



AGENDA

**TELE-CONFERENCE
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, June 8, 2020
TIME: 5:00 pm – 7:00pm
PLACE: Tele-Conference
Please see the agenda to participate in the meeting

Pursuant to the Governor's Executive Order N-29-20, all members of the City Council as well as the City Administrator, City Attorney and City Clerk will join the meeting via phone/video conference and no teleconference locations are required.

PUBLIC PARTICIPATION

The public may observe and/or participate in this meeting many ways.

OBSERVE:

- To observe the meeting by video conference, please click on this link: <https://us02web.zoom.us/j/83034337231> at the noticed meeting time.
- To listen to the meeting by phone, please call the numbers below at the noticed meeting time: Dial (for higher quality, dial a number based on your current location):
US: +1 669 900 9128 or +1 346 248 7799 or +1 253 215 8782 or +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799 Webinar ID: 830 3433 7231
If asked for a participant ID or code, press #.

**Affordable Housing & Infrastructure Bond (I-Bond)
Tele-Conference
Oakland, California 94612**

There are three ways to submit public comments.

- eComment. To send your comment directly to staff BEFORE the meeting starts, please email to dhort@oaklandca.gov with “I-Bond Oversight Committee Meeting” in the subject line for the corresponding meeting. Please note that eComment submission **closes two (2) hours before posted meeting time.**
- To comment by Zoom video conference, click the “Raise Your Hand” button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will be permitted to speak during your turn, allowed to comment, and after the allotted time, re-muted. Instructions on how to “Raise Your Hand” is available at: [https://support.zoom.us/hc/en-us/articles/205566129 - Raise-Hand-In-Webinar](https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar).
- To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing “*9” to speak when Public Comment is taken. You will be permitted to speak during your turn, allowed to comment, and after the allotted time, re-muted. Please unmute yourself by pressing *6.

If you have any questions, please email Dawn Hort, Assistant Treasury Administrator at dhort@oaklandca.gov.

ORDER OF BUSINESS

- I. Roll Call and Determination of Quorum
- II. Open Forum/Public Comment
- III. Approval of Draft Minutes from the Committee meeting of December 2, 2019 and January 27, 2020
- IV. Urban Displacement Project
- V. Updates from Housing & Community Development and Department of Transportation
- VI. Updates to the Committee’s Three Vacancies
- VII. Discussion of Next Steps
 - a. Identify Future Agenda Items
 - b. Confirm next meeting
- 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 December 2, 2019 in Hearing Room 2, One Frank Ogawa Plaza, Oakland, California.

I. Roll Call and Determination of Quorum

- | | |
|--------------------------------------|---|
| Committee Members
Present: | <ul style="list-style-type: none">• Ellen Wu, Chairperson• Daniel Swafford, Vice Chairperson• Gloria Bailey-Ray, Member• Baldomero Gonzalez, Member• Danielle J. Harris, Member• Gary Jimenez, Member• Michael Pyatok, Member |
| Committee Member
Absent: | <ul style="list-style-type: none">• Carroll Fife, Member• Ken Lupoff, Member |
| Additional Attendees: | <ul style="list-style-type: none">• David Jones, Secretary to the Committee• Dawn Hort, Staff to Committee |

The meeting was called to order at 5:14 pm by Chairperson Wu.

II. OPEN FORUM/PUBLIC COMMENT

Public Speaker(s):

1. Zac Unger, President of the Oakland Firefighter Union (Local 55)

III. INTRODUCTION OF NEW MEMBER BALDOMERO GONZALEZ FOR DISTRICT 1

Chairperson Wu introduced and welcomed new Member Gonzales. All members provided a short introduction.

IV. APPROVAL OF DRAFT MINUTES for Meetings December 2, 2019

Corrections to the meeting minutes as follows:

- Chairperson Wu: Vice Chairperson Swafford was present
- Member Harris: Add language as to why an Ad Hoc Committee was formed

The revised minutes will be agenzized for approval at the next regular scheduled meeting.

V. REVIEW AND DISCUSS FINAL REPORT TEMPLATE AND QUESTIONNAIRE

Staff from Department of Housing and Community Development (Maryann Leshin), Oakland Public Works Department (Lily Soo-Hoo), and Department of Transportation (Bruce Williams) went over the questions and excel spreadsheet template, which provided information and data per the Committee's request in preparation of the agenda report and addressed questions from the members to finalized the template. (Attachment A)

VI. AGENDA REPORT SCHEDULING TO FINANCE COMMITTEE

The Committee decided to have a Special Meeting on January 27, 2020 to vote on the final agenda report for it to be submitted to the Finance and Management Committee in March 2020.

VII. STATUS ON FORM 700 FILING

Secretary Jones reminded committee members to file their Form 700 if they have not done so and to notify staff via email.

VIII. COMMITTEE MEMBER WITH TERMS ENDING DECEMBER 31, 2019

There are three members (Gloria Bailey-Ray, Carroll Fife, Ken Lupoff) whose term expires on December 31, 2019, if the members are interested in getting reappointed, then the members must go through the application process.

IX. DISCUSSION OF NEXT STEPS

- a. Identify Future Agenda Items: Committee to vote on the final agenda report and schedule future agenda items.
- b. Confirm next meeting: Special Meeting date and time was scheduled as follows:
 - Monday, January 27, 2020 at 5:00-6:00PM

X. OPEN FORUM/PUBLIC COMMENT (No Public Speakers)

XI. ADJOURNMENT

The meeting adjourned at 7:23 pm

DAVID JONES, COMMITTEE SECRETARY

DATE

Attachment A HCD Template

information as of: (fill in date)

	<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>	<i>Unspent funds as of</i>
(Please number these rows for reference)											

- 1
- 2
- 3
- 4
- 5
- 6

Total Number of Units	Income Mix (# of units)						Unit Size Mix (# of units)					
	Extremely Low-Income @ <20% AMI	Extremely Low-Income @ 21-30% AMI	Very Low- Income @ 31- 50% AMI	Low- Income @ 51- 80% AMI	Moderate- Income @ 81-120% AMI	Market Rate	Manager's Unit	SRO	Studios	1 BR	2 BR	3 BR

	<i>Total Bedroom s</i>	<i>Housing Type (select all that apply)</i>	<i>Target Populatio n (# of units)</i>					<i>PSH Units</i>	<i>Affordabl e Ownersh ip Units</i>	<i>Number of units occupied at time of acquisitio n</i>	<i>Total Project Budget</i>	<i>Total City Contribution</i>
	<i>4 BR</i>		<i>HIV/AIDS</i>	<i>TAY</i>	<i>Homeless</i>	<i>Persons with Disabilit ies</i>	<i>Veterans</i>					

<i>City Contribution Per Unit</i>	<i>City Contributions Per Affordable Unit</i>	<i>City Contribution by Source</i>									<i>A1 Contribution</i>	<i>LIHTC Contribution</i>
		<i>Impact Fee</i>	<i>Jobs/Housing Linkage</i>	<i>Boomerang Funds</i>	<i>Loan Repayments</i>	<i>Measure KK</i>	<i>Low/Mod Repayments</i>	<i>HOME</i>	<i>Land Sale Proceeds</i>	<i>Other</i>		

<i>Total State funding contribution</i>	<i>Private Debt</i>	<i>Other</i>	<i>Funding Gap</i>	<i>Date of First City Funding Commitment (MM/YYY)</i>	<i>Date of first loan closing</i>	<i>Operating Subsidy</i>		<i>Development Status</i>	<i>Construction Start Date</i>	<i>Entitlement Status</i>
						<i>Operating Subsidy Source (select all that apply)</i>	<i>Units Receiving Operating Subsidy</i>			

<i>Original Expected Date Units Come Online</i>	<i>Expected Date Units Come Online</i>	<i>Actual Date of Completion</i>	<i>Vacancy Rate as of XX</i>	<i>Regulatory Agreement Executed? (Y/N)</i>	<i>Effective Date of Regulatory Agreement</i>	<i>Date of 100% Occupancy</i>	<i>Additional Details/Notes</i>	<i>Last Updated by Staff (YY- MMDD)</i>	<i>For Mapping</i>
									<i>Latitude</i>

	Project Score	Priority scores							R		
Longitud e		Propertie s where tenants were at high risk of displacement	Property is in poor condition	Property owner in violation of or has multiple complaints about building code deficiencies	Current tenants include vulnerable populations	For unoccupied properties, proposals serving homeless and/or extremely low-income households will be prioritized	Propertie s with 3+ bedroom units	Property will be acquired by a permanently affordable community land trust, permanently affordable housing cooperative, and/or will be operated as permanently supportive housing (y/n)	Asian Househol ds	Black Househol ds	Latinx Househol ds

Resident Demographics					Was there tenant organizing prior to purchase
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Native American and Alaskan Native	NHOPI	White Households	"Other" Race/Ethnicity Household	Decline to State
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Questions Regarding Expenditure of Measure KK Funds

HCD

Thank you for providing us with information about the expenditures of Measure KK infrastructure bond funds. Please complete the attached spreadsheet with details about the projects, as well as the questions below.

1. Is there anything limiting your capacity to use the funds? How do you plan to address these issues?
2. Please describe how staff vacancies have impacted your ability to implement the programs and spend the funds. How long have these positions been vacant?
3. 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?
4. Describe any criteria or point system that was used to determine which projects received funding.
5. For the acquisition rehab projects, please describe the resident participation that the developer has used.
6. 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?
7. How much of the infrastructure bond funds has been allocated to rehabilitation compared with new construction?
8. For occupied acq-rehab, do the affordability numbers reflect the affordability level of the rents at acquisition or the income levels of residents?
9. What demographic data, specifically race/ethnicity, do you collect for initial occupancy and annual reporting?

10. 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.

11. How do you collect information about occupancy rates and how is this information used to start the 55 year affordability clock?

OPW and OakDOT Template

<p>Reported information as of: (fill in date)</p>
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(Please number these rows for reference)	Name of Project	Address/Location	Description of Project	Department (Park, Library, Fire, etc.)	Funding Round (1 or 2)	Which bucket is funding from (parks, library, fire, etc.)	Funding Allocated
1							
2							
3							
4							

Funds Spent as of X	Funding Encumbered	% Spent & Encumbered	Balance Remaining (minus encumbered)	Total cost of project	How much other funding was leveraged?

Sources of leveraged funding	% of KK funds spent on soft costs	% of KK funds spent on hard costs	% of KK funds spent on soft costs (Report when project is complete)	% of KK funds spent on hard costs (Report when project is complete)	What date was the project assigned to staff?

What phase is the project in?	Project completion date	If the project is delayed, please describe the reason for the delay	Please list community engagement methods	What stormwater elements are included? If none, please explain	What pedestrian safety improvements were included	What bicycle safety improvements were included

Was repaving done (y/n)	Which existing city plans does the project align with	What was the total CIP score?	What was the CIP score for Equity Q 1a	What was the CIP score for Equity Q 1b	What was the CIP score for Safety Q 2a	What was the CIP score for Safety Q 2b	City Council District

Questions Regarding Expenditure of Measure KK Funds

OPW and OakDOT

Thank you for providing us with information about the expenditures of Measure KK infrastructure bond funds. Please complete the attached spreadsheet with details about the projects, as well as provide answers to the questions below. In addition to listing the projects that have been allocated funds, please complete the spreadsheet with the top five projects that did not score high enough to get funded.

1. Please describe how the new CIP prioritization process was used.
2. What is limiting your capacity to implement the projects? How do you plan to address these issues?
3. Please describe how staff vacancies have impacted your ability to implement the project and spend the funds. How long have these positions been vacant?
4. How are decisions made about what parts of the project goes to an external consultant versus city staff? What factors are being considered?
5. What community engagement activities have worked well and what challenges have you encountered with community engagement?
6. Please list the projects that are currently on the CIP list that were not on the list in the 2017-2019 budget cycle, regardless if they were allocated bond funding. Which of these received bond funding?

A COMMITTEE MEETING of the Affordable Housing & Infrastructure Bond (I-Bond) Public Oversight Committee (the “I-Bond Committee”) was held on January 27, 2020 in Hearing Room 2, 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
- Baldomero Gonzalez, Member
- Gloria Bailey-Ray, Member
- Carroll Fife, Member
- Gary Jimenez, Member
- Ken Lupoff, Member

Committee Member

Absent:

- Michael Pyatok, Member

Additional Attendees:

- David Jones, Secretary to the Committee
- Dawn Hort, Staff to Committee
- Ravi Patel, Deputy City Attorney

The meeting was called to order at 5:23 pm by Chairperson Wu.

II. OPEN FORUM/PUBLIC COMMENT (No Public Speaker)

III. APPROVAL OF DRAFT MINUTES for Meetings September 23, 2019

Vice Chairperson Swafford made a motion to approve the revised minutes without changes; seconded by Member Harris. Motion passed.

[BAILEY-RAY – Y/ FIFE – Y/ GONSALES – Y/ LUPOFF – Y/ HARRIS – Y/ JIMENEZ – Y/ SWAFFORD – Y/ WU – Y/]
(AYES: 8 / NOES: 0 / ABSTAIN: 0)

IV. BROWN ACT TRAINING (City Attorney’s Office)

Ravi Patel from the City Attorney’s Office presented a training on the Brown Act specifically how public officials can communicate among board members outside of a board meeting.

V. FINALE DRAFT AGENDA REPORT

- a. Review and Discuss Agenda Report
Chairperson Wu lead the discussion of finalizing the agenda report (Attachment A). The following comments were made:

- Member Harris provided a sentence regarding improvement to the spreadsheet to include the equity and safety component in details for the second tranche of bonds. “The committee is seeking greater granularity on infrastructure improvements, including specifically types of infrastructure improvement being implemented within projects corridors.”
- Vice Chairperson Swafford would like to include percentages to the tables.
- This report will focus on the first tranche of bonds since the second tranche of bonds have not been issued. Council approved the expenditures and issuance of bonds for the second tranche is anticipated for February 2020.

MOTION: Member Ken Lupoff made a motion to accept the recommendation for greater detail from Member Harris, second by Member Swafford. Motion passed.

[BAILEY-RAY – Y/ FIFE – Y/ GONSALES – Y/ LUPOFF – Y/ HARRIS – Y/ JIMENEZ – Y/ SWAFFORD – Y/ WU – Y/]
(AYES: 8 / NOES: 0 / ABSTAIN: 0)

b. Vote on Draft Agenda Report

Member Harris provide the additional language to the 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.”

MOTION: Vice Chairperson Swafford made a motion to approve the report with the suggested additional language and edits as discussed in Committee, second by Member Jimenez. Motion passed.

[BAILEY-RAY – Y/ FIFE – Y/ GONSALES – Y/ LUPOFF – Y/ HARRIS – Y/ JIMENEZ – Y/ SWAFFORD – Y/ WU – Y/]
(AYES: 8 / NOES: 0 / ABSTAIN: 0)

c. Scheduling of the Agenda Report to Finance Committee

Report to be scheduled for Committee March 10, 2020, report due to staff by February 7, 2020.

VI. Discussion of Next Steps

- a. Identify Future Agenda Items: Chairperson Wu will invite Urban Displacement Project to present on ways they have measured displacement and how the Committee can work with them around displacement. Also, invite Housing and Community Development (HCD) to provide updates on the NOFA application.
- b. Confirm next meeting: Meeting date and time has been scheduled tentatively as follows:
 - Monday, March 9, 2020 at 5:00-7:00PM

VII. OPEN FORUM/PUBLIC COMMENT

No Public Speakers.

VIII. ADJOURNMENT

The meeting adjourned at 6:46 pm

DAVID JONES, COMMITTEE SECRETARY

DATE

DRAFT

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:

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