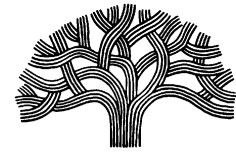


# CITY OF OAKLAND



**Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee**  
**1 Frank H. Ogawa Plaza, Hearing Room 3**  
**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.

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## **AGENDA**

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

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#### **MEMBERSHIP**

Ellen Wu, Chairperson  
Daniel Swafford, Vice Chairperson  
Lauren Westreich, Member  
Gary Jimenez, Member  
Carroll Fife, Member  
Ken Lupoff, Member  
Gloria Bailey-Ray, Member  
Michael Pyatok, Member  
Fernando Campos, Member

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**DATE:** Monday, June 4, 2018  
**TIME:** 5:00 pm – 7:00pm  
**PLACE:** 1 Frank Ogawa Plaza, Hearing Room 3  
Oakland, California 94612

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#### **ORDER OF BUSINESS**

- I. Roll Call and Determination of Quorum
- II. Approval of Draft Minutes from the Committee meeting of May 16, 2018

**Affordable Housing & Infrastructure Bond (I-Bond)**  
**1 Frank H. Ogawa Plaza, Hearing Room 3**  
**Oakland, California 94612**

- III. Project Status Presentation
  - a. Housing Community Development Department
  - b. Questions & Answers
- IV. Presentation from Race & Equity Department
- V. Adoption of By-Laws
- VI. Discussion and Set Priorities and Goals for the Committee
- VII. Discussion of Next Steps
  - a. Identify Future Agenda Items
  - b. Confirm next meeting: September 2018
- VIII. Open Forum/Public Comment
- IX. Adjournment

**A COMMITTEE MEETING** of the Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee (the “I-Bond Committee”) was held on May 16, 2018, in Hearing Room 4, One Frank Ogawa Plaza, Oakland, California.

- Committee Members  
**Present:**
- Ellen Wu, Chairperson
  - Daniel Swafford, Vice Chairperson
  - Lauren Westreich, Member
  - Ken Lupoff, Member
  - Michael Pyatok, Member
  - Gary Jimenez, Member
  - Gloria Bailey-Ray, Member

- Committee Members  
**Absent:**
- Carroll Fife, Member
  - Fernando Campos, Member

- Additional Attendees:
- Katano Kasaine, Director of Finance/Treasurer
  - Celso Ortiz, Deputy City Attorney
  - David Jones, Treasury Administrator
  - Dawn Hort, Principal Financial Analyst

The meeting was called to order at 5:06 pm.

**I. Approval Of The Draft Minutes From The I-Bond Committee Meeting Of May 16, 2018**

Chairperson Wu moved to accept the minutes, Member Swafford seconded the motion and it passed by consensus.

**II. Staff Overview Of Informational Report To City Council On Status Of Projects And The Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee (April 24, 2018)**

Katano Kasaine, Director of Finance/Treasurer gave an overview of the informational agenda report that was requested by Councilmember Larry Reid. The main purpose of the report was to provide information regarding the status of the I-Bond Oversight Committee and the spending of the money for the I-Bond. The report was accepted and filed.

### **III. Project Status Presentation**

#### IIIa. Department of Transportation (DOT)

Wlad Wlassowsky, Assistant Director of OakDOT gave a short introductory and background since the passage of the bond measure (November 2016). Early 2017, DOT and PWA started putting together strategies for how to spend the money using the guidance of bond documents and the categories permitted by the I-Bond Measure. It is important to understand that projects take a long time to develop (from concept to planning to design to bidding and finally construction). OakDOT and OPW jointly decided to look at all projects on the books that are underfunded, that has previously competed for grants and were not successful or conversely where grants were gotten and try to leverage those grants and bring in Measure KK funds to advance those projects. DOT looks to finish up their existing 5-year paving program which has been approved by City Council a couple years earlier and provide opportunity to fully fund it and accelerate it. Same thing with sidewalks and curb ramps, has ongoing programs to do repair Citywide. Likewise, had been successful in getting grants but not as successful in coming up with matching fund required, so committing bond funds to complete those projects. These are the overview strategies for the last year and half.

#### IIIb. Public Works Department (OPW)

Matt Lee, Project Division Manager of OPW presented the overview of Capital Improvement Program (CIP) Prioritization Process Improvement. The City has a new prioritization process. This is an OPW and OakDOT led effort, they establish the CIP working group which included internal stakeholders (CIP Advisory Committee (CIPAC)). The CIPAC realized there is a need for community inputs so further included an outreach component to the process in developing the prioritization. As for timeline, the main milestone is to meet the September 2018 Council meeting to adopt new CIP Prioritization Process. current status and moving forward. the Infrastructure report – using bond funds to finish the project. There are many steps in developing the Prioritization Process, currently are in the outreach component. They will be reaching out to the community in mid to late June to solicit feedbacks on prioritizing projects and take those inputs and make sure it feeds into the process. The Prioritization Process is based on Oakland's values in order to develop a process on the project selections for CIP. They used those shared values to come up with the Citywide Capital Prioritization Factors (9 components). Now they are ready to reach out to the public to solicit feedbacks in term of how they value and where the money should be spent for capital improvements. Once that is done, they will add assets specific sub-factors and performance metrics to further define how to go through in the prioritization process. They have reached out to other cities around to county to see how they are doing their process (City of San Diego, City of Minneapolis, City of Berkeley). Equity component is a large focus of the City. Instead of using the "community of concerns", they use data

from the census data track and remap to do analysis base on different categories of how to look at equity. It is not finalized yet, but is on the Oakland webpage.

Bruce Williams presented the progress report on the projects for OakDOT, beginning of May 2018. The table show funds that has been spent to date and fund that are committed, encumbered in contracts, about \$9 million in paving cost. 7<sup>th</sup> Street Streetscape Phase 2 construction contract approved by Council last night so \$775,086 will go into the committed fund and construction will start soon. Several other projects are getting started including all the Highway Safety Improvement Program/Projects (HSIP 8). OakDOT have committed a total \$9 million and spent so far \$1.8 million.

Matt Lee provided the progress report on the projects for OPW, has about approximately 18 projects, committed approximately \$773,117 and spent \$228,777 as March 31, 2018. To end the presentation, Matt indicated the City will host four public information meeting in June, East Oakland, West Oakland, Central/Downtown and Central/East Oakland area as part of the community outreach for the prioritization process.

#### **IV. Establishing By-Laws**

Chairperson Wu presented the revised bylaws. Vice Chairperson Swafford brought up the revision of bylaws by simple majority, what is the process for future revision of the by-laws? Member Lupoff does not think there needs to be explicit language or clause in the bylaws. The language agreed upon "These bylaws shall become effective immediately on final adoption if it receives affirmative votes by a majority of members present".

Member Westreich brought up "remove for cause after hearing" and is everyone okay with having it be a majority. Chairperson Wu got language from handbook. Member Westreich brought up the question "What happens in this Committee in case of a tie?". Chairperson Wu doesn't think the bylaws has to say it, unless there is an exception to that rule. Member Jimenez suggested a poll be sent out to members within 24 hours. Vice Chairperson Swafford indicated that the City does not allow members to vote by proxy, but can put back on the agenda for next meeting. Member Bailey-Ray suggest let's keep it "simple". By consensus, the no language is needed.

Katano Kasaine indicated that these bylaws are for this Committee and does not need to be in City Council format, can take all references off.

Chairperson Wu asked for comments on section 4 (b). Chairperson Swafford suggested committee members determine what the threshold within this committee when that recommendation would occur, so the committee could vote by majority or supermajority to recommend to the Mayor removal of a member. Member Westreich agrees and also

suggested including language for when a member wants to voluntary resign. By consensus, no language is needed for voluntary resigning and the following the following change to section 4 (b): Committee member(s) may be recommended to the Mayor for removal upon receiving affirmative vote by the majority of the full Committee.

Katano Kasaine commented on section 2 (a) on “regularly” and “fiscal health of the City”. Member Lupoff suggested striking the work “regularly” and Member Westreich clarify that it’s for the oversight responsibilities of the committee (infrastructure bonds).

Member Westreich clarified that these bylaws will be revised and voted on next time.

**V. Discussion Of Next Steps**

Chairperson Wu was confirming the next meeting for those of you weren’t here, attempted to set regular meeting, 2<sup>nd</sup> Monday quarterly except for June. Next special meeting is Monday, June 4<sup>th</sup> at 5:00-7:00 PM.

**VI. Identify Future Agenda Items**

Chairperson Wu would like to invite the community organizations that is for affordable housing to the June meeting since the Housing Department will be presenting. Member Westreich agreed with Katano Kasaine on having separate session. Member Kupoff suggested to have the Housing Department in June and the community organizations in all areas in September. Member Jimenez will let people know of the meeting and they can come to listen to the Housing Department’s presentation. Then follow up with them to see if they would want to come and present at a later date. Member Westreich suggested having Race & Equity to present since equity is a big deal.

Staff will schedule Race & Equity and the Housing Department to the June meeting, invite OPW and OakDOT back in September after they take their report to Council and hear from community organizations in early October.

Member Westreich would like to schedule a discussion for setting Priorities and Goals for this Committee on the agenda for the June 4, 2018 meeting.

**VII. ADJOURNMENT**

The meeting adjourned at 7:10 pm.

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DAVID JONES, COMMITTEE SECRETARY

DATE

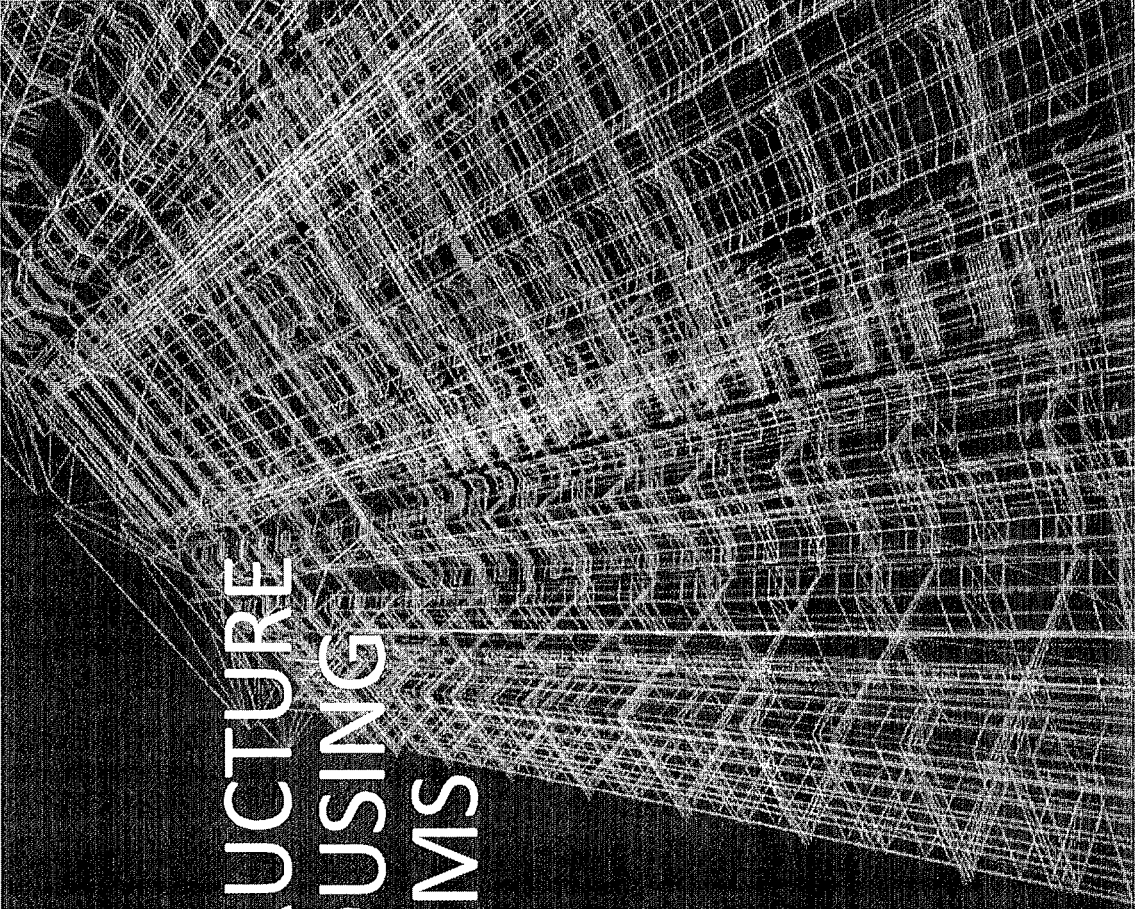
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# MEASURE KK- INFRASTRUCTURE BOND: AFFORDABLE HOUSING PROJECTS AND PROGRAMS

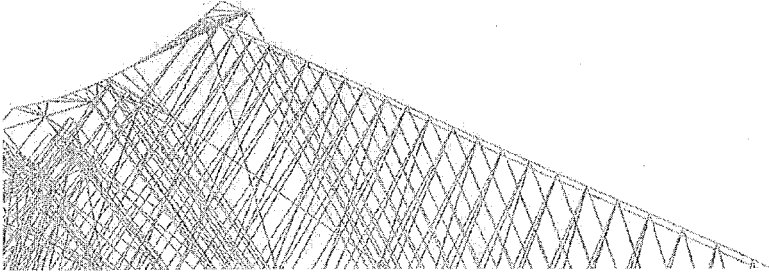
Housing & Community Development  
Department - Michele Davis, Director

Public Oversight Committee

June 4, 2018







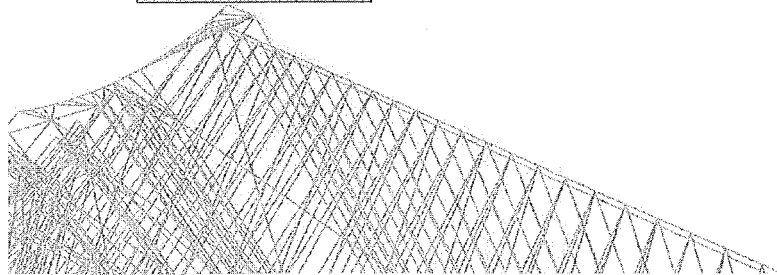
**ELIGIBLE ACTIVITIES**  
**AFFORDABLE HOUSING AND INFRASTRUCTURE BOND LAW**

**Protecting existing homes (rental)**

- Acquire and/or rehabilitate rental properties to secure long-term affordability restrictions.
- Acquire and/or rehabilitate rental properties to preserve long-term affordability restrictions.

**Protect existing homes (home ownership)**

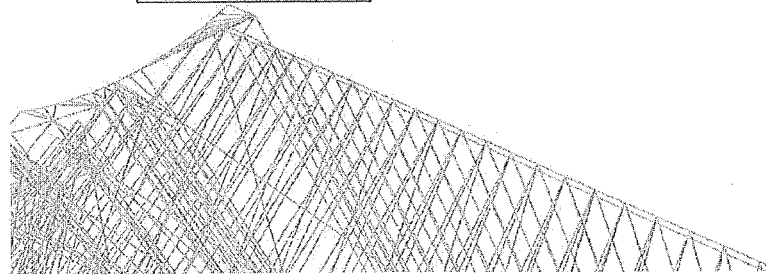
- Acquire and/or rehabilitate for-sale housing and convert to affordable ownership housing.



**ELIGIBLE ACTIVITIES**  
**AFFORDABLE HOUSING AND INFRASTRUCTURE BOND LAW**

**Protect existing homes (rental or ownership)**

- Acquire and/or rehabilitate vacant or blighted properties to return properties to the City's housing stock as affordable housing.
- Support the purchase of tax-defaulted properties from Alameda County for use as affordable housing.



**ELIGIBLE ACTIVITIES**  
**AFFORDABLE HOUSING AND INFRASTRUCTURE BOND LAW**

**Homeowner assistance**

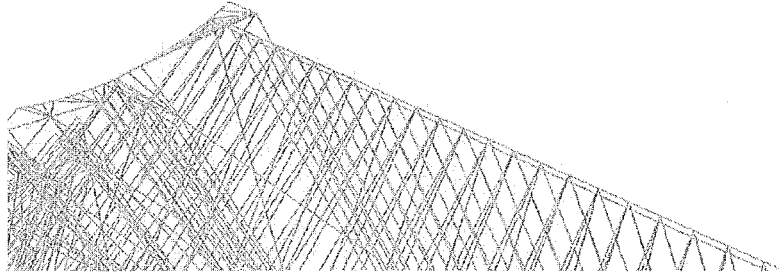
- Assist lower income, senior, and/or disabled homeowners address habitability concerns.

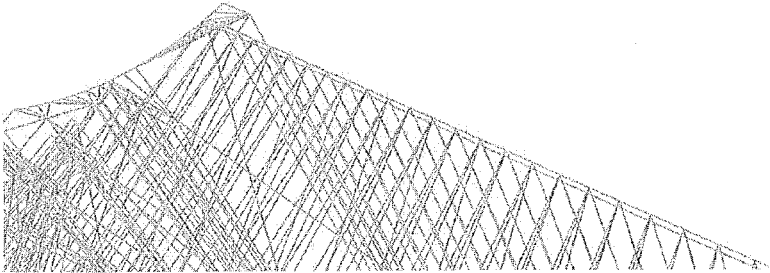
**New construction – matching funds only (rental or ownership)**

- Finance the site acquisition, predevelopment, development and construction of new affordable rental or homeownership housing.

# BOND MEASURE KK – AFFORDABLE HOUSING FUNDING

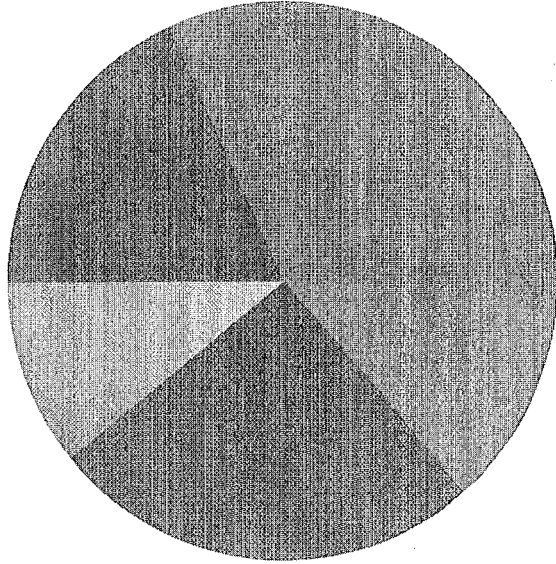
- \$100 million total bond funds for affordable housing activities
- \$55 million available in first tranche of bond funds (issued August 2017)
- Eligible Costs: Affordable housing site acquisition, rehabilitation, and new construction. (5% available for project admin costs)
- Primary focus is on acquisition and preservation/rehabilitation of existing market rate properties (with added affordability restrictions)
- Limited funds available for new construction (providing the required local match for Alameda County A1 affordable housing bond funds)
- Goal: Respond to affordable housing crisis by acquiring/preserving/constructing housing for a variety of income levels for residents





# FIRST TRANCHE BOND SPENDING (AFFORDABLE HOUSING) – IN MILLIONS

MC1



- Rehab (Competitive): \$10 M
- Site Acquisition (OTC): \$18M
- New Construction (A1 Match, Competitive): \$7M
- SRO Purchase/Transitional Housing: \$14M
- Residential Lending (1-4 Units, OTC): \$6M

**Slide 6**

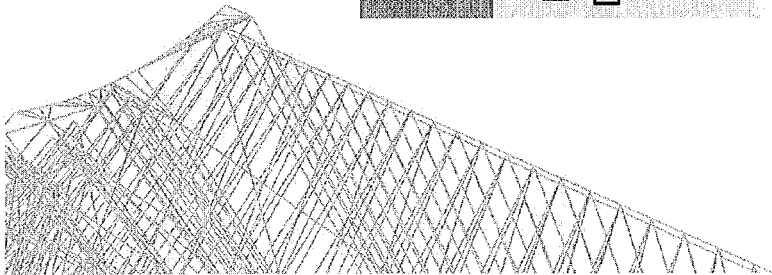
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**MC1**

add res lending  
Mulvey, Christia, 5/31/2018

# REHABILITATION NOFA (COMPETITIVE, 5+ UNITS): \$10 MILLION

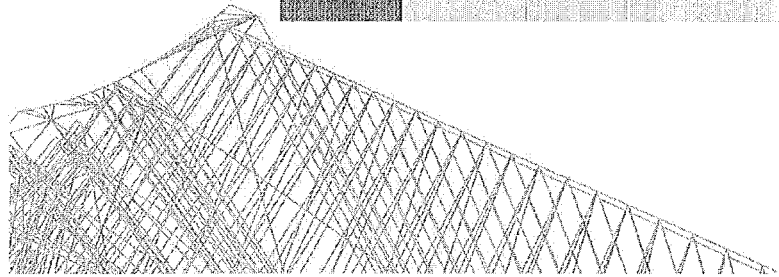
Project	Units	Location	Population Served	Target Income	Funding
Harp Plaza (CHCD & Dignity House West)	22	430 23th Street	Family Rental	30-60% AMI	\$3,000,000
Empyrean Tower (RCD)	66	344 13th Street	Single Room Occupancy	30-60% AMI	\$4,688,000
Fruitvale Studio (Affirmed)	24	2600 International Blvd	Homeless/ Special Needs	30-60% AMI	\$1,812,000





# SITE ACQUISITION PROGRAM (OVER THE COUNTER, 5+ UNITS): \$18 MILLION

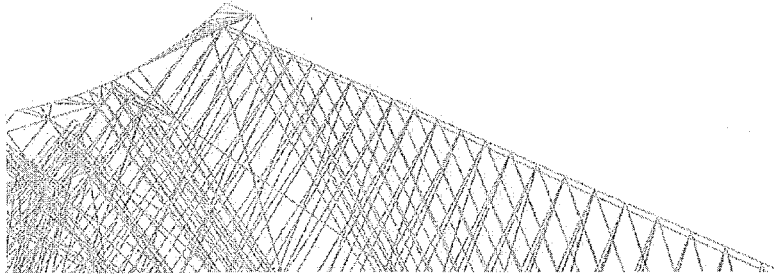
Project	Units	Location	Population Served	Target Income	Funding
Highland Palms (EBALDC)	23	1810 E. 25th Street	Family Rental	At or Below 80% AMI	\$3,000,000
10th Ave Eastlake (EBALDC)	35	2515 10th Avenue	Family Rental	At or Below 80% AMI	\$5,000,000
2530 9th Avenue (OCLT & RCD)	15	2530 9th Avenue	Family Rental	30-60% AMI	\$1,342,375
812 East 24th Street (OCLT)	7	812 East 24th Street	Family Rental	At or Below 80% AMI	\$974,150
The Wolery and San Antonio Terrace (SAHA)	90	2227-2257 International Boulevard	Family Rental	TBD	\$3,500,000
Northwest MacArthur/MLK TOD (RCD)	68	3801 & 3807 Martin Luther	Family Rental	30-50% AMI	\$3,175,000





# NEW CONSTRUCTION (A1 MATCH, COMPETITIVE NOFA, 5+ UNITS): \$7 MILLION

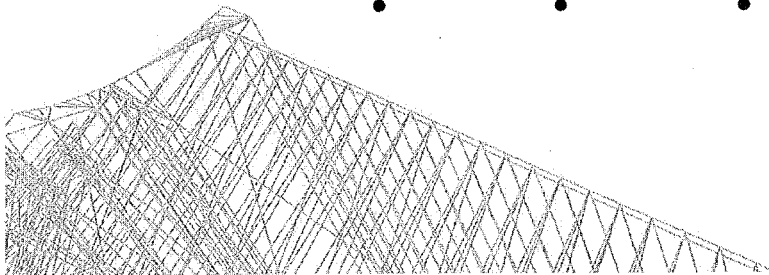
Project	Units	Location	Population Served	Target Income	Funding
Camino 23 (SAHA)	37	1333-1253 23rd Avenue	Seniors		\$100,000
Coliseum Place (RCD)	58	905 72nd Avenue	Family/Special Needs/ Homeless		\$1,600,000
MacArthur Apartments (Affirmed)	43	657 W. MacArthur Blvd.	Family Rental		\$800,000
3268 San Pablo	50	3268 San Pablo	Seniors	20 – 60% AMI	\$300,000
Fruitvale Transit Village Ph II B (Unity Council & Bridge)	181	E 12th Street & 35th Ave	Family Rental		\$1,700,000
7th & Campbell (Oakland & the World Enterprises Inc. & MBS)	79	7th and Campbell Streets	Family Rental, mixed use		\$801,900
W. Grand and Brush (EBALDC)	59	760 22nd Street & 2201 Brush Street	Family Rental		\$1,318,000



# RESIDENTIAL LENDING PROGRAMS (OVER THE COUNTER, 1-4 UNITS):

<b>Housing Rehabilitation Programs</b> <ul style="list-style-type: none"><li>• Owner-Occupied Rehabilitation</li><li>• Rental Rehabilitation</li><li>• ADU Legalization Pilot Program</li><li>• Community Buying Program - Vacant Lot Acquisition</li></ul>	\$ 3,000,000
<b>1-4 Unit Acquisition-Rehabilitation Program</b>	\$ 3,000,000
<b>TOTAL</b>	\$ 6,000,000 ✦

✦ Programs to be released in late 2018



# SRO/TRANSITIONAL HOUSING PURCHASE: \$14 MILLION

- In May 2018, \$7.02 million was set-aside for the purchase of 641 W. Grand Avenue as transitional housing for homeless residents
- 70 rooms, to be owned by the City and operated by Department of Human Services (operating cost source TBD)
- Rehab is currently underway; to be delivered in turnkey condition
- Funds remaining in this category: \$6.08 million (minus admin costs)

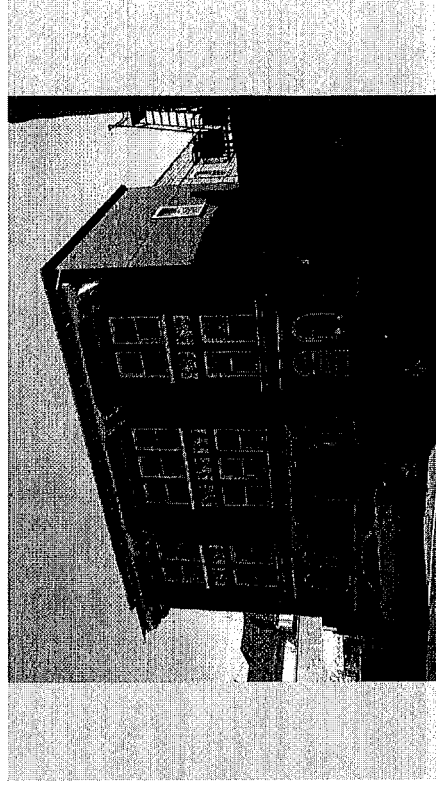


Photo: Scott Morris/Hoodline

# FUNDING COMMITTED TO DATE

Program	Funding	Funding Committed	Staff Costs	Remaining Funds
Rehabilitation NOFA (5+ units)	\$10,000,000	\$9,500,000	\$500,000	\$0
Site Acquisition OTC (5+ units)	\$18,000,000	\$16,991,525	\$900,000	\$108,475
New Construction NOFA A1 Match (5+ Units)	\$7,000,000	\$6,619,000	\$350,000	\$31,000
SRO/Transitional Housing Purchase	\$14,000,000	\$7,020,000	\$700,000	\$6,280,000
Housing Rehabilitation Programs (1-4 units)	\$ 3,000,000	\$0	\$150,000	\$2,850,000
1-4 Unit Acquisition-Rehabilitation Program	\$ 3,000,000	\$0	\$150,000	\$2,850,000
<b>TOTAL</b>	<b>\$55,000,000</b>	<b>\$40,130,525</b>	<b>\$2,750,000</b>	<b>\$12,119,475</b>

# EQUITY CONSIDERATIONS

## 5+ Unit Properties: Over the Counter

- Protect residents in market-rate properties from real estate pressures, restrict unit affordability levels for current/future residents
- Provide funds to move quickly to acquire properties/stabilize rents
- Units affordable for 55 years
- Targets households at or below 60-80% AMI

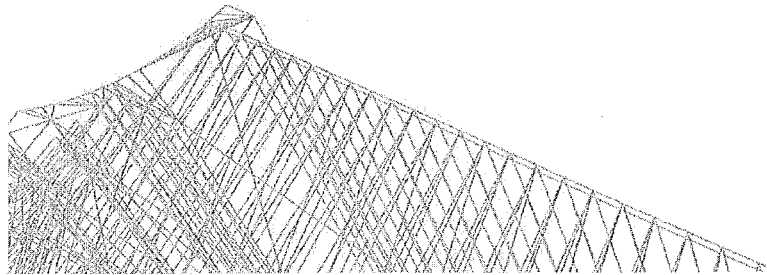
## 5+ Units Properties: Competitive NOFA Projects

Project ranking criteria includes:

- Geographic equity
- Educational quality
- Neighborhood revitalization
- Proximity to transit and grocery stores
- Target populations being served
- Financial feasibility
- Sustainability
- Developer experience

Units affordable for 55 years. Priority for Oakland workers and residents (inc neighborhood residents) and displaced former residents

Targets households between 0-60% AMI





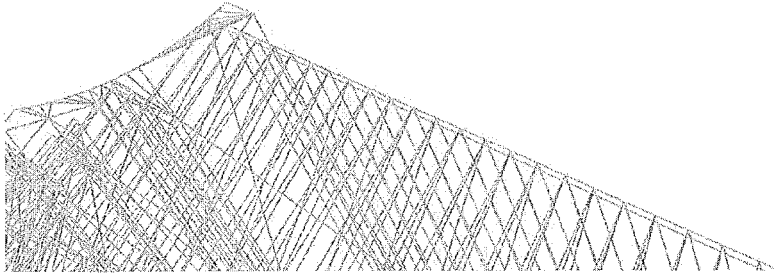
# EQUITY CONSIDERATIONS

## 1-4 Unit Properties: Owner-Occupied Residential Rehabilitation

- Low-interest loans to lower income, senior and/or disabled homeowners for home repair and rehab
- Prioritize emergency and health and safety repairs including: sewer laterals, roofs, electrical hazards, and structural deficiencies
- Addresses current housing rehab backlog of approximately \$3 million in pipeline projects and projected \$10 million in homeowner inquiries
- Short-term affordability restrictions on 2-4 units

## 1-4 Unit Properties: Rental Rehabilitation Program

- Low-interest loans to rental property owners
- Targets properties occupied by lower income renter households
- Short-term affordability restrictions TBD after additional market research
- Prioritizes fire safety, emergency repairs, abatement of code violations, unhealthy housing conditions such as moisture intrusion, safe-at-home repairs for seniors, and other health/safety issues

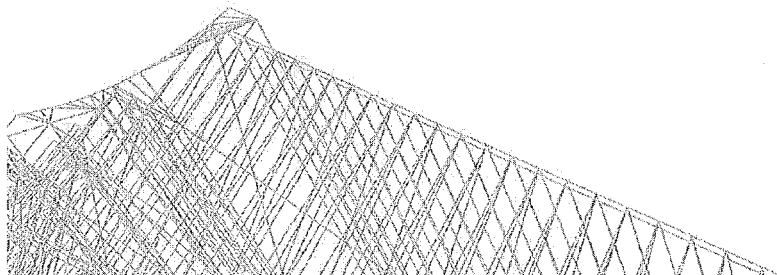




# EQUITY CONSIDERATIONS

## SRO/Transitional Housing Purchase

- Protects SRO units from conversion to market rate
- Serves extremely low income residents
- Respond to City's homeless crisis, providing housing and services to transition residents from homelessness to permanent housing



# PUBLIC INPUT OPPORTUNITIES

- Programmatic: Opportunities for public input on HCDD programs and projects is provided with Housing Element and Consolidated Plan meetings. Staff also participates in focused workgroups for implementing new programs (e.g. Site Acquisition workgroup) and meets regularly with community groups involved with affordable housing issues (e.g. EBHO, San Pablo Avenue Revitalization Collaborative)
- Planning Specific Plan processes: HCDD staff has participated in Area Planning Processes and incorporated public feedback into program guidelines
- Project-Specific: Developers are required to have meetings with community stakeholders and (if new construction) Councilmembers






## NEXT STEPS

- 5+ Unit programs are massively oversubscribed
- Projects now moving towards loan closings, construction
- Additional staff to be hired to do project coordination
- Research additional SRO property for purchase
- Roll out 1-4 unit programs this fall
- Explore when to issue next Bond tranche
- Explore gaps in service, and look at modifying programs as needed for next Bond tranche

## Advancing Racial Equity



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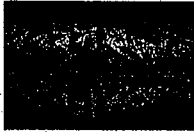
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City of Oakland



**Race and Equity Vision:**  
To maintain Oakland's diversity, and create a city where racial disparities have been eliminated and racial equity has been achieved.

**Goals:**

- Identify and eliminate systemic causes of racial disparities in City Government.
- Promote inclusion and full participation for all residents of the City.
- Reduce race-based disparities in our communities.

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## Development in Cultural Response to Race

DIVERSITY → INCLUSION → EQUITY



**Quantity**  
Different Identities & cultures

**Quality**  
Participation across Identities & cultures

**Justice**  
Policies, practices, & procedures to ensure equitable outcomes.

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### Working Assumptions

- Race matters. Almost every indicator of well-being shows troubling disparities by race
- Disparities are often created and maintained inadvertently through policies and practices that contain barriers to opportunity
- It's possible-- and only possible-- to close equity gaps by using strategies determined through an intentional focus on race
- If opportunities in all key areas of well-being are equitable, then equitable results will follow
- Given the right message, analysis, and tools, people will work toward racial equity

Credit to the RACE MATTERS Toolkit, researched and funded by Annie E. Casey Foundation

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### Centering Race & Gender Disparities

#### Issues facing White Women

- Heavy gender role conformity expectations
- Treated as less smart
- Educational tracking away from "men's" fields
- Gender discrimination in hiring and pay
- Low workplace and societal support for family demands

#### Issues facing Women of Color

- Heavy gender role conformity expectations
- Treated as less smart
- Educational tracking away from "men's" fields
- Gender discrimination in hiring and pay
- Low workplace and societal support for family demands
- Few connections/network (friends and family) insiders
- Racial discrimination in hiring and pay
- "Getting ahead" = functioning in racial isolation

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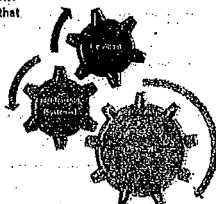
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### Levels of Racism

**Individual racism:**  
Pre-judgment, bias, or discrimination by an individual based on race.

**Institutional (Systemic) racism:**  
Policies, practices and procedures that work to the benefit of white people and to the detriment of people of color, often unintentionally or inadvertently.

**Structural racism:**  
A history and current reality of institutional racism across all institutions. This combines to create a system that negatively impacts communities of color.




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Systemic Racism

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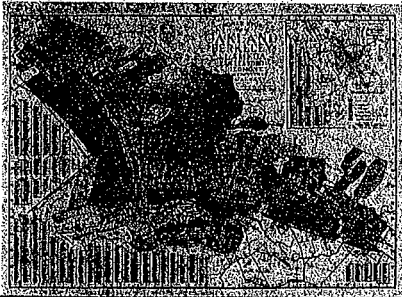
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Inequity Inscribed In Geography



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Redlining in the Bay Area



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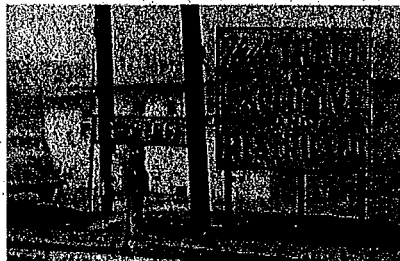
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### It's more than the House We Live in



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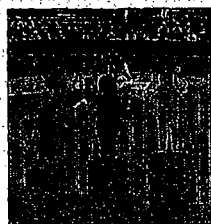
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### What is Equity?



EQUALITY



EQUITY

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### Eq-uity (*ek-wi-tee*), noun

- Just and fair inclusion.
- An equitable society is one in which all can participate and prosper.
- The goals of equity must be to create conditions that allow all to reach their full potential.
- In short, equity creates a path from hope to change.

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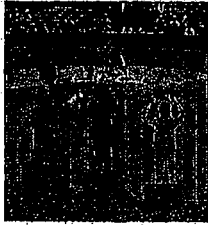
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To make things work for all address the most marginalized.  
Implement targeted strategies that remove barriers to opportunity.  
Change structures for the most transformative impact.



EQUALITY



EQUITY

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**Race and Equity –  
A Different Approach = CHANGE**

- Define the problem as structural
- Center race and the groups impacted
- Use disaggregated data to identify disparities
- Listen to impacted community to understand of the causes of disparities
- Identify how policies and practices contribute to inequity
- Develop strategies to support impacted groups
- Change policies, practices and procedures to remove barriers to opportunity

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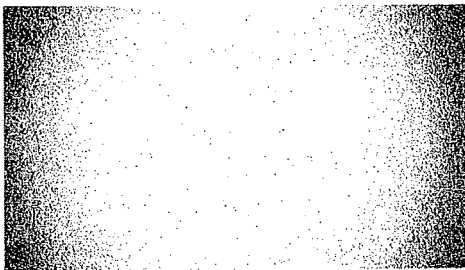
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**Changing the Narrative**



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