

# FILED OFFICE OF THE CITY CLERK

2016 JUN 17 AM 9: 37

# AGENDA REPORT

TO:

Sabrina B. Landreth

City Administrator

FROM: Mark Sawicki

Director, EWD

SUBJECT:

12<sup>th</sup> Street Remainder Parcel

Disposition and Development Agreement with UrbanCore and

**EBALDC** 

**DATE:** June 8, 2016

City Administrator Approval

Date:

#### RECOMMENDATION

Staff Recommends That The City Council Adopt An Ordinance:

- (1) Authorizing the City Administrator, Without Returning To The City Council, To Negotiate And Execute A Disposition And Development Agreement And Related Documents Between The City Of Oakland And UrbanCore Development, LLC Or Its Related Entities Or Affiliates ("UrbanCore"), And East Bay Asjan Local Development Corporation Or Its Related Entities Or Affiliates ("EBALDC"), For
  - (A) Sale Of The 12th Street Remainder Parcel Located At E12th Street And 2nd Avenue ("Property") For No Less Than \$8.0 Million.
  - (B) A Seller Carryback Loan From The City To EBALDC In The Amount Of \$3.3 Million Plus The Cost Of Loan Origination, And
  - (C) Development Of The Property As A Residential Mixed-Use Project, All Of The Foregoing Documents To Be In A Form And Content Substantially In Conformance With The Term Sheet Attached As Exhibit A, And;
- (2) Adopting CEQA Exemptions (15183 & 15183.3) And Addendum (Relying On The Previously Certified 2014 Lake Merritt Station Area Plan EIR)

### **EXECUTIVE SUMMARY**

Adoption of the proposed ordinance will enable the City Administrator to negotiate and execute a Disposition and Development Agreement (DDA) that will allow the City to sell the Property to UrbanCore Development (or a related entity) and the East Bay Asian Local Development Corporation (EBALDC) (or a related entity) for the appraised fair market value (FMV) of \$8 million for development of a residential mixed-used project; and allow the City to finance EBALDC's acquisition of its portion of the Property with a seller carryback loan in the amount of \$3.3 million (plus the cost of loan origination) to support the affordable housing project. The ordinance includes the California Environmental Quality Act (CEQA) findings for this action.

The proposed Project will consist of a total of 361 residential units in two buildings sharing a common entrance and garage: a nine story mid-rise that includes 90 affordable units targeting

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households at or below 60% of AMI, plus one manager's unit for a total of 91 units; and a 27 story tower that includes 270 units, at least 18 of which will be affordable to households at income levels between 80% to 120% of AMI. There will be approximately 5,000 square feet of ground floor commercial space, including community space referred to as "The Commons". The parking garage will consist of approximately 242 to 320 total spaces on four levels: two levels below grade, one level at grade, and one level above grade.

The ordinance also authorizes the City Administrator to appropriate \$300,000 of the net \$4.7 million land payment to fund a Community Benefits Program. Staff will return to City Council with a resolution for approval to distribute and allocate these community benefits funds.

Additionally, the Developer is offering a Project Labor Agreement (PLA) for the entire project; landscaping and maintenance of the 0.92 acre of open space adjacent to the Property; allowing shared access to the Project's common spaces and amenities to all residents of the Project; and forgoing condo conversion credits that the project would normally be entitled to under the current Condo Conversion Ordinance.

### **BACKGROUND / LEGISLATIVE HISTORY**

#### A. ENA with UrbanCore & EBALDC

On July 14, 2015, the City issued a Notice of Offer and Intent to Convey the Property ("Notice"). The City evaluated five proposals and on March 15, 2016, the City Council authorized an Exclusive Negotiating Agreement (ENA) with UrbanCore and EBALDC (collectively "Developer") for the purposes of further refining their project proposal for Planning approval, completing CEQA review, and negotiating the terms and conditions of a DDA based on a new appraisal. (Reso No.86056 C.M.S.)

Developer has been working diligently to move the Project forward, including hosting community meetings; submitting an application for the State's Affordable Housing and Sustainable Communities (AHSC) funding; refining their project proposal for Planning Application submission; and completing the CEQA review for the proposed project. Planning staff has scheduled the project for design review and Planning Commission consideration on June 15. Project Implementation staff obtained an updated appraisal of the Property's FMV at its highest and best use and is now seeking Council authorization to execute a DDA with UrbanCore and EBALDC team. (See *Exhibit A* of Ordinance for DDA Terms).

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#### B. Development Team and Proposed Ownership Structure

The proposed DDA will be between the City of Oakland and UrbanCore Development, LLC, a California limited liability company, (or a related entity *controlled* by UrbanCore), and East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation or a related entity *controlled* by EBALDC (collectively, "Developer").

Michael E. Johnson created UrbanCore Development, LLC in 2010 with the goal of re-branding infill development activities for which the former Em Johnson Interest, Inc (EJI) had become known. Founded as a minority business enterprise in 1979 by Mr. Johnson, EJI has been a leading San Francisco Bay Area real estate company for more than 25 years. UrbanCore has successfully completed, or has in progress, a total of 32 projects, including approximately 3,000 housing units and over 100,000 square feet at a cost of \$800 million, primarily throughout the San Francisco Bay Area, but also Oregon, Atlanta, and elsewhere in the Southeast United States. UrbanCore has a history of strategic partnerships with non-profit and for-profit housing developers on mixed-income projects.

EBALDC is an Oakland-based nonprofit community development organization founded in 1975 and with Joshua Simon as the current Executive Director. EBALDC has invested more than \$200 million in assets that have had substantial physical and social impact on communities in Oakland and the East Bay, including a total of 2,046 homes and more than 300,000 square feet of commercial space. EBALDC's Neighborhood and Economic Development programs serve 4,000 low-income people annually, through resident services, financial education and counseling, youth and senior programming, and free tax preparation and assistance.

The Developer has hired Oakland-based Pyatok Architects, AVRP Studios and PGA Design to prepare the project designs for planning entitlements; LSA Associates to prepare the CEQA analysis; and Cushman & Wakefield for market advice. Also, the Developer has been talking to Cahill Construction to be the General Contractor.

UrbanCore and EBALDC will create and prepare for recording a subdivision map of the Property that creates a two-unit condominium, governed by Conditions, Covenants & Restrictions (CC&Rs). When the subdivision map is ready for recordation, the City will record the map and sell one condo unit to UrbanCore (or a related entity controlled by UrbanCore) and the second condo unit to EBALDC (or a related entity to be controlled by EBALDC). Each condo unit owner will solely own a fee interest in the improvements wholly within the unit; in addition, that owner will hold an undivided common interest in the land beneath the two condo units and the improvements that are to be jointly managed and maintained. A "master association" will be established to govern the common interest business of the two owners under the terms of the CC&Rs.

The full project will be built as a "Common Interest Development": UrbanCore (or a related entity) will develop, own, and manage the market-rate project (which will include at least 18 units affordable to moderate income households); EBALDC (or a related entity) will develop, own and manage the 100% affordable project (90 units affordable to lower income households plus one manager's unit).

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Within 150 days of DDA approval, the Developer will identify, for City review and approval, a financially strong entity to partner with. The Guarantor must have significant assets or capital sufficient to complete the Project, pursuant to criteria set forth in the DDA and acceptable to the City in its sole and absolute discretion.

#### C. Property Location and Ownership History

The 12th Street Remainder Parcel is currently owned by the City of Oakland. This 0.925 acre of land was previously public right-of-way and was created in 2011 as a result of the reconfiguration of 12th Street that was a part of the City of Oakland's Lake Merritt Park Improvement/12th Street Reconstruction Project which was funded by Measure DD.

The Remainder Parcel is bounded by E. 12th Street on the east, by 2nd Avenue & OUSD property on the south, by the newly created open space to the west and by Lake Merritt Blvd to the north.

The Redevelopment Agency acquired the Remainder Parcel from the City on June 16, 2011. In February of 2012, with the dissolution of the Redevelopment Agency, the Property was transferred to the Oakland Redevelopment Successor Agency by operation of law.

In August 2013 the Oakland Redevelopment Successor Agency and the City received a City of Oakland Redevelopment Agency Asset Transfer Review from the California State Controller, commonly referred to as the "Clawback Report". This report, among other things, disallowed the 2011 acquisition of the Property by the Agency and required the City to transfer the sales proceeds for the Remainder Parcel back to the Oakland Redevelopment Successor Agency. Therefore, on April 7, 2014 the Oakland Redevelopment Successor Agency transferred ownership of the 12th Street Remainder Parcel back to the City.

#### **ANALYSIS AND POLICY ALTERNATIVES**

A. DDA Terms – See Exhibit A attached to the ordinance for the summary of DDA terms. The main changes to what was presented to Council during the recent ENA approval process are: the \$3.3 million affordable housing loan from the City to accommodate the new higher appraised value of \$8.0 million; the minimum pre-conveyance conditions to be met by Developer to be eligible to request a waiver of some of the City's standard pre-conveyance conditions; and the adjusted affordable housing mix in EBALDC's 90-unit building, only if AHSC funds are not awarded this year.

The major DDA terms include:

1. Appraised as-is Fair Market Value, considering the highest and best use: \$8 million. Developer will pay \$4.7 million upfront which includes \$300,000 to be appropriated for a community benefits program. The remaining \$3.3 million of the purchase price will be financed through a seller carryback loan to EBALDC.

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City Affordable Housing Loan: \$3.3M plus the cost of a 2.5% origination fee; 55-year term; 0% interest; payment from residual receipts shared with State and/or other lenders. (See Attachment B to the DDA Term Sheet for details on the terms of the affordable housing loan)

3. <u>Project Description:</u> 361 residential units total in two buildings sharing a common entrance and garage: nine story mid-rise includes 90 units targeting households at or below 60% of AMI, plus one manager's unit for a total of 91 units; and a 27 story tower includes 270 units, at least 18 of which will be affordable to households earning between 80% to 120% of AMI.

Bedroom Type	Mid-Rise Building	High-Rise Building
Studio	25	86
1-Bedroom	34	66
2-Bedroom	22	90 (includes 4 townhouses)
3-Bedroom	10	28 (includes 6 penthouses)
Total Units	91	270

There will be approximately 2,000 sq. ft. of ground floor retail, 3,000 sq. ft. of ground floor community space and courtyard open space at the podium terrace. The parking garage will consist of approximately 242-320 total spaces on four levels: two levels below grade, one level at grade, and one level above grade.

- 4. <u>Development Schedule:</u> Sale of Property by June 30, 2017. Within 8 months of DDA approval, Developer may request a waiver of some of the City's standard preconveyance conditions, for City Administrator approval, if certain conditions are met (e.g. AHSC funding, Completion Guarantee, subdivision approvals, signed PLA and 65% construction drawings). If the City Administrator waives standard conditions to allow an early closing, construction would start within 24 months after transfer of Property or 30 days after issuance of building permits (whichever is earlier). If the City Administrator does not waive the conditions, construction would start within 30 days following close of escrow. Construction is to be completed within 24 months after commencing construction.
- 5. Environmental Remediation: Although Phase II site investigations indicate the soil is dirty and the \$8.0 million land price is based on an as-is appraisal, the City will not set aside any funds from land sale proceeds related to possible environmental remediation cost. Instead, the Developer will be fully responsible for paying for any environmental remediation. (Note: in 2015 the Developer had negotiated a DDA term sheet that allowed a set aside of \$500,000 from land sale proceeds for environmental remediation.)
- 6. <u>Payment and Performance Bonds:</u> Developer to provide payment and performance bonds in the amount not less than 100% of the Project construction costs, pursuant to the Developer-executed construction contract, only if they are a requirement of the

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Developer's lender. (This matches what Council had previously approved in the in the 2015 DDA term sheet with the Developer).

- 7. Easements will be provided by City on the adjacent open space for construction, maintenance, etc.
- 8. Other standard DDA terms would apply to this transaction, such as execution of a completion guaranty before transfer of Property, \$50,000 good faith deposit, repurchase option, etc.

### B. Affordable Housing

Developer will set aside at least 30 percent of the total project units (or 108 units of 361) to be affordable to low and moderate income households, subject to Regulatory Agreements with affordability terms of 55 years; such units will remain as rental if and when other units are sold as condominiums.

A 55-year Regulatory Agreement will apply to the following affordable units owned by EBALDC:

	One of the Following:			
Income Level	# of units (if AHSC funds secured)	# of units (without AHSC funds)		
30% of AMI	20	0		
50% of AMI	10	9		
60% of AMI	60	81		
Total Affordable Units	90	90		

Only if AHSC funds are not awarded this year would the mix of the 90 affordable units be adjusted to 9 units at 50% of AMI and 81 units at 60% of AMI. This adjustment allows EBALDC to revise the underwriting to maximize the debt to build the project without AHSC funds. The alternative would be to postpone the development schedule for another year to re-apply for AHSC funds in 2017.

A 55-year Regulatory Agreement will apply to the following affordable units owned UrbanCore:

Income Level	# of Units
80% of AMI	6
100% of AMI	6
120% of AMI	6
Total Affordable	18
Units	_

The Project would not be required to pay affordable housing impact fees since the above on-site affordable housing requirement negotiated in the DDA exceeds the requirements for fee mitigation under the recently adopted affordable impact fee ordinance.

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### C. Community Benefits

Consistent with the offer presented under the ENA approval, the community benefits that the Developer agreed to in the DDA are:

1. A Project Labor Agreement for the entire project as a pre-conveyance requirement.

- 2. Shared access to the Project's common spaces and amenities by all Project residents. (See **Attachment A** to the DDA Term Sheet for details on the location, ownership, management responsibility and resident access to the non-residential spaces of the Project).
- 3. Restriction of condo conversion credits that the project would normally be entitled to under the current Condo Conversion Ordinance.
- 4. The 0.92 acre of open space adjacent to the Property will be landscaped and maintained by the Developer. The cost of construction is expected to be \$6.24 per square foot or approximately \$250,000.
- 5. The City Administrator will appropriate \$300,000 (of the \$4.7 million land payment) to fund a Community Benefits Program. (See *Attachment C* to the DDA Term Sheet for details on the tentative allocation of the community benefit funds.)

### D. Lease Vs. Sale of Property

The City Council adopted a resolution in December 2014 to establish a general policy to lease rather than sell City property (Reso No. 85324 C.M.S.). During the ENA selection process, staff and the City Administrator recommended an exception to this general policy based on the finding that a sale, rather than lease, of the Property is in the best interest of the City.

EBALDC is reporting that a lease is difficult because their Low Income Housing Tax Credit Investors are asking for a lease term of 75-years minimum and preferably 99-years, but the City Charter limits lease terms to 66-years. This concern is the inability to show that the project can be refinanced at market value when and if affordable covenants expire in 55 years. At that point, only 11 years remain on the ground lease which severely limits refinancing potential.

UrbanCore is also reporting to staff that all the potential investors who have expressed strong interest in financing their project as conceived are institutional investors who require ownership as part of their underwriting. UrbanCore is proposing to build the project as condominiums so that they have the option to sell the units at a later date. According to UrbanCore, these investors are not interested in investing in the project under a ground lease scenario because, as long-term investors, they want to avoid the risk of someday losing control of the building in the event a ground lease cannot be extended. Without the strong interest of these potential investors, the project as conceived by UrbanCore is not financially feasible.

The City Administrator and staff recommend the Council authorize a sale instead of lease of the Property on the basis that it is necessary to promote the City's economic development and housing goals. (Note: this was the determination made by Council in May/June 2015 when a DDA with UrbanCore was last proposed for this Property).

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## FISCAL IMPACT

The proposed legislation does not commit the City to expenditure of any funds. The Developer has agreed to pay for all escrow fees and closing costs related to this transaction, including any City and County taxes.

The sale of the Property would yield an immediate \$4.7 million in land sales proceeds which will be deposited into the City's General Purpose Fund (1010), Real Estate Services Organization (85231), Sale of Land (48111), Non-Project (0000000), Real Estate Program (PS32). The City Administrator will be authorized to appropriate \$300,000 of the land sales proceeds to fund a Community Benefits Program. Staff will return to City Council with a Resolution for approval to distribute and allocate these community benefits funds. Just like any other lender, staff from the City's HCD Department will routinely monitor EBALDC's (i.e. borrower's) compliance with the terms of the City's \$3.3 million affordable housing loan to ensure repayment and that loan funds are going for their intended use.

Tax revenue generated by the Project in its first full year of operation is estimated to start at \$379,000 a year from property tax and \$176,000 a year from business license tax. Also, the retail space is assumed to generate approximately \$5,000 annually in sales tax revenue, based on sales of \$250 per square foot annually. On average residents in the City of Oakland generate \$108 in sales tax revenue per capita. Based on this average, the estimated 722 residents of the proposed project would generate \$78,000 in sales taxes in the City annually.

City Fiscal Benefit	Estimated Amount
Annual Property Tax	\$378,748
Annual Business License Tax	\$176,143
Annual Retail Space Sales Tax	\$5,000
Annual Project Resident Sales Tax	\$77,976
Total	\$637,866
NPV of 25 years at 4%	\$9,964,801

In addition, the Project is estimated to create 729 construction jobs and 14 permanent jobs.

#### **PUBLIC OUTREACH / INTEREST**

The City issued a Notice of Offer and Intent to Convey Property for the Property on July 14, 2015. A Frequently Asked Questions sheet on the selection process was also prepared and shared widely. The City selected the UrbanCore/EBALDC team for an ENA after the team presented their proposal at a special CED Committee meeting on February 29, 2016 and at a City Council meeting on March 15, 2016.

Developer hosted a community meeting on April 20, 2016 and is scheduled to present their project design to Planning Commission on June 15, 2016. The proposed project is consistent with the zoning and vision of the Lake Merritt Station Area Plan (LMSAP), which identifies the

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Property as a Primary Gateway Opportunity Site, ideal for an iconic, high-density residential high rise with ground floor retail. The LMSAP was adopted by the City Council in December 2014 and was the result of an extensive four-year community input process that started in 2010.

#### COORDINATION

Project Implementation staff have coordinated on this agenda item with the City Administrator's Office, the Real Estate Division, the Bureau of Planning, Housing and Community Development Department, the Office of the City Attorney, the Controller's Bureau, and the Budget Office.

#### **SUSTAINABLE OPPORTUNITIES**

**Economic**: UrbanCore/EBALDC's proposed Project will transform vacant underutilized land into a high-density residential development that will provide much-needed housing units, a modest amount of neighborhood-serving retail, and further stimulus to the local economy. Development of the site will produce several hundred construction jobs and tens of permanent jobs. Staff estimates the project will generate to the City \$45 million from property tax and \$21 million from business license tax over 66 years, in addition to other tax benefits from parking tax and sales tax.

**Environmental**: UrbanCore/EBALDC's proposed Project is expected to maximize the potential use of the land while being environmentally-sensitive with its design, use of materials and operations. The proposed high-density development next to a regional transportation hub will likely encourage residents and retail customers to use BART and AC Transit and reduce automobile reliance, which will decrease the use of fossil fuels and resulting greenhouse gas emissions. UrbanCore will fund, as a community benefit, the cost to design, construct and provide ongoing maintenance for the adjacent open space parcel owned by the City.

**Social Equity:** UrbanCore/EBALDC will provide a minimum of 30 percent of the units at an affordable rent to low and moderate income households, comply with the City's local business and employment participation requirements, and enter into project labor agreements.

#### CEQA

A project-specific CEQA analysis was completed May 27, 2016. The Project and CEQA determination were considered at the Planning Commission meeting on June 15, 2016 and approved.

The anticipated environmental effects of the Project have been evaluated by the Lake Merritt Station Plan Environmental Impact Report (approved and certified November 2014), pursuant to Sections 15162 and 15164 of the State CEQA Guidelines: Addendum to the approved and certified Lake Merritt Station Plan EIR.

The Project is also Categorically Exempt pursuant to the following CEQA Guidelines sections: Section 15183.3: Streamlining for Infill Projects; and Section 15183: Projects consistent with a Community Plan, General Plan or Zoning.

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Each of the foregoing provides a separate and independent basis for CEQA compliance and when viewed collectively provides an overall basis for CEQA compliance.

### ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt An Ordinance:

- (1) Authorizing the City Administrator, Without Returning To The City Council, To Negotiate And Execute A Disposition And Development Agreement And Related Documents Between The City Of Oakland And UrbanCore Development, LLC Or Its Related Entities Or Affiliates ("UrbanCore") And East Bay Asian Local Development Corporation Or Its Related Entities Or Affiliates ("EBALDC") For
  - (A) Sale Of The 12th Street Remainder Parcel Located At E12th Street And 2nd Avenue ("Property") For No Less Than \$8.0 Million,
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- (2) Adopting CEQA Exemptions (15183 & 15183.3) And Addendum (Relying On The Previously Certified 2014 Lake Merritt Station Area Plan EIR)

For questions regarding this report, please contact Patrick Lane, Acting Manager, Project Implementation Division at (510) 238-7362.

Respectfully submitted,

Mark Sawicki

Director, Economic & Workforce Development

Department

Reviewed by: Patrick Lane

Project Implementation Division, Acting

Manager

Prepared by:

Hui-Chang Li, Urban Economic Analyst IV

**Project Implementation Division** 

Attachments (1):

Attachment A: Development Plans for 12th St Remainder Parcel

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#### PROJECT DESCRIPTION AND DATA project sponsors, UrbanCore and EBALDC, propose to struct two buildings sitting on a concrete podum grange, podum included: 2 lewels above grade and 2 lewels below de, containing parting at all lewels and community and retail clines at grade facing East 12th St and Late Merrat! leward. One building is a 25-dory residential tower that is BIKE ROOMS 5 984 SF 1,476 SF CENTRAL COMMONS 2656.SE approximately 272' to the roof above the average grade of the site which is 21' above sea level; the other building is an 8 stor LOBBY - NORTH COMMONS 2.055 SE LOBBY - SOUTH COMMON ROOF TERRACE COMMUNITY ROOM! 2.350 SF The site ( 92 acres) is on the west side of Fast 12th Street CIRCULATION - NORTH COMMONS 49.574 SF CIRCULATION - SOUTH COMMONS 11,915 SF CENTRAL COURTYAR 361 dwelling units, including 270 units in the market rate Cakehouse Commons North, 252 market rate units and 18 workforce units, as well as 91 flats in the mid-rise in the Cakehouse Commons South, Lakehouse Commons North SOUTH COURTYARD 2,249 SF PARKING GARAGE 102,234 SF contains 260 flats, 6 penthouses at the top level, and 4 two-story PROPERTY MANAGEMENT 6 pertitiouses at the top avel, amo a vivo-awy townhome at the gound level. The North Commons is set back from the park on the north side by an average of 10°, from E 12th St by 10°, and from the west property line by a range of 7 to 30°. The South Commons is built to the property line along E 12th St and 2nd ADMINISTRATION - NORTH COMMONS 1.423 SE ADMINISTRATION - SOUTH COMMONS 779 SF RESIDENTIAL - NORTH COMMONS RESIDENTIAL - SOUTH COMMONS 67,959 SF and is set back from the west property line by a and is set back from the west property line by a minimum of 5. The distance between the North Commons and South Common is 41? There is a 4-level parinting parage (two below grade, two shows grade), with 25 and parinting state and 20 hibs parinting state. The area of the parinting state. The area of the parinting parage is 102, 146 SF. Off-les moreoments in active. Off-les moreoments include enhancement of a Cry park (52 serse) with natural tandacciping to the northinorthwest ROOF DECK - NORTH COMMONS R563.SE ROOF DECK - SOUTH COMMONS 747 SF. SERVICE 11,508 SF SERVICE - NORTH COMMONS 8,589 SF SERVICE - SOUTH COMMONS 1.733 SF TOTAL GROSS SF PROVIDED 528.992 SF The proposed project will also include the following floor area uses, shown below in gross square footages. CAR AND BICYCLE PARKING REQUIREMENTS RESIDENTIAL PARKING (17.101G.080 A / CHAPTER 17.116) 24 TANDEM 242 TOTAL (0.67 SPACES PER UNIT) NO RETAIL PARKING PROVIDED RETAIL PARKING (17.116.080); DL NO SPACES REQUIRED FOR RESTAURANTS / GENERAL FOOD SALES, GENERAL RETAIL, SALES, CONSUMER SERVICE PROVIDED: 2 OFF-STREET LOADING BERTHS PROVIDED FOR RESIDENTIAL USES <u>LOADING BERTHS:</u> 2 OFF-STREET LOADING BERTHS REQUIRED FOR RESIDENTIAL USES **OPEN SPACE REQUIREMENTS** USABLE OPEN SPACE (TABLE 17.101G.05) MINIMUM DIMENSIONS OF OPEN SPACE AREAS: PUBLIC PLAZA - 10 FT. ROOFTOP - 15 FT. COURTYARD - 15 FT. COMMUNITY ROOM - 250 SF

COURTYARD AT PODIUM 11,224 SF COMMON RESIDENTIAL OPEN SPACE

LEVEL 7 - ROOF DECK 747 SF COMMON RESIDENTIAL OPEN

LEVEL 26 - ROOF DECK 6,563 SF COMMON RESIDENTIAL OPEN SPACE

RESIDENTIAL OPEN SPACE

PRIVATE BALCONIES

4,807 SF PRIVATE RESIDENTIAL OPEN SPACE

#### ZONING CODE SUMMARY PROJECT SITE AREA ++ 40,276 SF (0.92 ACRES) PPO JECY TYPE PERMANENT RESIDENTIAL ACTIVITY, MULTI-FAMILY DWELLING COMMERCIAL ACTIVITY PARCEL NO. BOUND BY EAST 12TH STREET. SECOND AVENUE AND LAKE MERRITT BOULEVARD ADDOCCO (ADDRESS TO BE DETERMINED) - CAKLAND, CA 94612 ZONE LAKE MERRITT STATION AREA PLAN 85 FT. (MID-HIGH) / 275 FT. (TOWER FOR 3 BLDGS.) CUP PROPOSED PODIUM BUILDING - TYPE I-A CONSTRUCTION (4 STORIES) NORTH COMMONS - TYPE I-A CONSTRUCTION (24 STORIES) SOLUTIN CONSIGNATION TABLETTA CONSTRUCTION (6 STODIES) HEIGHT INCREASES ASSUMED WITH FULLY-SPRINKLERED BUILDINGS

ZONING		-1		

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ADA STANDARD (9' x 18') TANDEM STANDARD (9 x 18)

The parking design includes the option of puzzle stackers at Levels 81 and 82, increasing the total parking count to 320 spaces.

SMALL (8' x 15')

DWFLLINGUNIT = 18 900 SF

DWF LINGUINT = 1 080 SF

Active Ground Floor Uses: the Plan calls for activating the park side and East 12th St frontage. This development activates East 12th St will

Height and Massing Concepts: the site is located in an area designated by the Liefs martin collection.

Height and Massing Concepts: the site is located in an area designated by the Liefs martin collection.

Town Height of 279 tools with the bone. This divelopment proposes a Base Height along East 12th Shreet that veries between 20125 above 1990, varying with the days of the site of the Common building with 60 50 above 1990 point, or above 50 30 above 1990 point and 1990 to 1990 point. The Nort Common building existed 25 to 50 or 250 above 1990 point pass, which is 2012-50 over good opening on the location relative to the storage grade, which is 100 above 1990 point of the storage grade. The Nort Common building existed 25 to 50 or 250 above 1990 point passes.

# **LAKEHOUSE COMMONS**

**ENTITLEMENT SUBMITTAL** 

SHEET	INDEX	PERSPECTIVE VIEW	
NUM.	NAME		
T0.01	COVER SHEET		
T0.02	SITE CONTEXT	K	
T0.03	RENDERINGS		
T0.05	PERSPECTIVE VIEWS		
T0.06	PERSPECTIVE VIEWS		
T0.10	GREENPOINT CHECKLIST - NORTH COMMONS		
T0.11	GREENPOINT CHECKLIST - SOUTH COMMONS		
SURVEY 1/2			
SURVEY 2/2		74	
L0.01	LANDSCAPE - PLAN SITE		
L0.02	LANDSCAPE - PLAN PODIUM		
L0.03	LANDSCAPE PODIUM MATERIALS		
L0.04	LANDSCACE PARK MATERIALS		
L0.05	LANDSCAPE STORMWATER CALCULATIONS	W/W	
ALC:01	LIGHTING FLOOR PLANS AND ELEVATIONS		
AL0.02	LIGHTING FLOOR PLANS AND ELEVATIONS		1200
AL0.03	LIGHTING FLOOR PLANS AND ELEVATIONS		
A1.00	ISITE PLAN		
A1.01	BUILDING PLAN - LEVEL B2	7///655555555	Salestin
A1.02	BUILDING PLAN - LEVEL B1		
A1.03	BUILDING PLAN - LEVEL 1		
A1.04	BUILDING PLAN - LEVEL 2		
A1.05	BUILDING PLAN - LEVEL 3 AND 4		
A1.06	BUILDING PLAN - LEVEL 5 AND 6		
A1.07	BUILDING PLAN - LEVEL 7 AND 8		
A1.08	BUILDING PLAN - LEVEL 9 THROUGH 24		
A1.09	BUILDING PLANS - LEVELS 25 AND 26		-
A2.01a	ENLARGED BUILDING PLAN - LEVEL 3 - NORTH COMMONS		
A2.01b	ENLARGED BUILDING PLAN - LEVEL 3 - SOUTH COMMONS		~~~
A2.02a	ENLARGED BUILDING PLAN - LEVEL 5 - NORTH COMMONS		
A2.02b	ENLARGED BUILDING PLAN - LEVEL 5 - SOUTH COMMONS	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
A2.03b	ENLARGED BUILDING PLAN - LEVEL 7 - SOUTH COMMONS		
A2.04a	ENLARGED BUILDING PLAN - LEVEL 25 - NORTH COMMONS	The state of the s	72
A2.05a	ENLARGED BUILDING PLAN - LEVEL 26 - NORTH COMMONS		
A3.01	BUILDING ELEVATIONS	and the same of th	of the state of the state of
A3.02	BUILDING ELEVATIONS		
A3 (3	ENLARGED STREET LEVEL	41	

#### PROPOSED EXCAVATION

The project includes the proposed excavation of 25' below current grade. Resulting in the excavation of 1,006,900 SF of earth from the 40,276 SF site

# SOUTH COMMONS - UNIT TYPES (NET SP) REQUIRED: 252 MARKET RATE UNITS \* MIN. 75 SF PER RESIDENTIA 18 WORK FORCE UNITS \*MIN 60 SF PER RESIDENTIAL 91 AFFORDABLE UNITS \* MIN. 60 SF PER RESIDENTIAL DWELLING UNIT = 5,460 SF

BIKE PARKING (17.101G.080,B / CHAPTER 17.117)

110 TOTAL REQUIRED

PROVIDED: 173 SPACES (0.47 SPACES PER UNIT)

91 (1 PER 4 UNITS) (LONG TERM) 19 (1 PER 20 UNITS) (SHORT TERM)

20070 0051 05105 011 011 171010		1			
POSED: OPEN SPACE CALCULATIONS		STUDIOA	24	452 SF	10
AREA TYPE	AREA	STUDIOB	_1	413 SF	
BALCONIES - NORTH COMMONS	4,755 SF	Grand total: 91	91		- 61
COMMUNITY ROOMS	5,965 SF				
COURTYARDS	11,224 SF	NORTH	COMMON	S - UNIT TY	PES (NE
PRIVATE PATIOS - NORTH COMMONS	1,849 SF	UNIT TYPE	COUNT	UNITSE	TOTAL
ROOF DECK - NORTH COMMONS	6,563 SF	1 BEDROOM G.1	44	705 SF	3
ROOF DECK - SOUTH COMMONS	747 SF	1 BEDROOM G 2	22	631 SF	15
TOTAL PROVIDED	31,103 SF	70257702			
		2 BÉDROOM F	22	908 SF	1
		2 BEDROOM G	44	1.034 SF	- 41

Grand total: 270 270

UNIT MIX

· n						
ᄞ	TOTAL UNIT TYPE SF	UNITSF	COUNT	UNIT TYPE		
40	13,478 SF	613 SF	22	1 BEDROOM A		
٠,	535 SF	535 SF	1:	1 BEDROOM B		
. 0	2,811 SF	562 SF	5	1 BEDROOM D		
Pi	3,551 SF	592 SF	6	1 BEDROOM E		
	5,196 SF	866 SF	6	2 BEDROOM A		
E	4,958 SF	826 SF	6	2 BEDROOM B		
18	2,015 SF	672 SF	3	2 BEDROOM C		
o.	5,499 SF	917 SF	6	2 BEDROOM D		
Q	1,001 SF	1,001 SF	1	2 BEDROOM E		
P?	6,853 SF	1,142 SF	6	3 BEDROOM A		
. "	4,780 SF	1,195 SF	4	3 BEDROOM B		
C						
Pi	10,850 SF	452 SF	24	STUDIO A		
₽	413 SF	413 SF	1	STUDIOB		
ı aı	- 61,940 SF		91	Grand total: 91		
Al						
	HARMI ARMIANA INITI MINITA ANTA ANT					

Grand total: 91	91		· 61,940 SF	1
				ı
NORTH	COMMON	S - UNIT TY	(PES (NET SF)	
UNIT TYPE	COUNT	UNIT SF	TOTAL UNIT TYPE SF	
1 BEDROOM G.1	44	705 SF	31,022 SF	1
I BEDROOM G.2	22	631 SF	13,892 SF	
2 BEDROOM F	22	908 SF	19,968 SF	
2 DEDROOM G	44	1,034 SF	45,474 SF	ı
2 BEDROOM H	20	1,096 SF	21,917 SF	
3 BEDROOM C	22	1,191 SF	26,208 SF	
PENTHOUSE A	4	1,748 SF	6,991 SF	
PENTHOUSE B	2	1,567 SF	3,133 SF	
STUDIOC	86	469 SF	40,330 SF	
TOWNHOUSE	4	1,422 SF	5.687 SF	

214,623 SF

Michael Johnson, President, CEO (415) 748-2300 ROJECT SPONSOR AST BAY ASIAN LOCAL DEVELOPMENT CO.

BUILDING SECTION

WALL SECTIONS MATERIALS BOARD

PROJECT TEAM

CONTACT: Ener Chiu 2+ONE: echiu@eba 3-MAIL: (510) 287-5 echiu@ebaldc.org (510) 287-5353 x338

Contact: Phone: Email:

RCHITECT YATOK ARCHITECTS, INC. PTA IOK ARCHI IEC IS, INC.

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OAKLAND, CA 94612

CONTACT: Michael Pyatok, Principal

PHONE (510) 465-7010

EMAIL: moyatok@byatok.com

ARCHITECT
AVXP STUDIOS
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SAN DIEGO, CA 92101
CONTACT: Douglas Austin
PHONE: (619) 704-2700
EMAIL: dhaustin@avresh dhaustin@avrostu

LANDSCAPE ARCHITECT
PGAdesign LANDSCAPE ARCHITECTS
444 17TH STREET OAKLAND, CA 94612 CONTACT: Christopi PHONE: (510) 55 Christopher Kent (510) 550-8851

SITE AERIAL PLAN



**PYATOK** 

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ww.pyatok.cor

703 16th Street Suite 200 San Diego, CA 92101 Phone | (619) 704-2700 Web | www.avrpstudios

> COMMON -AKEHOUSI

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COVER SHEET

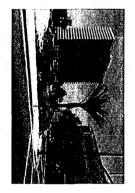


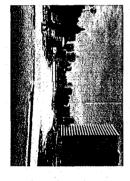








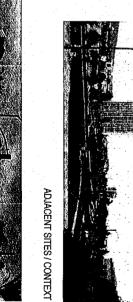




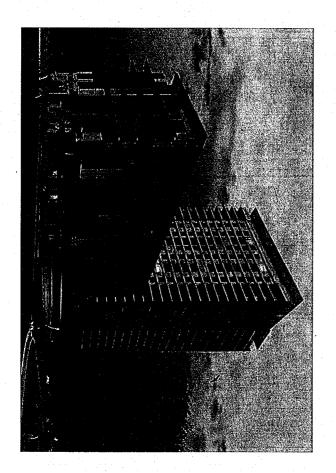


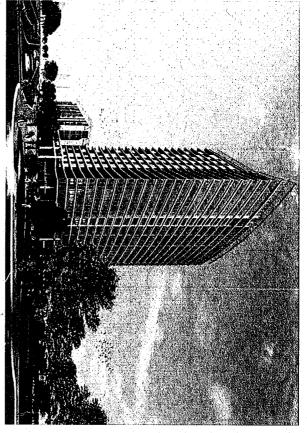






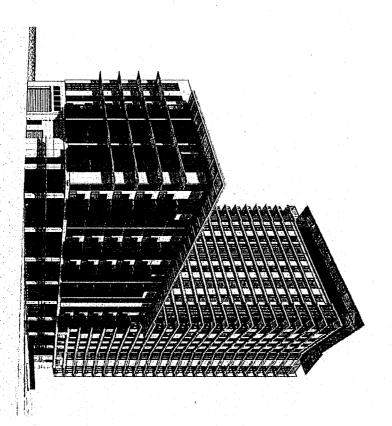
EXISTING SITE

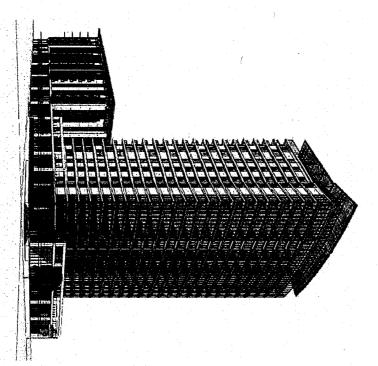




RENDERINGS







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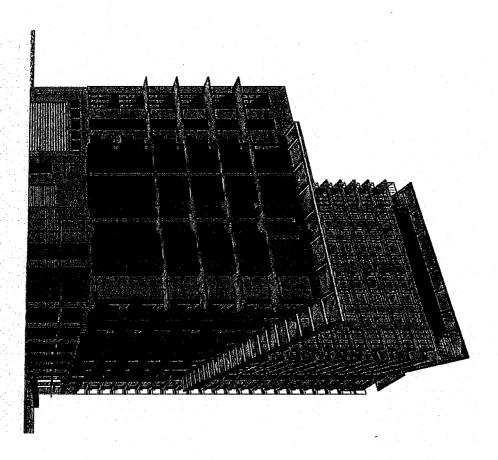
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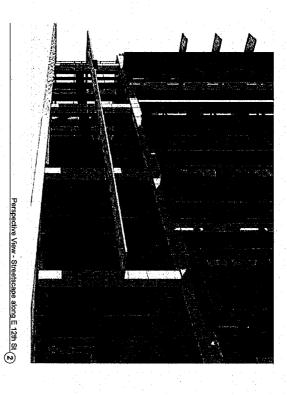
LAKEHOUSE COMMONS E 12th Street and Lake Merritt Boulevard, Oakland CA WWW.pyalok.com

AVRP Studics

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San Diego, CA 92101
Phone | (619) 704–2700
Web | WWW.ampatudoc.com

1611 TELEGRAPH ANE SUITE 200 CWL AND, CA 5-4612 510-465-7010 p | 510-465-56751 www.pystok.com Perspective View - East 12th St. and 2nd Ave. (1)





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Perspective View - Streetscape along E 12th St. (3)

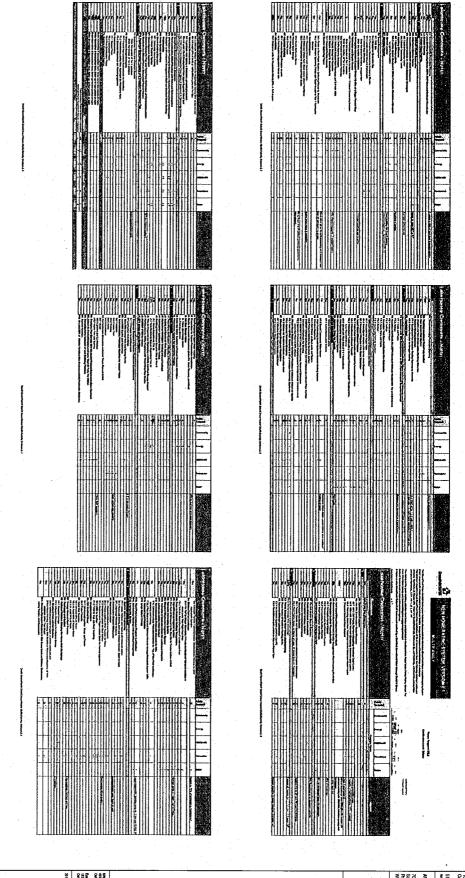
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PERSPECTIVE VIEWS

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703 fath. Street, Stude 200
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GREENPOINT CHECKLIST - NORTH COMMONS Useas coet gracus press; LLC 498 Personal Sense; Saba 313 Octoor, CN 4981 Children, CN 4981 Children, CN 4981 Children, CN 4982 2015-01, CN 5982 2015-01

LAKEHOUSE COMMONS

E 12th Street and Lake Merritt Boulevard, Oakland CA

510.465.7010 p | 510.465.86751 www.pyraids.com AVRP Studies 703 16th Street, Suite 200 San Diogo, CA 52101 Phone | (5/61) 704-2700 Web | www.ampsudces.com

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GREENPOINT CHECKLIST - SOUTH COMMONS

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**LAKEHOUSE COMMONS** E 12th Street and Lake Merritt Boulevard, Oakland CA

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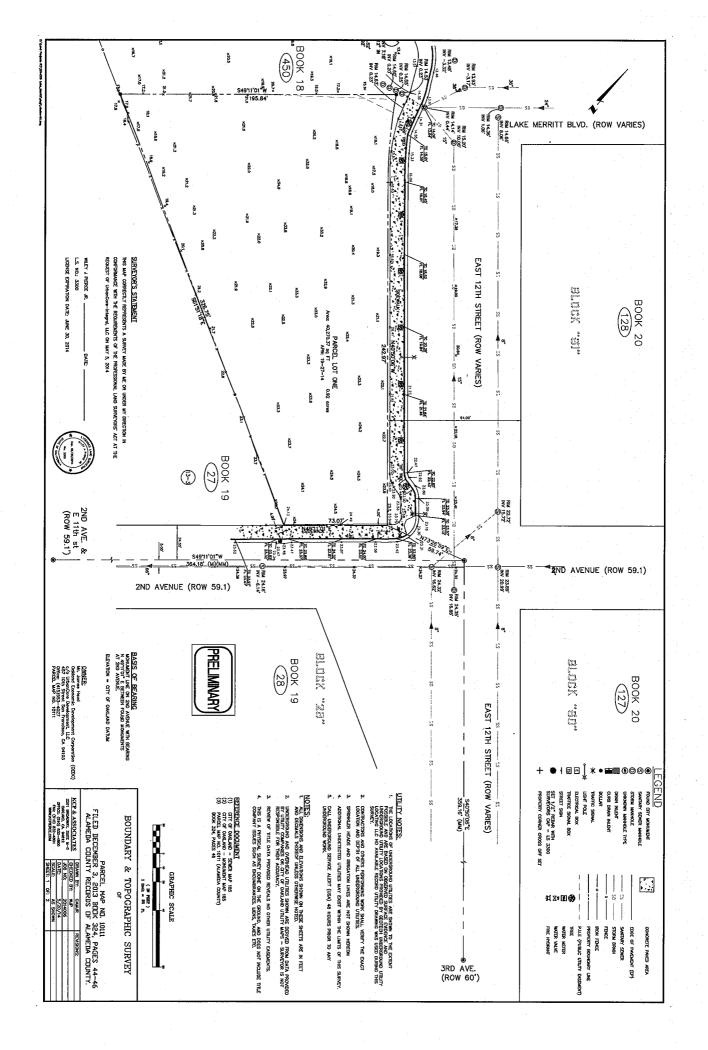
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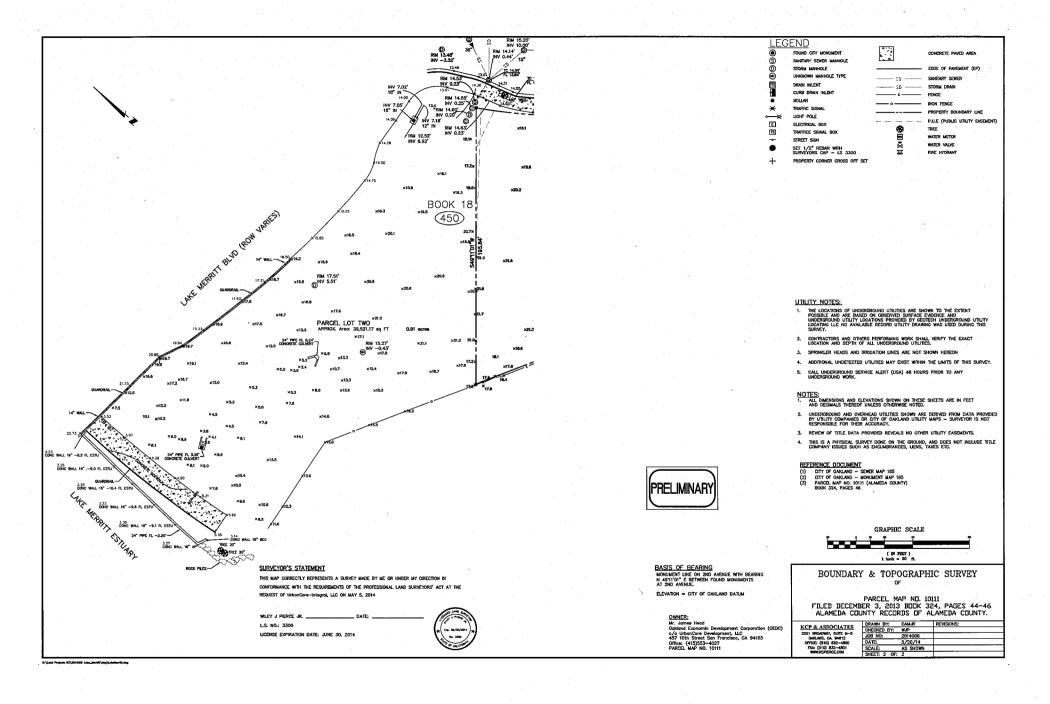
ONGLAND, ON SHETE ZOO

TOO 16th Steed, Side ZOO

Road 16937 DA-ZOO

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LANDSCAPE-PLAN SITE

12818

LAKEHOUSE COMMONS

E 12th Street and Lake Merritt Boulevard, Oakland CA

# LAKE MERRITT TOWERS // LEVEL 3 PODIUM PLAN 510.465.7010 p ) 510.465.8575 ( www.pyalok.com 703 16th Street, Suite 200 San Diego, CA 92101 Phone | (619) 704-2700 Web | www.avrpstudios.com PGA design LAKEHOUSE COMMONS E 12th Street and Lake Merritt Boulevard, Oakland CA OUTDOOR KITCHEN MOVEABLE DINING OUTDOOR LOUNGE WITH FIRE PIT RAISED PLANTER (TYP.) **LEVEL 7 TERRACE PLAN** - CONCRETE PAVING AND PAVERS 2016 04.15 Deskin R STONE PAVING PLAY STRUCTURE RUBBERIZED PLAY SURFACING LANDSCAPE-PLAN PODIUM - HOT TUB PRIVATE PATIO (TYP.) SEATING ALONG PLANTER (TYP.) OUTDOOR LOUNGE WITH FIRE PIT MOVEABLE FURNITURE PAVERS L0.02 MODULAR WOOD SEATING (TYP.) RAISED MODULAR PLANTER (TYP.)

#### **PODIUM PALETTE**

#### AMENITIES













LAGERSTROEMIA INDICA

GROUP LOUNGE AREA WITH FIRE PIT HOT TUB

OUTDOOR KITCHEN

PLAY STRUCTURE

SMALL FLOWERING TREES

SHADE TREES

SITE FURNISHINGS









MOVEABLE DINING

OUTDOOR DINING TABLE

SEATING ALONG PLANTER

WESTERN REDBUD CERCIS OCCIDENTALIS

STRAWBERRY TREE ARBUTUS 'MARINA'

PINEAPPLE GUAVA

PAVING MATERIALS

















WOOD DECKING

COLORED AND TEXTURED

NATURAL STONE PAVERS

NEW ZEALAND FLAX

TALL PLANTING

FOX TAIL AGAVE AGAVE ATTENUATA

BLUE FINGER

MEDITERRANEAN SPURGE

KANGAROO PAW

STORMWATER TREATMENT & PLANTING



BIOREMEDIATION FLOW THROUGH PLANTER







DUNE SEDGE CAREX PANSA



CROCOSMIA 'LUCIFER'

510.465.7010 p | 510.465.8575 f

LAKEHOUSE COMMONS

1016.04.15 Design Review Preview Se 016.04.29 Design Review

LANDSCAPE PODIUM MATERIALS

#### INITIAL PLANTING LIST FOR LAKE MERRITT TOWERS PARK

#### LARGE TREES





COAST LIVE OAK QUERCUS AGRIFOLIA

VALLEY OAK QUERCUS LOBATA

FLOWERING TREES







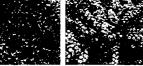
WESTERN REDBUD CERCIS OCCIDENTALIS

CALIFORNIA BUCKEYE AESCULUS CALIFORNICUS

CALIFORNIA ELDERBERRY SAMBUCUS MEXICANA

SHRUBS











ARCTOSTAPHYLLOS HOOKERI

CEANOTHUS GLORIOSUS

ROSA CALIFORNICUS CALIFORNIA WILD ROSE

ZAUSCHNERIA CALIFORNICA CALIFORNIA FUCHSIA

#### GROUND COVER



JUNCUS PATENS CAREX PANSA



ACHILLEA MILLEFOLIUM GOLDEN YARROW



ESCHSCHOLZIA CALIFORNICA CALIFORNIA POPPY



IRIS DOUGLASIANA DOUGLAS IRIS



WYETHIA ANGUSTIFOLIA MULES EARS

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703 16th Street, Suite 200 San Diego, CA 92101 Phone | (619) 704-2700 Web | www.avrpstudios.c

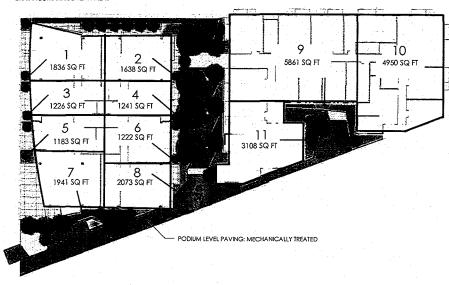
PGA design

LAKEHOUSE COMMONS

LANDSCAPE PARK MATERIALS

#### LAKE MERRITT TOWERS // STORMWATE CALCULATIONS

DRAINAGE MANAGEMENT AREAS



TREATMENT AREAS					
	425 SQ FT —		To provide the second s		•
82 SQ FT	348 SQ FT —	260 SQ		E	<u></u>
82 SQ FI	- 	228 SQ FI			FT
82 SQ FT	244 SQ FT —				
609 SQ F	1				
The same of the sa					

DRAINAGE	TOTAL	TOTAL	TOTAL	TREATMENT
MANAGEMENT	SURFACE	LANDSCAPING	IMPERVIOUS	AREA .
AREA	AREA (SF)	(SELF-TREATING)	SURFACES	REQUIRED
		(SF)	(SF)	(SF)
AREA 1	1836	82	1836	73
AREA 2	1638	425	1638	66
AREA 3	1226	82	1226	49
AREA 4	1241	348	1241	49
AREA 5	1183	82	1183	47
AREA 6	1222	244	1222	49
AREA 7	1941	609	1941	78
AREA 8	2073	100	2073	83
AREA 9	5861	260	5861	234
AREA 10	4950	130	4950	198
AREA 11	3108	228	3108	124
PODIUM PAVING (MECHANICALLY TREATED)	7911			
		TOTAL	26279	1050

PYATOK 1611 TELEGRAPHAVE. SUITE 2X

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FGA design

LAKEHOUSE COMMONS E 12th Street and Lake Merritt Boulevard, Oakland CA

REAN CORE DEVELOPMENT, L 1096 Pledmont Avenue, Suite 313

East Bay Asian Local Development

16.04.15 Design Review Preview :

LANDSCAPE STORMWATER CALCULATIONS

ONAMER

SCALE:

-PRELIMINARY - NOT FOR CONSTRUCT

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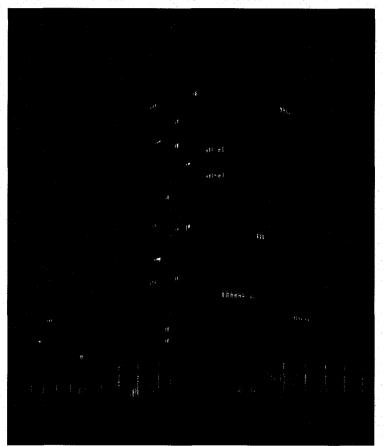
1) BUILDING PLAN - LEVEL 1 2 12TH STREET ENLARGED ELEVATION -WEST 250 250 250 250 33. M 

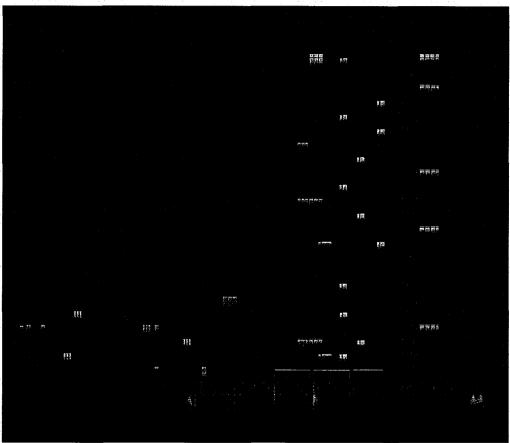
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ILLUMINOSA LIGHTING CONCEPT DESIGN

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LAKEHOUSE COMMONS E 12th Street and Lake Merritt Boulevard, Oakland CA INITIAL PARTY AND SUPE ZOO CHANGE, CASSES SOLAS AND SUPE ZOO CHANGE ZOO CHANG





Perspective View - East 12th St and Lake Merritt Blvd

12TH STREET ELEVATION - WEST

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> LAKEHOUSE COMMONS E 12th Street and Lake Merritt Boulevard, Oakland CA

URBAN CORE DEVELOPMENT, LLG 4196 Pindmoré Avenue, Suite 313 Outland Ca MANI

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2018.04.29 Dosign Raview

ILLUMINOSA LIGHTING CONCEPT DESIGN

JOB NUMBER DATE

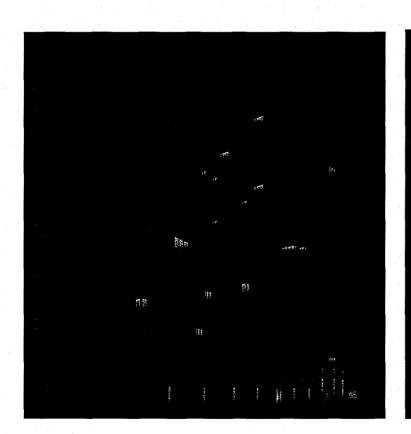
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PRELIMINARY - NOT FOR CONSTRUCTION

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Perspective View - Streetscape along E 12th St



Perspective View - East 12th St

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**AL.03** 

SITE PLAN

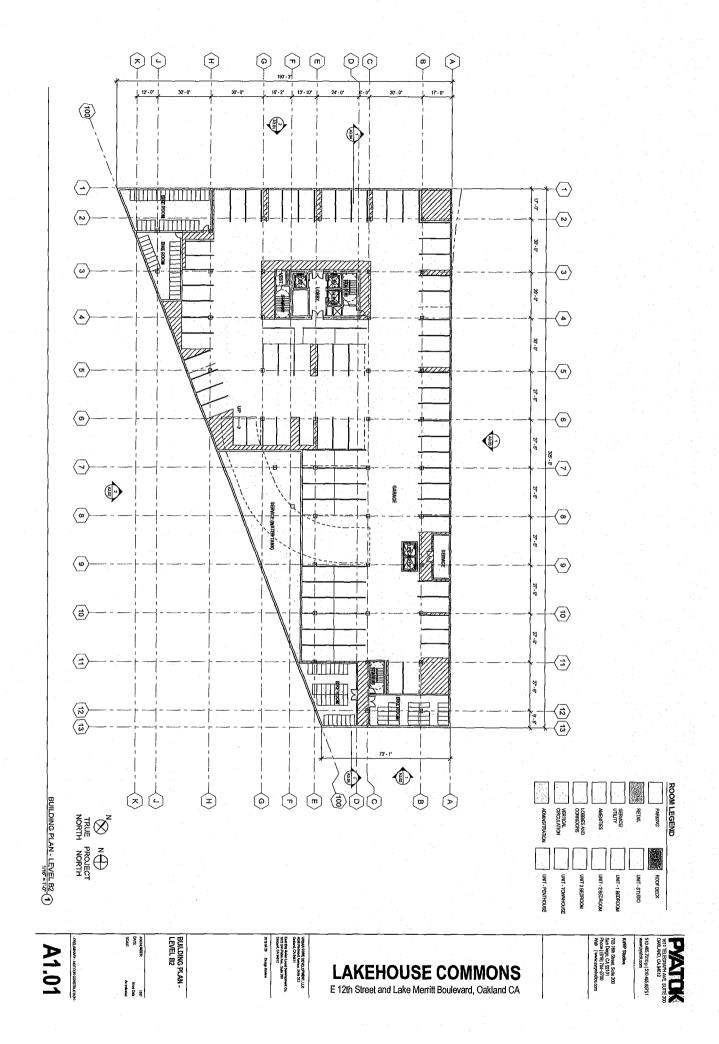
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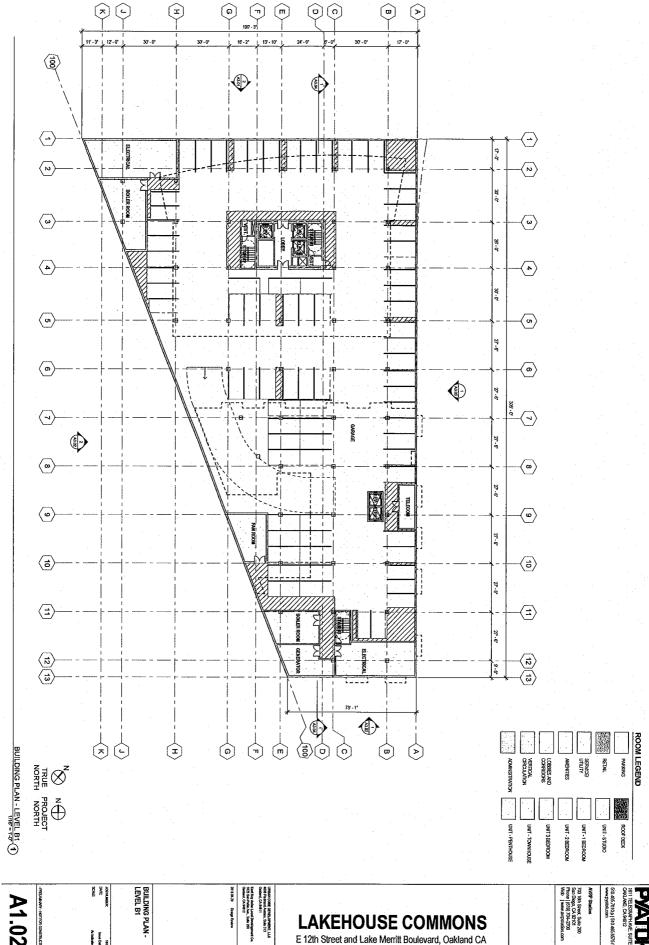
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SITE PLAN

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510.465,7010 p | 510.465.85751



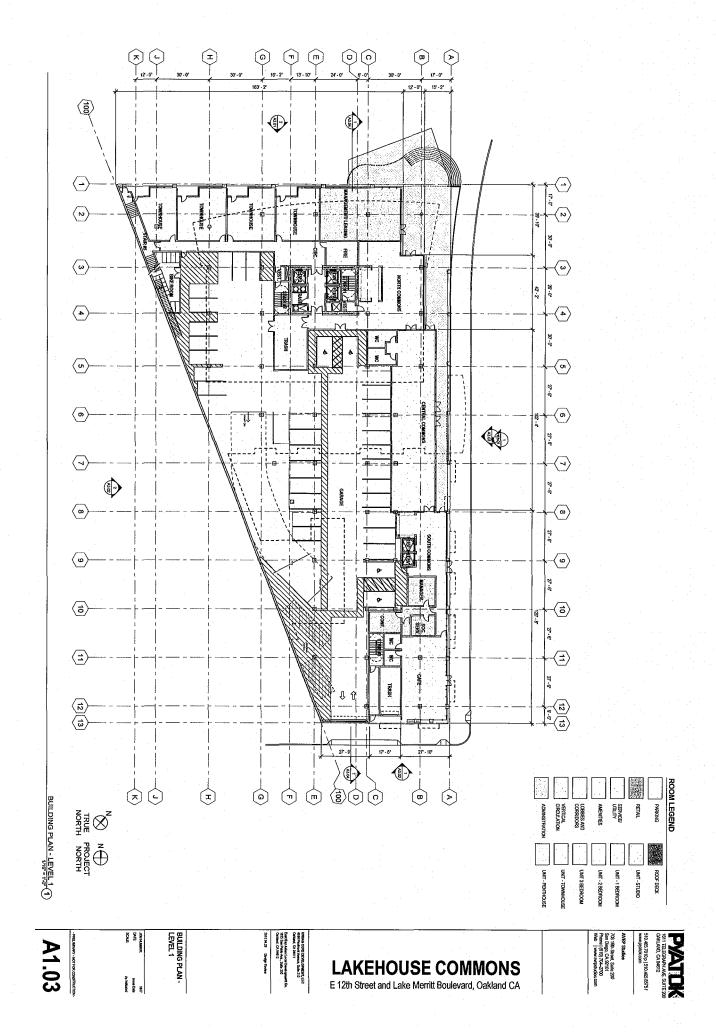


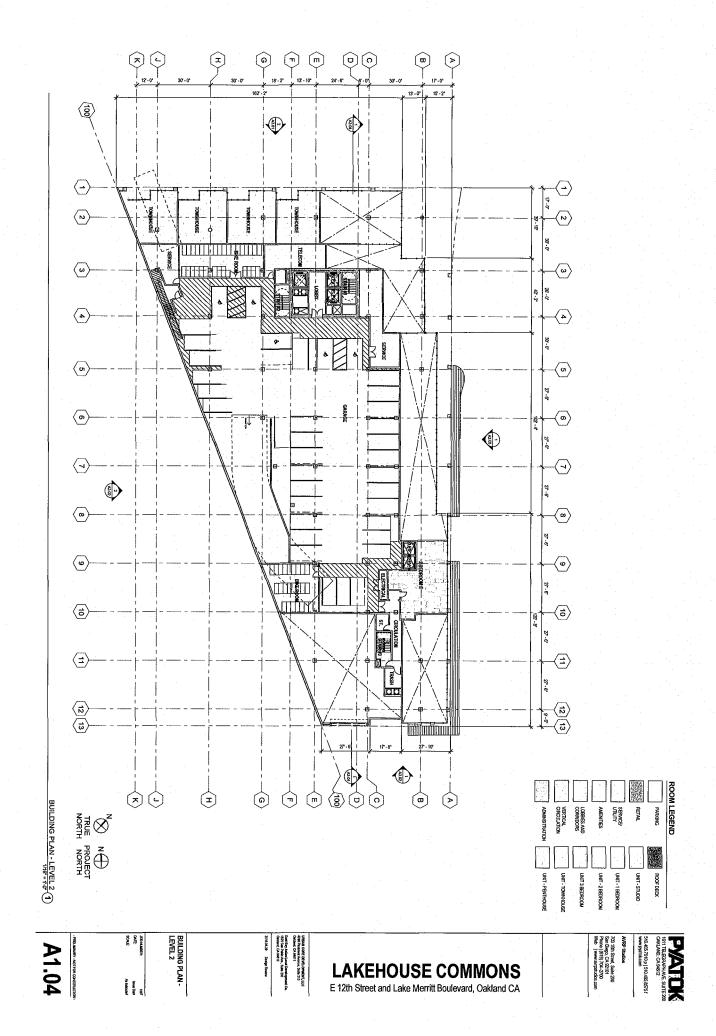
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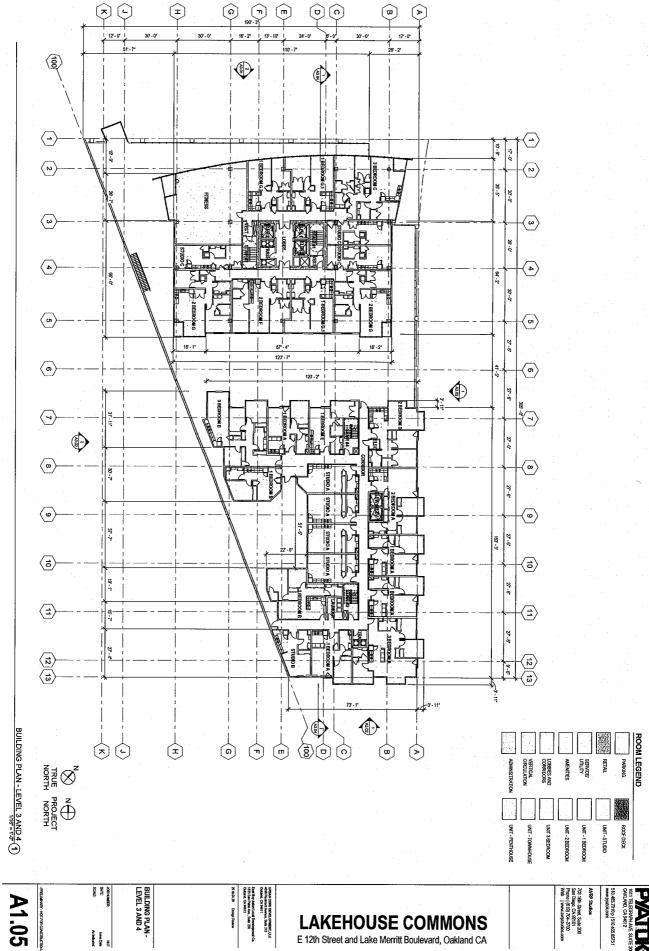
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UPSIAN CORE DENELOPMENT, LLC 4019 Peternit Avenut, Sois 313 Octoor, CA 94411 East Bay Auton Local Development Co. 1823 San Palo Aus., Sois 203 Octoor, CA 94412

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San Diego, CA 92101
Phone | (618) 704–2700
Web | www.ampstodos.com 510.485.7010 p | 510.465.85751 www.pyalok.com

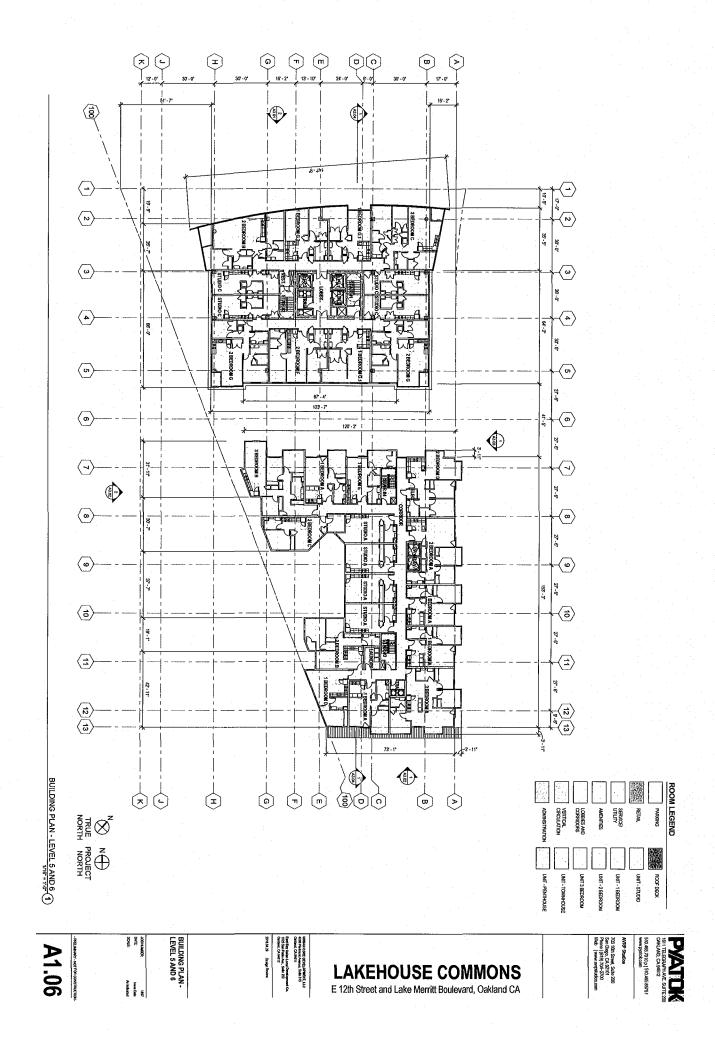


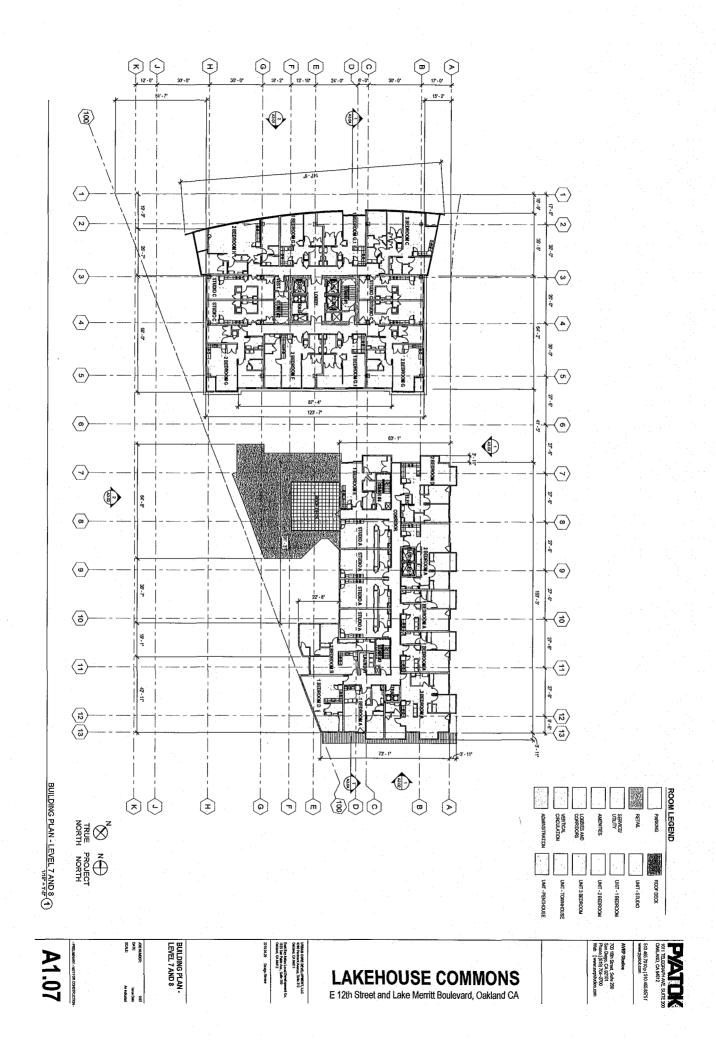


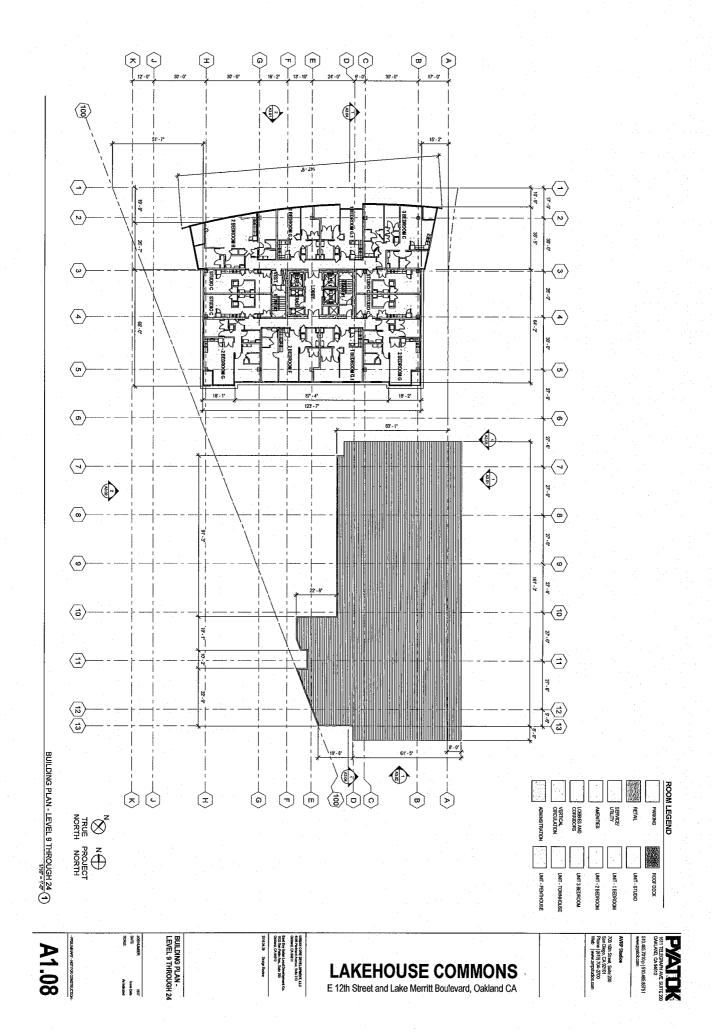


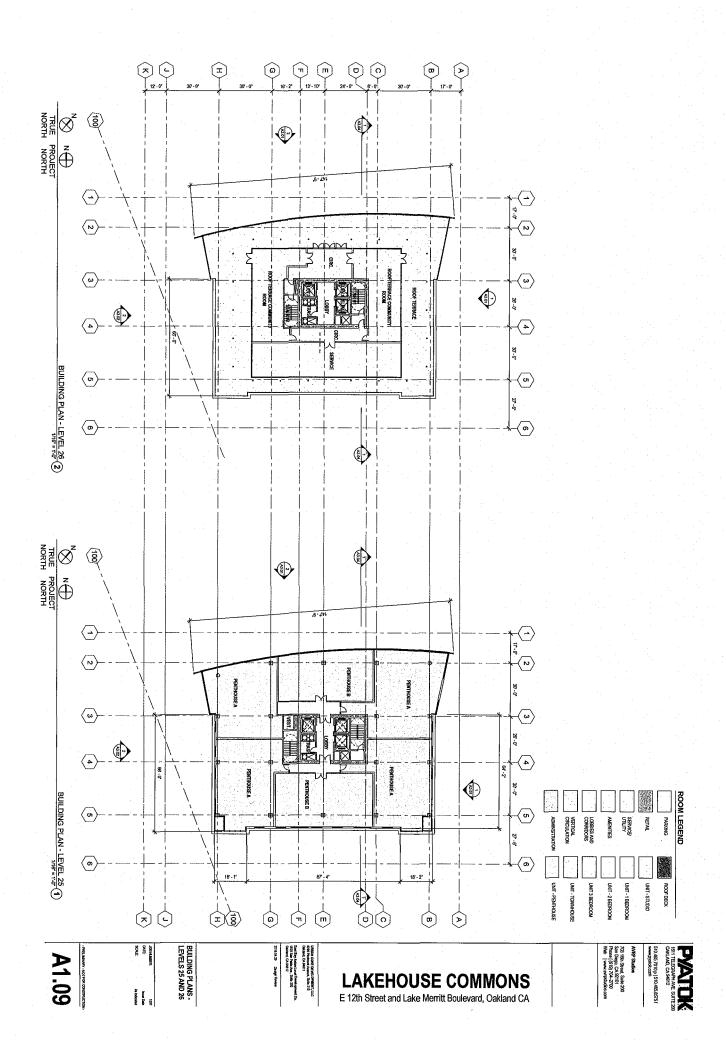
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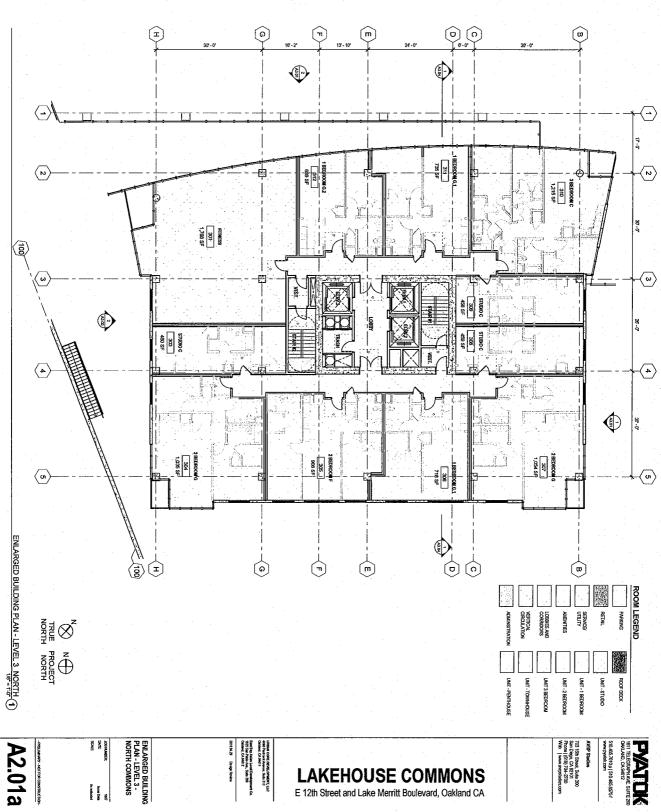
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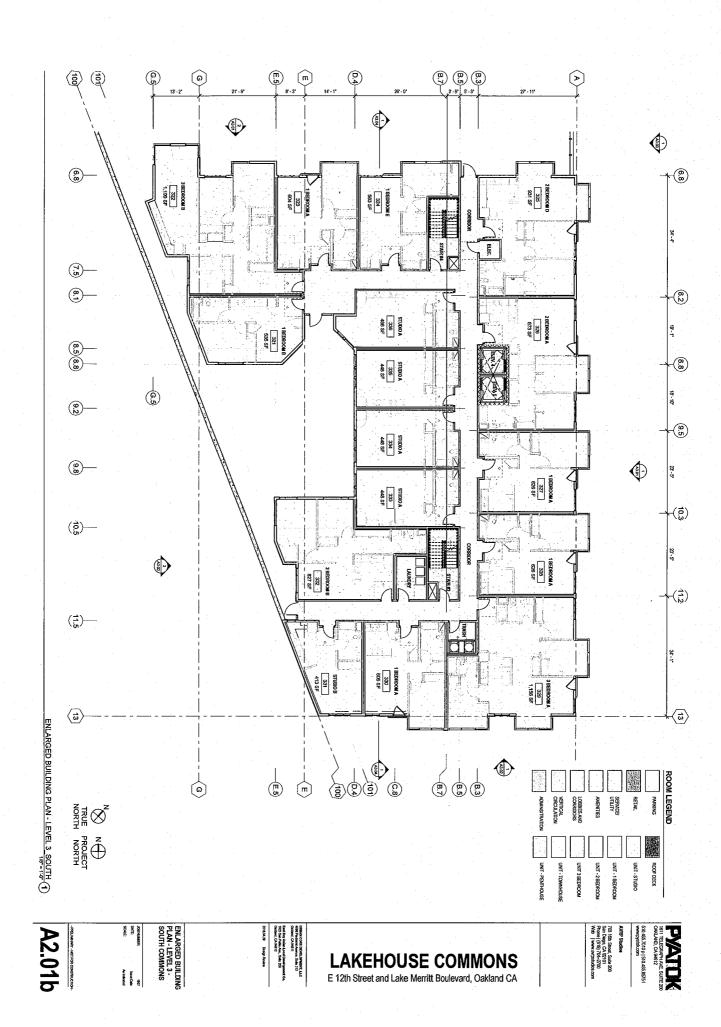


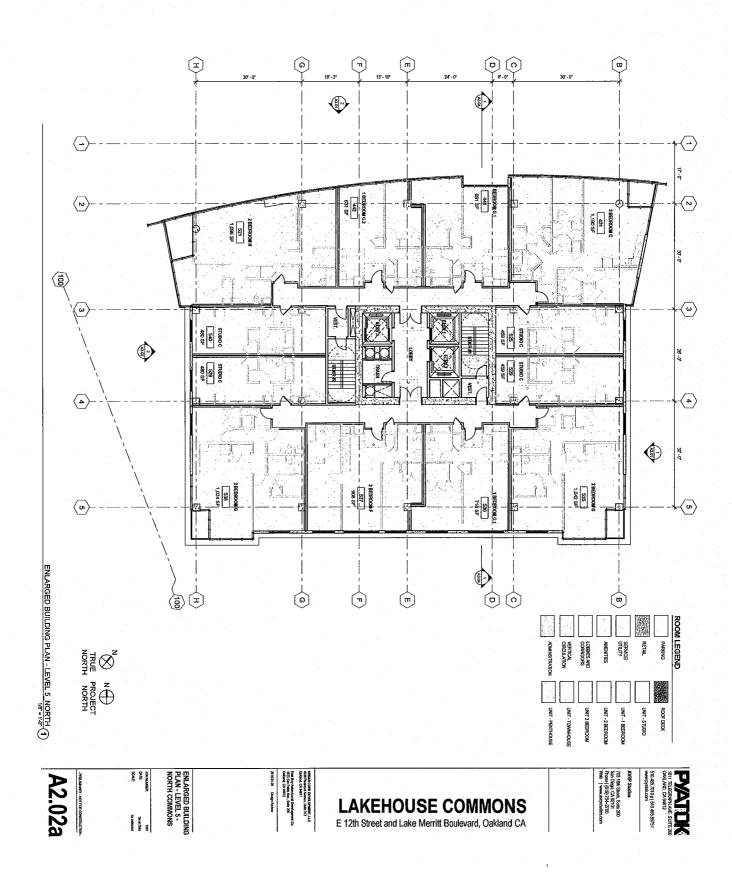


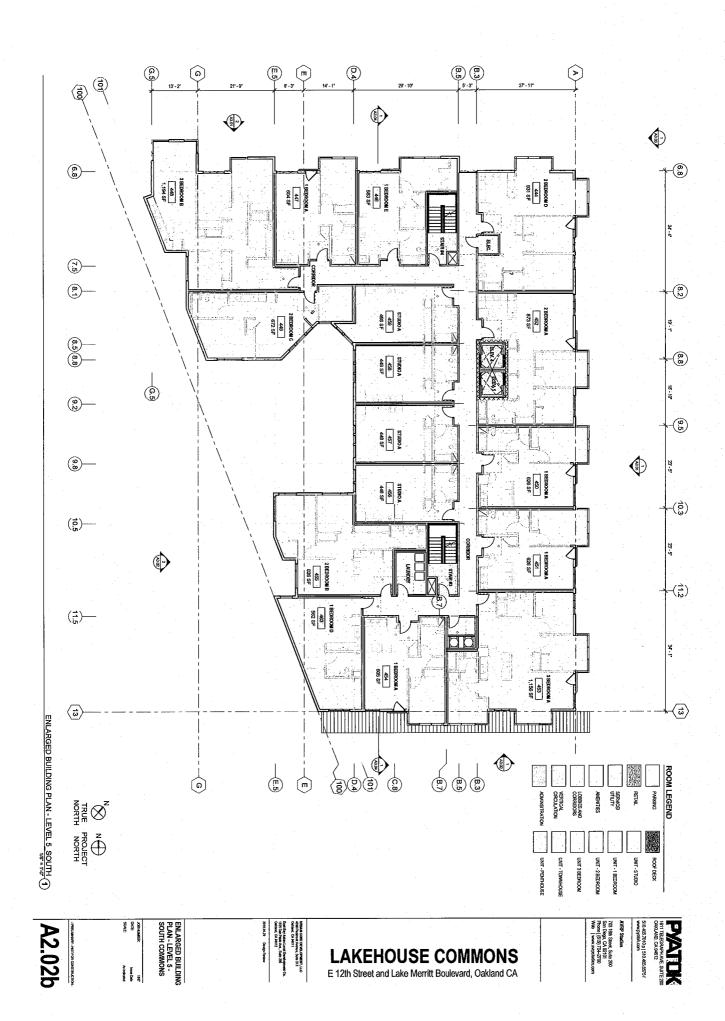


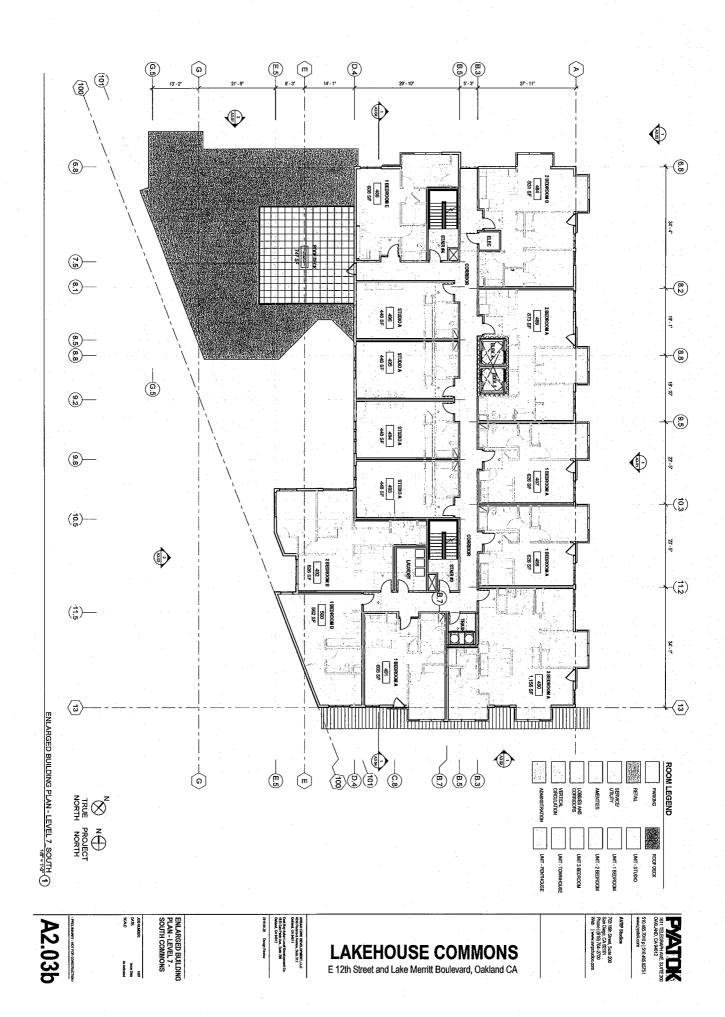


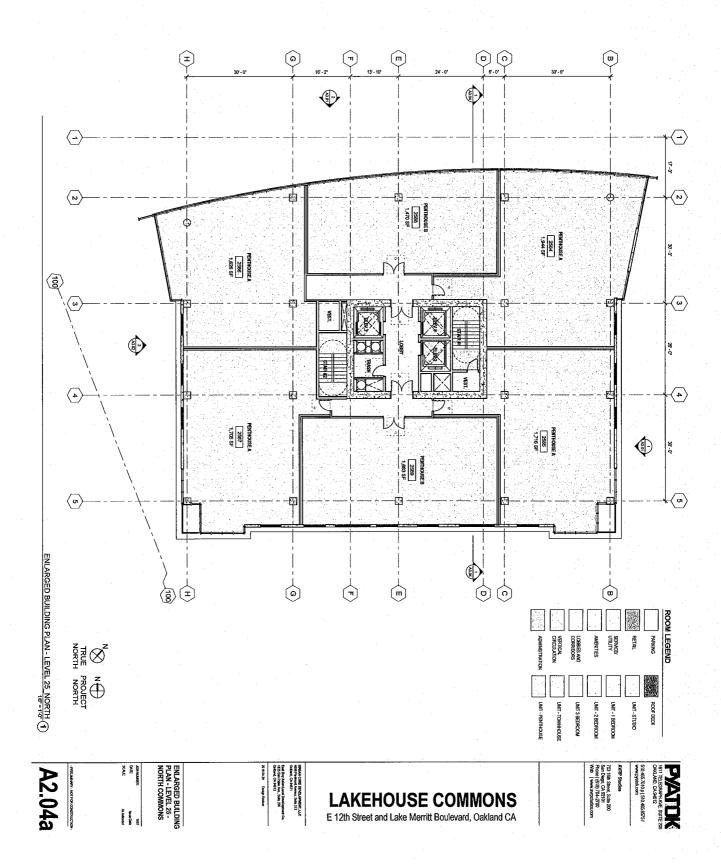


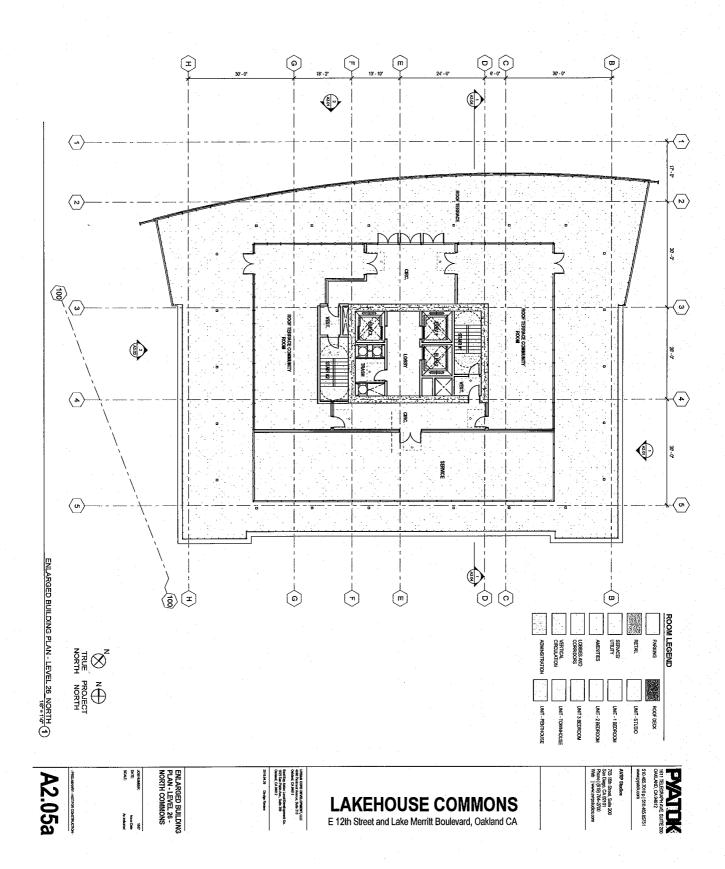












#### FLEVATION GENERAL NOTES

NUMBER	GENERAL NOTE
1	ALUMINUM WINDOW WALL SYSTEM WITH SILVER-GREY PAINTED FINISH ON
	ALL FRAME MEMBERS
2	INSULATED GLAZING WITH RUSE-GRAY TINT

CURVING METAL PANELS WITH SILVER-GRAY PAINTED FINISH AT SLAB

PEDESTAL PAVER SYSTEM AT ROOF TERRACE IN REIGE-GRAY COLOR METAL COVER CAP AT PHOTOVOLTAIC PANEL ROOF EDGE WITH A SILVER-GRAY PAINTED FINISH

TRANSLUCENT PHOTOVOLTAIC PANELS ABOVE ROOF TERRACE AREAS IN

GREEN ROOF SYSTEM

PRECAST CONCRETE PANELS WITH A FINE TEXTURED LIGHT GRAY FINISH

#### ELEVATION GENERAL NOTES

ALLIMINUM BALCONY RAILING IN SILVER-GRAY PAINTED FINISH WITH BILLIE COCEN TINTED OF AZING BLIACONY FLOOR TO BE NEUTRAL COLORED WATERPROOF TRAFFIC COATING

EXTENDED AND ALIGNED SLAB EDGE AS WELL AS UNDERSIDE OF SLAB PAINTED TO MATCH PRECAST CONCRETE COLOR HARDIE PANEL RAINSCREEN AT SOUTH COMMONS

ALUMINUM ROOF RAILING IN SILVER-GRAY PAINTED FINISH WITH

ALUMINUM ROOF PALLING IN SILVER-GRAY PAINTED FINISH WITH BLUE-GREEN TINTED GLAZING CONTINUOUS METAL LOUVER PANELS IN GRAY-BLACK PAINTED FINISH

POWDER COATED METAL PANEL

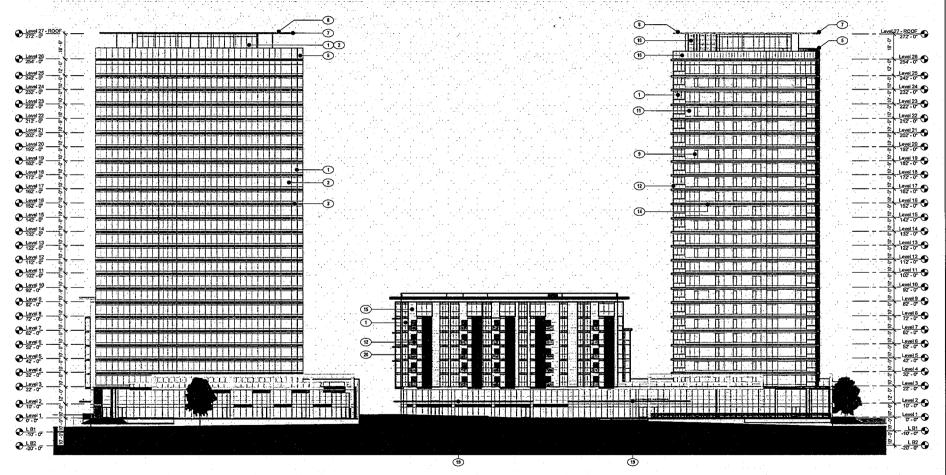
LAMINATED, CERAMIC FRIT GLASS CANOPY

703 16th Street, Suite 200 San Diego, CA 92101 Phone | (619) 704-2700 Web | www.avrpstudios.com

510.465.7010 p | 510.465.8575 f

www.pyatok.com

AVDD Sheline



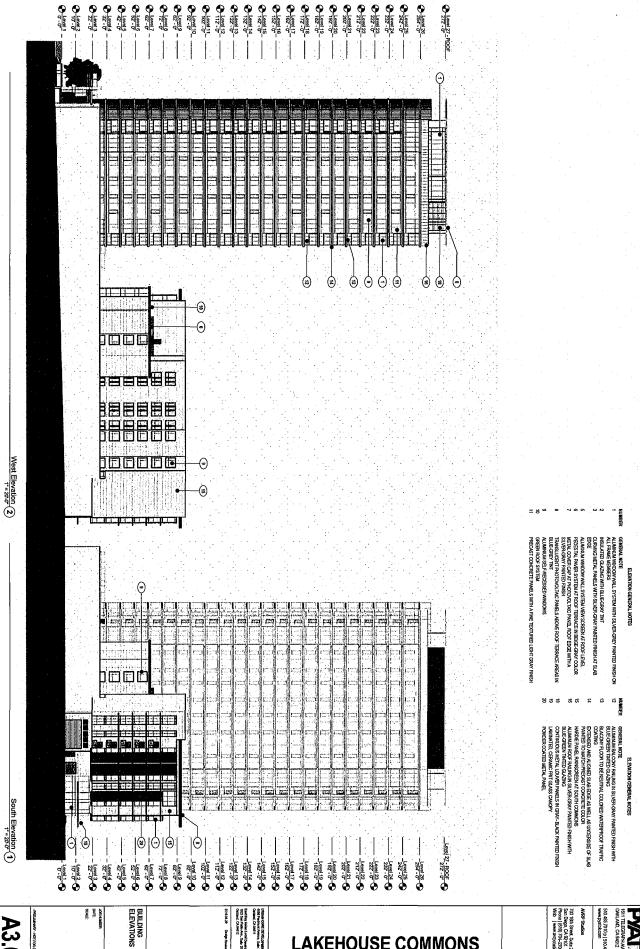
LAKEHOUSE COMMONS E 12th Street and Lake Merritt Boulevard, Oakland CA

URBAN CORE DEVELOPMENT, LLC 4095 Pedrocal Avenue, Sule 313 Oakland, CA 94611

BUILDING **ELEVATIONS** 

JOBNUMBE

A3.01



A3.02

1607 Issue Data 1" = 20"-0"

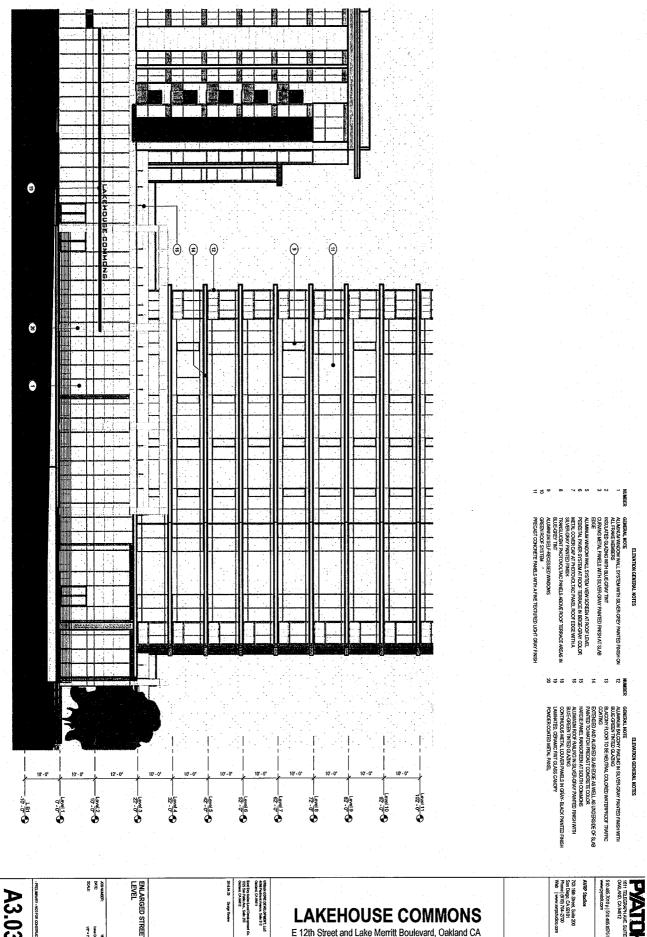
East Bay Asian Local Development Co. 1325 San Pablo Ave., Sale 200 Outland, CA 94612 2010.04.29 Dasign Storiese Untstan CORE DEVELOPMENT, LLC 4356 Partment Avenue, Subs 313 Outland, CA \$4611

**LAKEHOUSE COMMONS** 

E 12th Street and Lake Merritt Boulevard, Oakland CA

510.465.7010 p.| 510.465.8575 ( www.pyatok.com

1811 TBLEGRAPH AVE SUITE 200 OAKLAND, CA 94612



ENLARGED STREET LEVEL JOHNMASER DATE SCALE A3.03 1632 - 1.15. 1604 Date

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**LAKEHOUSE COMMONS** E 12th Street and Lake Merritt Boulevard, Oakland CA 703 16th Street, Suite 200 San Diogo, CA 92101 Phone | (619) 704–2700 Web | www.ampstudios.com AVRP Studios

1611 TBEGRAPH AVE SUITE 200 OMKLAND, CA 94612 510.465.7010 p.| 510.465.8575 f www.pyalok.com

BUILDING SECTION

1627 Issue Date 7 \* 25/4"

JOSHANGER: DATE SCALE

URBAN CORE CPVELOPICITY LLC 4505 Pomera Avenue, Sale 313 Called, CA-9411 Est Est public Level Considerant Co. 1855 Ser Public Level Considerant Called, CA-9411 2016/A.33 Casign Februar

E 12th Street and Lake Merritt Boulevard, Oakland CA **LAKEHOUSE COMMONS** 

FYATER 1611 TELESCH AC. SUITE 200 CARLAND, CA 54612. 510. 485.7010 p. 1510.485.88751 www.pplatk.com

D Level 27 - ROOF

1-80R G.1 1-80R G.1 1-80R G.1 1-80R G.1 232-0

1-898 G.1 1-898 G.1 1-898 G.1 1-898 G.1 1-898 G.1 1-898 G.1

1.BDR 6.1

STAIR#

1-BDRE

1-BDRA

1-80R G.1 1-80R G.1 1-80R G.1

O Level 3

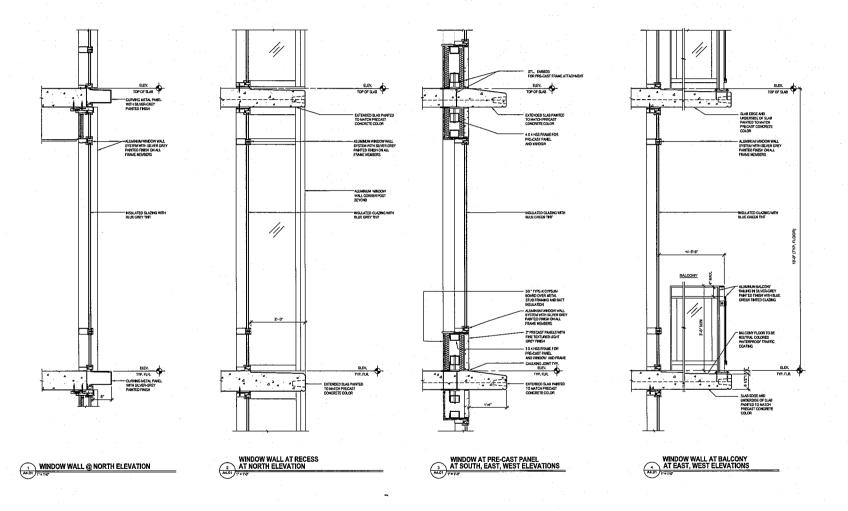
The project includes the proposed excavation of 25 below current grade. Resulting in the excavation of 1,006,500.5F of earth from the 40,276.5F site. 

NORTH/SOUTH BUILDING SECTION (1)

BOILER

-

GARAGE



1611 TELEGRAPH AVE. SUITE 200

510,465,7010 p | 510,465,8575 ! www.pyalok.com

AVRP Studios

703 16th Street, Suite 290 San Diego, CA 92101 Phone | (619) 704–2700 Web | www.avrpstudios.com

URBAN CORE DEVELOPMENT, LL 4095 Plednoni Avenue, Sulle 313

1825 San Pablo Ave., Sulle 200

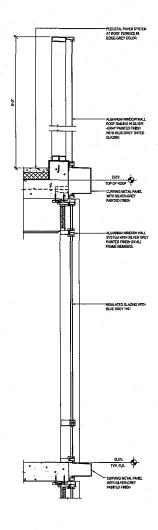
2016.04.15 Design Review Preview Set

WALL SECTIONS

JOB NUMBER: 1507 DATE: 2016,04,29 SCALE: 1" = 1'.0"

- PRELIMINARY - NOT FOR CONSTRUCT

A4.01



WINDOW AT PARAPET

S AT NORTH ELEVATION

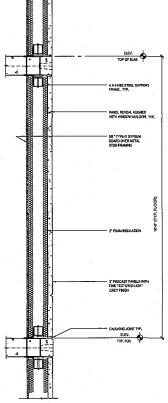
MAZZ 1' = 1'-0'



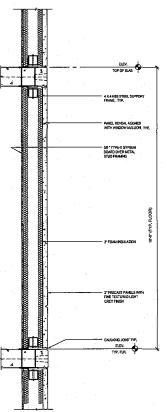
PEDESTAL PAVER SYSTEM AT ROOF TERRACE IN BEIGE-GREY COLOR

INSULATED GLAZING WITH BLUE GREEN TINT

CAULKING JOINT TYP.
ELEV.
TYP. FLR.



TYPICAL WALL PANEL
AT EAST ELEVATION



510.465.7010 p ] 510.465,85751 www.pyatok.com

703 16th Street, Suite 200 San Diego, CA 92101 Phone | (619) 704–2700 Web | www.avrpstudios.com

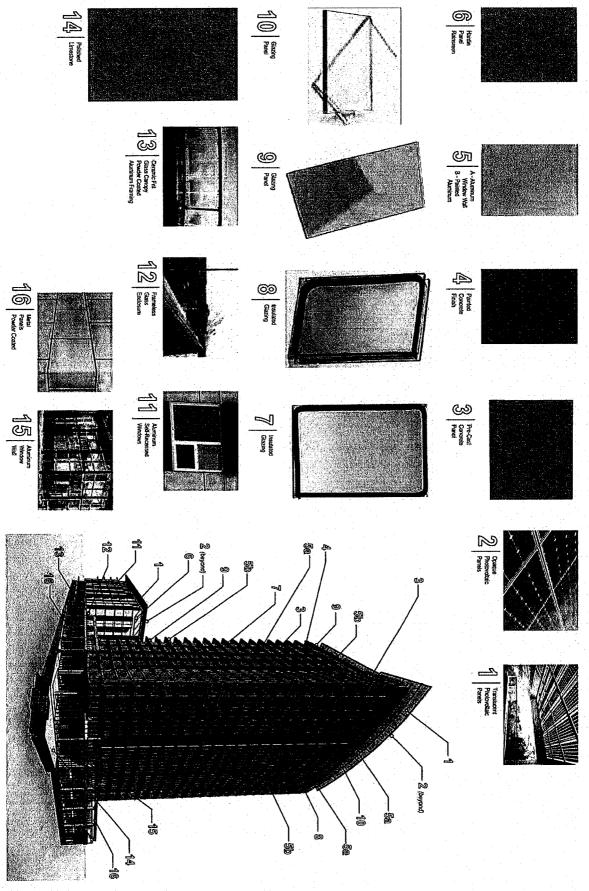
URBAN CORE DEVELOPMENT, LLC 4096 Plednoril Avenue, Sullo 313 Oxidural, CA 94611

WALL SECTIONS

JOB NUMBER: DATE: SCALE: 1"= 1'-0"

- PRELIMINARY - NOT FOR CONSTRUCTION -

A4.02



A5.01

DATE SCALE Materials Board 1957 Seare Date

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LAKEHOUSE COMMONS E 12th Street and Lake Memitt Boulevard, Oakland CA

AVRP Studios
703 18h Street, Suite 200
San Diego, CA 92101
Phone | (\$19) 704-2700
Web | www.ampstudios.com

1611 TELEGRAPH AVE. SUITE 200 CARLAND, CA 94812 510.465.7010 p | 510.465.85751 www.pyaiok.com

FILED
OFFICE OF THE CITY CLERK

2016 JUN 17 AM 9: 37

Approved as to Form and Legality

Deputy City Attorney

Ol	RDIN	ANCE	NO.	C.M.S	
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AN ORDINANCE: (1) AUTHORIZING THE CITY ADMINISTRATOR, WITHOUT RETURNING TO THE CITY COUNCIL, TO NEGOTIATE AND EXECUTE A AND DEVELOPMENT AGREEMENT DISPOSITION AND DOCUMENTS BETWEEN THE CITY OF OAKLAND AND **URBANCORE** DEVELOPMENT, LLC OR ITS RELATED ENTITIES OR AFFILIATES ("URBANCORE"), AND EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION OR ITS RELATED ENTITIES OR AFFILIATES ("EBALDC"), FOR (A) SALE OF THE 12TH STREET REMAINDER PARCEL LOCATED AT E12TH STREET AND 2ND AVENUE ("PROPERTY") FOR NO LESS THAN \$8.0 MILLION, (B) A SELLER CARRYBACK LOAN FROM THE CITY TO EBALDC IN THE AMOUNT OF \$3.3 MILLION PLUS THE COST OF LOAN ORIGINATION, AND (C) DEVELOPMENT OF THE PROPERTY AS A RESIDENTIAL MIXED-USE PROJECT, ALL OF THE FOREGOING DOCUMENTS TO BE IN A FORM AND CONTENT SUBSTANTIALLY IN CONFORMANCE WITH THE TERM SHEET ATTACHED AS EXHIBIT A, AND; (2) ADOPTING CEQA EXEMPTIONS (15183 & 15183.3) AND ADDENDUM (RELYING ON THE PREVIOUSLY CERTIFIED 2014 LAKE MERRITT STATION AREA PLAN EIR)

WHEREAS, the City owns approximately 0.925 acres of land bounded by East 12<sup>th</sup> Street to the east, Second Avenue and property owned by the Oakland Unified School District to the south, newly created open space to the west, and Lake Merritt Boulevard to the north (the "Property"), identified as Assessor Parcel Number 19-27-14 and commonly known as the 12<sup>th</sup> Street Remainder Parcel; and

**WHEREAS**, the Property was previously public right-of-way for that portion of E. 12th Street situated between 1<sup>st</sup> and 2<sup>nd</sup> Avenue; and

**WHEREAS,** on July 14, 2015, the City issued a Notice of Offer and Intent to Convey the Property ("Notice") to potential developers; and

WHEREAS, the City received five (5) responses to the Notice; and

WHEREAS, Oakland Municipal Code Section 2.42.170 sets forth the following factors, in addition to price, that the City may consider in evaluating development proposals on City-owned property:

- 1. The value of the proposed use of the real property to the community and the City as a whole,
- 2. The compatibility of the proposed development and use with current zoning and community plans applicable to the real property,
- 3. The compatibility of the proposed development and use with the character of the surrounding neighborhood,
- 4. The experience, capacity and financial resources of the proposed developer,
- 5. The quality of the project design,
- 6. The environmental sustainability of the proposed development,
- 7. Community and public objectives achieved by the proposed development, such as creating jobs, expanding the tax base, providing other fiscal benefits, providing needed commercial or social services, providing or improving needed infrastructure, improving or preserving the stock of housing affordable to low and moderate income households, eliminating physical or economic blight, and contributing to the economic vitality of the neighborhood, and
- 8. Other factors, as the City Administrator deems applicable; and

WHEREAS, the City has considered these factors in evaluating the development proposals submitted in response to the Notice; and

WHEREAS, since the Property is being sold for development for a particular use to promote the economic development, housing, environmental, and community development goals of the City, the Property is not "surplus" property of the City; and

WHEREAS, the City Council authorized an Exclusive Negotiating Agreement (ENA) between the City and UrbanCore and EBALDC (collectively, "Developer") based on a \$4.7 million land payment offer, for the purposes of developing a project proposal for the Property, completing California Environmental Quality Act (CEQA) review, and negotiating the terms and conditions of a Disposition and Development Agreement (DDA) (Reso No. 86056 C.M.S.); and

WHEREAS, a April 2016 appraisal conducted by Yovino & Young concluded the as-is Fair Market Value (FMV) of the land is \$8.0 million, considering the highest and best use of the Property; and

WHEREAS, Developer is offering to pay a purchase price of \$8.0 million for the Property, comprised of a \$4.7 million payment in cash and a seller carryback loan from the City to EBALDC in the amount of \$3.3 million plus the City's 2.5% loan origination fee (the "City Loan"); and

WHEREAS, the City Loan shall be evidenced by a promissory note in the amount of the City Loan and shall be secured by a deed of trust on the portion of the Property conveyed to EBALDC; and

WHEREAS, the City desires to continue funding affordable housing to further its planning goals and to comply with the regional Sustainable Communities Strategy and the Regional Housing Needs Allocation; and

WHEREAS, City is offering the City Loan to EBALDC to finance EBALDC's acquisition of a portion of the Property for the purpose of providing housing affordable to persons and families of low- or moderate- income; and

WHEREAS, the City Loan shall bear zero percent interest over a 55-year term; and

WHEREAS, Developer is proposing to build a mixed-use residential project that conforms to the zoning regulations under the Lake Merritt Station Area Plan and consists of the following minimum unit and square footage amounts: 361 residential units (with at least 90 of the units to be affordable to lower income households for a period of at least 55 years, and an additional 18 units to be affordable to moderate income households for the same period); and 5,000 square feet of ground floor commercial/community space, all as further described in the Term Sheet attached as Exhibit A (the "Term Sheet")) and incorporated herein by this reference (the "Project"); and

WHEREAS, staff is recommending an appropriation of no more than \$300,000 from land sales proceeds for a Community Benefits Program as described in the Term Sheet; and

WHEREAS, a Disposition and Development Agreement ("DDA") will set forth the terms and conditions under which the City will sell the Property to Developer and by which Developer will construct improvements to the Property; and

WHEREAS, the City will have a continuing proprietary interest in the Project under the DDA in the form of its right to repurchase the Property in the event of a Developer default, and therefore will have an ongoing economic interest in ensuring that the Project is timely completed at minimal cost; and

WHEREAS, it is therefore in the economic interest of the City to ensure cooperation between the Developer and the construction trade unions and to avoid acrimonious and protracted labor/management conflicts in order to minimize delays in Project completion and avoid unnecessary Project costs; and

WHEREAS, in accordance with the requirements of the Term Sheet, the DDA will therefore require that the Developer have entered into a binding project labor agreement for the Project as a condition to conveyance of the Property; and

WHEREAS, the City Council adopted a Resolution in December 2014 to establish a general policy to lease rather than sell City property (Reso No. 85324 C.M.S.); and

WHEREAS, the City Administrator is recommending a sale of the Property instead of a ground lease in this case because a sale is necessary to promote the economic development and housing goals of the City for the reasons set forth in the Agenda Report for this item; now therefore

The Council of the City of Oakland does ordain as follows:

- **SECTION 1.** The City Council hereby finds and determines, pursuant to Resolution No. 85324 C.M.S., that it is in the best interests of the City to sell rather than lease the Property for the reasons described in the Agenda Report for this item, and hereby authorizes the conveyance of the Property to the Developer pursuant to the terms of the documents described in Section 15 hereof for the purchase price of \$8 million.
- **SECTION 2.** The City Council hereby finds and determines that the process by which the City has solicited and considered the development proposals and negotiated with interested entities has met the requirements of the California Surplus Lands Act and the Oakland Municipal Code Section 2.42.170.
- **SECTION 3.** The City Council hereby finds and determines, based on the appraisal conducted by Yovino & Young, as follows: (a) the portion of the Property being conveyed to UrbanCore is being conveyed at its fair market value, and the City is not granting any economic development subsidy to the UrbanCore project; and (b) the portion of the Property being conveyed to EBALDC is being conveyed at its fair reuse value, and such below-market conveyance is justified to make the affordable housing component feasible.
- **SECTION 4.** The City Council authorizes the City Administrator to deposit land sales proceeds up to \$4,700,000, including the "good faith deposit" in the amount of \$50,000, into the General Purpose Fund (1010), Real Estate Services Organization (85231), Sale of Land (48111), Non-Project (0000000), Real Estate Program (PS32).
- **SECTION 5.** The City Council authorizes that no more than \$300,000 from land sale proceeds be appropriated for a Community Benefits Program (to be established) as further described in Term Sheet (Item 30, Attachment C).
- **SECTION 7.** The City Council directs the City Administrator to include the balance of land sales proceeds, totaling \$4,400,000, in the FY 2016-17 Midcycle Budget for Council consideration and appropriation.
- **SECTION 8.** The City Council hereby authorizes the City Administrator to provide a seller carryback loan to EBALDC or an affiliated entity approved by the City Administrator in the amount of \$3,382,500 (i.e., the \$3.3 million loan plus the City's 2.5% loan origination fee).

**SECTION 9.** The City Loan shall be booked as due to the Affordable Housing Trust Fund (Fund 1870).

**SECTION 10.** The City Loan shall be for a maximum term of 55 years, with an interest rate of zero percent per year, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan with the balance due at the end of the term, or on such other repayment terms and schedule as the City Administrator or his/her designee determines are in the best interests of the City and the Project.

**SECTION 11.** As a condition of the loan, the City will require that appropriate restrictions on Project occupancy, rents, and operations be recorded against Project improvements consistent with the provisions of the Term Sheet.

**SECTION 12.** The loan shall be secured by a deed of trust on the portion of the Project land and/or improvements conveyed to EBALDC.

**SECTION 13.** The making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Administrator or his/her designee may establish.

**SECTION 14.** With respect to the EBALDC parcel, the City Council hereby authorizes the City Administrator or his/her designee in his/her discretion to subordinate the priority of the City's deed of trust and/or recorded restrictions to a lien or encumbrance of another private or governmental entity providing financial assistance to the Project, if the City Administrator or his or her designee determines that (1) an economically feasible alternative method of financing the Project on substantially comparable terms and conditions but without subordination is not reasonably available, (2) the City's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the City.

**SECTION 15.** The City Council hereby authorizes the City Administrator or his/her designee, without returning to the City Council, to negotiate and execute: (1) a Disposition and Development Agreement and related documents with the Developer, for the sale and development of the Property, all of the foregoing documents to be in a form and content substantially in conformance with the Term Sheet; (2) grant deeds and any other agreements or documents as necessary to convey the Property to the Developer including, without limitation, the grant of any easement(s), covenants, or similar interests to Developer regarding City-owned open space adjacent to the Property for maintenance and other uses as negotiated by the City Administrator pursuant to the general provisions of Term Sheet Item 27; (3) promissory notes, deeds of trust and any other loan documents necessary to effectuate the City Loan, (4) such other additions, amendments or other modifications to any of the foregoing documents that the City Administrator, in consultation with the City Attorney's Office, determines are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transactions contemplated by this Ordinance, to be conclusively evidenced by the execution and delivery by the City Administrator of any such amendments; and (5) such other documents as necessary or appropriate, in consultation with the City Attorney's Office, to facilitate the sale and development of the Property in order to consummate the transaction in accordance with this Ordinance, or to otherwise effectuate the purpose and intent of this

Ordinance and its basic purpose.

**SECTION 16**. The City Administrator, without returning to the City Council, shall determine satisfaction of conditions precedent to the conveyance of the Property to the Developer.

**SECTION 17**. All agreements associated with the Property and the Project shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution by the City, and shall be placed on file with the City Clerk.

SECTION 18. The City Council finds and determines that the anticipated environmental effects of the project have been evaluated by the Lake Merritt Station Area Plan Final Environmental Impact Report (Final EIR) (certified November 2014) and an Addendum thereto per CEQA Guidelines Section 15164 and, as supported by substantial evidence in the record, no further environmental review is required for sale of the Property and the development of the Project. As separate and independent bases, the sale of Property and development of the Project are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15183 of the State CEQA Guidelines (Projects consistent with a Community Plan, General Plan or Zoning); and Section 15183.3 of the State CEQA Guidelines (Streamlining for Infill Projects).

**SECTION 19.** The City Administrator or his/her designee is hereby authorized to file a notice of determination with the Office of the Alameda County Recorder and the State Office of Planning and Research, and to take any other action necessary in furtherance of the Project, consistent with this Ordinance and its basic purposes.

**SECTION 20.** The record before this Council relating to this Ordinance includes, without limitation, the following:

- A. All staff reports, decision letters and other documentation and information produced by or on behalf of the City, including without limitation the Planning Commission Report and all notices relating to this Ordinance and the DDA;
- B. All oral and written evidence received by City staff and the City Council before and during the consideration of this Ordinance, including without limitation the Planning Commission consideration of general plan conformity; and
- C. All matters of common knowledge and all official enactments and acts of the City, such as (1) the General Plan; (2) the Oakland Municipal Code, without limitation, the Oakland real estate regulations; (3) the Oakland Planning Code; (4) other applicable City policies and regulations; and (5) all applicable state and federal laws, rules and regulations.

**SECTION 21.** The custodians and locations of the documents or other materials which constitute the record of proceedings upon with the City Council's decision is based are respectively (a) the Project Implementation Division, 250 Frank Ogawa Plaza, 5<sup>th</sup> Floor, Oakland, CA; (b) Planning and Building Department, 250 Frank Ogawa Plaza, 3<sup>rd</sup>, Floor, Oakland, CA; and (c) the Office of the City Clerk, 1 Frank Ogawa Plaza, 1<sup>st</sup> Floor, Oakland, CA.

**SECTION 22.** The recitals contained in this Ordinance are true and correct and are an integral part of the Council's decision.

**SECTION 23.** The Ordinance shall be in full force and effect immediately upon its passage as provided by Section 216 of the City Charter if adopted by at least six members of Council, or upon the seventh day after final adoption if adopted by fewer votes.

IN COUNCIL, OAKLAND, CALIFORNIA,	2016
PASSED BY THE FOLLOWING VOTE:	
AYES - BROOKS, CAMPBELL WASHINGTON, G PRESIDENT GIBSON McELHANEY	SALLO, GUILLEN, KALB, KAPLAN, REID, and
NOES -	
ABSENT -	
ABSTENTION -	ATTEST:  LaTonda Simmons  City Clerk and Clerk of the Council  of the City of Oakland, California

### EXHIBIT A

### TERM SHEET

(attached)

#### **EXHIBIT A**

### DDA TERM SHEET 12<sup>TH</sup> ST REMAINDER PARCEL

Draft as of June 15, 2016

Note- This nonbinding term sheet shall serve as the basis for the negotiations of a detailed final Disposition and Development Agreement (DDA) between City staff and the Developer. The terms hereof are not binding on the City unless and until the Developer and the City Administrator, pursuant to City Council authorization, have executed a mutually acceptable disposition agreement for the proposed project.

1	OWNER	City of Oakland	
2A	DEVELOPER	UrbanCore Development, LLC, a California limited liability company	
		("UrbanCore"), or a related entity controlled by UrbanCore, and East	
		Bay Asian Local Development Corporation, a California nonprofit	
		public benefit corporation ("EBALDC"), or a related entity controlled	
		by EBALDC (collectively, "Developer").	
2B	COMPLETION	Developer to provide City a Completion Guaranty as a condition to	
	GUARANTY	closing. Guarantor must be a financially strong entity with significant	
		assets or capital sufficient to complete the Project, pursuant to criteria	
		set forth in the DDA and acceptable to the City in its sole and absolute	
		discretion. The Guarantor shall guarantee project completion, as	
		determined by City. Developer will identify the Guarantor within 150	
		days after DDA approval.	
		A "Form of Guaranty" will be included as an attachment to the DDA	
		and will need to be executed by the City-approved guarantor at close of	
		escrow.	

# 2C OWNERSHIP STRUCTURE

UrbanCore and EBALDC will create and prepare for recording a subdivision map of the Property that creates a two-unit condominium, governed by Conditions, Covenants & Restrictions (CC&Rs). The City will record the map and sell one condo unit to UrbanCore or a related entity controlled by UrbanCore (the "UrbanCore Condo" and the second condo unit to EBALDC or a related entity controlled by EBALDC (the "EBALDC Condo"). Each condo unit owner will solely own a fee interest in the improvements wholly within the unit; in addition, that owner will hold an undivided common interest in the land beneath the two condo units <u>and</u> the improvements that are to be jointly managed and maintained. A "master association" will be established to govern the common interest business of the two owners under the terms of the CC&Rs.

The full project will be built as a "Common Interest Development": UrbanCore (or a related entity) will develop, own, and manage the market-rate project in the UrbanCore Condo (which will include 18 units affordable to moderate income households); EBALDC (or a related entity) will develop, own and manage the 100% affordable project in the EBALDC Condo (90 units affordable to lower income households).

# 2D SUBDIVISION INSTRUMENTS

City, in its proprietary (and not regulatory) capacity, and the Developer will cooperate in the preparation of a vesting tentative map, final map and condominium plan ("Subdivision Instruments") at the Developer's cost, which shall subdivide the Project into a condominium development consisting of two condominiums: the affordable housing element in the EBALDC Condo, which consists of an approximately 8-9 story tower with 91 residential units; and the market-rate element in the UrbanCore Condo, which consists of a 26-27 story tower with 270 residential units.

See <u>Attachment A</u> which identifies developer, ownership and management of the various non-residential spaces.

The parties' approval of the Subdivision Instruments shall be a precondition to the City's obligation to convey the Property and to the Developer's obligation to purchase the Property.

3	PROPERTY	Approximately 0.92-acre of property located on the southeastern edge
		of the Lake Merritt district in the City of Oakland, Alameda County.
		The triangular parcel is generally bounded by Lake Merritt Boulevard
		to the north, East 12 <sup>th</sup> Street to the east, 2nd Avenue and a vacant
		building formerly occupied by the Oakland Unified School District
		(OUSD) to the south, and a recently re-vegetated 0.91-acre City
		park/water treatment basin installed as part of the East 12th Street
		Reconstruction Project and Lake Merritt Channel to the west. Lake
	·	Merritt is located immediately to the north of the site across Lake
	·	Merritt Boulevard.

# 4 PROJECT DESCRIPTION

#### Short version

The Project will consist of residential and commercial development per the following minimum unit and square footage amounts: approximately 361 residential units; 5,000 square feet of ground floor commercial space, including community space (referred to as "The Commons"). At least 90 of the units to be affordable to lower income households for a period of at least 55 years, and additional 18 units to be affordable to moderate income households for the same period. These affordable units will be subject to a Regulatory Agreement with an affordability term of 55 years and will remain rental when other residential units are sold as condominiums.

#### Long version

Approximately 361 residential units total in two distinct buildings sharing a common entrance and garage: 8-9 story mid-rise (i.e., the EBALDC Condo) includes 90 units targeting households at or below 60% of AMI, plus one manager's unit for a total of 91 units; and a 26-27 story tower (i.e., the UrbanCore Condo) includes 270+ units, at least 18 of which will be rent-restricted for households at several income levels between 80% to 120% of AMI. These affordable units will be subject to Regulatory Agreements with an affordability term of 55 years and will remain rental when other units are sold as condominiums. There will be approximately 2,000 sq. ft. of ground floor retail, 3,000 sq. ft. of ground floor community space (referred to as "The Commons"), and courtyard open space at the podium terrace. In addition, the buildings will include meeting spaces, leasing offices, exercise rooms and outdoor terraces at the podium and roof levels that will be shared and accessible to all residents of the two buildings. The parking garage will consist of approximately 242-320 total spaces on four levels: two levels below grade, one level at grade, and one level above grade.

See Item#29B for details on the affordability levels for the affordable units; and <u>Attachment A</u> for details on the location, ownership, management responsibility and resident access to the non-residential spaces.

	Table 2001		
5	PURCHASE	\$8.0 million based on a Fair Market Value Appraisal Report (April	
	PRICE	2016) considering the highest and best use of the property in as-is	
		condition. UrbanCore will pay the City \$4.7 million in cash at closing	
		for the UrbanCore Condo. The City Administrator will appropriate	
		\$300K (of the \$4.7million in land sale proceeds) to fund a Community	
		Benefits Program. The \$3.3 million purchase price for the EBALDC	
		Condo will be financed through a seller carryback loan from the City to	
		EBALDC (or a related entity controlled by EBALDC). (See	
		Attachment B for terms of the loan)	
6	TERMS OF	The \$4.7million payment (which includes the \$300,000 payment to	
	PAYMENT/	fund the community benefits program) will be due to the City and	
	CLOSING	payable in cash submitted into escrow 3 business days before close of	
		escrow. Escrow to close in accordance with the schedule of	
		performance contained herein. (Item #9)	
7	GOOD FAITH	Upon execution of the DDA, Developer will provide a \$50,000 good	
	DEPOSIT	faith deposit. Subject to the next sentence, said good faith deposit shall	
1		be credited to the Purchase Price at closing. If the Developer fails to	
		close the purchase under the DDA terms, unless extended in writing by	
		the City, or for reasons beyond the Developer's control (excepting	
		financial ability), or the Developer otherwise defaults on any obligation	
		under the disposition agreement, the City may retain the Good Faith	
		Deposit as liquidated damages.	

# REPURCHASE OPTION

In addition to all other City remedies for Developer default, and subject to the notice and cure rights described below if (i) construction on the Project does not start within 30 days after close of escrow (or within 24 months after the close of escrow if the closing occurs prior to July of 2017 pursuant to Item # 9 below); or (ii) the Developer fails to diligently continue construction thereafter; or (iii) the Developer does not complete construction within the time period required under the DDA (subject in each case to extension for force majeure), then the City will have the option to repurchase the Property as described below (the "Option").

If the Option is exercised prior to the commencement of construction, the repurchase price will be equal to the Purchase Price. If the repurchase option is exercised after the commencement of construction, the City may at its option a) require the Developer at it sole cost to demolish any improvements on the Property and repurchase the Property for the Purchase Price, or b) repurchase the Property with any improvements constructed thereon by the Developer for the Purchase Price plus the fair market value of the improvements. The appraisal process to determine fair market value of the improvements will be set forth in the DDA. Prior to close of escrow, if force majeure individually or cumulatively exceeds 12 months, either party shall have the right to terminate the agreement. Developer shall deposit an executed reversionary grant deed into escrow prior to closing with instructions to deliver the reversionary grant deed to City if City exercises the Option. City's Option is assignable or transferable in its sole and absolute discretion.

There will be a 30 day notice and cure process for any such default, and the cure period will be extended if the default cannot reasonably be cured within such 30-day period and the Developer has commenced and is proceeding diligently with efforts to cure the default; subject, however, to a maximum cure date deadline to be negotiated by the parties.

The City will execute and record such instruments as Developer may reasonably request to terminate the Option, at such time as the Option is no longer exercisable in accordance with its terms.

# 9 SCHEDULE OF PERFORMANCE

- 1. Developer submits 2 years of audited financial statements for each principal and joint venture partner for City review and approval 6 months after DDA approval and resubmit updates within 30 days prior to close of escrow
- 2. Developer submits updated and refined Project Proforma (Development Budget & Operating Cash Flow) for City review and approval 6 months after DDA approval and resubmits updates within 30 days prior to close of escrow
- 3. Developer submits Financial Plan, including evidence of funds/equity commitments for land acquisition for City review and approval. 6 months after DDA approval and resubmits updates within 30 days prior to close of escrow
- 4. Developer identifies the Guarantor and the controlling entity for City approval 6 months after DDA approval
- 5. Developer submits Schematic Designs (35%), Design Development (65%), and Construction Designs (90%) 5, 10, 18 months respectively, after DDA approval
- 6. Developer submits complete Applications for Building Permits 18 months after DDA approval
- 7. Developer finalizes Project Financing: submit evidence of construction and permanent financing and copy of a construction contract; and other sources (which may include equity commitments from investors) 21 months after DDA approval
- 8. Developer submits approved Building Permits 23 months after City approval of DDA.
- 9. Conveyance/Close of Escrow Within 30 days following satisfaction of all City conditions to closing but in no event later than 24 months following City approval of DDA. However, within 8 months of DDA approval, Developer may request a waiver of some standard conditions to allow a closing prior to July 1, 2017, to be approved by the City Administrator in his or her sole discretion. The following conditions cannot be waived by the City Administrator: (1) approval of the Subdivision Instruments (2) execution of Completion Guarantee (3) Affordable Housing and Sustainable Communities funding secured or other GAP funding sources necessary for the Affordable Building, (4) 65% Design Development Drawings, and (5) a signed Project Labor Agreement. In the event the City Administrator grants the requested waiver, the parties shall close escrow prior to July 1, 2017.
- 10. Commence Construction Within 30 days after close of escrow, unless the Developer requests and the City Administrator grants the waivers described above, in which case the Developer shall commence construction within 24 months after close of escrow.
- 11. Complete Construction Within 24 months after construction commencement. Developer may request a 6-month extension of this date, to be approved by the City Administrator, which approval shall not be unreasonably withheld if Developer has demonstrated good faith efforts to Commence and Complete Construction in accordance with the Schedule.
- 12. Developer may request a 1 month extension of items 3 and 4 above, to be approved by the City Administrator, which approval shall not be unreasonably withheld if Developer has demonstrated progress on items 2 and 5 above.

Note: Conveyance/Closing of Escrow required by or before <u>June 30, 2017</u> and compliance with standard City conditions precedent to closing do apply.

11 12	TITLE INSURANCE  CLOSING COSTS  LIMITATIONS ON PROPERTY RIGHTS	Developer to secure title insurance policy, if desired, at its own cost and expense from Old Republic Title Company. The issuance of a title insurance policy in favor of Developer insuring that Developer is the owner of the fee simple title to the Property, in form and substance acceptable to Developer, and subject only to exceptions that are acceptable to Developer, and containing such endorsements as Developer may require, shall be a condition precedent to Developer's obligations to close on the acquisition of the Property under the DDA. Developer to pay all escrow fees and closing costs including, without limitation, city and any other county taxes.  Without limiting Developer's title review contingencies, Developer accepts and acknowledges the Property is subject to deed restrictions and recorded covenants to restrict use of property, as contained in the	
		DDA.  Developer to comply with provisions of: 1) the Central District Redevelopment Plan and nondiscrimination provisions of redevelopment law and 2) the Lake Merritt Station Area Plan	
13	CONDITION OF PROPERTY AT DELIVERY	Developer agrees to accept the Property "as is" in its current condition without warranty express or implied by the City, including without limitation, with respect to the presence of hazardous materials known or unknown on or near the Property.  The soil stored and all other materials on the site due to recent	
		construction activities of the City's Public Works Dept will be removed prior to conveyance to Developer.	
14	ENVIRONMENTA L REMEDIATION	Environmental Notice. The City hereby gives notice to the Developer that, to the best of its knowledge and relying on analysis performed by its environmental consultants, there are no Hazardous Materials present on or beneath the Property other than those set forth in those environmental site assessments (ESA) and reports as follows:	
		<ul> <li>Phase I ESA, by Adanta, dated 9/1/14</li> <li>Several soils &amp; geotechnical reports by ESA developed for the</li> </ul>	
		E12th Street Reconstruction Project, dating from 2006 to 2009  Developer ordered a Phase II site investigation report (prepared by Advantage Environmental Consultants, dated April 19, 2015). The City will not set aside any funds from land sale proceeds related to environmental remediation costs. If dirty soil needs to be removed, Developer will be responsible for paying for the marginal difference between the cost to remove soil and the cost to remove dirty soil.	

15	INDEMNIFICATI ON	Developer shall provide standard commercial hold harmless and defend provisions to the City of Oakland and its employees, officers, directors, shareholders, partners and agents. City and Developer to negotiate the various levels of indemnification as part of the DDA.
16	NO COMMISSION	The parties shall hold each other harmless and defend against any claims for commissions or brokerage
17	SIGNAGE	Developer may not install or place signage on any existing City street outside the Property or in the public corridor. Developer may install and place signage on the remaining Property in compliance with City codes, or other applicable codes or regulations.
18	STANDARD OF PROPERTY	Developer to maintain the Property and Project in first-class condition and will ensure at no time does the Property violate the City Blight Ordinance.
19	FINAL CONSTRUCTION PLANS (including Public Art)	The Developer and its design consultants must meet or exceed requirements of City's Green Building Ordinance as it pertains to this project.
	T ublic 7xx ty	The Final Construction Plans shall include a plan and schedule to incorporate public art into the Project pursuant to Project's Condition of Approvals and Oakland Municipal Code Section 15.70.
20	PAYMENT & PERFORMANCE BONDS	Developer to provide payment and performance bonds in an amount not less than 100% of the Project construction costs, pursuant to the Developer-executed construction contract, only if they are a requirement of the Developer's lender.
21	RIGHT OF ENTRY	Developer to have the right to enter onto the property prior to transfer to conduct any investigation, testing, appraisals and other studies, at Developer's cost, required as part of its due diligence, subject to providing the City with indemnity, insurance and other reasonable conditions to entry.
22	FINANCING	DDA will include an objective standard (experience, size, etc.) of what an "Approved Lender" is, subject to administrative approval. The DDA shall include customary mortgagee protections in favor of any Approved Lender.

23	STANDARD CONDITIONS	DDA to include standard City conditions, including completion guaranty executed on or before the Closing Date; approval by City of financing plan, assignment and transfer, amendments to project and project approvals, copies of all required regulatory approvals, and insurance policies; and default, notice and cure, and termination provisions. Notwithstanding the foregoing, some of these standard conditions will not apply if waived by the City Administrator in his or her sole discretion to allow a closing prior to July 1, 2017, as further described in Item #9.
24	PERMITTED TRANSFERS	Prior to Project completion, Developer shall not have the right to assign or transfer all or any portion of its rights and obligations under the DDA, other than an Affiliate Transfer, without the prior written consent of the City, in the City's sole and absolute discretion.
		An Affiliate Transfer shall not require consent (but will require notice to and review by City) and shall mean a transfer to an entity or entities for which UrbanCore and EBALDC maintain control as defined in the DDA.
25	CITY EMPLOYMENT PROGRAMS	EBALDC to comply with City's Local Employment Program for Construction of the affordable portion of the Project, , for which EBALDC is receiving the subsidy in the form of a \$3.3 million seller carryback loan on the terms described in <b>Attachment B</b> .  For the tower building, UrbanCore will meet a 25% combined goal for local-business (LBE) and small-local-business (SBE) participation
26 A	OFF-SITE IMPROVEMENTS	Developer to be responsible for the cost of off-site improvements proposed to the existing storm water retention basin/open space, owned by the City (0.91 acres), located adjacent to the site.
		Per the recommendations of Measure DD Coalition, CALM and City staff and as approved by the Parks and Recreation Advisory Commission (Feb 2015), these improvements will include the installation of natural landscaping and will function as a passive open green space consisting mostly of native plantings, groundcover, shrubs and trees.

26 B	CAPITAL IMPROVEMENT	The City's Capital Improvement Impact Fee (a "CI Requirement") and
В	IMI KO V ENIENT	Transportation Impact Fee (a "TI Requirement") apply to the Project.
		To the extent applicable under the CI Requirement, any amount to be paid
	·	by Developer under Item 26A related to the cost to buildout the adjacent open space owned by the City would be credited against the CI
		Requirement.
2 ==		
27	DEVELOPER MAINTENANCE	Upon Close of Escrow, Developer is responsible for all maintenance within the Property.
	MARITERATION	
		City will convey one or more easements adjacent to the City open space for an area to-be defined (i.e. temporary construction easement, long
		term no-build easement, use easement, and maintenance easement,
		including the outdoor terrace area shown on the Developer's site plan which encroaches into the City open space area) in consideration for
		Developer and/or subsequent owner providing on-going maintenance
		of the open space or the cost for ongoing maintenance of the open space
		in perpetuity. Developer must provide a guarantor with significant
		financial ability, as determined by City in its sole and absolute discretion, to guarantee payment/reimbursement to City of "perpetual"
		maintenance obligation.
		Open space maintenance standards to be negotiated and captured in
		easement itself which will be negotiated and agreed to between the
		Developer and the City.
		The groundcover will be low maintenance grasses and wildflowers requiring mowing once or twice a year. Temporary irrigation will be
		used for two or three years to establish the trees and shrubs. All
		plantings will adhere to Bay friendly practices and adhere to the State's
20	BD O I II D I I I I I I I I I I I I I I I	Water Efficient Landscape Ordinance.
28	PROHIBITION OF GENERATION	The DDA shall include an acknowledgement and agreement by  Developer that the Project shall not generate, and the Developer shall not
	OF CONDO	assert, condominium "conversion rights" under Chapter 16.36 of the
	CONVERSION	Oakland Municipal Code. Nothing in the DDA shall limit the
	RIGHTS	Developer's right to create condominium units on the Project.

# 29 AFFORDABLE A HOUSING - CITY IMPACT FEES

The City's affordable housing impact fee (an "AH Requirement") applies to the Project.

Any payment by Developer of an affordable housing impact fee pursuant to an AH Requirement would be credited against any amount to be paid under Item 29B.

If City's adopted AH Requirement includes an option to provide affordable units onsite, the number of affordable units required by Item 29B shall be reduced by the number of units provided onsite at the same affordability level to meet the AH Requirement.

### 29 AFFORDABLE B HOUSING

Developer to set aside at least 30% of the total project units (or 108 units of 361) to be affordable to low and moderate income households, subject to Regulatory Agreements with affordability terms of 55 years, as further described below. Such affordable units will remain rental if and when other units are sold as condominiums.

55-year Regulatory Agreement for affordable units owned by EBALDC:

	One of the	following:
Income Level	# of Units (with AHSC funds)	# of Units (without AHSC funds)
30% of AMI	20	0
50% of AMI	10	9
60% of AMI	60	81
Total Affordable Units	90	90

In the event the AHSC funds are not approved by December 31, 2016, then the mix of the 90 affordable units would be adjusted to 9 at 50% AMI and 81 units at 60% of AMI.

55-year Regulatory Agreement for affordable units to be owned by UrbanCore:

Income Level	# of Units
80% of AMI	6
100% of AMI	6
120% of AMI	6
Total Affordable Units	18

29 C	AFFORDABLE HOUSING LOAN	See <u>Attachment B</u> for the terms of the \$3.3 Million seller carryback loan to EBALDC				
30	ADDITIONAL COMMUNITY BENEFITS	Fully executed Project Labor Agreement for the entire project as a condition of conveyance				
		Shared access to all residents of both buildings to the Project's common spaces and amenities				
		See <u>Attachment A</u> for details on the developer, ownership, management responsibility and resident access to the non-residential spaces.				
		3. At the time of transfer of property, \$300K of the land sale proceeds (which is <u>part of</u> the \$8 million purchase price), will be appropriated by the City Administrator to fund a Community Benefits Program.				
		See <u>Attachment C</u> for how community benefit funds will be distributed.				

### ATTACHMENT A - LAKEHOUSE COMMONS - ALLOCATION OF NONRESIDENTIAL SPACES

	# bike/ car spaces	Sqft	Location in the Building	Developer (UrbanCore or EBALDC)	Ownership (UrbanCore or EBALDC)	Management	Access to all residents?
Amenities		an argent again eg .			er e Albert (1955) er en	in the Charles of Great Great Street	
Bike Room - Level B2	151	3792	Below Grade	UrbanCore	UrbanCore	UrbanCore	North Commons only
Bike Room - Level 1	30	469	At Grade	UrbanCore	UrbanCore	UrbanCore	North Commons only
Bike Room - Level 2	59	1723	Above Grade	UrbanCore	EBALDC	EBALDC	South Commons only
Bike Room Total Space	240	5984	_				
Café/Retail Space - Level 1		1476	At Grade	EBALDC	EBALDC	EBALDC	All
Central Commons - Level 1		2656	At Grade	EBALDC	EBALDC	EBALDC	All
Lobby - North Commons - Level 1		2055	At Grade	UrbanCore	UrbanCore	UrbanCore	All
Lobby - South Commons- Level 1		1062	At Grade	EBALDC	EBALDC	EBALDC	All
Community Space - South Commons		1500	South Commons-2nd Level	EBALDC	EBALDC	EBALDC	South Commons Residents
Fitness Center - North Commons - Level 3 & 4		1926	North Commons-Podium	UrbanCore	UrbanCore	UrbanCore	All
Roof Terrace Community Rooms - Level 26		2350	North Commons-Roof	UrbanCore	UrbanCore	UrbanCore	All
Roof Deck							
Roof Deck - North Commons - Level 26		6563	North Commons	UrbanCore	UrbanCore	UrbanCore	All
Roof Deck - South Commons - Level 7		747	South Commons	EBALDC	EBALDC	EBALDC	All

### ATTACHMENT A - LAKEHOUSE COMMONS - ALLOCATION OF NONRESIDENTIAL SPACES

	# bike/ car			Developer (UrbanCore or	Ownership (UrbanCore or		
	spaces	Sqft	Location in the Building	EBALDC)	EBALDC)	Management	Access to all residents?
Circulation							
Courtyards - Central - Podium Level (Level 3)			Podium	UrbanCore	UrbanCore	UrbanCore	All
Courtyards - North - Podium Level (Level 3)			Podium	UrbanCore	UrbanCore	UrbanCore	All
Courtyards - South - Podium Level (Level 3)			Podium	EBALDC	EBALDC	EBALDC	All
Circulation - North Commons			North Commons	UrbanCore	UrbanCore	UrbanCore	Restricted Access
Circulation - South Commons			South Commons	EBALDC	EBALDC	EBALDC	Restricted Access
50 N. 0.0							
Property Management Office							
Administration - North Commons - Level 1	1423	North Commons	UrbanCore	UrbanCore	UrbanCore	Ali	
Administration - South Commons - Level 1			South Commons	EBALDC	EBALDC	EBALDC	All
Parking							
Level B2	86-120	31519	Below Grade	UrbanCore	UrbanCore	UrbanCore	North Commoms Residents Only
Level B1	80-114	33943	Below Grade	UrbanCore	UrbanCore	UrbanCore	North Commoms Residents Only
Level 1	38-54	19888	At Grade	UrbanCore	UC / EBALDC	UrbanCore	Both North and South Residents
Level 2	38-54	16884	Above Grade	UrbanCore	EBALDC	EBALDC	South Commons Residents Only
Total Spa	ces 242-342		_				
Garage Total Sp	ace .	102234					
Service/Storage/Utility							
Service - North Commons		8589	North Commons	UrbanCore	UrbanCore	UrbanCore	n/a
Service - South Commons			South Commons	EBALDC	EBALDC	EBALDC	n/a

### ATTACHMENT B: Affordable Housing Loan Terms

### Section 29.C Affordable Housing Loan Terms

- (1) Loan Amount is \$3.3 million plus the origination fee of 2.5% of \$3.3 million for a total of \$3,382,500.
- (2) Payment of standard origination fees (2.5%) will not be due upon closing; however, will be added to the loan amount.
- (3) Annual full payment of City of Oakland monitoring fees of \$100 per affordable unit, which can be included as an operating expense from each of the project budgets. (\$9,000 from the affordable portion of the project and \$1,800 from the market rate portion of the project).
- (4) 0% interest rate on the subordinate note
- (5) 55-year loan term
- (6) A Regulatory Agreement to be placed on 90 affordable units at the income levels required by the other subsidy sources (ie, CDLAC, TCAC, HCD) in the affordable portion of the project. A second and separate Regulatory Agreement will be placed on the 18 moderate income units in the market rate portion of the project.
- (7) 0% interest rate on the subordinate note
- (8) 55-year loan term
- (9) A Regulatory Agreement to be placed on 90 affordable units at the income levels required by the other subsidy sources (ie, CDLAC, TCAC, HCD) in the affordable portion of the project. A second and separate Regulatory Agreement will be placed on the 18 moderate income units in the market rate portion of the project.
- (10)The following standard definitions from City's standard loan documents will apply:
  - "Lender's Prorata Share" means the portion of Available Cash Flow to which Lender is entitled, which shall be split among all Project lenders with surplus cash flow loans based on relative loan amounts.
  - "Available Cash Flow" means fifty percent (50%) of the excess of annual Operating Revenues over annual Operating Expenses for the Property.

#### "Operating Expenses" shall mean, without limitation:

- a) all direct costs and expenses necessary to operate the residential portion of Property (commercial expenses are excluded), as approved by Lender;
- b) debt service on any loans secured by the Property, provided that such loans have been used to acquire the Property or develop or improve the Project (or to refinance loans used for Project acquisition, development or improvement), have been approved by Lender, and are secured by a deed of trust on the Property that is senior in priority to the Deed of Trust;
- c) reasonable payments, approved by Lender, to reserves for operating contingencies, replacement of capital items, and other reserve uses as approved by Lender;
- d) deferred developer fee, if any;
- e) annual partnership management and asset management fees in an annual amount not to exceed twenty-five thousand dollars (\$25,000) increased by 3% annually;
- f) repayment of any loans to the partnership from general partner or limited partner;
- g) CA HCD's monitoring costs per the Uniform Multifamily Regulations ("URM"); and
- h) reasonable and necessary programmatic costs for the common area, not to exceed and annual amount of fifteen —thousand dollars (\$15,000) without City approval.

"Operating Revenues" shall mean all residential income derived from the Property (commercial income excluded), and shall include, without limitation:

- a) rents (including rent common space within the Property);
- b) rent subsidy payments received on behalf of tenants;
- c) interest on income other than interest on reserve accounts approved by Lender; and
- d) receipts from laundry, parking, vending, or other services in which a fee is charged. Gross Revenue shall not include tenants' security deposits, loan proceeds, equity contributions from Investor, or similar advances.
- (11)The City acknowledges that EBALDC will apply for a loan from the State of California's Department of Housing and Community Development ("HCD") consisting of funds from the Affordable Housing and Sustainable Communities Program ("AHSC"), which will be subject to the UMR's. The above conditions of the City's loan will be subject to HCD's approval. The City agrees to subordinate to State and Federal funding sources but the City will not subordinate its Regulatory Agreement to other lenders' financing.

### ATTACHMENT C: Community Benefits Program

At the time of transfer of property, \$300,000 of the land sale proceeds (which is part of the \$8 million purchase price), will be appropriated by the City Administrator to fund a Community Benefits Program

Staff will return to City Council with a Resolution for approval to distribute and allocate the funds, which may include the following:

- a) \$100,000 for a tenant-legal rights and education program(s) to help minimize the displacement of current tenants living within a three-mile radius of the project site, with a particular focus on outreach to monolingualists (residents whose primary language is not English).
- b) \$30,000 to the Lake Merritt Business Association's designated fiscal agent for a study to create a Business Improvement District or Community Benefits District in the E. 18th St/Lower Park Blvd. commercial area.
- c) \$100,000 to Oakland Parks and Recreation for the construction of a recreational facility on existing publicly-owned property in Council District 2, such as at San Antonio Park; or to organizations that already are recipients of this community benefits fund.
- d) \$50,000 to the East Lake Merchants Association's designated fiscal agent for graffiti abatement and neighborhood beautification.
- e) \$20,000 to the Sierra Club Tree Team (San Francisco Bay Chapter) for the purchase and maintenance of trees to be planted east of Lake Merritt in Council District 2, including around San Antonio Park.

## NOTICE AND DIGEST 2016 JUN 17 AM 9: 37

Adoption of the proposed ordinance will enable the City Administrator to negotiate and execute a Disposition and Development Agreement that will allow the City to sell the Property to UrbanCore and the East Bay Asian Local Development Corporation (EBALDC) for the appraised fair market value of \$8 million for development of the Property as a residential mixed-use project; and allow the City to finance EBALDC's acquisition of its portion of the Property with a seller carryback loan in the amount of \$3.3 million to support the affordable housing project. The ordinance includes the California Environmental Quality Act (CEQA) findings for this action.

ORDINANCE: (1) AUTHORIZING THE CITY ADMINISTRATOR, WITHOUT RETURNING TO THE CITY COUNCIL, TO NEGOTIATE AND EXECUTE A DISPOSITION AND DEVELOPMENT AGREEMENT AND RELATED DOCUMENTS BETWEEN THE CITY OF OAKLAND AND URBANCORE DEVELOPMENT, LLC, OR ITS RELATED ENTITIES OR AFFILIATES ("URBANCORE"), AND EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION OR ITS RELATED ENTITIES OR AFFILIATES ("EBALDC"), FOR

- (A) SALE OF THE 12TH STREET REMAINDER PARCEL LOCATED AT E12TH STREET AND 2ND AVENUE ("PROPERTY") FOR NO LESS THAN \$8.0 MILLION,
- (B) A SELLER CARRYBACK LOAN FROM THE CITY TO EBALDC IN THE AMOUNT OF \$3.3 MILLION PLUS THE COST OF LOAN ORIGINATION, AND
- (C) DEVELOPMENT OF THE PROPERTY AS A RESIDENTIAL MIXED-USE PROJECT, ALL OF THE FOREGOING DOCUMENTS TO BE IN A FORM AND CONTENT SUBSTANTIALLY IN CONFORMANCE WITH THE TERM SHEET ATTACHED AS EXHIBIT A, AND;
- (2) ADOPTING CEQA EXEMPTIONS (15183 & 15183.3) AND ADDENDUM (RELYING ON THE PREVIOUSLY CERTIFIED 2014 LAKE MERRITT STATION AREA PLAN EIR)