

Attachment A iBond Oversight Committee

Draft Evaluation Framework/Report November 2018

Submit report to City Council and/or public by March 2019 to inform budget process for 2019 – 2021 budget

Overview

City need for infrastructure improvement is estimated to be 2.5 billion

Received over 82% over voter approval for 600 million bond in November 2016. \$125 million bond issues in July 2017 for two-year budget. Project improvements include:

- Streets and Roads: \$350 million
 - Street paving and reconstruction
 - Bicycle and pedestrian improvements: bikeways, sidewalks, paths, stairs, streetscape, curb ramps
 - Traffic calming improvements
- Facilities: \$150 million
 - Fire: \$40 million
 - Police: \$40 million
 - Libraries: \$15 million
 - Parks, Recreation, and Senior Facilities: \$35 million
 - Water, energy and seismic improvements: \$20 million
- Anti-Displacement and Affordable Housing Preservation: \$100 million
 - Site Acquisition Program: provides short-term loans for acquisition-related costs associated with developing, protecting, and preserving long term affordable housing
 - No more than 5% of affordable housing bond funds spent on City staff costs
 - Used only for acquisition, preservation, and/or rehabilitation of affordable housing projects, or for new construction of affordable housing only as a match for County bond funds (\$54 million set aside for Oakland)
 - Rents adjusted to be affordable to households who are at or below 60% Area Median Income until an average of 80% AMI for the project is achieved
 - City loan requests must not exceed \$150,000 per unit or a project maximum of \$5 million.

Evaluate bond expenditure impacts and outcomes related to social equity, anti-displacement, and affordable housing

Oakland Equity Index

Investment equity of I-Bond program was analyzed using Oakland Equity Index (OEI), a metric development 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 are that 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 scores 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.

Capital Improvement Program Prioritization process

- Want community values and priorities reflects in CIP
 - Four community meetings
 - 24 community specific/small group meetings
 - 1,350 surveys
 - 710+ people attended community meetings and small group meetings
 - Provided interpretation at meetings and translated materials in Spanish, Cantonese, and Vietnamese
- Prioritization results
 1. Health/Safety: improve safety and encourage healthy living
 2. Equity: Investment in underserved communities (geographically)
 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

First round of funding

- \$117.5 million for first two years. \$482.5 million remaining
 - \$62.5 million for infrastructure: reviewed all project on books and existing grants to leverage funds
 - \$55 million for affordable housing
 - Site acquisition: \$18 million
 - Rehabilitation: \$10 million
 - New construction: \$7 million
 - Single Room Occupancy: \$14 million
 - Residential lending (1-4 units): \$6 million

Evaluation Measures

- Infrastructure projects
 - Percentage of projects completed, where are projects in the pipeline?
 - Time between application, award, and disbursement of funds
 - Where (geographically) are projects located
 - Did projects have co-benefits and/or align with existing plans?
- Affordable housing projects
 - Percentage of projects completed, where are projects in the pipeline?

- Time between application, award, and disbursement of funds
- Where (geographically) are projects located
- Vacant vs. occupied vs. units still not built
- Homeownership vs. rental units vs. transitional housing
- Number and size of affordable housing units
- Percentage of funding spent by income level and/or expected affordability levels of tenants
- Rent and family size of current tenant population for existing occupied buildings
- Neighborhood of affordable housing units – relative to transit, amenities, services

What we heard from community stakeholders

- Affordable Housing
 - Money for multi-family units moved quickly
 - Small site (1 to 4 units) acquisition has been much slower and reduced funds. Need more funding because this is what the majority of units in Oakland are
 - Look at what worked and what didn't work during first round
 - Lack of transparency and clarity of how funds are being committed

- Capital Improvement Projects
 - Improvements to fire houses have been very slow

Recommendations for Future Funding/Evaluation Measures

- Review how well Capital Improvement Program new prioritization process worked in addressing social equity
- Rents before and after acquisition
- Measure displacement
 - Did rent increase where improvements happened?
 - Where did people in new units come from?
 - Work with Urban Displacement Project to overlay maps to the location of units and where infrastructure improvement is occurring
- How much does it cost to rehabilitate an existing building vs build new units?
- Complete streets when repaving occurred? How was it determined?
- Racial/ethnic demographics of residents benefiting
- Projects alignment with existing plans
 - Bicycle Master Plan, December 2007 (The plan is current being updated and should be completed by the end of 2019)
<http://www2.oaklandnet.com/oakca1/groups/pwa/documents/report/oak024981.pdf>
 - Urban Greening Plan, April 2018
<https://cao-94612.s3.amazonaws.com/news/UGPGR-4-30-18-FINAL.pdf>
 - Resilient Oakland Playbook, October 2016
<https://cao-94612.s3.amazonaws.com/documents/OAK061006.pdf>
 - A Roadmap Toward Equity: Housing Solutions for Oakland, September 2015
<https://static1.squarespace.com/static/55b90b8de4b060a0d84fcbd0/t/56de1a88f8508290ee982d10/1457396367917/pl-report-oak-housing-070715.pdf>