

Deputy City Attorney

2010 NOV -4 PM 1: 02 OAKLAND CITY COUNCIL

ORDINANCE NO. C.M.S.

ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE ALLIANCE FOR WEST OAKLAND DEVELOPMENT FOR THE SALE OF, AND DEVELOPMENT OF AFFORDABLE HOUSING ON, ONE CITY-OWNED PARCEL AT 319 CHESTER STREET

WHEREAS, the City of Oakland is the owner of the property in the City of Oakland, Alameda County, State of California at 319 Chester Street, APN: 004-0103-035-00, (the "Property"); and

WHEREAS, the City desires enter into a disposition and development agreement with Alliance For West Oakland Development ("Developer") for development of the Property; and

WHEREAS, Developer proposes to develop on the Property one single family home affordable to a low and moderate income household; and

WHEREAS, the City is the Lead Agency for this project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

WHEREAS, the City Council has adopted Ordinance No. 11602 C.M.S., which established procedures for the sale and lease of City-owned property which is surplus; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

- **Section 1**. The City Council hereby authorizes the sale of the Property to the Developer for no cost (except for payment of net sales proceeds to the City upon sale of the home developed on the Property, as further provided for below), subject to a Disposition and Development Agreement ("DDA) to be negotiated and executed by the City Administrator or his designee.
- **Section 2.** The DDA shall require the Developer to develop one home on the Property.
- **Section 3.** Upon completion of the home on the Property, it shall be sold to a low and moderate income first-time homebuyer at a price affordable to a low and moderate income household.
- **Section 4.** Pursuant to Section 6 of Ordinance No. 11602 C.M.S., it is determined to be in the best interest of the City to sell the Property by negotiated sale due to the intended use of the Property for the development and sale of an affordable housing unit.

Section 5. Upon sale of the home on the Property, all net proceeds up to \$400,000 shall be repaid to the original funding sources as follows: \$200,000 to the Housing and Community Development Division's Miscellaneous Grants (fund 2999), Municipal Lending Unit (88939), Neighborhood Housing Revitalization (fund 2108) Project (G08760) and Home Ownership and Rehabilitation Program (NB32); and \$200,000 to the West Oakland Vacant and Blighted Properties Rehabilitation Program Low and Moderate Income Housing Funds, Fund Number 9580 Project P209310.

Section 6. Upon sale of the home on the Property, all net proceeds in excess of \$400,000 shall be repaid as follows: up to \$100,000, shall be repaid into the General Purpose Fund (fund 1010); proceeds in excess of \$100,000 shall be repaid into the Housing and Community Development Division's Miscellaneous Grants (fund 2999), Municipal Lending Unit (88939), Neighborhood Housing Revitalization (fund 2108) Project (G08760) and Homeownership and Rehabilitation Program (NB32).

Section 7. The City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines that this action complies with CEQA because the sale and development of the Properties is exempt from CEQA pursuant to Sections 15303 (new construction of small structures), 15312 (surplus government property sales), 15280 (lower-income housing projects), and 15332 (infill housing development) of the CEQA Guidelines.

Section 8. The City Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this project.

Section 9. The City Administrator is hereby authorized to negotiate and execute documents and take whatever other action is necessary with respect to the Property and the DDA consistent with this Ordinance and its basic purposes. All documents shall be approved as to form and legality by the City Attorney.

IN COUNCIL, OAKLAND, CALIFORNIA,	
PASSED BY THE FOLLOWING VOTE:	
AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADE	EL, QUAN, REID, and PRESIDENT BRUNNER
NOES-	
ABSENT-	
ABSTENTION-	
	ATTEST:
	LaTonda Simmons
	City Clerk and Clerk of the Council of the City of Oakland, California