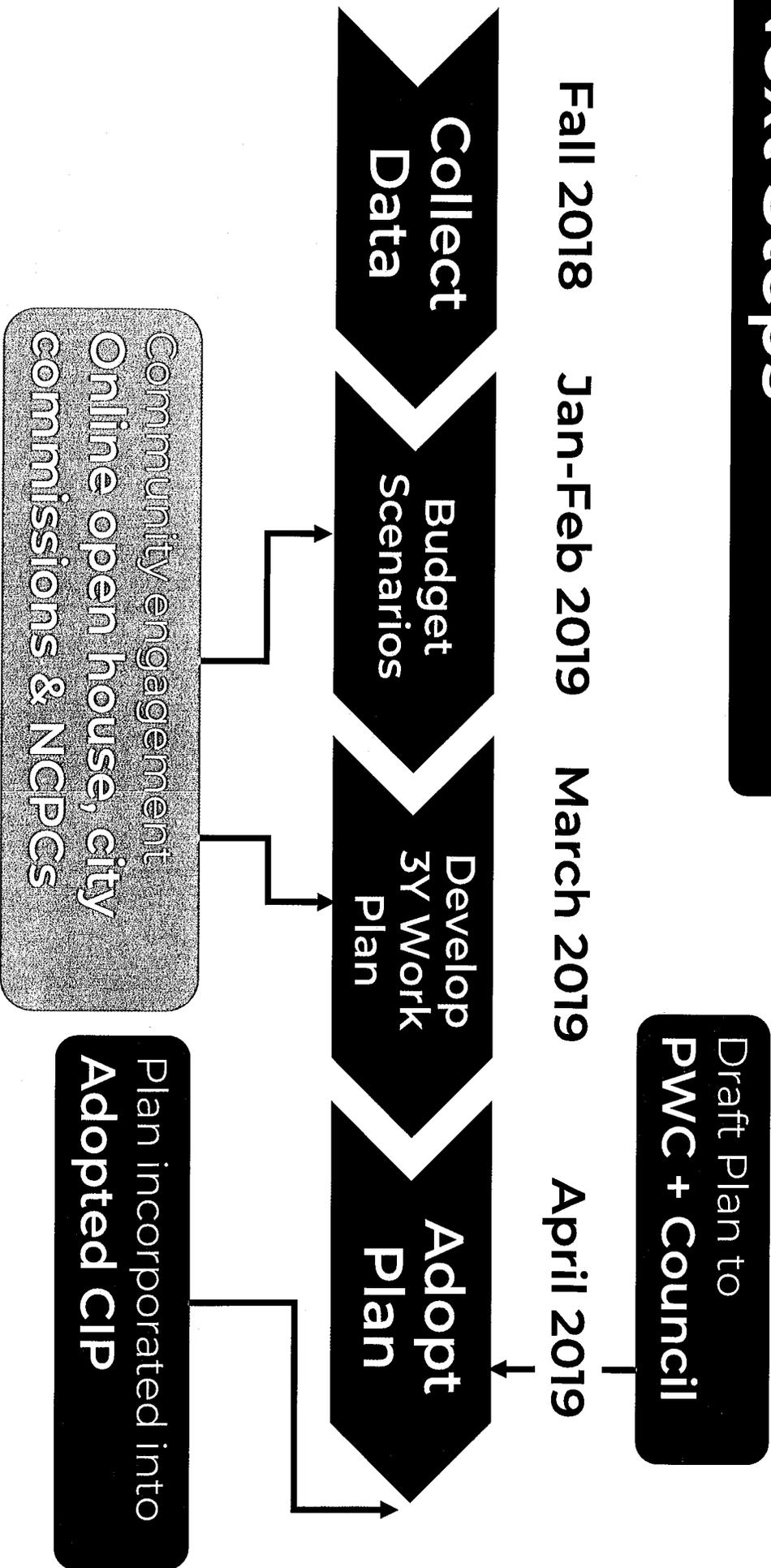
Major Changes

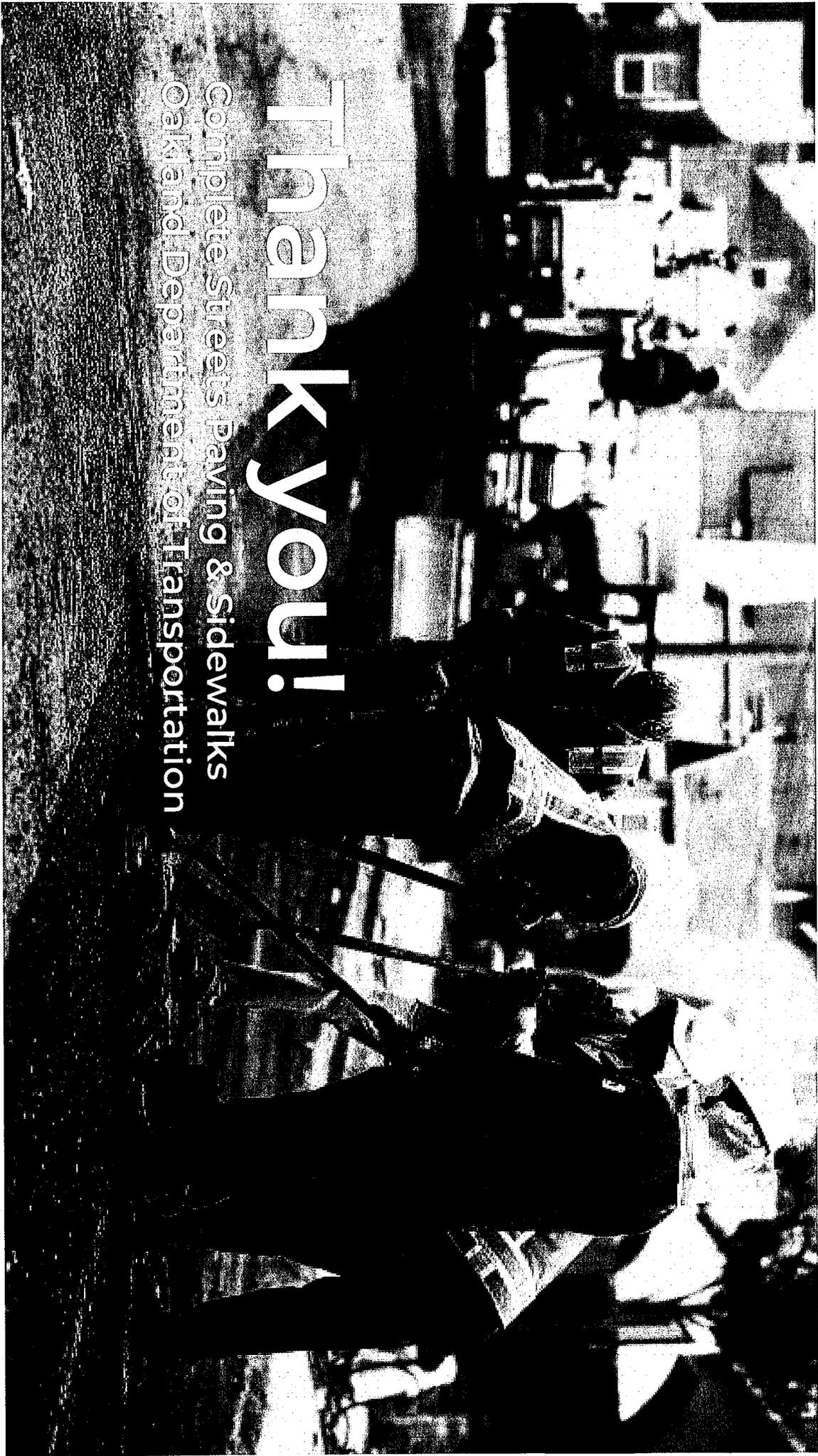
- Equity-driven capital planning
- Increased local streets repaving
- Making safety routine

Staying the Same

- Level of funding for Major Streets
- Complete Streets coordination
- Coordination with ADA Transition Plan

Next Steps





Thank you!

Complete Streets Paving & Sidewalks
Oakland Department of Transportation

Attachment A-2

Questions for HCD

1. What is the current average AMI for all of the units? How are you ensuring that 20% of all new construction units needs to be below 30% AMI?
2. Describe any criteria or point system that was used to determine which projects received funding.
3. For the acquisition rehab projects, please describe the resident participation that the developer has used.
4. For new construction projects, are there requirements for the developer to engage in a community acceptance process and if so, what are they? How do you ensure that the developer actually implements the process?
5. How much of the infrastructure bond funds has been allocated to rehabilitation compared with new construction?
6. For occupied acq-rehab, do the affordability numbers reflect the affordability level of the rents at acquisition or the income levels of residents?
7. What demographic data, specifically race/ethnicity, do you collect for initial occupancy and annual reporting?
8. Do you have a plan to lower rents over time? If so, please describe. If not, please describe how you plan to stabilize or regulate rents over the long term.

ATTACHEMENT A-2

HCD

<i>Project Type</i>	<i>Project Name</i>	<i>Developer/ Project Sponsor</i>	<i>Location/Address</i>	<i>Council District</i>	<i>Census Tract</i>	<i>Funding Round (1 or 2)</i>	<i>Funding Awarded</i>	<i>Funding Encumbered</i>	<i>Funds Spent</i>

ATTACHEMENT A-2

HCD

<i>Project Type</i>	<i>Project Name</i>	UNIT SIZE MIX (#OF UNITS)							TARGET POPULATION (#OF UNITS)								
		<i>SRO</i>	<i>Studios</i>	<i>1 BR</i>	<i>2 BR</i>	<i>3 BR</i>	<i>4 BR</i>	<i>Total Bedrooms</i>	<i>Housing Type (select all that apply)</i>	<i>HIV/AIDS</i>	<i>TAY</i>	<i>Homeless</i>	<i>Persons with Disabilities</i>	<i>Veterans</i>			

ATTACHEMENT A-2

HCD

Project Type	Project Name	PSH Units	Affordable Ownership Units	Number of units occupied at time of acquisition	Total Project Budget	Total City Contribution	City Contribution Per Unit	City Contributions Per Affordable Unit

ATTACHEMENT A-2

HCD

Project Type	Project Name	A1 Contribution	LIHTC Contribution	Total State funding contribution	Private Debt	Other	Funding Gap	Date of First City Funding Commitment (MM/YYYY)

ATTACHEMENT A-2

HCD

OPERATING SUBSIDY		Operating Subsidy Source (select all that apply)	Units Receiving Operating Subsidy	Development Status	Construction Start Date	Entitlement Status	Original Expected Date Units Come Online
Project Type	Project Name	Date of first loan closing					

ATTACHMENT A
Report by Measure KK Public Oversight Committee on
Expenditure of First Tranche of Funds
February 2020

EXECUTIVE SUMMARY

On November 8, 2016, the City of Oakland (the “City”) received voter approval authorizing the City to issue **\$600 million** in general obligation bonds to fund various City infrastructure and affordable housing projects (“Measure KK”). Measure KK requires the creation of the Public Oversight Committee to review financial and operational reports related to the expenditures of bond proceeds and evaluate the impacts and outcomes of such expenditures, including social equity, anti-displacement, and affordable housing in particular.

On August 1, 2017, the City issued the [first two series [EW1]] of general obligation bonds totaling \$117,855,000 to finance acquisition and improvements to streets and sidewalks, facilities, and affordable housing. The total amount for projects was **\$117,585,000**, which is less \$270,000 of the full amount due to expenses associated with the issuance of the bonds. *Of the total funds allocated from Measure KK for FY 2017-2019, \$xx (xx%) have been spent and encumbered.* A summary by Department is below:

DEPARTMENT	FY 2017-2019 FUNDING ALLOCATED	AMOUNT SPENT & ENCUMBERED	FY 2017-2019 BALANCE REMAINING
Department of Transportation: Streets and Roads (\$350 million)	\$40,600,000	\$26,957,937	\$13,642,063
Oakland Public Works: Facilities (\$150 million)	\$21,985,000	\$10,734,343.52	\$11,250,656
Housing and Community Development: Affordable Housing (\$100 million)	\$55,000,000	[\$EW2]	\$
TOTALS	\$117,585,000	\$	\$

On December 12, 2017, the Mayor appointed nine (9) members to serve on the Affordable Housing & Infrastructure Public Oversight Committee (the “Public Oversight Committee”) and the appointments were confirmed by City Council on December 18, 2017. (Please refer to **Attachment A** for a current list of committee members.) The Public Oversight Committee

submitted our first report on the status of the expenditures of the funds and the projects to the City of Oakland’s Finance and Management Committee in March 2019. That report can be found at: [xx](#). This report provides an update on the status of the expenditures and projects.

This report only covers continued progress on the first tranche of funds because the City has yet to authorize the issuance of the remainder of \$482,415 of general obligation bonds, although they did approve projects to be funded by the second tranche in the FY 2020-2022 [budget\[A3\]](#).

BACKGROUND

On November 8, 2016, more than two-thirds of the qualified voters of the City approved Measure KK authorizing the City to issue general obligation bonds in an amount of **\$600 million** “to improve public safety and invest in neighborhoods throughout Oakland by re-paving streets, which included to remove potholes, rebuilding cracked and deteriorating sidewalks, funding bicycle and pedestrian safety improvements, funding affordable housing for Oaklanders, and providing funds for facility improvements, such as, neighborhood recreation centers, playgrounds and libraries.” Projects to be funded by the \$600 million bond includes the following:

1. Streets and Roads Projects in the amount of \$350 million
 - a. Street paving and reconstruction
 - b. Bicycle and pedestrian improvements; bikeways, sidewalks, paths, stairs, streetscape, curb ramps
 - c. Traffic calming improvements
2. Facilities Projects in the amount of \$150 million
 - a. Fire Facilities (\$40 million)
 - b. Police Facility (\$40 million)
 - c. Libraries (\$15 million)
 - d. Parks, Recreation and Senior Facilities (\$35 million)
 - e. Water, energy and seismic improvements consistent with the City’s Energy and Climate Action Plan (\$20 million)
3. Anti-Displacement and Affordable Housing Preservation Projects in the amount of \$100 million
 - a. Funds may be spent on the acquisition, rehabilitation, or new construction of affordable housing as set forth in the Affordable Bond Law Ordinance.

On August 1, 2017, the City issued \$117,855,000 City of Oakland General Obligation Bonds, Measure KK, Series 2017A-1 and Series 2017A-2 (together the “Bonds”) to provide funds for 1) street paving and reconstruction; bicycle, pedestrian and traffic calming improvements; construction, purchase, improvement or rehabilitation of City facilities including fire, police, library, parks, recreation, and senior facilities; and water, energy and seismic improvements consistent with the City’s Energy and Climate Action Plan, all as set forth in Resolution No. 86773, adopted by the City Council on June 19, 2017, as amended by Resolution Nos. 86815 C.M.S. and 86816 C.M.S., each adopted by the City Council on June 29, 2017 and 2) anti-displacement and affordable housing preservation projects, including the acquisition,

rehabilitation, or new construction of affordable housing in accordance with the City's Affordable Housing Bond Law Ordinance and as set forth in Resolution No. 86774 C.M.S. adopted by the City Council on June 19, 2017, as amended by Resolution No. 86814 C.M.S. adopted by the City Council on June 29, 2017.

On xx, 2019, the City authorized the issuance of the remainder of the \$482,415 of general obligation bonds. The issuance of the bonds is expected to take place xx, 2020 to fund projects that were approved in the FY 2020-2022 budget[EW4].

Measure KK requires the creation of the Public Oversight Committee to review financial and operational reports related to the expenditure of bond proceeds to confirm that the funds were used in a manner permitted under Measure KK and to evaluate the impacts and outcomes of the bond expenditures on Measure KK's stated goals, including social equity, anti-displacement, and affordable housing. The Public Oversight Committee reports to the City Council.

On December 12, 2017, the Mayor appointed nine (9) members to serve on the Affordable Housing & Infrastructure Public Oversight Committee and the appointments were confirmed by City Council on December 18, 2017. The Public Oversight Committee submitted our first report on the status of the expenditures of the funds and the status of the projects to the City of Oakland's Finance and Management Committee in March 2019. That report can be found at: xx. This report provides an update on the status of the projects and assessment by the Public Oversight Committee about the expenditures.

SUMMARY OF ALLOCATED FUNDS

On August 1, 2017, the City issued the first tranche of general obligation bonds for Measure KK in the amount of **\$117,855,000**. The total amount for projects was \$117,585,000, which is less \$270,000 of the full amount due to expenses associated with the issuance of the bonds. As of **date**, 2020, a total of **\$xx** of bond proceeds has been spent on infrastructure projects out of \$62,585,000 committed to infrastructure projects and programs by Measure KK. A total of **\$xx** of bond proceeds has been spent on affordable housing projects out of \$55 million committed to affordable housing projects by Measure KK.

Working with the Department of Transportation, Oakland Public Works, and Housing and Community Development, the Public Oversight Committee developed a reporting template and questionnaire to collect data about the bond fund expenditures and status of the projects. Below is a summary of their responses by Department. The completed reporting form and questionnaires are attached.

Oakland Department of Transportation (OakDOT)

A total of \$40,600,000 of Measure KK funds was allocated to transportation projects, which includes paving, complete streets capital, curbs ramps to comply with the Americans with Disabilities Act (ADA), bicycle street paving, sidewalk repairs, and safe routes to schools. Of the total amount, \$26,957,937 has been spent and \$8,375,352 is encumbered, which is approximately 87% of the total funds allocated. A summary of the allocations and expenditures is below:

TRANSPORTATION: PROGRAM NAME	FY 2017-2019 FUNDING ALLOCATED	AMOUNT SPENT & ENCUMBERED AS OF 11/25/19	FY 2017-2019 BALANCE REMAINING
Paving	\$28,250,000	\$26,508,832	\$1,741,168
ADA Curb Ramps	\$3,600,000	\$3,146,763	\$453,237
Sidewalk Repairs	\$2,000	\$1,969,264	\$30,736
Complete Streets Capital	\$3,250,000	\$2,174,451	\$1,075,549
Bicycle Streets Paving	\$3,000,000	\$1,077,962	\$1,922,038
Safe Routes to School	\$500,000	\$456,016	\$43,984
TOTALS	\$40,600,000	\$26,957,937	\$13,642,063

Below is a status of the 16 Complete Streets projects:

- Under Construction:
 - 7th Street streetscape (District 3)
 - Telegraph Avenue Road Diet (Districts 1 and 3)
 - Market/San Pablo safety improvements (District 3)
 - Downtown intersection improvements (Districts 2 and 3)
 - Shattuck Avenue and Claremont Avenue safety improvements) (District 1)
- Design phase:
 - Bancroft Avenue safety improvements (Districts 6 and 7)
 - Fruitvale Avenue Road Diet (District 5)
 - 35th Avenue safety improvements (District 5)
 - Downtown crossing improvements (Districts 2 and 3)
 - High Street safety improvements (District 5)
 - Guardrails (Districts 4 and 6)
 - Crossing to Safety (Districts 2 and 5)
 - International Blvd pedestrian lighting (Districts 2 and 5)
 - 19th Street BART to Lake Merritt (delay in design completion due to staff availability) (District 3)

- Planning phase:
 - 14th Street Safe Routes in the City (delayed in design phase due to staff availability) (District 3)
- On hold due to loss of grant funds
 - International Blvd pedestrian lighting (Districts 2, 5, 6, and 7)

When asked about limitations to their capacity to implement the projects, DOT responded that their constraint continues to be staffing and access to consultants to complete project designs. They reported that staff vacancies have impacted them since the establishment of the Department. Their current vacancy rate is about 20%, which has stayed relatively constant at this level.

To address these limitations, DOT reported that as of the summer, they have had a full slate of approved on-call consultants, which has assisted in project delivery. In addition, the approval of two on-call construction contracts for paving, as well as the ability for the City Administrator to award \$35 million in paving contracts without returning to City Council, have been very helpful. This has allowed DOT to quickly execute contracts for projects going into construction this fall. DOT has also worked closely with Human Resources to prioritize filling high impact positions. For example, in the past year this has resulted in staffing up in the streets maintenance division to allow in-house paving crews to be fully operational by end of FY 2018-2019. In addition, they have increased transportation planning staff with four permanent transportation planning positions.

DOT also highlighted that the extremely high cost of inflation of capital projects have been a challenge, as project bids are consistently above cost estimates which results in acquiring additional capital.

The Public Oversight Committee would like to continue to highlight that the bond funds can **only be used for resurfacing, not for maintenance activities, such as potholing.**

For details on these projects, please refer to Attachment **xx** and Attachment **xx** to DOT's responses to the questionnaire.

Please refer to Attachment **xx** to view a map of the Measure KK Transportation Projects as of **xx**. To view an interactive map of the project locations, including the Oakland Equity Index (OEI) demographics and score by project go to:

<http://oakgis.maps.arcgis.com/apps/webappviewer/index.html?id=c9353519c32644d5b362eea1794686f0>

Oakland Public Works (OPW)

A total of \$21,985,000 of Measure KK funds was allocated to 18 public works projects. Of the total amount, \$9,428,285 of the funds have been expended, and \$1,306,058 have been encumbered as of November 15, 2019, which is approximately 49% of the funds. These funds were used to leverage an additional \$8,865,788 of funding from other sources.

Below is a status of the 18 projects:

- Completed:
 - Head Start Playgrounds Replacement at Arroyo Viejo (District #2[EW5]), Brookfield, Manzanita, and San Antonio Recreation Center
 - Rainbow Recreation Center

- Post-construction:
 - The Lions Pool in Dimond Park (#4)

- Under Construction:
 - Head Start Recreation Centers at Arroyo Viejo, Brookfield, and Manzanita
 - Three projects at various Oakland Fire Department stations
 - Waterproofing at Tassafaronga Gym
 - Fire Station 12 improvements

- Design Phase:
 - Henry Robinson Multi-Services Center
 - Main Library Remodel
 - Brookfield Branch Library (the West Oakland and Asian Branch Libraries are on hold)
 - Fire Stations 10 and 16 (renovations to Fire Stations 12, 16, 10, and 15 considered one project)

- Planning phase:
 - Fire Stations #4 and #29 are in the planning phase

- Projects out for bid and award:
 - Replacement of the HVAC and energy system at the Animal Services Center
 - Wiring hazard mitigation at the Golden Gate, Curt Flood, Tassafaronga, and Lowell ballfields

A summary of the allocations and expenditures is below:

PUBLIC WORKS: PROGRAM NAME	FY 2017-2019 FUNDING ALLOCATED	AMOUNT SPENT & ENCUMBERED AS OF 11/15/2019	FY 2017-2019 BALANCE REMAINING
Fire Department Facilities	\$6,237,500	\$1,718,983	\$4,518,517
Police Department Facilities	\$200,000	\$68,485	\$131,515

Library Facilities	\$4,375,000	\$527,491	\$3,847,509
Human Services and Parks & Recreation Facilities	\$9,522,500	\$8,234,762	\$1,287,738
Animal Services	\$1,650,000	\$184,623	\$1,465,378
TOTALS	\$21,985,000	\$10,734,344	\$11,250,657

When asked about their limitations to their capacity to implement the projects, and how they might address them, OPW responded with the following:

- Insufficiently defined scope and scope revisions from client department has delayed progress as well as increased budget needs. To address this, for tranche 2 of the funds the Department has allocated funding for just the preliminary design scope instead of upfront funding for the full project.
- Staffing levels and the hiring process has been a challenge. There have been staffing shortages for project and construction management. The Department plans to hire additional staff based on the timing of the next bond issuance.
- High construction costs have impacted the Department’s ability to deliver the projects. Staff may need to build in greater contingency in construction funds, which may increase the budget.
- The Department is considering a more robust outreach process and alternative contracting methods to address the lack of contractors to provide competitive bids.
- The limitations in the City Administration’s contracting authority has been a challenge. Increasing their contracting authority may be an option to enable the Department to implement the projects.

The Public Oversight Committee also asked OPW to describe how staff vacancies impacted their ability to implement their projects. OPW reported that the Capital Improvement Program staffing has recently restructured its management of projects, programs, and funds. There are currently two vacant positions, for which the project management team is in the process of hiring.

OPW construction services also has a staffing shortage of 15 to 20%. They are recruiting for new staff but there are limited candidates available.

Finally, the Public Oversight Committee asked the Department to describe successes and challenges they have had with their community engagement activities. OPW reported that they have found engaging the community throughout the project at different phases the most successful. Specifically involving the community at the beginning of the project to gather concerns and ideas are the most helpful. This also enables them to develop strong relationships in the beginning which enables them resolve issues much more effectively as the project progresses. In most cases, despite conflicting community interests, most stakeholders end up

supporting the final project scope and has a deeper understanding of the issues or compromises that are required.

For details on these projects, please refer to Attachment **xx** and Attachment **xx** to OPW’s responses to the questionnaire.

To view an interactive map of the project locations, including information of race and ethnicity percentage by tract and average annual income by neighborhood, go to:
<http://oakgis.maps.arcgis.com/apps/webappviewer/index.html?id=151ed66ab1f345dbbf9cedd34d4f6dc2>.

Housing and Community Development (HCD)

A total of \$55 [EW6]million of Measure KK funds was allocated to affordable housing projects, which includes new construction, rehabilitation and preservation, acquisition and rehabilitation conversion, and transitional housing. Of the total amount, about \$27,444,043 has been spent, which is approximately 50% of the funds. Measure KK allows no more than 5% of the affordable housing funds to go towards administrative expenses. These expenses are estimated to be \$xx. [EW7]A summary of the allocations and expenditures is below:

HOUSING AND COMMUNITY DEVELOPMENT: AFFORDABLE HOUSING	FY 2017-2019 FUNDING ALLOCATED	AMOUNT SPENT AS OF 2/4/19	FY 2017-2019 BALANCE REMAINING
New Construction	\$12,994,900[EW8]	\$6,705,000	\$6,289,900
Rehabilitation	\$9,288,000[EW9]	\$4,538,000	\$4,750,000
Acquisition and Rehabilitation Conversion[EW10]	\$10,474,000	\$9,194,000	\$1,280,000
Acquisition of Transitional Housing	\$7,018,042[EW11]	\$7,007,043	\$10,999
TOTALS	\$39,774,942[EW12]	\$27,444,043	\$12,330,899

These projects will result in a total of 965 units. The number of units based on income is:

- Extremely Low-Income @ 20% AMI: 183
- Extremely Low-Income @ 30% AMI: 170
- Very Low-Income @ 31-50% AMI: 271

- Low-Income @ 51-80% AMI: 325^[EW13]

The number of units targeted for specific populations are:

- HIV/AIDS: 11
- Homeless: 298
- Persons with Disabilities: 117
- Veterans: 28

New Construction of Affordable Rental and Ownership Housing

The budget for new construction is \$7 million.^[EW14] There are 10 new construction projects that have been allocated \$12,994,900 of Measure KK bond funds. About \$6,705,000 of the funding has been spent, which is about 52%. These funds were used to match \$70,135,843 of Alameda County A1 dollars. Of the 10 projects, one is under construction and the rest are in predevelopment. These projects will result in 710 units.

Housing Rehabilitation and Preservation

The budget for the rehabilitation and preservation program is \$10 million. Three (3) projects have been awarded funds for a total of \$9,288,000^[EW15]. About \$4,538,000 of these funds have been spent, which is 49%. Of the three projects, one is under construction and two are in predevelopment. These sites will result in 110 ^[EW16] units.

Acquisition and Rehabilitation Conversion^[EW17]

The budget for the acquisition and rehabilitation conversion program is \$18 million^[EW18]. Seven (7) projects have been awarded funds for a total of \$10,474,000. About \$9,194,000 of these funds have been spent, which is 99%. Of the seven projects, two ^[EW19] are in predevelopment. These sites will result in 75 ^[EW20] units.

Transitional Housing

The budget for the acquisition of transitional housing is \$14 million^[EW21]. The City of Oakland has acquired one building at 641 Grand for \$7,018,042. The building (The Holland) has 70 Single Room Occupancy units and has been operational since December 2018.

The average Area Median Income (AMI) for all measure KK funded projects is 50% AMI. Please see the table below for the methodology used.

AMI	# of Units at AMI level	A * B
0.20	207	41
0.30	170	51
0.50	271	136
0.80	325	260

1.20	-	-
Total	973[EW22]	488
Average AMI		50.14%

Data Source: Oakland Affordable Housing Tracking spreadsheet

According to the requirements of the bond measure, 20% of all new construction needs to be below 30% AMI. HCD is ensuring compliance of this provision by including a threshold requirement that each project proposal include a minimum of 20% of affordable units for households earning at or below 30% AMI. In addition, points were reserved within the NOFA scoring for developments that exceeded the minimum threshold. The affordability restrictions committed to in the awarded projects were then memorialized in a recorded Regulatory Agreement executed prior to release of any funds.

In addition to reviewing applications for compliance with threshold requirements, described above, applications were also scored according to[A23]:

- Financial characteristics of the property, and general readiness to proceed with development,
- Project location,
- Income targeting, unit sizes exceeding minimum thresholds for family developments, and units for homeless and special needs populations, and
- Developer capacity, experience and financial strength, and strength of development team.

New construction NOFA projects were also awarded points for project sustainability and project readiness to proceed, and Rehabilitation and Preservation NOFA projects were awarded points for urgency of need for rehabilitation work and displacement prevention.

The Public Oversight Committee asked HCD about limitations to their capacity to implement the projects, and how they might address them. Following is HCD response:

- A major challenge is the amount of time it takes for housing development projects that were awarded funds to assemble the balance of funding needed to start construction. Many of the projects with unspent funding are new construction projects, with KK funding providing the required match for accessing Alameda County Measure A1 funds. The current new construction Notice of Funding Availability (NOFA) is limited to these projects, increasing the likelihood that some will be able to start construction in 2020.
- The 1-4 Unit Housing Program needed to be revised. The change expanded the former “Site Acquisition Program” to serve smaller properties, including community land trusts and limited equity cooperatives. This revised program component is now called the Acquisition and Conversion to Affordable Housing and a NOFA for this will be released before the end of the year.

HCD has also had staff vacancies, which has impacted project implementation. A vacancy was being filled on a part-time temporary basis for the past six months and was recently filled through an internal promotion, creating another vacancy. Two positions have been vacant for nine months and there are two new positions that were approved in FY 2019-21 budget that are also vacant. All are in process of being recruited.

The Public Oversight Committee also asked HCD about any community engagement process the developer used for the project. For both the Acquisition, Rehabilitation and Preservation and New Construction NOFA, [A24] applicants must have held at least one meeting with an established neighborhood organization prior to applying for funding. They are also required to include a Community Outreach Plan that describes how they will build support and address community concerns. If a project is awarded funds, staff works with the developer to ensure that the community engagement process continues to be followed.

For details on these projects, please refer to Attachment xx and Attachment xx to HCD's responses to the questionnaire.

SOCIAL EQUITY AND ANTI-DISPLACEMENT

One of the outcomes the Public Oversight Committee is charged to evaluate, related to the expenditures of the bond proceeds, is social equity and anti-displacement. The Committee is identifying evaluation indicators to measure these complex issues and recommends exploring the possibility of recruiting a third party evaluator to help.

The first tranche of funds was analyzed using the Oakland Equity Index (OEI), a metric developed by City staff for use in measuring equitable distribution of infrastructure projects. Every census block was assigned an OEI score based on the average of percentages of the block population that are minorities, low-income, and youth under 10, respectively. Blocks are then assigned designations of "very low," "low," "medium," "high," or "very high" disadvantage based on what quintile of census tracts their score places them in. Very high and high quintiles are concentrated in East Oakland and West Oakland while Low and Very Low quintiles are concentrated in hills neighborhoods, North Oakland, and around Lake Merritt.

Since then, the Oakland Public Works and the Department of Transportation conducted a Capital Improvement Program (CIP) prioritization process to incorporate community values and priorities in the CIP process. Over the summer of 2018 they conducted community meetings, outreached to community organizations, and gathered input through an online survey. The following nine factors have been weighted based on the prioritization results and were used to identify the CIPs that were approved in the FY 2020-2022 budget, which will be funded in the second tranche of bond proceeds:

1. Equity: Investment in underserved communities (geographically)
2. Health/Safety: improve safety and encourage healthy living
3. Existing Conditions: Renovate or replace broken or outdated city property
4. Economy: Benefit small Oakland businesses and create job opportunities for Oaklanders
5. Environment: improve the environment and address climate change
6. Required Work: Address areas where the City may be held financially and legally responsible

7. Improvement: build new and upgrade City owned property
8. Collaboration: Combine city projects to save time and money
9. Shovel Ready: Ready-to-go projects without delay

In addition, the Department of Transportation used a new equity paving index to identify priority streets and Housing and Community Development committed their additional funds to preserving affordable housing.

CONCLUSION

All three Departments have made considerable progress on the expenditure of their KK bond funds and implementation of their projects. From their reports, it seems like they have learned a lot from their experience during the first year and have revised their funding strategy or programs accordingly. However, they all still have staff vacancies that are impacting their ability to implement their projects.

The Public Oversight Committee hopes that the template we developed with the Departments and stakeholders will help with more efficient and effective data collection and provide the public with information about the funded projects that is easy to comprehend.

We look forward to assessing how well the new equity criteria used to allocate the second tranche of funding works to achieve social equity and prevent displacement in Oakland.

Submitted by:

Ellen Wu
Chair, Measure KK Public Oversight Advisory Committee



2020

Oakland City Council and Council Committees Meeting, Report & Agenda Distribution

Council / Committee Meeting Dates		Reports Due To City Administrator's Office: Mondays @ 4:00 P.M. (3 Weeks Prior To Meeting)	Reports Due To Clerk Agenda Management Thursdays @ 4:00 P.M.	Agenda Packet Distribution
1-07-2020 JANUARY 7th MEETING CANCELLED FOR NEW YEAR				
1-14-2020	Committee	12-23-2019	1-02-2020	1-03-2020
1-21-2020	Council	12-30-2019	1-09-2020	1-10-2020
1-28-2020	Committee	1-06-2020	1-16-2020	1-17-2020
2-04-2020	Council	1-13-2020	1-23-2020	1-24-2020
2-11-2020	Committee	Friday 1-17-2020¹	1-30-2020	1-31-2020
2-18-2020	Council	1-27-2020	2-06-2020	2-07-2020
2-25-2020	Committee	2-03-2020	2-13-2020	2-14-2020
3-03-2020	Council	2-10-2020	2-20-2020	2-21-2020
3-10-2020	Committee	Friday 2-14-2020²¹	2-27-2020	2-28-2020
3-17-2020	Council	2-24-2020	3-05-2020	3-06-2020
3-24-2020	Committee	3-02-2020	3-12-2020	3-13-2020
3-31-2020 ~ 4-03-2020 ANNUAL SPRING RECESS – MEETINGS CANCELLED³				
4-07-2020	Council	3-16-2020	3-26-2020	3-27-2020
4-14-2020	Committee	3-23-2020	4-02-2020	4-03-2020
4-21-2020	Council	3-30-2020	4-09-2020	4-10-2020
4-28-2020	Committee	4-06-2020	4-16-2020	4-17-2020
5-05-2020	Council	4-13-2020	4-23-2020	4-24-2020
5-12-2020	Committee	4-20-2020	4-30-2020	5-01-2020
5-19-2020	Council	4-27-2020	5-07-2020	5-08-2020
5-26-2020	Committee	5-04-2020	5-14-2020	5-15-2020
6-02-2020	Council	5-11-2020	5-21-2020	5-22-2020
6-09-2020	Committee	5-18-2020	5-28-2020	5-29-2020
6-16-2020	Council	Friday 5-22-2020³¹	6-04-2020	6-05-2020
6-23-2020	Committee	6-01-2020	6-11-2020	6-12-2020
6-30-2020 4th OF JULY HOLIDAY – MEETINGS CANCELLED³				
7-07-2020	Council	6-15-2020	6-25-2020	6-26-2020
7-14-2020	Committee	6-22-2020	7-02-2020	7-03-2020
7-21-2020	Council	6-29-2020	7-09-2020	7-10-2020
7-28-2020 ~ 8-31-2020 ANNUAL SUMMER RECESS – MEETINGS CANCELLED³				
9-08-2020	Committee	8-17-2020	8-27-2020	8-28-2020
9-15-2020	Council	8-24-2020	9-03-2020	9-04-2020
9-22-2020	Committee	8-31-2020	9-10-2020	9-11-2020
9-29-2020	Special Council 5th Tuesday²	Friday 9-04-2020¹	9-24-2020	9-25-2020
10-06-2020	Council	9-14-2020	9-24-2020	9-25-2020
10-13-2020	Committee	9-21-2020	10-01-2020	10-02-2020
10-20-2020	Council	9-28-2020	10-08-2020	10-09-2020
10-27-2020	Committee	10-05-2020	10-15-2020	10-16-2020
11-03-2020 NOVEMBER 3RD MEETING CANCELLED FOR ELECTION DAY				
11-10-2020	Special Council	10-19-2020	11-05-2020	11-06-2020
11-17-2020	Special Committee	10-26-2020	11-12-2020	11-13-2020
11-24-2020 ~ 11-27 2020 THANKSGIVING RECESS - MEETINGS CANCELLED				
12-01-2020	Council	11-09-2020	11-19-2020	11-20-2020
12-08-2020	Committee	11-16-2020	Tuesday 11-24-2020¹	Wednesday 11-25-2020¹
12-15-2020 ~ 12-31-2020 WINTER RECESS – MEETINGS CANCELLED				

¹ Deadlines changed to accommodate holidays

² 5th Tuesdays are designated as Special Meetings pursuant to the Council's Rules of Procedures Resolution 87044 C.M.S

³ Dates for the Mayor's Recess Agenda are August 6, 13, 20, and 27, 2020

Schedule is subject to change. Contact the Office of the City Clerk for questions. ClerkAgendaUnit@oaklandca.gov | (510) 238-6406