

**REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND**  
**AGENDA REPORT**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2005 JUN 16 PM 9:10

TO: Office of the Agency Administrator  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: June 28, 2005

RE: REDEVELOPMENT AGENCY RESOLUTIONS AUTHORIZING 1) AN EXCLUSIVE NEGOTIATING AGREEMENT WITH 7<sup>TH</sup> STREET COMMUNITY PARTNERS, LLC, TO DEVELOP THE BLOCK BOUNDED BY 5<sup>TH</sup>, 7<sup>TH</sup>, UNION AND KIRKHAM STREETS IN WEST OAKLAND; AND 2) A LEASE FROM CALTRANS AND A PARKING OPERATIONS AGREEMENT WITH THE ALLIANCE FOR WEST OAKLAND DEVELOPMENT AND 7<sup>TH</sup> STREET COMMUNITY PARTNERS, LLC, FOR THE SITE

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**SUMMARY**

This item requests Redevelopment Agency approval of two related resolutions: 1) a resolution authorizing the Agency Administrator to negotiate and execute an Exclusive Negotiating Agreement (“ENA”) with 7<sup>th</sup> Street Community Partners, LLC, to pursue the development of a vacant 2.76 acre site in West Oakland currently owned by California Department of Transportation (“Caltrans”); and 2) a resolution authorizing the Agency Administrator to negotiate and enter into a 12 month lease with an option to extend the lease for up to an additional 12 months with Caltrans to operate public fee parking at the site, and enter into an operating agreement with the Alliance for West Oakland Development and 7<sup>th</sup> Street Community Partners to manage the parking operation on the property.

7<sup>th</sup> Street Community Partners is a limited liability company made up of Aegis Equity Partners (“Aegis”) and the Alliance for West Oakland Development (“Alliance”). The Alliance is a community based nonprofit community development corporation with a mission to increase assets for local residents through home ownership and business opportunities. Both parties own developable parcels adjacent to and across from the subject property.

The ENA will be for an initial negotiating period of twelve months, with an option on the part of the Agency Administrator to extend this period for up to twelve additional months. The ENA will provide for an evaluation of project feasibility and initiation of the environmental review process during the negotiating period. Agency approval to enter into a lease agreement with Caltrans to offer public fee parking for the term of the ENA will facilitate site control during the ENA period. The parking operation will be managed by the Alliance, which operates other parking facilities. The Alliance will receive 30% of the gross revenues from parking operations as its operating fee. Caltrans will receive the remaining 70%, minus a \$1,000 per month Agency fee for managing the lease and parking operations. Under the operations agreement a payment of \$6,000 per month will be paid by 7<sup>th</sup> Street Community Partners to the Agency and the Agency

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will pay Caltrans the remaining \$5,000 per month. At the end of the Lease term Caltrans will also be paid any additional net income during the term that exceeds \$6,000 per month.

Following the ENA period, if all parties agree on terms and financial feasibility, 7<sup>th</sup> Street Community Partners and the Redevelopment Agency would enter into a Disposition and Development Agreement (“DDA”) for the simultaneous conveyance of the Caltrans property from Caltrans to the Agency and from the Agency to 7<sup>th</sup> Street Community Partners. The proposed project includes development of the adjacent one acre site on Kirkham owned by 7<sup>th</sup> Street Community Partners, together with the 2.76 acre Caltrans site. The DDA will govern the development of the project on both the Caltrans property and the Kirkham property. See attached “Exhibit A” for deal terms.

### **FISCAL IMPACT**

The proposed legislation does not commit the Redevelopment Agency to expenditure of any funds. The 7<sup>th</sup> Street Community Partners will bear sole responsibility for all costs associated with developing the project, including consultant fees, legal fees, financing and banking expenses, leasing and purchasing of the site, construction contracting costs, offsite improvements, operating and marketing expenses.

The Agency will receive a payment of \$6,000 per month from 7<sup>th</sup> Street Community Partners, plus an additional payment in the amount of any additional net operating income generated by the parking operations during the term of the operating agreement that exceeds \$6,000 per month. An accounting of any net income received will occur at the end of the term. The Agency will retain a \$1,000 per month fee and pay \$5,000 monthly rent to Caltrans under the Lease. The operating funds under this agreement are to be deposited into (Fund 9590), West Oakland Redevelopment Operations. Upon approval of the Resolution a new project will be set up.

### **BACKGROUND**

Caltrans owns a 2.76 acre site within the West Oakland Redevelopment Project Area on the block between 5<sup>th</sup> Street to the South, 7<sup>th</sup> Street to the north, Kirkham Street to the west and Union Street to the east (the “Caltrans Property”). Caltrans has offered the Caltrans Property for lease or sale to the Redevelopment Agency and other public entities under the Surplus Lands Act. City Resolution No. 78892 designated the Caltrans Property as an “Infill Opportunity Zone,” enabling the City to identify the parcel for priority use for transit oriented development. This designation allows Caltrans to offer the property to the Agency for development as an infill residential or commercial mixed use property consistent with the current zoning. The Caltrans Property has been rezoned as “S-15,” Transit Oriented Development Zone and lies within the

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West Oakland Transit Village project area. During the term of the ENA, 7<sup>th</sup> Street Community Partners will undertake feasibility studies to determine the product mix and type that is most viable for the development.

Over many months of discussions with Caltrans, Aegis Equity Partners and the Alliance for West Oakland Development persuaded Caltrans to offer the property for sale. Caltrans then offered the site to public agencies under the Surplus Property Act. The “Infill Opportunity Zone” allows the Agency to purchase the site for transit oriented development.

Aegis Equity Partners (“Aegis”) owns a one acre parcel on Kirkham Street, directly across from the Caltrans Property (the “Kirkham Property”). 7<sup>th</sup> Street Community Partners desires to acquire the Caltrans Property, close Kirkham Street, and develop a project that includes transit village related uses, such as 200 to 250 units of high density market rate for-sale housing and neighborhood serving retail and commercial uses on the combined Caltrans Property and Kirkham Property.

Since the subject site is located within the West Oakland Redevelopment Area the Developer presented the proposed project to the West Oakland Project Area Committee (WOPAC) at the May 11, 2005 General Meeting. At its June 8, 2005 meeting the WOPAC voted to support the proposal and recommends that the Agency approve the proposed ENA.

## **KEY ISSUES AND IMPACTS**

### *Site Control*

By entering into an eventual DDA which will govern the development of the project on the Caltrans Property and the Kirkham Property, the Agency will be able to control the development of these key West Oakland sites at no cost to the Agency.

### *Property Appraisal and Environmental Cleanup*

Caltrans requires two appraisals for the sale of the property, one external and one internal. Caltrans will select the external appraiser and 7<sup>th</sup> Street Community Partners will pay for the appraisal. The appraisal will be based on the highest and best use of the Caltrans Property. Preliminary testing revealed that the property is contaminated. The Agency along with the 7<sup>th</sup> Street Community Partners and Caltrans, will work together to use Polanco Act powers to enter into an agreement with the Department of Toxic Substance Control (DTSC) regarding the cleanup of the Caltrans Property. The Polanco Act allows a redevelopment agency, subject to certain restrictions, to take actions to clean the property, while allowing the Agency and the developer of the property, and subsequent owners limited immunity from further cleanup liability. The parties will investigate the use of possible outside funding sources (including EDA

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Brownfield Grant, California Pollution Control Finance Agency CalReuse loan, and/or an EPA Brownfield Clean-up Revolving Loan Fund grant/loan) to complete the clean-up. Transfer of the property will not occur until the toxic clean-up, project entitlement, including CEQA clearance, planning and zoning, and design review have been approved.

#### *Lease and Operating Agreement*

During the ENA period, Caltrans will enter into a lease with the Agency for the Caltrans Property, and the Agency will enter into an Operating Agreement with 7<sup>th</sup> Street Community Partners and the Alliance to operate a fee parking lot on the Caltrans Property during the Lease period. The period of the lease and the operating agreement will be for an initial period of 12 months, with an option on the part of the Agency Administrator to extend this period for up to 12 additional months. The Alliance will receive 30% of the gross revenues from parking operations as its operating fee. Caltrans will receive the remaining 70%, minus a \$1,000 per month Agency fee for managing the lease and parking operations. Under the operations agreement a payment of \$6,000 per month will be paid by 7<sup>th</sup> Street Community Partners to the Agency and the Agency will pay Caltrans \$5,000 per month. At the end of the Lease term Caltrans will also be paid any additional net income during the term that exceeds \$6,000 per month. If revenue received is not sufficient, 7<sup>th</sup> Street Community Partners will be required to pay the difference. But, since the site will accommodate approximately 240 cars without improvements, and only 77 cars per working day are required to realize the \$6,000 threshold, staff feels this is a reasonable base rent. Neither the Agency nor 7<sup>th</sup> Street Community Partners will have any requirement to improve the Caltrans Property for parking purposes. The Agency will have no financial obligations under the lease or the operating agreement, other than to pay rent to Caltrans from funds received from 7<sup>th</sup> Street Community Partners. Under the lease, Caltrans will also grant the Agency an option to purchase the Caltrans Property at its fair market appraised value.

### **SUSTAINABLE OPPORTUNITIES**

#### *Economic*

The subject property is located in the West Oakland Redevelopment Area. This is an infill project which will take a vacant, blighted, underutilized and contaminated site and turn it into an economically productive use. The development of approximately 200 housing units should attract over 400 new residents to the area. Potential benefits include increased housing stock, new jobs from new commercial development, and increased tax revenue to the City and Agency.

#### *Environmental*

Bringing a site that is contaminated into productive use contributes greatly to the revitalization of this community and enhances the formation of transit oriented development. The project will be

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located in the proximity of major public transportation nodes, and will encourage the use of BART and AC Transit by project residents.

### *Equity*

Moderate income home ownership will be strengthened by adding housing choices and increasing income diversity to this primarily low income rental neighborhood.

### **DISABILITY AND SENIOR CITIZEN ACCESS**

The authorization of the ENA will have no impact on disability and senior citizen access. Any future development within the S-15 Transit Oriented Development zone requires developers to consider pedestrian amenities and other features which enhance the environment for pedestrians, cyclists and transit riders. Also, any development on the site will be required to comply with state and federal accessibility requirements, including Federal ADA Accessibility Guidelines the Fair Housing Act and the State of California's Title 24 Accessibility regulations, and other applicable laws.

### **RECOMMENDATION (S) AND RATIONALE**

The ENA and any future DDA will allow the Agency to control development on two key sites at no cost to the Agency. The goals of the West Oakland Transit Village Action Report are maintained through the development of housing and retail within a multimodal transit area. The project supports the West Oakland Redevelopment Plan by eliminating a blighted condition; increasing opportunities for homeownership in the Project Area; attracting new uses to the area; and minimizing or eliminating environmental hazards within the Project Area. Given the community support for the project, limited cost to the Agency, and that the project supports the goals of the West Oakland Redevelopment Plan and the West Oakland Transit Village Action Report, it is recommended that the Agency approve the proposed ENA and Lease and Operating Agreement.

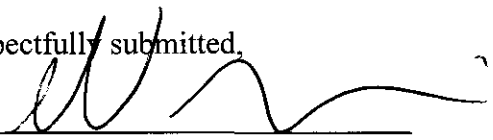
### **ACTION REQUESTED OF THE AGENCY**

Approve the attached resolutions 1) authorizing the Agency Administrator to negotiate and execute an Exclusive Negotiating Agreement (ENA) with 7<sup>th</sup> Street Community Partners, LLC, for a period of 12 months with an option to extend for up to an additional 12 months, to pursue the development of a vacant, 2.76 acre, Caltrans owned site; and 2) authorizing the Agency Administrator to negotiate and enter into a 12 month lease with an option to extend the lease for

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up to an additional 12 months with Caltrans to operate public fee parking at the site and enter into an operating agreement with 7<sup>th</sup> Street Community Partners and the Alliance for West Oakland Development to manage a parking operation on the Caltrans property.

Respectfully submitted,



DANIEL VANDERPRIEM, DIRECTOR  
Redevelopment, Economic Development,  
Housing and Community Development

Prepared by:  
Gloria King, Project Manager  
Redevelopment Division

APPROVED AND FORWARDED TO  
THE COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE



OFFICE OF THE AGENCY ADMINISTRATOR

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**“EXHIBIT A”  
DRAFT BUSINESS TERMS  
FOR 5<sup>TH</sup> AND KIRKHAM PROPERTY**

The Property

The California Department of Transportation (“Caltrans”) owns a 2.76 acre site within the West Oakland Redevelopment Project Area on the block between 5<sup>th</sup>, 7<sup>th</sup>, Kirkham and Union Streets (the “Caltrans Property”). Caltrans has offered the Caltrans Property for lease or sale to the Redevelopment Agency of the City of Oakland (the “Agency”) and other public entities under the Surplus Lands Act. Aegis Equity Partners (“Aegis”) owns a one acre parcel directly across Kirkham Street from the Property (“Kirkham Property”). 7<sup>th</sup> Street CP (the “Developer”) desires to acquire the Caltrans Property, close Kirkham Street, and develop a project on the Caltrans Property and the Kirkham Property.

The Project

The Project will include 200-250 units of high density market rate for-sale housing, as well as neighborhood serving retail and commercial space in an amount to be determined.

The Development Team

The Developer, 7<sup>th</sup> Street CP, is a limited liability company made up of Aegis and the Alliance for West Oakland Development, with Terrence McGrath of Aegis as the Managing Member.

Project Documents

The Developer and the Redevelopment Agency will enter into an Exclusive Negotiating Agreement (“ENA”) for the Caltrans Property. The ENA period will be for an initial period of 12 months, with an option on the part of the Agency Administrator to extend this period for up to 12 additional months. Simultaneous to the ENA, the Agency and Caltrans will enter into a Lease of the Caltrans Property for use as a parking lot, and the Agency, the Alliance for West Oakland Development (“Operator”), and the Developer will enter into an Operating Agreement for the Operator to operate a parking lot on the Caltrans Property (see below). (Operator is a 501(c)(3) community based nonprofit that operates other parking facilities and is a member of Developer’s limited liability company.)

Following the ENA period, the Developer, the Redevelopment Agency, and Caltrans will enter into a Disposition and Development Agreement (“DDA”) for the simultaneous

conveyance of the Caltrans Property from Caltrans to the Agency and from the Agency to the Developer. The DDA will also govern the development of the Project on the Caltrans Property and the Kirkham Property by the Developer.

### Lease and Operating Agreement

Caltrans will enter into a Lease of the Caltrans Property during the ENA period with the Agency, and the Agency will enter into an Operating Agreement with the Developer and the Operator to operate a fee parking lot on the Caltrans Property during the Lease period. The period of the Lease and the Operating Agreement will be for an initial period of 12 months, with an option on the part of the Agency Administrator to extend this period for up to 12 additional months. Operator will receive 30% of the gross revenues from parking operations as its operating fee. A payment of \$6,000 per month will be paid by the Developer to the Agency under the Operating Agreement. The Agency will retain a \$1,000 per month fee, and will pay monthly rent to Caltrans under the Lease in the amount of \$5,000 per month. The Operating Agreement shall provide that the fees to Operator shall be subordinate to the amount to be paid by Developer to Caltrans and the Agency. *At the end of the Lease term, there will be an accounting of the net operating income generated by parking operations during the term, and Caltrans will receive as additional rent any additional net income during the term that exceeds \$6,000 per month.* Such amount shall be paid to Caltrans at the close of escrow on the sale of the Caltrans Property. Neither the Agency nor the Developer will have any requirement to improve the Caltrans Property for parking purposes. The Agency will have no financial obligations under the Lease or the Operating Agreement, other than to pay rent to Caltrans from funds received from the Developer. As part of the Lease, Caltrans will grant the Agency an option to purchase the Caltrans Property at its appraised fair market value minus the cost of cleanup of the Caltrans Property to high density residential standards.

### ENA

During the ENA period, the Developer will:

- design and obtain land use entitlements for the Project;
- begin the process of vacating Kirkham Street;
- complete California Environmental Quality Act review for the Project;
- undertake a market feasibility study to determine the product mix and type that is most viable for the Project;
- obtain financing for the Project.

Caltrans will conduct an appraisal of the Caltrans Property during the ENA period (see below). The Agency will agree not to negotiate with any other party during the ENA period.



## DDA

The DDA will provide that the negotiated purchase price (see below) shall be paid in full to the Agency by the Developer in escrow and these funds will be used to purchase the site from Caltrans in a double escrow.

Close of the simultaneous escrow for the transfer of the Caltrans Property from Caltrans to the Agency, and from the Agency to the Developer, will occur when environmental cleanup is complete, Project entitlements and design review have been approved, and Project financing is in place, as well as other negotiated preconveyance milestones specified in the DDA. The Agency will have the right to review and approve Project plans and specifications. The DDA will include negotiated Project commencement and completion dates. The DDA will include standard restrictions on transfer of the Caltrans Property prior to Project completion, a right of reverter on the Caltrans Property if the Project is not developed according to the schedule (which shall be extended for reasonable delays), as well as other standard DDA provisions.

## Purchase Price

Prior to DDA execution, the purchase price of the Caltrans Property from Caltrans to the Agency and from the Agency to the Developer will be agreed to by Caltrans, the Agency and the Developer based on an appraisal of fair market value. The names of Dean Chapman and Associates and Holberg and Associates, both Caltrans-accepted independent appraisers, were submitted to the Developer. The Developer will select and pay for the services of one of the submitted appraisers. The appraisal, conducted during the ENA period will be based on the highest and best use of the Caltrans Property.

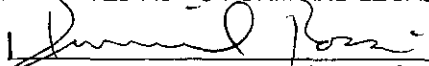
## Environmental Remediation

The Property is contaminated. The Agency, along with the Developer and Caltrans, will work together to use Polanco Act powers to enter into an agreement with the Department of Toxic Substance Control (DTSC) regarding the cleanup of the Caltrans Property. The parties will investigate the use of possible outside funding sources (including a EDA Brownfield grant, California Pollution Control Finance Agency CalREUse loan, and/or an EPA Brownfield Clean-up Revolving Loan Fund grant/loan) to complete the cleanup. The cleanup will occur prior to transfer of the Caltrans Property to the Agency and the Developer. The sale of the Caltrans Property to the Developer shall be "as-is", and the Developer shall release and indemnify the Agency for any liability related to environmental contamination or the remediation.

## Financial Responsibility

The Developer shall bear sole responsibility for all costs associated with development of the Project, including consultant fees, legal fees, financing and banking expenses, construction contracting cost, offsite improvements and marketing expenses. The Agency shall have no obligation to provide a subsidy to the Project. Any Agency or City subsidy to the Project will trigger the Agency/City's employment and contracting requirements, including prevailing wage, local employment, and local contracting requirements.

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Agency Counsel

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. \_\_\_\_\_ C.M.S.

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### A RESOLUTION AUTHORIZING A LEASE FROM CALTRANS AND A PARKING OPERATIONS AGREEMENT WITH THE ALLIANCE FOR WEST OAKLAND DEVELOPMENT AND 7<sup>TH</sup> STREET COMMUNITY PARTNERS, LLC, FOR THE BLOCK BOUNDED BY 5<sup>TH</sup>, 7<sup>TH</sup>, KIRKHAM AND UNION STREETS IN WEST OAKLAND

**WHEREAS**, the California Department of Transportation ("Caltrans") owns a 2.76 acre site within the West Oakland Redevelopment Project Area on the block bounded by 5<sup>th</sup>, 7<sup>th</sup>, Kirkham and Union Streets (the "Caltrans Property"); and

**WHEREAS**, Caltrans has offered the Caltrans Property for lease or sale to the Redevelopment Agency and other public entities under the Surplus Lands Act; and

**WHEREAS**, the Agency, Caltrans, and 7<sup>th</sup> Street Community Partners, LLC, a limited liability company made up of Aegis Equity Partners and the Alliance for West Oakland Development, have been discussing the terms of development of the Caltrans Property; and

**WHEREAS**, Caltrans and 7<sup>th</sup> Street Community Partners have proposed leasing and operating the Caltrans Property for public parking in the interim while the terms of the development project are negotiated; and

**WHEREAS**, California Health and Safety Code Section 33391 authorizes a redevelopment agency to lease real property within a project area, and Section 334000 authorizes a redevelopment agency manage and operate real property; now, therefore, be it

**RESOLVED**: That the Agency hereby authorizes the Agency Administrator to negotiate and enter into a lease with Caltrans for the Caltrans Property; and be it further

**RESOLVED**: That the lease shall be for an initial term of 12 months, with an option on the part of the Agency Administrator to extend this period for up to 12 additional months; and be it further

**RESOLVED:** That the Agency will pay rent to Caltrans under the lease in the amount of \$5,000 per month, plus additional rent in the amount of any additional net operating income generated by the parking operations during the lease term that exceeds \$6,000 per month with an accounting at the end of the lease term of the net income during the term; and be it further

**RESOLVED:** That as part of the lease, Caltrans will grant the Agency an option to purchase the Caltrans Property at its appraised fair market value minus the cost of cleanup of the Caltrans Property to high density residential standards; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator to negotiate and enter into a operating agreement with the Alliance for West Oakland Development and 7<sup>th</sup> Street Community Partners providing for the Alliance to operate a fee public parking lot on the Caltrans Property; and be it further

**RESOLVED:** That the operating agreement shall be for an initial term of 12 months, with an option on the part of the Agency Administrator to extend this period for up to 12 additional months; and be it further

**RESOLVED:** That the operating agreement will provide that the Alliance as operator will receive 30% of the gross revenues from parking operations as its operating fee; and be it further

**RESOLVED:** That an operating payment of \$6,000 per month will be paid to the Agency from 7<sup>th</sup> Street Community Partners, plus an additional payment in the amount of any additional net operating income generated by the parking operations during the operating agreement term that exceeds \$6,000 per month with an accounting of the net income at the end of the term and deposited into (Fund 9590), West Oakland Redevelopment Operations; and be it further

**RESOLVED:** That the lease and operating agreement shall be reviewed and approved as to form and legality by Agency Counsel prior to execution; and be it further

**RESOLVED:** That the Agency finds and determines, after independent review and consideration, that this action complies with the California Environmental Quality Act ("CEQA") because it is exempt from CEQA pursuant to Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it further

**RESOLVED:** That the Agency Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action; and be it further

**RESOLVED:** That the Agency Administrator is further authorized to take whatever action is necessary with respect to the lease and the operating agreement consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2005

**PASSED BY THE FOLLOWING VOTE:**

AYES-            BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND  
                      CHAIRPERSON DE LA FUENTE

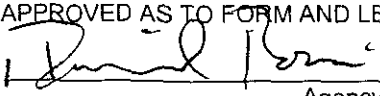
NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
                  LATONDA SIMMONS  
                  Secretary of the Redevelopment Agency  
                  of the City of Oakland

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Agency Counsel

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. \_\_\_\_\_ C.M.S.

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### A RESOLUTION AUTHORIZING AN EXCLUSIVE NEGOTIATING AGREEMENT WITH 7<sup>TH</sup> STREET COMMUNITY PARTNERS, LLC, TO DEVELOP THE BLOCK BOUNDED BY 5<sup>TH</sup>, 7<sup>TH</sup>, KIRKHAM AND UNION STREETS IN WEST OAKLAND

**WHEREAS**, the California Department of Transportation ("Caltrans") owns a 2.76 acre site within the West Oakland Redevelopment Project Area on the block bounded by 5<sup>th</sup>, 7<sup>th</sup>, Kirkham and Union Streets (the "Caltrans Property"); and

**WHEREAS**, Caltrans has offered the Caltrans Property for lease or sale to the Redevelopment Agency and other public entities under the Surplus Lands Act; and

**WHEREAS**, Aegis Equity Partners owns a one acre parcel directly across Kirkham Street from the Caltrans Property (the "Kirkham Property"); and

**WHEREAS**, 7<sup>th</sup> Street Community Partners, LLC, a limited liability company made up of Aegis Equity Partners and the Alliance for West Oakland Development, desires to acquire the Caltrans Property, close Kirkham Street, and develop a project on the Caltrans Property and the Kirkham Property; and

**WHEREAS**, 7<sup>th</sup> Street Community Partners has proposed a project consisting of 200 to 250 units of high density market rate for-sale housing, as well as neighborhood-serving retail and commercial space, on the site; and

**WHEREAS**, the Agency and 7<sup>th</sup> Street Community Partners wish to enter into a period of preliminary study and negotiations over the project proposal, understanding that this does not constitute a binding commitment on the part of the Agency to any project or developer for the Caltrans Property; now, therefore, be it

**RESOLVED**: That the Agency hereby authorizes the Agency Administrator to negotiate and enter into an Exclusive Negotiating Agreement ("ENA") with 7<sup>th</sup> Street Community Partners for the purposes of studying and evaluating the feasibility of, and negotiating terms and conditions for, the transfer of the Caltrans Property and its development for housing and other uses; and be it further

**RESOLVED:** That the initial exclusive negotiating period will be for 12 months, with the option by the Agency to extend said period by an additional 12 months with the approval of the Agency Administrator in her sole discretion; and be it further

**RESOLVED:** That the ENA shall be reviewed and approved as to form and legality by Agency Counsel prior to execution; and be it further

**RESOLVED:** That the Agency finds and determines, after independent review and consideration, that this action complies with the California Environmental Quality Act ("CEQA") because it is exempt from CEQA pursuant to Section 15262 (feasibility and planning studies), Section 15306 (information collection) and Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it further

**RESOLVED:** That the Agency Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action; and be it further

**RESOLVED:** That the Agency Administrator is further authorized to take whatever action is necessary with respect to the ENA and the project consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2005

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND  
CHAIRPERSON DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland