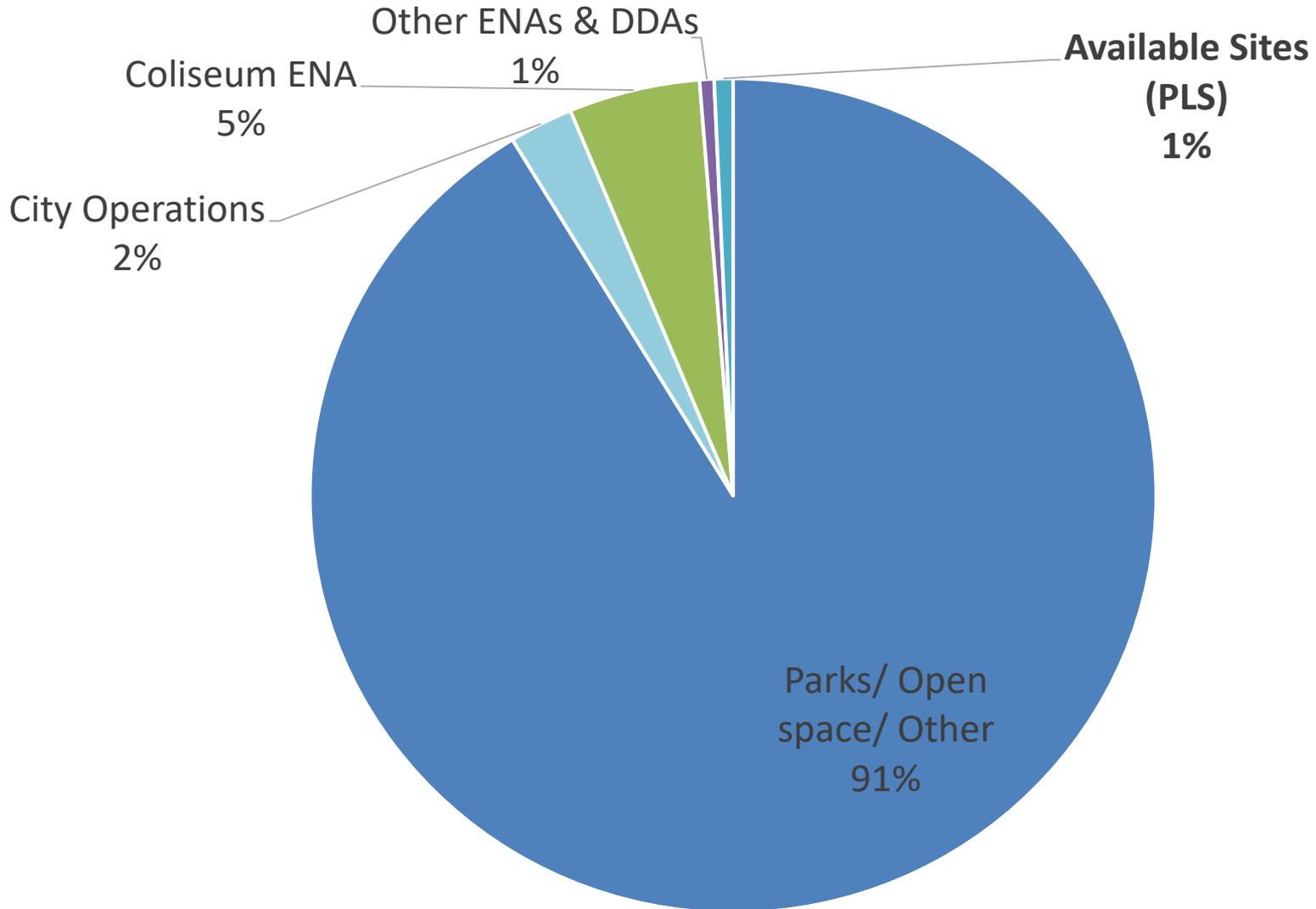


Public Lands Portfolio

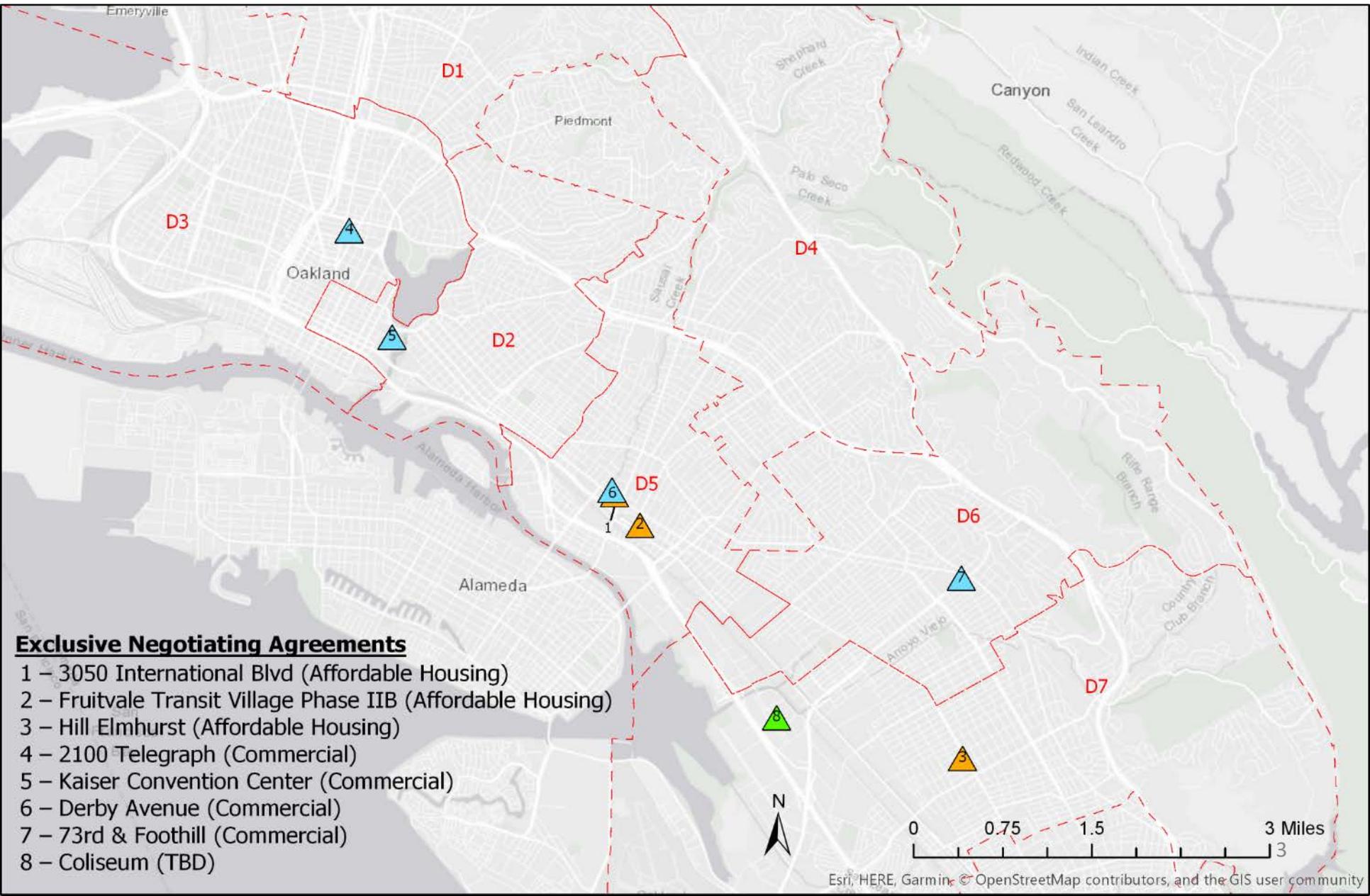
The City owns nearly 1,100 individual parcels of real property totaling approximately 2,700 acres.

- parks, open space, & other (91%)
- active use for City operations (2%)
- Coliseum ENA (5%)
- Other ENAs & DDAs (1%)
- **20 sites on 24 acres available for disposition and development (1%)**

Public Lands Portfolio



Exclusive Negotiating Agreements (ENAs)



Current DDAs

	Project Name	Location	Date of Status	Housing Onsite	Affordable Units (Onsite)	Affordable Units Funded Offsite*	% Affordable (Includes Offsite)	\$ Impact Fees to AHTF
1	City Center T-12*	601 12th Street	12/2007	-	-	25	Commercial	\$3,062,720
2	MacArthur Station++	Macarthur Blvd/40th St	09/2011	875	146	-	17%	-
3b	City Center T-5/6 Phase 2	Clay/11th/12th Streets	09/2015	TBD	TBD	TBD	TBD	
4	West Oakland Transit Village *	500 Kirkham St	05/2016	417	32	25	13%	\$3,150,000
5	Seminary Point Shopping Center	Foothill/Seminary	12/2016	-	-	-	Retail	-
6	LakeHouse Commons	E 12th St/2nd Ave	02/2017	360	108	-	30%	-
7	7th & Campbell **	7th & Campbell Streets	07/2017	78	78	-	100%	-
8	23rd & Valdez	2315 Valdez/2330 Webster	07/2017	234	36	-	15%	-
9	Oakland Acura	Oakport Street	09/2017	-	-	-	Retail	-
10	Brooklyn Basin **	Embarcadero/ 5th to 10th Ave	11/2017	465	465	-	100%	-
11	Fruitvale Transit Village Phase IIA	E. 12th/San Leandro Streets	12/2017	94	92	-	98%	-
12	Coliseum Transit Village ++	70th Ave/71st Ave/Snell St	12/2017	110	55	-	50%	-
3a	City Center T-5/6 Phase 1*	Clay/11th/12th Streets	03/2018	288	-	16	5%	\$1,943,000
13	1100 Broadway*	1100 Broadway	01/2018	-	-	12	Commercial	\$1,550,400
			Total Units	2,921	1,012	78	36%	\$ 9,706,120

* Includes assumed potential offsite units funded by contributions to the Affordable Housing Trust Fund

** Sites purchased with redevelopment low/mod housing setaside funds

^ (L)DDA = (Lease) Disposition and Development Agmnt; OPA = Owner Participation Agmnt; MHA = Master Housing Agmnt

++ BART property with City participation

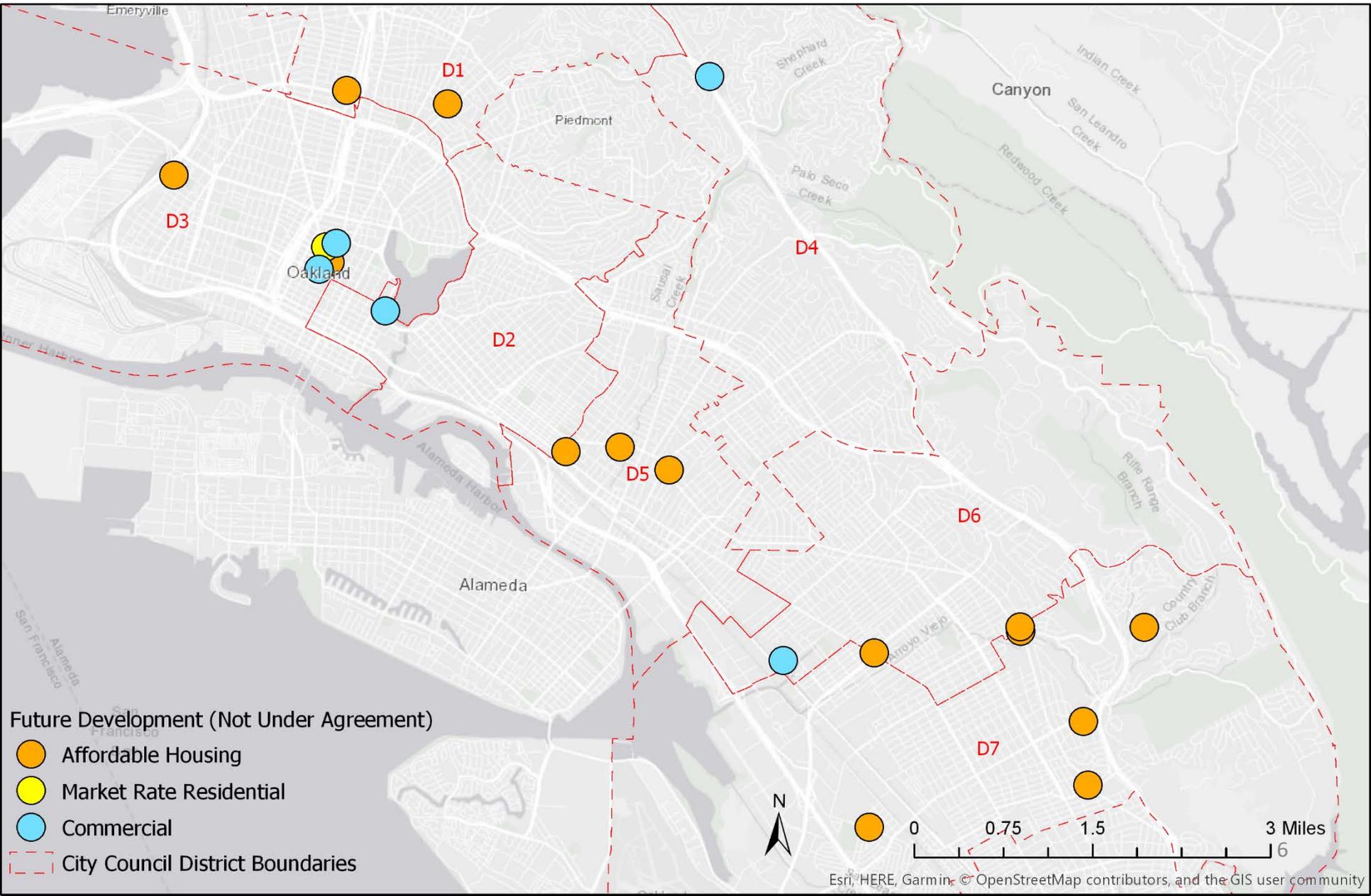
Current ENAs

	Project Name	Location	ENA Date	Housing Onsite	Affordable Units (Onsite)	Affordable Units Funded Offsite*	% Affordable (Includes Offsite)	\$ Impact Fees to AHTF
1	Kaiser Conv Center^	10 10th Street	07/2015	-	-	4	<i>Commercial</i>	\$472,920
2	Derby Avenue^	Derby Avenue	09/2015	-	-	-	<i>School</i>	-
3	73rd & Foothill	73rd Ave & Foothill	04/2017	-	-	-	<i>Retail</i>	-
4	2100 Telegraph Ave*	2100 Telegraph Av	10/2017	-	-	56	<i>Commercial</i>	\$7,050,000
5	Fruitvale TV IIB	E. 12th/San Leandr	12/2017	181	163	-	90%	-
6	3050 International	3050 International B	03/2018	75	75	-	100%	-
7	Hill Elmhurst	95th Ave & Internat	03/2018	57	57	-	100%	-
8	Coliseum	Coliseum	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
			Total Units	313	295	56	95%	\$ 7,522,920

* Includes an assumed potential offsite units funded by contributions to the Affordable Housing Trust Fund

^ ENA expired

City Lands for Future Development (PLS Proposed)



Affordable Housing Production Outcomes/Costs Comparison

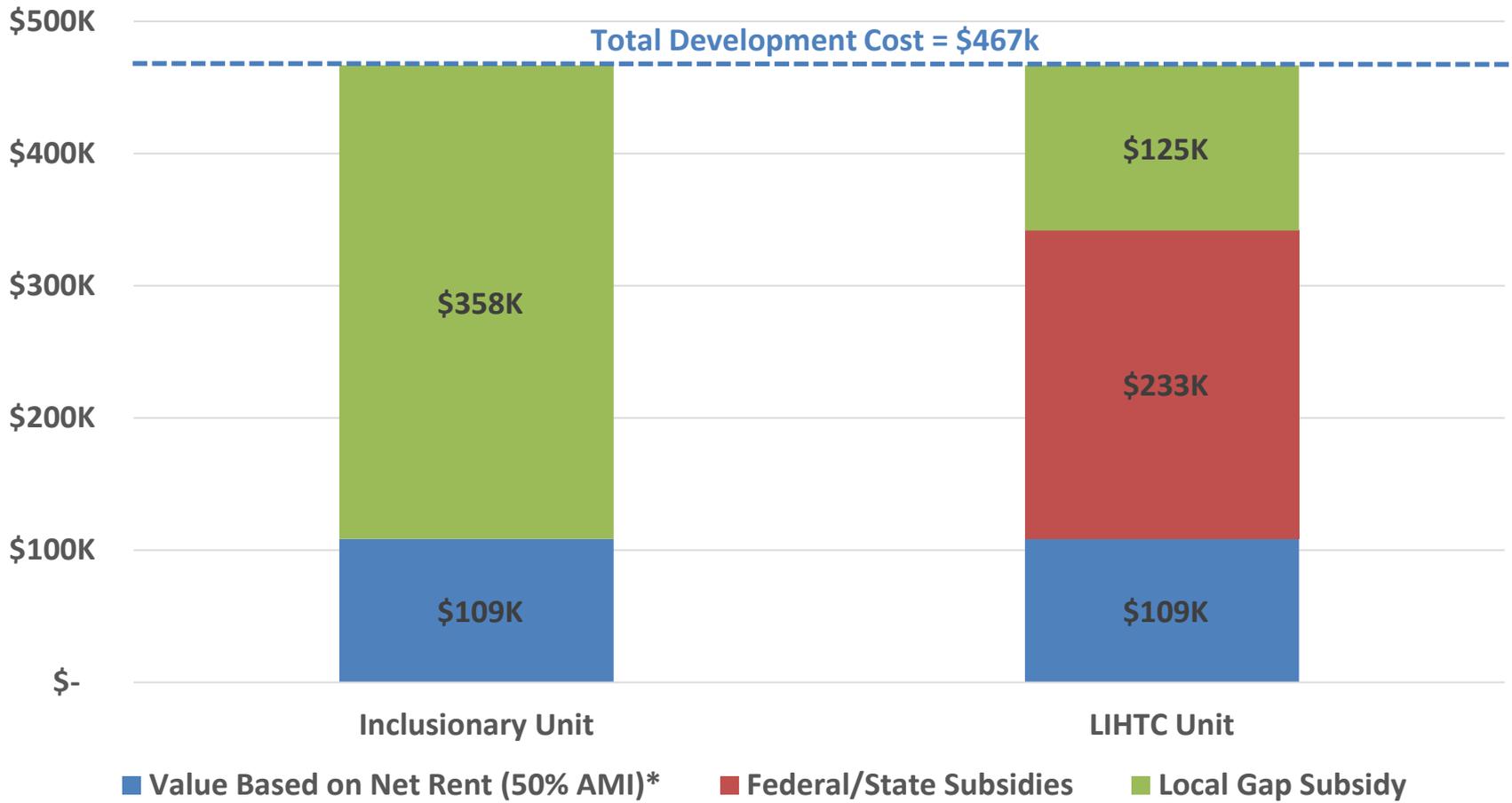
Item	FMV Sale	FMV Sale to AHTF	Surplus Lands Minimum	All Affordable On-Site
Total Sale Proceeds Generated	\$91M	\$91M	\$60M	\$6M
Net Proceeds to GPF/Redevelopment Funds	\$77M	\$1M	\$56M	\$3M
Fiscal Benefits NPV	\$142M	\$142M	N/A	\$7M
Gross AHTF Funds Generated (incl. fees)	\$51M	\$127M	\$5M	\$4M
Total Units Produced	2,156	2,769	1,074	1,080
Market Rate Units (on City land)	1,751	1,751	900	0
Affordable Units (on City land or funded)	405	1,018	174	1,080
% Affordable	19%	37%	16%	100%
(Additional City Subsidy Needed)	\$0	\$0	\$0	(\$115M)
Estimated Years to Fund	N/A	N/A	N/A	10-14 years

NOFA Shortfall

HCD's 2017 NOFA awards show more affordable housing projects in the pipeline than the City could currently fund.

Item	Requested	Funded	Shortfall
City NOFA, Nov 2017	\$69M	\$14M	(\$55M)
County A1 Funds, First Round	\$107M	\$34M	(\$73M)
Total	\$176M	\$48M	(\$128M)

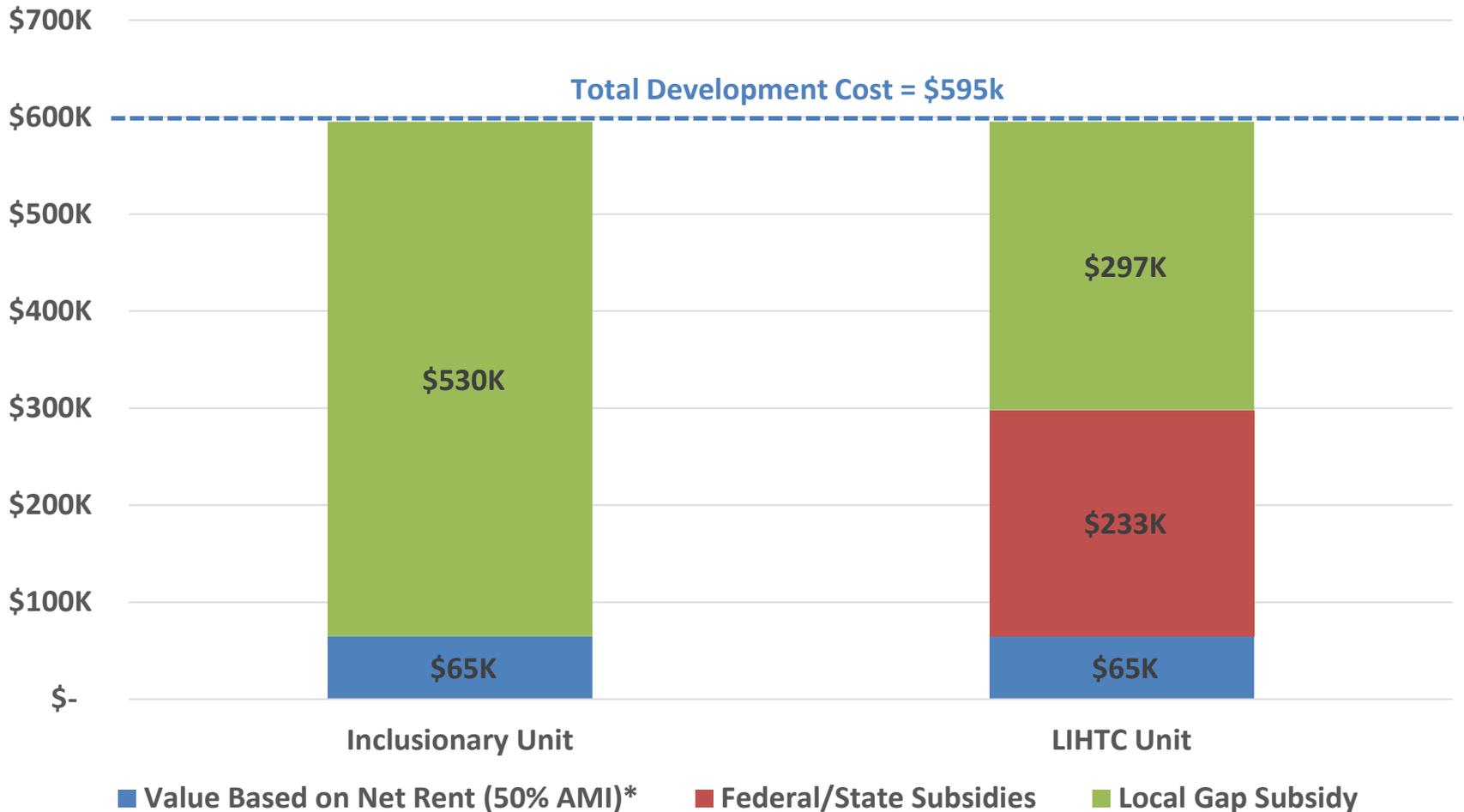
Affordable Housing Unit City Subsidy Comparison – Low-Rise



Source: Century Urban, Street Level Advisors, and City Staff Analysis

*Value is net rental income after operating costs. Operating costs are higher for high-rise units.

Affordable Housing Unit City Subsidy Comparison – High-Rise



Source: Century Urban, Street Level Advisors, and City Staff Analysis

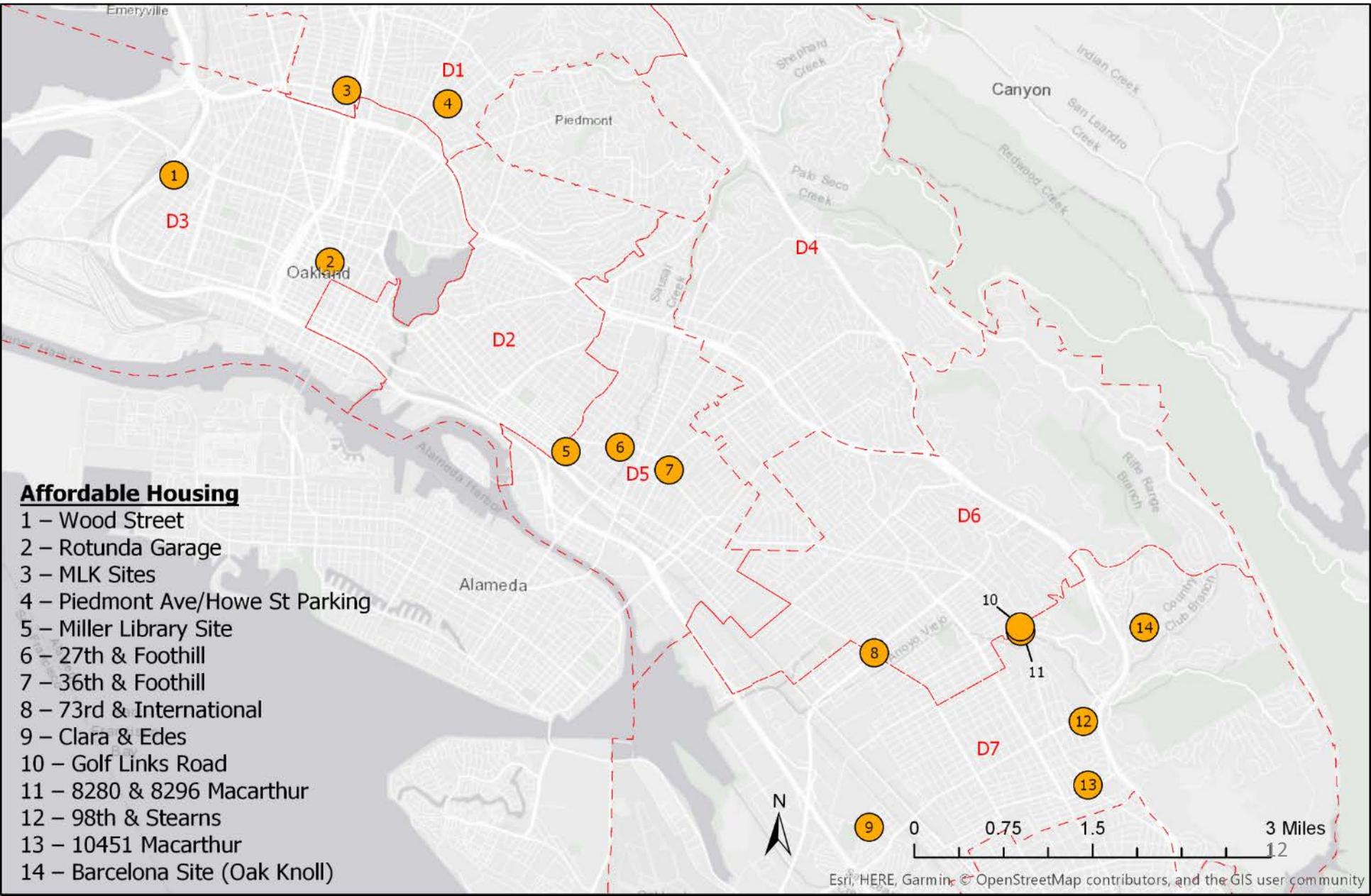
*Value is net rental income after operating costs. Operating costs are higher for high-rise units.

Public Lands Strategy

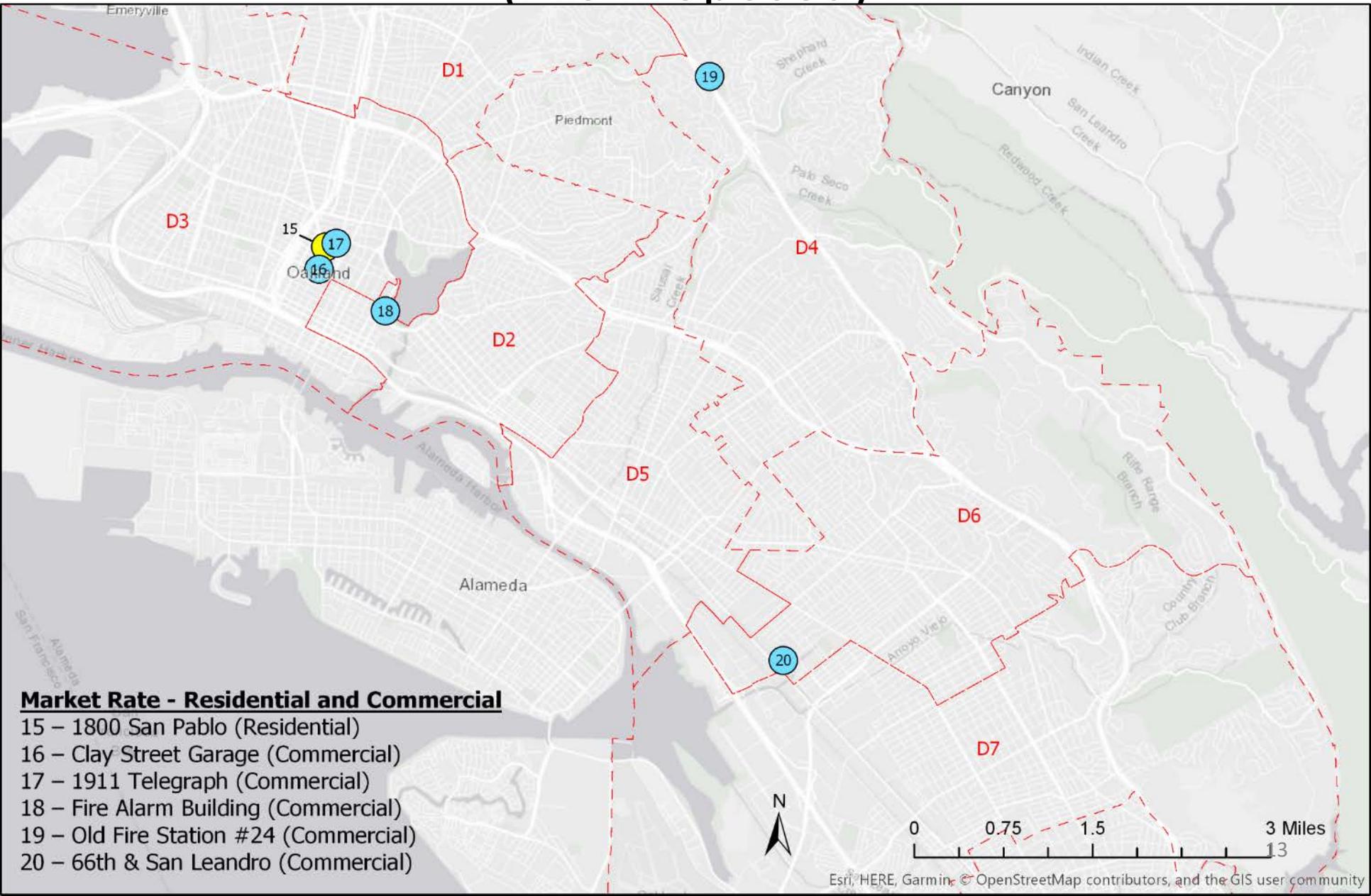
- Set new policy for a more inclusive and transparent community engagement process
- Establish development proposal evaluation criteria
- Categorize 20 sites into 3 land use categories:

Item	Market Rate Units	Affordable Units	Net AHTF Funding Generated/ (Subsidy Required)	Funds Available for Other City Purposes
100% affordable housing (14 sites)	0	746	(\$75.9M)	0
Market rate housing (1 site)	492	0	\$20.6M	\$2.4M
Commercial/Mixed-use (5 sites)	0	0	\$23.4M	\$23.4M
Total	492	746	(\$31.9M)	\$25.9M
%	40%	60%		

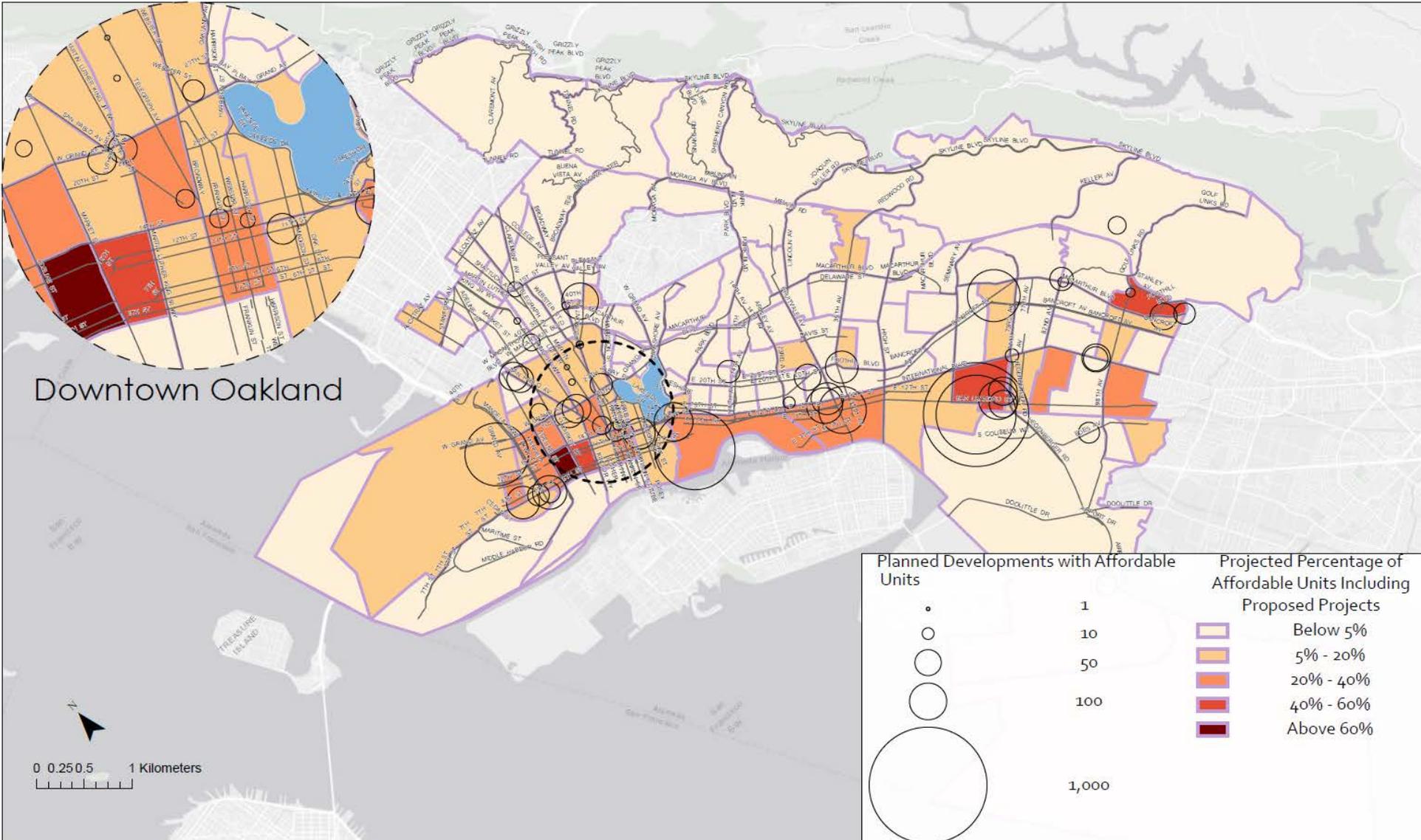
Affordable Housing (PLS Proposed)



Market Rate - Residential and Commercial (PLS Proposed)



Affordable Housing Concentration



Category/Site	Council District	Land Area (sf)	BMR Units	Market Rate Units	Commercial (sf)	Net AHTF Funding Generated/ Subsidy Required	Funds Available for Other City Purposes
<u>BMR Housing (LIHTC)</u>							
Wood Street	3	147,081	292	-	-	(\$29.7M)	\$0
Rotunda Garage Remainder	3	6,697	25	-	-	(\$2.5M)	\$0
MLK Sites	1	9,125	21	-	-	(\$2.1M)	\$0
Piedmont Ave/Howe St Parking	1	43,532	97	-	-	(\$9.9M)	\$0
Miller Library Site	5	11,969	10	-	-	(\$1.0M)	\$0
27th & Foothill	5	22,581	51	-	-	(\$5.2M)	\$0
36th & Foothill	5	34,164	76	-	-	(\$7.7M)	\$0
73rd & International	6	5,435	13	-	-	(\$1.3M)	\$0
Clara & Edes	7	26,311	32	-	-	(\$3.3M)	\$0
Golf Links Road	7	32,038	40	-	-	(\$4.1M)	\$0
8280 & 8296 MacArthur	7	12,720	8	-	-	(\$.8M)	\$0
98th & Stearns	7	20,614	6	-	-	(\$.6M)	\$0
10451 MacArthur	7	23,000	52	-	-	(\$5.3M)	\$0
Barcelona Site (Oak Knoll)	7	205,337	23	-	-	(\$2.3M)	\$0
Subtotal 100% BMR Housing		600,604	746	-	-	(\$75.9M)	\$0
<u>Market Rate Residential</u>							
1800 San Pablo	3	44,347	-	492	-	\$20.6M	\$2.4M
Subtotal Market Rate Residential		44,347	-	492	-	\$20.6M	\$2.4M
<u>Commercial/Office</u>							
Clay St Garage	3	29,000	-	-	130,400	\$3.2M	\$3.9M
1911 Telegraph	3	45,121	-	-	902,420	\$11.1M	\$8.8M
Fire Alarm Bldg	2	31,031	-	-	93,093	\$3.2M	\$4.2M
Old Fire Station #24	4	39,535	-	-	20,000	\$0.5M	\$0.8M
66th & San Leandro	6	274,428	-	-	274,428	\$5.3M	\$5.8M
Subtotal Commercial/Office		419,115	-	-	1,420,341	\$23.4M	\$23.4M
All Sites		1,064,066	746	492	1,420,341	(\$31.9M)	\$25.9M
			<i>Total Units</i>	<i>1,238</i>			
			<i>% BMR</i>	<i>60%</i>			

PLA/Local Hire

- PLAs and local hire programs EACH increase construction costs 5%-30%.
- 5% cost increase for both PLA and local hire on 5 sites would result in \$69M in additional costs, exceeding combined FMV of land.

	Construction Cost	Estimated Land Value at FMV	PLA	Local Hire	Net Land Value
1911 Telegraph	\$361M	\$15M	(\$18M)	(\$18M)	(\$21M)
1800 San Pablo	\$218M	\$12M	(\$11M)	(\$11M)	(\$10M)
66th & San Leandro	\$49M	\$10M	(\$2M)	(\$2M)	\$5M
Wood Street	\$96M	\$12M	(\$5M)	\$0	\$7M
Piedmont Ave/Howe St Parking	\$32M	\$15M	(\$2M)	\$0	\$14M
Total	\$756M	\$63M	(\$38M)	(\$31M)	(\$6M)

Policy Comparison

	Staff's Public Lands Strategy	CWN June Proposal ("People's Proposal")	Guillen/Kaplan Proposal
% Affordable Per Site:	No per project minimum, but achieves 60% affordable units on 20 sites, and sets an ongoing 20% minimum portfolio-wide	100% affordable is required on all public lands. Exception: if project is over 300 units, 25% minimum affordability allowed	Minimum 15% onsite requirement for affordable housing on all City Real Property and sets an ongoing 50% minimum portfolio-wide
Net Land Sale Proceeds Set-Aside for AHTF:	40%, except 80% if market rate residential	50% (remaining 50% to "Community Fund")	100%
Community Engagement Strategy	Recommend an iterative process for increased community engagement and transparency	A standing Community Advisory Committee (CAC)	A standing Community Advisory Committee (CAC)
Jobs Policy	Per existing policy, S/LBE and local hire apply when City subsidizes project; No PLA required	For projects on public land: PLA for construction jobs and LPA for operations jobs; S/LBE and local hire applies to all projects, not just subsidized projects	For projects on City land: PLA (for projects of at least 80 housing units or \$40 million construction cost); S/LBE and local hire applies to all projects, not just subsidized projects

Affordable Housing Production Outcomes/Costs Comparison

Item	Staff's PLS Strategy	CWN June Proposal	Guillen/Kaplan Proposal
# Sites Designated for 100% Affordable Housing*	14	18	8
# Sites Designated for 15% BMR (80% AMI)*	0	0	10
# Sites Designated for Market-Rate Residential	1	0	0
# Sites Designated for Commercial	5	2	2
Total Units Produced	1,238	1,080	1,077
Market Rate Units	492	0	322
Affordable Units	746	1,080	755
% Affordable	60%	100%	70%
Commercial/Office Sqft	1,420,341	294,428	294,428
Total Sale Proceeds Generated	\$51M	\$6M	\$24M
Net Proceeds to GPF/Redevelopment Funds	\$26M	\$3M	\$0
Fiscal Benefits NPV	\$96M	\$7M	TBD
Gross AHTF Funds Generated (incl. fees)	\$44M	\$4M	\$34M
(Additional City Subsidy Needed)	(\$32M)	(\$115M)	(\$45M)
Estimated Years to Fund Affordable Housing	3-4 years	10-14 years	4-6 years

*Guillen/Kaplan proposal allows a mixture of 100% BMR and 15% BMR. Staff assumed a mix resulting in 70% BMR portfolio-wide.

1911 Telegraph

APN(s): 008-0716-058

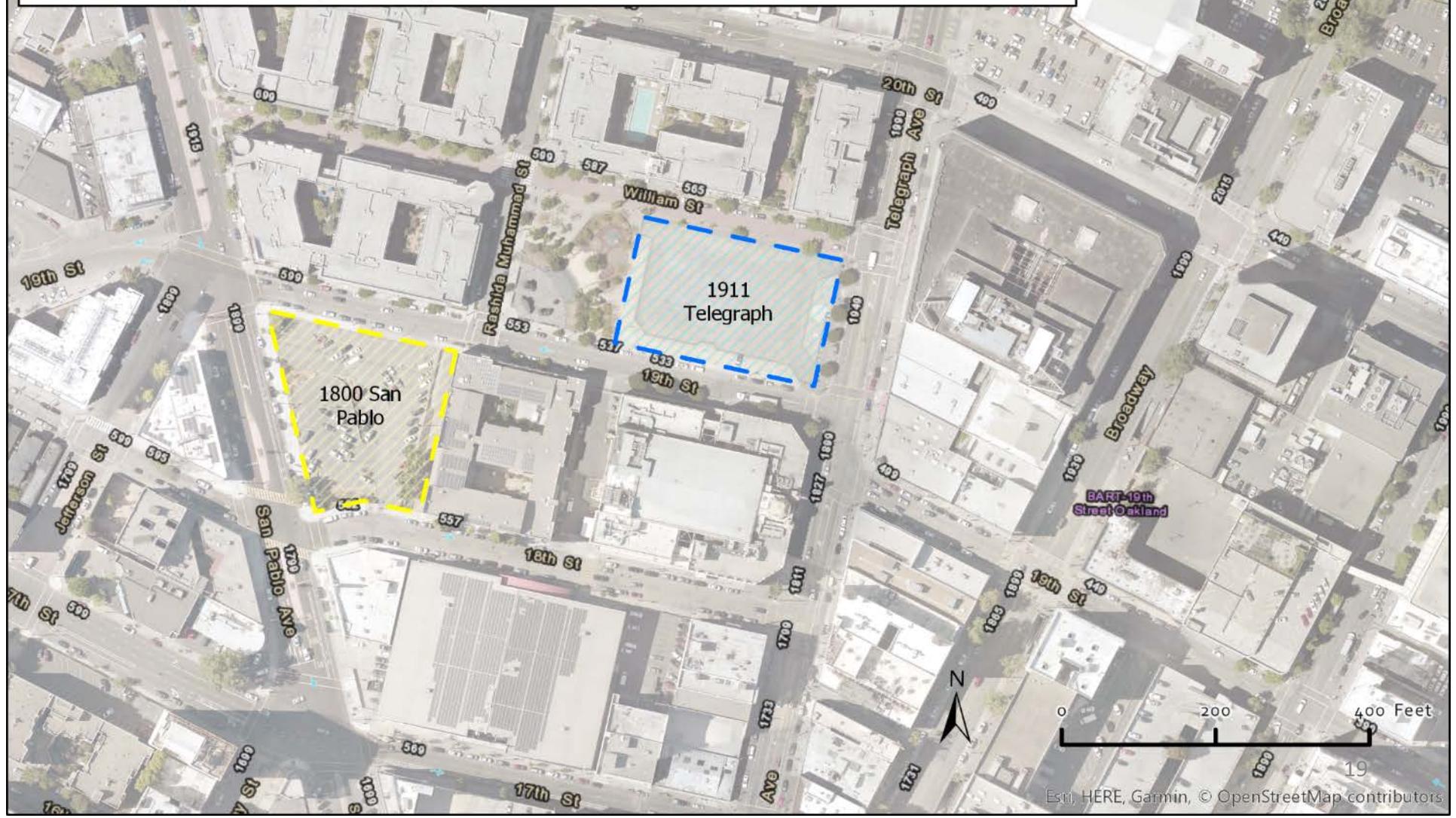
Size: 45,121 sqft

Estimated Land Value: \$14,664,325

Zoning: CBD-P/ CBD-R

Zoning Density: 90 sqft per unit/lot

Max Units (No Density Bonus): 501



Scenario: % Proceeds to AHTF: Land Use:	1a) Full Market Value	1b) Full Market Value	2) Surplus Lands Minimum	3) Staff Public Lands Strategy	4a) CWN Fixed	4b) CWN Flexible	5) All Affordable
	0%	100%	0%	40% - 80%	50%	50%	50%
	Mkt Rate Res	Mkt Rate Res	15% @ 80% AMI	Commercial	40% BMR tiered	15% BMR tiered	100% @ 60% AMI
Funds Generated to AHTF	\$11,000,000	\$25,664,325	\$0	\$11,130,250	\$1,263,260	\$5,951,493	\$0
Land Sale Proceeds for Other City Purposes	\$14,664,325	\$0	\$11,295,829	\$8,798,595	\$1,263,260	\$3,382,255	\$0
City Subsidy Needed for Onsite Affordable Units	\$0	\$0	\$0	\$0	\$0	\$0	(\$11,933,352)
Net AHTF Funding Generated/(Subsidy Required)	\$11,000,000	\$25,664,325	\$0	\$11,130,250	\$1,263,260	\$5,951,493	(\$11,933,352)
Units Created							
Market-Rate On City Land	500	500	86	0	61	86	0
BMR On City Land	0	0	15	0	40	15	101
BMR Offsite (Funded)	88	205	0	89	10	48	0
Total BMR as % of All Units	15%	29%	15%	100%	45%	42%	100%

NOFA Score for Location Suitability for Affordable Housing Development

1911 Telegraph	Notes	NOFA Location Score (0 to 5)
NOFA Criteria		
A) Geo Equity Rental Project: Poverty Rate %	27.1	0
A) Geo Equity Ownership Project: Homeownership Rate %	6.3	5
B) Educational Quality of OUSD Elementary School based on "School Performance Framework Index"	Lafayette Elem and MLK Elem are red	0
D) Proximity to public transportation	.1 mile from BART	5
E) Proximity to grocery or drug store	None within 1/4 mile, CVS within 1/2 mile	1
Total Location Score: Rental Project (Out of 20)		6
Total Location Score: Ownership Project (Out of 20)		11



Proposed Use: A high-rise, mixed-use office development, utilizing steel construction.

Affordable Housing Concentration Ranking

Census Tract	Current % Affordable	Current Rank % Affordable	Future % Affordable	Future Rank % Affordable	Current City Wide % Affordable	Future City Wide % Affordable
4028	56.63%	2	31.88%	9	5.79%	7.84%

Rationale: The site is well-positioned to form a strong new office cluster near the 19th Street BART Station along with the rehabbing of Uptown Station and the proposed office project at 2100 Telegraph Avenue. Affordable housing is not recommended because this site is in a census tract with 57% of housing units BMR rent-restricted, the 2nd highest concentration of affordable housing in the City. Secondly, the high value of land in Downtown Oakland should be extracted through a fair market value sale in order to maximize dollars that can be contributed into the AHTF. Staff estimates the jobs/housing impact fee and land sale proceeds generated from a FMV sale of this site could provide \$11.1 million into the AHTF, which could support approximately 89 LIHTC units off-site. Third, there is the need to reserve some downtown sites for office expansion in order to preserve a balance of residential/office development in the growing Downtown. Lastly, an office development on site will promote economic development (i.e. jobs, both construction and permanent) and generate much needed ongoing fiscal benefits to the City in the form of ongoing tax revenue (i.e. property, sales, and business license tax). Staff estimates that the site could support 20,000 square feet of ground floor retail space, which could generate approximately \$80,000 annually in sales taxes. When combined with property taxes and business taxes, an office use is expected to generate ongoing tax revenue to the City starting at \$2.6 million in the first full year.

Category/Site	Council District	Land Area (sf)	BMR Units	Market Rate Units	Commercial (sf)	Net AHTF Funding Generated/ Subsidy Required	Funds Available for Other City Purposes
<u>BMR Housing (LIHTC)</u>							
Wood Street	3	147,081	292	-	-	(\$29.7M)	\$0
Rotunda Garage Remainder	3	6,697	25	-	-	(\$2.5M)	\$0
MLK Sites	1	9,125	21	-	-	(\$2.1M)	\$0
Piedmont Ave/Howe St Parking	1	43,532	97	-	-	(\$9.9M)	\$0
Miller Library Site	5	11,969	10	-	-	(\$1.0M)	\$0
27th & Foothill	5	22,581	51	-	-	(\$5.2M)	\$0
36th & Foothill	5	34,164	76	-	-	(\$7.7M)	\$0
73rd & International	6	5,435	13	-	-	(\$1.3M)	\$0
Clara & Edes	7	26,311	32	-	-	(\$3.3M)	\$0
Golf Links Road	7	32,038	40	-	-	(\$4.1M)	\$0
8280 & 8296 MacArthur	7	12,720	8	-	-	(\$.8M)	\$0
98th & Stearns	7	20,614	6	-	-	(\$.6M)	\$0
10451 MacArthur	7	23,000	52	-	-	(\$5.3M)	\$0
Barcelona Site (Oak Knoll)	7	205,337	23	-	-	(\$2.3M)	\$0
Subtotal 100% BMR Housing		600,604	746	-	-	(\$75.9M)	\$0
<u>Market Rate Residential</u>							
1800 San Pablo	3	44,347	-	492	-	\$20.6M	\$2.4M
Subtotal Market Rate Residential		44,347	-	492	-	\$20.6M	\$2.4M
<u>Commercial/Office</u>							
Clay St Garage	3	29,000	-	-	130,400	\$3.2M	\$3.9M
1911 Telegraph	3	45,121	-	-	902,420	\$11.1M	\$8.8M
Fire Alarm Bldg	2	31,031	-	-	93,093	\$3.2M	\$4.2M
Old Fire Station #24	4	39,535	-	-	20,000	\$0.5M	\$0.8M
66th & San Leandro	6	274,428	-	-	274,428	\$5.3M	\$5.8M
Subtotal Commercial/Office		419,115	-	-	1,420,341	\$23.4M	\$23.4M
All Sites		1,064,066	746	492	1,420,341	(\$31.9M)	\$25.9M
			<i>Total Units</i>	<i>1,238</i>			
			<i>% BMR</i>	<i>60%</i>			