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

TO: Office of the City Administrator and Agency Administrator  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: November 8, 2005

**RE: REDEVELOPMENT AGENCY AND CITY RESOLUTIONS: (1) AUTHORIZING THE SALE OF REAL PROPERTY LOCATED ON PORTIONS OF THE BLOCK BOUNDED BY SAN PABLO AVENUE, 18<sup>TH</sup> STREET, 19<sup>TH</sup> STREET, AND TELEGRAPH AVENUE, ADJACENT TO THE FOX THEATER, TO RESOURCES FOR COMMUNITY DEVELOPMENT FOR ITS DEVELOPMENT AS AFFORDABLE HOUSING, (2) AUTHORIZING A PREDEVELOPMENT AND DEVELOPMENT LOAN IN AN AMOUNT NOT TO EXCEED \$2,864,400, AND (3) AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE PROJECT**

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**SUMMARY**

It is recommended that the Agency Board and City Council authorize the Agency Administrator to enter into a Disposition and Development Agreement (“DDA”) and related documents with Resources for Community Development (“RCD”) for the sale of real property located on a portions of the block bounded by San Pablo Avenue, 18<sup>th</sup> Street, 19<sup>th</sup> Street, and Telegraph Avenue, adjacent to the Fox Theater (the “Property”, as depicted in Attachment A) for its development as affordable housing. The Property will be sold to the developer at no cost. Staff further recommends that the Agency authorize a predevelopment and development loan to RCD in an amount not to exceed \$2,864,400 for the project (“Fox Courts” or the “Project”). Fox Courts includes 80 units of rental housing, 79 of which will serve individuals and households with incomes that are less than 60% of the area median income (“AMI”).

During the negotiations, it became evident that RCD will need early funding assistance from the Agency to carry out certain predevelopment activities and to apply successfully for other financing sources for the Project. The Agency loan amount of \$2,864,400 is comprised of \$1.4 million in unsecured predevelopment funding, \$650,000 in gap financing, funding in the amount of \$414,400 for the abatement of hazardous materials, plus a contingency of \$400,000 for potential construction cost overruns if there are delays in the Agency’s ability to deliver the Property.

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## FISCAL IMPACTS

On, July 20, 2004, the Agency and the City Council, pursuant to Resolution No. 2004-39 C.M.S., approved the appropriation of \$2,464,400 from the following funds for the development of an affordable housing project behind the Fox Theater:

- \$1,300,000 for predevelopment costs from the Central District Tax Allocation Bond Series 2003: Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610);
- \$100,000 for predevelopment costs from the proceeds of the sale of Preservation Park from Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780);
- \$414,400 for hazardous materials remediation from the proceeds of the sale of Preservation Park from Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780); and
- \$650,000 for predevelopment costs from the Agency's Low and Moderate Operations Fund (#9580), Housing Development Program (#P209310) for Fiscal Year 2006-07.

Staff is proposing an increase in the loan amount of \$400,000 to provide a construction cost increase contingency loan to RCD. Since the Agency and City approved the legislation referenced above, additional Agency funding in the amount of \$700,000 has become available in the Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610), as the result of a reduction in gap financing to Forest City Residential West, Inc. for the Uptown Project. These new funds will be used to reduce the funding contribution from the Low and Moderate Operations Fund by \$300,000 and to create the construction cost increase contingency loan in the amount of \$400,000.

Approval of the proposed resolution will amend previous appropriations pursuant to Agency Resolutions No. 2004-38 C.M.S. for the Uptown Project and Agency Resolution No. 2004-39 C.M.S. for an affordable housing project behind the Fox Theater by authorizing the Agency to allocate and appropriate \$2,864,400 from the following funds for the development of Fox Courts by RCD:

- \$1,600,000 for predevelopment costs from the Central District Tax Allocation Bond Series 2003: Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610);
- \$100,000 for predevelopment costs from the proceeds of the sale of Preservation Park from Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780);
- \$414,400 for hazardous materials remediation from the proceeds of the sale of Preservation Park from Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780); and

- \$400,000 for potential cost overruns resulting from the Agency’s inability to deliver the Property to RCD by September 1, 2007, from the Central District Tax Allocation Bond Series 2003: Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610); and
- \$350,000 for predevelopment costs from the Agency’s Low and Moderate Operations Fund (#9580), Housing Development Program (#P209310) for Fiscal Year 2006-07.

RCD will apply for additional gap financing pursuant to the City and Agency’s Notice of Funding Availability (“NOFA”) for affordable housing projects.

The Property will be sold to the developer at no cost.

## **BACKGROUND**

### **The Cooperation Agreement with the Coalition for Workforce Housing**

On November 19, 2004, pursuant to Resolution No. 2004-39 C.M.S., the City, the Agency and the Coalition for Workforce Housing (the “Coalition”) entered into a Cooperation Agreement in order to create additional community benefits from the development of the Uptown Project by Uptown Partners, an affiliate of Forest City Residential West, Inc. Throughout the approval process for the Uptown Project, the Coalition had strongly advocated for Uptown Partners to provide additional workforce housing that is affordable to low and very low income households as part of their project. In the end, Uptown Partners agreed to forego the development of the Property as part of the Uptown Project, and the Agency in the Cooperation Agreement agreed to reserve the parcel for the development of at least 70 affordable housing units including at least 50 percent 3- and 4-bedroom units. The Agency also agreed to set aside gap financing in the amount of \$2,050,000, as well as funding for hazardous materials remediation in the amount of \$414,400 for the development of a project on the site.

On December 16, 2004, Agency staff released a Request for Proposals (“RFP”) for affordable housing development of the Property. Staff selected RCD’s proposal for Fox Courts. On June 21, 2005, the Agency approved Resolution No. 2005-37 C.M.S., which authorized staff to start negotiations with RCD over the terms of a DDA. At this time, Agency staff and RCD have concluded the negotiations and are prepared to enter into a DDA for the Project. A summary of the proposed DDA terms is attached to this report as part of Attachment B.

## **PROJECT DESCRIPTION**

### **Location**

Fox Courts will be located on a parcel bounded by San Pablo Avenue, 18<sup>th</sup> Street, 19<sup>th</sup> Street, and Telegraph Avenue. The site is located behind the Fox Theater, across the street from the Oakland Ice Center, and across from the future Uptown Project.

### **Project Scope**

Fox Courts will include 80 units of rental housing, of which 79 will be affordable to individuals and households with incomes ranging from 30% of AMI to 60% of AMI, while one unit will be

reserved for the on-site property manager. Specifically, the Project consists of 18 studio and loft units, 11 one-bedroom units, 11 two-bedroom units, 35 three-bedroom units, and 5 four-bedroom units, which range from 450 to 1,375 square feet in size. The building will have two separate main entrances, two large courtyards, and a 1,150 square-foot recreation room for the residents. The Project will also have 4,000 square feet of community retail space, including a Museum of Children Arts (MOCHA) and a childcare center administered by the Community Child Care Coordinating Council (“4C’s”) of Alameda County. In addition, up to 80 parking spaces will be provided in the partially subterranean garage.

### **The Developer**

RCD is a Berkeley-based nonprofit corporation dedicated to the development of affordable housing. Since its inception in 1984, RCD has completed 40 projects totaling 970 units, and is working on 12 projects (603 units) that are either under construction or in the predevelopment phase. RCD has completed seven affordable housing projects in Oakland. RCD’s development team for Fox Courts is entirely East Bay-based and includes RCD as the developer, Pyatok & Associates as the architect, and JH Fitzmaurice as the general contractor. All three team members have previously worked together on other projects.

### **Project Budget and Financing**

RCD is estimating the total project cost for Fox Courts to be in the amount of \$27 million, which equates to about \$337,888 per unit.

### **Project Schedule**

Upon execution of the DDA and loan closing, RCD will complete 50% construction drawings and apply for State of California Multi-Family Housing Program (“MHP”) funding in March of 2006. They will submit applications for land use entitlements in November of 2005, and apply for building permits with the City in December of 2006. 100% of construction drawings and bid sets will be completed in the summer of 2007. If construction commences in September of 2007, the project will be completed in December of 2008.

A more detailed description and conceptual design plans for the Project are shown in Attachment B.

## **KEY ISSUES AND IMPACTS**

### **Site Availability**

The Agency, pursuant to Resolution No. 2004-23 C.M.S., has leased the Property to the Oakland School for the Arts (“OSA”). The Property serves as a temporary location for the OSA until it can occupy its planned new permanent facility, the wrap-around building of the Fox Theater. The term of the lease with the OSA expires on July 1, 2006. This limitation to the length of the lease term addresses certain provisions in the Agency and City’s Cooperation Agreement with the Coalition that require the Agency to make the Property available to an affordable housing developer no later than September 1, 2006. However, under the terms of the Cooperation Agreement, if extraordinary circumstances caused by the relocation of the OSA to the Fox Theatre necessitate delay in making the Property available, the Agency may extend the lease

with OSA to September 1, 2007, and postpone the availability of the Property for development of an affordable housing project.

The most recent construction schedule for the Fox Theater indicates that a lease extension for the OSA will be necessary as the current projected completion date for the wrap-around building is September of 2007. As a result, the Property will likely not be available for development until September 1, 2007, or potentially even later, if there are delays in the rehabilitation of the Fox Theater. RCD has agreed to the September 1, 2007 construction start date, which is reflected in the proposed DDA.

### **Agency Financing**

Agency staff is recommending that a loan in the amount of \$2,050,000, as committed under the Cooperation Agreement, be made available to RCD as gap financing to assist predevelopment and development of the Project, plus (1) an additional contingent amount up to \$400,000 for any increase in construction costs documented by RCD and due to the OSA's inability or refusal to vacate the Property by September 1, 2007, and (2) an additional amount up to \$414,400 to pay for hazardous materials remediation costs. RCD will also apply for additional loan financing under the City's and Agency's annual NOFA for the Housing Development Financing Program.

### Predevelopment Loan

A portion of the Agency loan in an amount not to exceed \$1.4 million will be available to RCD as an unsecured loan to fund certain predevelopment expenses as follows: RCD may use up to \$770,000 of the Agency's predevelopment loan to pay for the preparation of 50 percent construction drawings for the Project, as well as other related predevelopment costs, as needed for RCD to apply for funding from the MHP program and four percent Low Income Housing Tax Credits ("LIHTC") in March of 2006. The balance of the Agency's predevelopment loan will be available after RCD applies for MHP funding, and will be used by the developer to pay for additional design work as needed to obtain building permits for the Project, and other specified predevelopment costs.

Agency staff is recommending an unsecured predevelopment loan to RCD for a number of reasons. First, the Property will not be available for conveyance to RCD until fall of 2007. Since RCD does not own the Property at this time, they cannot offer it as collateral for predevelopment financing from other lenders. Second, RCD does not have the substantial financial resources required to advance the funds necessary to complete the required predevelopment work. Third, in order to submit a competitive financing application for MHP funds in March of 2006, RCD needs to demonstrate that working construction drawings for the Project are at least 50 percent complete (as certified by the Project architect). Afterwards, the developer will need the remaining predevelopment funds in order to complete the Project design plans as necessary to obtain building permits. Staff determined that it is in the best interest of the Agency to advance the necessary predevelopment funds to RCD in order to move the Project forward as expeditiously as possible.

If the Agency cannot make the Property available to RCD by January 1, 2008, RCD may terminate the DDA and the unsecured predevelopment loan of \$1.4 million will be forgiven.

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Construction Cost Increase Contingency Loan

As discussed above, the Property will likely not be available until September 1, 2007. However, if the Agency cannot make the Property available to RCD by September 1, 2007, and such delay is caused by the inability or refusal of the OSA to vacate the Property, the Agency may extend the September 1, 2007 site availability date, but only if the Agency is pursuing legal action to terminate the lease with the OSA. Since RCD is basing its development schedule on a September 1, 2007 start date, they expressed concern that any delay past September 1, 2007 could result in unforeseen construction cost escalations. In order to guard against such potential cost increases, RCD requested and Agency staff agreed to provide a construction cost increase contingency loan in the amount of \$400,000. This contingency is only available if OSA does not vacate the Property by September 1, 2007.

Terms of Agency Loan

The Agency loan will be structured as a standard Agency affordable housing predevelopment and construction loan, with no interest, and for a term of 55 years. In the past, the City Council has approved CEDA staff recommendations for either a “0% interest” loan or a “contingent interest” loan for affordable housing project which have received MHP funding and four percent LIHTC.

Payments on the Agency loan during the term shall be due annually from available cash flow from the Project. The Agency loan will be governed by the terms and conditions of a loan agreement between the Agency and RCD. The loan shall be secured by a deed of trust recorded on the Property, except for the Agency’s predevelopment loan of \$1.4 million, which will be unsecured until the Property is conveyed to the Developer, whereupon it shall become secured by the deed of trust. As a condition of the Agency loan, the Agency and RCD will enter into a regulatory agreement restricting Project rents and occupancy for at least 55 years.

**Hazardous Materials**

Previous environmental investigations on and around the Property have revealed the existence of a regional chlorinated solvent plume in the groundwater underneath the Fox Theater block and the surrounding area. However, the concentrations of these chemical constituents in the plume below the Property are extremely low. The California Regional Water Quality Control Board, San Francisco Bay Region (the “Regional Board”) has issued a letter stating that “no sources or releases (of the chlorinated solvents) are suspected within the Fox Theater Block and no additional remedial investigation of the Fox Theater block is warranted during its redevelopment.” Nevertheless, the surface soils of the Property are likely contaminated with lead and will require remediation during construction of the Project. The Agency has set aside \$414,400 for the cleanup of the Property.

**Pedestrian Public Right-of-Way**

The Agency stated in the RFP that was issued to solicit an affordable housing developer for the Property that a pedestrian pathway was to be constructed between the current Fox Courts site (“Property”, see Attachment A) and the future Condominium site (“Condo Parcel”, see Attachment A) in order to divide the large super block behind the Fox Theater in a similar way as is proposed for the Uptown Project Area by Forest City Residential West, Inc. The Agency

will issue a Request For Proposals for Condo Parcel in the near future. Towards this purpose, the Agency will select one of two of the following options currently under consideration:

1. The Agency will create an easement approximately 20 feet wide adjacent to the western boundary of the Property (“Condo Parcel Easement”) on Condo Parcel. The Condo Parcel Easement will be used only as a pedestrian walkway for use by the general public. The access requirements for emergency vehicles are yet to be determined and may affect the width of the easement. The future developer of Condo Parcel would be responsible for the construction and maintenance of the Condo Parcel Easement.
2. The Agency will dedicate to the City up to 20-foot wide public right-of-way between the western boundary of the Property and Condo Parcel (“Public Right-of-Way”). This Public Right-of-Way will be used only as a pedestrian walkway for use by the general public and street cleaning vehicles, and will be maintained by the City. Access for emergency vehicles is yet to be determined. RCD will be responsible for constructing half of the Public Right-of-Way, up to the center line closest to the Property. The remaining portion width will be constructed by the future developer of Condo Parcel.

In order to achieve a decorative edge and set-back between the proposed building by RCD, Condo Parcel and the Public Right-of-Way or Condo Parcel Easement, the Agency will include in the DDA with RCD and the future developers for Condo Parcel restrictions on the use of the five-foot wide portion of both developers’ property immediately adjacent to the Public Right-of-Way or Condo Parcel Easement. RCD and the Condo Parcel developer, upon Agency review and approval, will build, use and maintain improvements such as drainage, landscaping, lighting, street furniture and surfacing in the decorative set-back area. Any projections from Project structures into the set-back area will also be permitted with prior Agency approval.

## **SUSTAINABLE OPPORTUNITIES**

The RCD proposal will address the “3 E’s” of sustainability in the following ways:

### **Economic**

Fox Courts will expand the supply of affordable housing in Oakland and provide rental housing for low and very low individuals and households with incomes ranging from 30% of AMI to 60% of AMI (which translates to approximately \$24,850 at 30% of AMI to \$49,680 at 60% of AMI for a family of four). The Project will also provide additional large family-sized units, including 35 three-bedroom units and 5 four-bedroom units.

RCD will comply with the City’s contracting programs, including Small/Local Business Enterprise Construction and Professional Services Program (“L/SLBE”) and the Local Employment Program. All of the workers performing construction work for the Project must be paid prevailing wage rates. RCD will also be subject to the Living Wage Ordinance.

Fox Courts will expand the affordable housing inventory for Oakland’s workforce in the Central District. The Project will offer residential units for a range of low income individuals and households, and generate construction work and professional services contracts.

### **Environmental**

Fox Courts will be at least 15% more energy efficient than the Title 24 energy code and will incorporate numerous green-building techniques and materials as defined by the Alameda County Waste Management Authority in their Multifamily Green Building Guidelines. Also, this Project will provide housing on an underutilized site and is near major public transit corridors. By developing in already built-up areas, this Project reduces the pressure to build on agricultural and other undeveloped land. The location of the Project site near mass transit enables residents to reduce dependency on automobiles and further reduce any adverse environmental impacts of development.

### **Social Equity**

Affordable Housing is a means of achieving greater social equity. Fox Courts will give low and very low income families affordable housing that is located in proximity to public transportation, employment opportunities and social services. The Project offers several social services, including resident empowerment training, computer centers for residents, job training, and money management. The Project will replace a vacant property with a well-designed apartment building.

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

Any project to be developed by RCD on the Project site will comply with the requirements of the Americans with Disabilities Act (“ADA”). The State’s Title 24 and the ADA require consideration of persons with disabilities in design and construction of housing. In all rental units, those requirements include accessible units and facilities. Furthermore, the developer will be required to devise a strategy to effectively market housing units to the disabled community and present this strategy as part of their Affirmative Fair Housing Marketing Plan.

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

It is recommended that the Agency and City Council authorize the sale of the subject property and a predevelopment and development loan up to \$2,864,000 for the purpose of developing an affordable housing project. The proposed Fox Courts project meets the following objectives for the Central District Urban Renewal Plan:

- The Project will increase the stock of housing affordable to low and very low income households in the Central District, and reestablish residential areas for all economic levels within the Central District;
- The Project will provide necessary community facilities lacking in the Central District;
- The Project, once developed, will create permanent jobs for low and moderate income people, including jobs for area residents;
- The Project will create a stable 24-hour residential community which will enhance the viability of retail businesses in the area;
- The Project will redevelop a key underutilized site in the Central District;
- The Project will improve environmental design within the Central District; and

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- The Project, once developed, will enhance depreciated and stagnant residential and commercial property values in the surrounding Uptown areas, and will encourage efforts to alleviate economic and physical blight conditions in the area, including high business vacancy rates, excessive vacant lots, and abandoned buildings, by enhancing the development potential and overall economic viability of neighboring properties.

Moreover, RCD's primarily family-based affordable housing development proposal aims to meet the housing needs for individuals and households with incomes ranging from 30% of AMI to 60% of AMI. Fifty percent of RCD's project will consist of 3 and 4-bedroom units. RCD's proposed project will also offer art and service-oriented programs to residents and the community and foster a livable neighborhood. The proposal includes sustainable and "green" building features that improve energy efficiency and operations over the life of the project. RCD's proposal for Fox Courts is based on a community-oriented design that is compatible with, and of the same finish quality as the adjacent multi-family housing development proposed by FC Oakland, Inc.

#### **ACTION REQUESTED OF THE CITY COUNCIL AND AGENCY**

It is recommended that the Agency and the City approve the resolutions authorizing a Disposition and Development Agreement and related documents with Resources for Community Development for the sale of real property located on portions of the block bounded by San Pablo Avenue, 18<sup>th</sup> Street, 19<sup>th</sup> Street, and Telegraph Avenue, adjacent to the Fox Theater for its development as affordable housing, and authorizing a predevelopment and development loan in an amount not to exceed \$2,864,400 for the project.

Respectfully submitted,

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**DANIEL VANDERPRIEM**

Director of Redevelopment, Economic  
Development, Housing and Community  
Development

Prepared by:  
Jens Hillmer  
Urban Economic Coordinator

APPROVED AND FORWARDED  
TO THE COMMUNITY & ECONOMIC  
DEVELOPMENT COMMITTEE:

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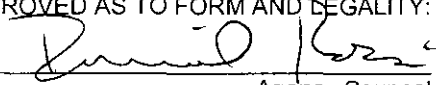
Office of the City/Agency Administrator

**Attachments:**  
Attachment A – Project Site  
Attachment B – Project Summary

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APPROVED AS TO FORM AND LEGALITY:

By:   
Agency Counsel

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

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

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**A RESOLUTION AUTHORIZING THE SALE OF REAL PROPERTY LOCATED ON PORTIONS OF THE BLOCK BOUNDED BY SAN PABLO AVENUE, 18<sup>TH</sup> STREET, 19<sup>TH</sup> STREET, AND TELEGRAPH AVENUE, ADJACENT TO THE FOX THEATER TO RESOURCES FOR COMMUNITY DEVELOPMENT FOR ITS DEVELOPMENT AS AFFORDABLE HOUSING, AUTHORIZING A PREDEVELOPMENT AND DEVELOPMENT LOAN FOR THE PROJECT IN AN AMOUNT NOT TO EXCEED \$2,864,400, AND AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE PROJECT**

**WHEREAS**, the California Community Redevelopment Law, Health and Safety Code Section 33430, authorizes a redevelopment agency within a survey (project) area or for purposes of redevelopment to sell real property, Section 33432 requires that any sale of real property by a redevelopment agency in a project area must be conditioned on redevelopment and use of the property in conformity with the redevelopment plan, and Section 33439 provides that a redevelopment agency must retain controls and establish restrictions or covenants running with the land for property sold for private use as provided in the redevelopment plan; and

**WHEREAS**, Health and Safety Code Sections 33334.2(e) and 33449 authorize an agency to donate land and provide subsidies to provide housing for persons and families of low and moderate income; and

**WHEREAS**, the Central District Urban Renewal Plan adopted on June 12, 1969, as subsequently amended, as well as the Five-Year Implementation Plan for the Central District (1999-2004) (together, the "Central District Redevelopment Plan" or "Redevelopment Plan"), authorizes the Redevelopment Agency to sell land in the Central District Redevelopment Project Area (the "Central District"); and

**WHEREAS**, the Agency and the City have initiated the "10K Downtown Housing Program" to attract ten thousand new residents into the Central District, and the Agency has determined that it desires to encourage new housing development in part by offering Agency-owned land to developers for the construction of housing; and

**WHEREAS**, the Agency owns real property on the block bounded by San Pablo Avenue, 18<sup>th</sup> Street, 19<sup>th</sup> Street, and Telegraph Avenue, adjacent to the Fox Theater (the "Property"), located within the Central District, more specifically described in Exhibit A attached to this Resolution; and

**WHEREAS**, on November 19, 2004, pursuant to Agency Resolution No. 2004-0039 C.M.S., the Coalition for Workforce Housing, the City of Oakland, and the Redevelopment Agency entered into a Cooperation Agreement to increase the supply of affordable housing in the Uptown area; and

**WHEREAS**, pursuant to the terms of the Cooperation Agreement, on December 16, 2004, the Agency issued a Request for Proposals ("RFP") that called for proposals to develop at least 70 units of affordable housing on the Property; and

**WHEREAS**, in response to the RFP, Resources for Community Development ("RCD"), a nonprofit corporation dedicated to the development of affordable housing, submitted a proposal to develop housing affordable to low income and very low income households, as well as other uses; and

**WHEREAS**, Agency Resolution No. 2005-0037 C.M.S. authorized negotiations with RCD on their proposal; and

**WHEREAS**, RCD desires to purchase the Property from the Agency in order to develop the Fox Courts project consisting of 80 residential rental units, 79 of which will be affordable to low income and very low income households, along with parking and approximately 4,000 square feet of community space (the "Project"); and

**WHEREAS**, staff has negotiated and proposes entering into a Disposition and Development Agreement ("DDA") with RCD which sets forth the terms and conditions of the sale of the Property to RCD or RCD's affiliate and governs the development of the Project and the use of the Property by RCD and any successors to the Property subsequent to sale through recorded covenants running with the land, including occupancy and rent limits; and

**WHEREAS**, the DDA provides that the Agency will provide predevelopment and development financing to RCD under certain conditions in an amount not to exceed \$2,864,400; and

**WHEREAS**, certain funding appropriations in the amount of \$700,000 for the Uptown Project authorized by Resolution No. 2004-38 C.M.S. will be reallocated to the Project to fund the Agency's development financing to RCD; and

**WHEREAS**, funding in the specified amounts is available from the following sources: (1) \$2,000,000 from the Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610); (2) \$514,400 from the Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project

FY01 (#P132780); and (3) \$350,000 from the Agency's Low and Moderate Operations Fund (#9580), Housing Development Program (#P209310) for Fiscal Year 2006-07; and

**WHEREAS**, the DDA requires that RCD or RCD's affiliate construct and operate the Project consistent with the Redevelopment Plan and restricts the use of the Property to affordable housing and related uses; and

**WHEREAS**, the DDA and the grant deed that will convey the Property to RCD or RCD's affiliate adequately condition the sale of the Property on the redevelopment and use of the Property in conformity with the Central District Redevelopment Plan, and such documents prohibit discrimination in any aspect of the Project as required under the Central District Redevelopment Plan and the California Community Redevelopment Law; and

**WHEREAS**, the Project uses are in conformity with the Central District Redevelopment Plan, the Project will assist in the elimination of blight in the Central District, the Project will increase the supply of low and moderate income housing in the Central District, and the Project will help meet the objectives of the Central District Redevelopment Plan; and

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, the Project is consistent with the Agency's Project Development Guidelines for Affordable Housing Development, and RCD meets the Agency's Threshold Developer Criteria; and

**WHEREAS**, the Project will increase and improve the supply of low and moderate income housing available in the City of Oakland, is an eligible use of the Agency's Low and Moderate Income Housing Fund under California Health and Safety Code Sections 33334.2 and 33334.3, and will benefit the redevelopment project areas in the City of Oakland by providing affordable housing opportunities within the community that will enhance the economic viability and redevelopment potential of the project areas; and

**WHEREAS**, funds are available from the Agency's Low and Moderate Income Housing Fund, as well as other Central District tax increment funds, to assist the Project; and

**WHEREAS**, no other reasonable means of private or commercial financing of the Project at the same level of affordability and quantity are reasonably available to RCD other than the Low and Moderate Income Housing Fund and other redevelopment funds; and

**WHEREAS**, the California Community Redevelopment Law (Health and Safety Code Section 33433) requires that before any property of a redevelopment agency that is acquired in whole or in part with tax increment moneys is sold for development pursuant to a redevelopment plan, the sale must first be approved by the legislative body, *i.e.*, the City Council, by resolution after public hearing; and

**WHEREAS**, as required by the California Community Redevelopment Law, the Agency has made available to the public for inspection, no later than the first date of publication of the notice for the hearing, a report that contains a copy of the draft DDA and a summary of the cost of the agreement to the Agency, the estimated fair market value of the Property at its highest and best use permitted under the Redevelopment Plan, the estimated value of the Property determined at the use and with the conditions, covenants and development costs required by the sale, an explanation of the reasons for the difference between the two values, and an explanation of why the sale of the Property and development of the Project will assist in the elimination of blight, with supporting facts and material; and

**WHEREAS**, a joint public hearing between the Agency and the City Council of the City of Oakland was held to hear public comments on the sale of the Property for the Project; and

**WHEREAS**, notice of the sale of the Property and the public hearing was given by publication at least once a week for not less than two weeks prior to the public hearing in a newspaper of general circulation in Alameda County; and

**WHEREAS**, the City Council has approved the sale of the Property by resolution after the public hearing; and

**WHEREAS**, the City of Oakland, as the Lead Agency for the Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"), has prepared a focused Environmental Impact Report, the Uptown Mixed Use Project Environmental Impact Report (the "EIR"), which covers the Project, analyzing the significant environmental effects and mitigation measures in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

**WHEREAS**, on February 18, 2004, the City Council in accordance with CEQA Guidelines § 15090 certified that the Final EIR has been completed in compliance with CEQA and the Guidelines for Implementation of the California Environmental Quality Act (14 CCR sections 15000, et seq.); and

**WHEREAS**, the Agency, as a "Responsible Agency" under CEQA has independently reviewed and considered the environmental effects of the project as shown in the EIR and other information in the record; now, therefore, be it

**RESOLVED:** That the Agency hereby finds and determines on the basis of substantial evidence in the record that the EIR fully analyzes the potential environmental effects of the Project and incorporates mitigation measures to substantially lessen or avoid

any potentially significant impacts in accordance with CEQA; and that none of the circumstances necessitating preparation of additional CEQA review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the Project or the circumstances under which the Project is undertaken that would require major revisions of the EIR due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects, and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3); and be it further

**RESOLVED:** That the Agency hereby finds and determines that the sale of the Property by the Agency to RCD or RCD's affiliate for the Project furthers the purposes of the California Community Redevelopment Law, contributes to the elimination of blight in the Central District Redevelopment Project Area, conforms to the Central District Redevelopment Plan, including its Implementation Plan, and furthers the goals and objectives of said Redevelopment Plan in that: (1) the Project will increase the stock of housing affordable to low and very low income households in the Central District, and reestablish residential areas for all economic levels within the Central District; (2) the Project will provide necessary community facilities lacking in the Central District; (3) the Project, once developed, will create permanent jobs for low and moderate income people, including jobs for area residents; (4) the Project will create a stable 24-hour residential community which will enhance the viability of retail businesses in the area; (5) the Project will redevelop a key underutilized site in the Central District; (6) the Project will improve environmental design within the Central District; and (7) the Project, once developed, will enhance depreciated and stagnant residential and commercial property values in the surrounding Uptown areas, and will encourage efforts to alleviate economic and physical blight conditions in the area, including high business vacancy rates, excessive vacant lots, and abandoned buildings, by enhancing the development potential and overall economic viability of neighboring properties; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator or his or her designee to sell the Property to RCD, subject to the terms and conditions of the DDA; and be it further

**RESOLVED:** That the Agency finds and determines that the consideration for the sale of the Property is not less than its fair reuse value at the use and with the covenants and conditions and development costs authorized under the DDA, for the reasons set forth in the report prepared in accordance with Health and Safety Code Section 33433; and be it further

**RESOLVED:** That the conveyancing transaction shall include the following terms and conditions:

- The Property to be sold to RCD or its affiliate at no cost;
- 79 of the 80 Project units to be restricted at an affordable rent to households at or below 60% of area median income for a period of 55 years;

- The Agency to cause to be constructed required off-site improvements in connection with the Project, at a maximum cost of \$500,000;
- RCD or its affiliate to comply with provisions of the Central District Redevelopment Plan and nondiscrimination provisions of redevelopment law;
- The plans and specifications for the Project to be reviewed and approved by the Agency;
- Transfer of the Property to be restricted prior to Project completion;
- Project commencement and completion dates to be set in the DDA as negotiated by the Agency Administrator;
- RCD or its affiliate to comply with the Agency's employment and contracting programs (prevailing wage, local employment, local/small local business enterprise contracting, apprenticeship, living wage, and first-source hiring) for the Project;
- Any other appropriate terms and conditions as the Agency Administrator or his or her designee may establish in his or her discretion or as the California Community Redevelopment Law or the Redevelopment Plan may require;

and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator or her designee to take whatever action is necessary to make the Property available for conveyance to RCD by September 1, 2007; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator or her designee to provide a predevelopment and development loan in an amount not to exceed \$2,864,400 to RCD, or to an affiliated entity approved by the Agency Administrator or his or her designee, to be used for the Project; and be it further

**RESOLVED:** That (1) \$2,000,000 of the loan funds shall come from the Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610); (2) \$514,400 of the loan funds shall come from the Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780); and (3) \$350,000 of the loan funds shall come from the Agency's Low and Moderate Operations Fund (#9580), Housing Development Program (#P209310) for Fiscal Year 2006-07; and be it further

**RESOLVED:** That the loan is contingent on the availability of sufficient funds in the Low and Moderate Income Housing Fund and other funds to cover the loan; and be it further

**RESOLVED:** That the loan shall be for a maximum term of 55 years, at no interest, with repayment to the Agency 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 Agency Administrator or his or her

designee determines are in the best interests of the Agency and the Project; and be it further

**RESOLVED:** That as a condition of the loan, the Agency will require that appropriate restrictions on Project occupancy, rents and operations be recorded against Project improvements; and be it further

**RESOLVED:** That the loan shall be secured by a deed of trust on the Property, other than that portion of the loan designated for predevelopment costs, which will be unsecured until the Property is conveyed to RCD; and be it further

**RESOLVED:** That \$400,000 of the loan amount shall be contingent on the Property not being conveyed to RCD by September 1, 2007, if such delay is caused by the refusal or inability of the Oakland School for the Arts to vacate the Property by this date, and such additional loans funds shall be used to pay for any increased construction costs to RCD resulting from the delay; and be it further

**RESOLVED:** That the predevelopment portion of the loan shall be forgivable if the Property is not conveyed to RCD by January 1, 2008, and if such delay is caused by the refusal or inability of the Oakland School for the Arts to vacate the Property by this date; and be it further

**RESOLVED:** That the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the Agency Administrator or his or her designee may establish; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator or his or her designee in his or her discretion to subordinate the priority of the Agency'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 Agency 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 Agency's investment in the Project in the event of default is reasonably protected, and (3) subordination is in the best interests of the Agency; and be it further

**RESOLVED:** That the Agency Administrator or his or her designee is hereby authorized to negotiate and execute a Disposition and Development Agreement with RCD, or an affiliated entity or entities approved by the Agency Administrator, for the Project, as well as negotiate and execute loan documents for the Agency loan and other documents with RCD or its affiliate, Project funding sources, or other parties as necessary to facilitate the sale and development of the Property for the Project; and be it further

**RESOLVED:** That all documents related to this transaction shall be reviewed and approved by Agency Counsel prior to execution, and copies will be placed on file with the Agency Secretary; and be it further



**RESOLVED:** That the Agency Administrator or his or her designee is directed to file a Notice of Determination within five (5) working days of this Resolution in accordance with CEQA Guidelines Section 15094; and be it further

**RESOLVED:** That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the Agency's decision is based are respectively: (a) the Community and Economic Development Agency, Redevelopment Division, 250 Frank H. Ogawa Plaza, 5th Floor, Oakland; (b) the Community and Economic Development Agency, Planning Division, 250 Frank H. Ogawa Plaza, 3rd Floor, Oakland; and (c) the Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland; and be it further

**RESOLVED:** That the Agency hereby appoints the Agency Administrator or his or her designee as agent of the Redevelopment Agency to take any other action with respect to the Property, the Project, and the Agency loan consistent with this Resolution and its basic purpose.

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

**PASSED BY THE FOLLOWING VOTE:**

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

NOES-

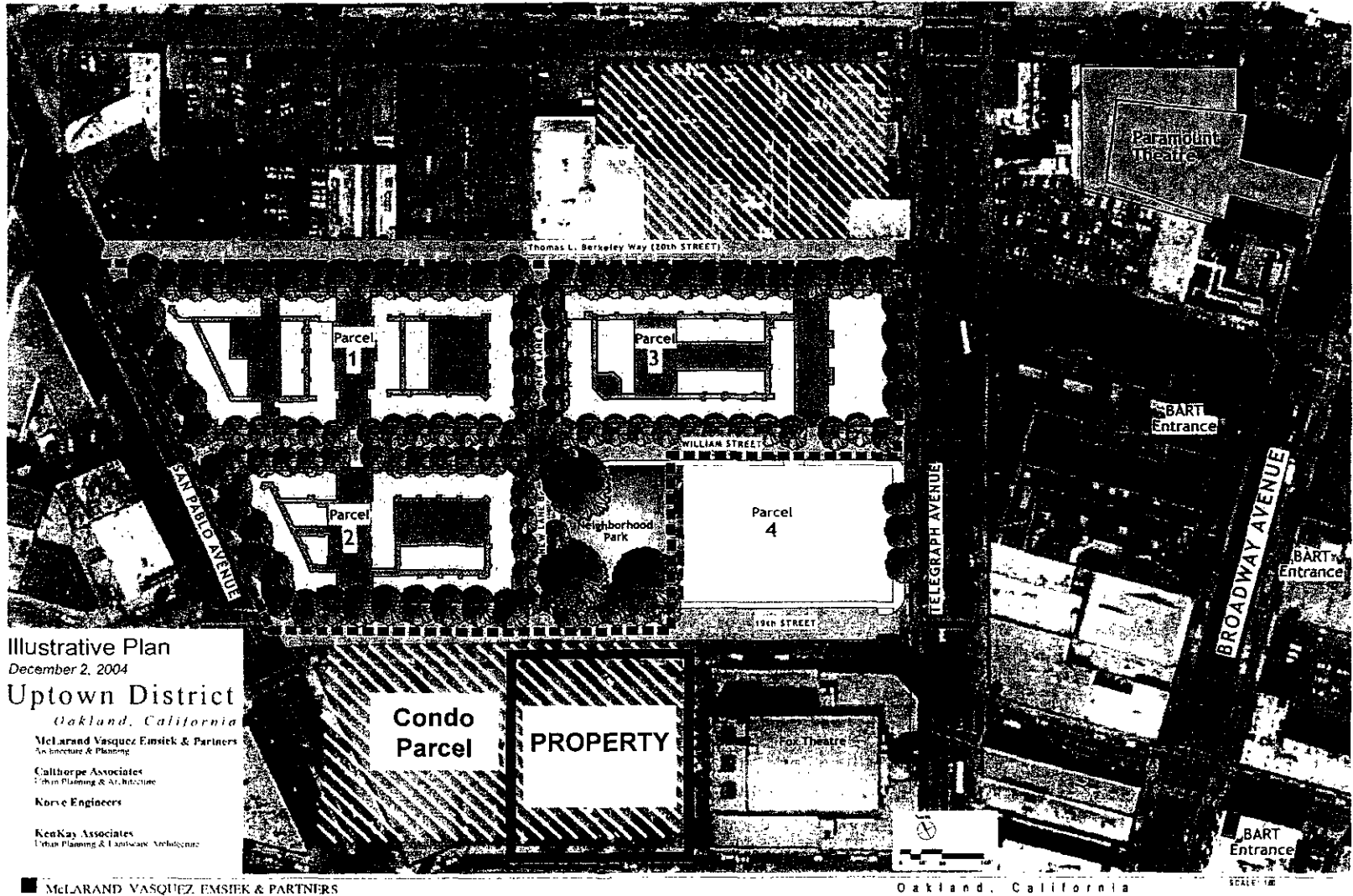
ABSENT-

ABSTENTION-

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

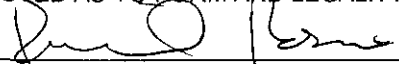
EXHIBIT A  
PROPERTY DESCRIPTION

# Attachment A Project Site - Property



2005 OCT 27 PM 12:05

APPROVED AS TO FORM AND LEGALITY:

By:   
Deputy City Attorney

# OAKLAND CITY COUNCIL

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

**A RESOLUTION APPROVING THE SALE OF REAL PROPERTY LOCATED ON PORTIONS OF THE BLOCK BOUNDED BY SAN PABLO AVENUE, 18<sup>TH</sup> STREET, 19<sup>TH</sup> STREET, AND TELEGRAPH AVENUE, ADJACENT TO THE FOX THEATER TO RESOURCES FOR COMMUNITY DEVELOPMENT FOR ITS DEVELOPMENT AS AFFORDABLE HOUSING,**

**WHEREAS**, the California Community Redevelopment Law, Health and Safety Code Section 33430, authorizes a redevelopment agency within a survey (project) area or for purposes of redevelopment to sell real property; and

**WHEREAS**, the California Community Redevelopment Law, Health and Safety Code Section 33433, requires that before any property of a redevelopment agency that is acquired in whole or in part with tax increment moneys is sold for development pursuant to a redevelopment plan, the sale must first be approved by the legislative body, i.e., the City Council, by resolution after a public hearing; and

**WHEREAS**, the Redevelopment Agency of the City of Oakland (the "Agency") and the City have initiated the "10K Downtown Housing Program" to attract ten thousand new residents into the Central District; and

**WHEREAS**, the Agency owns real property on the block bounded by San Pablo Avenue, 18<sup>th</sup> Street, 19<sup>th</sup> Street, and Telegraph Avenue, adjacent to the Fox Theater (the "Property"), located within the Central District; and

**WHEREAS**, RCD desires to purchase the Property from the Agency in order to develop the Fox Courts project consisting of 80 residential rental units, 79 of which will be affordable to low income and very low income households, along with parking and approximately 4,000 square feet of community space (the "Project"); and

**WHEREAS**, staff has negotiated and proposes entering into a Disposition and Development Agreement ("DDA") with RCD which sets forth the terms and conditions of the sale of the Property to RCD or RCD's affiliate and governs the development of the Project and the use of the Property by RCD and any successors to the Property subsequent to sale through recorded covenants running with the land, including occupancy and rent limits; and

**WHEREAS**, the DDA requires that RCD or RCD's affiliate construct and operate the Project consistent with the Redevelopment Plan and restricts the use of the Property to affordable housing and related uses; and

**WHEREAS**, the DDA and the grant deed that will convey the Property to RCD or RCD's affiliate adequately condition the sale of the Property on the redevelopment and use of the Property in conformity with the Central District Redevelopment Plan, and such documents prohibit discrimination in any aspect of the Project as required under the Central District Redevelopment Plan and the California Community Redevelopment Law; and

**WHEREAS**, the Project uses are in conformity with the Central District Redevelopment Plan, the Project will assist in the elimination of blight in the Central District, the Project will increase the supply of low and moderate income housing in the Central District, and the Project will help meet the objectives of the Central District Redevelopment Plan; and

**WHEREAS**, the City of Oakland's Consolidated Plan for Housing and Community Development indicates that there is a need for affordable rental housing, and has identified this activity as a priority; and

**WHEREAS**, as required by the California Community Redevelopment Law, the Agency has made available to the public for inspection, no later than the first date of publication of the notice for the hearing, a report that contains a copy of the draft DDA and a summary of the cost of the agreement to the Agency, the estimated fair market value of the Property at its highest and best use permitted under the Redevelopment Plan, the estimated value of the Property determined at the use and with the conditions, covenants and development costs required by the sale, an explanation of the reasons for the difference between the two values, and an explanation of why the sale of the Property and development of the Project will assist in the elimination of blight, with supporting facts and material; and

**WHEREAS**, a joint public hearing between the Agency and the City Council was held to hear public comments on the sale of the Property for the Project; and

**WHEREAS**, notice of the sale of the Property and the public hearing was given by publication at least once a week for not less than two weeks prior to the public hearing in a newspaper of general circulation in Alameda County; and

**WHEREAS**, the City, as the Lead Agency for the Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"), has prepared a focused Environmental Impact Report, the Uptown Mixed Use Project Environmental Impact Report (the "EIR"), which covers the Project, analyzing the significant environmental effects and mitigation measures in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

**WHEREAS**, on February 18, 2004, the City Council in accordance with CEQA Guidelines § 15090 certified that the Final EIR has been completed in compliance with CEQA and the Guidelines for Implementation of the California Environmental Quality Act (14 CCR sections 15000, et seq.); now, therefore, be it

**RESOLVED**: That the City Council hereby finds and determines on the basis of substantial evidence in the record that the EIR fully analyzes the potential environmental effects of the Project and incorporates mitigation measures to substantially lessen or avoid any potentially significant impacts in accordance with CEQA; and that none of the circumstances necessitating preparation of additional CEQA review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the Project or the circumstances under which the Project is undertaken that would require major revisions of the EIR due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects, and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3); and be it further

**RESOLVED**: That the City Council hereby finds and determines that the sale of the Property by the Agency to RCD or RCD's affiliate for the Project furthers the purposes of the California Community Redevelopment Law, contributes to the elimination of blight in the Central District Redevelopment Project Area, conforms to the Central District Redevelopment Plan, including its Implementation Plan, and furthers the goals and objectives of said Redevelopment Plan in that: (1) the Project will increase the stock of housing affordable to low and very low income households in the Central District, and reestablish residential areas for all economic levels within the Central District; (2) the Project will provide necessary community facilities lacking in the Central District; (3) the Project, once developed, will create permanent jobs for low and moderate income people, including jobs for area residents; (4) the Project will create a stable 24-hour residential community which will enhance the viability of retail businesses in the area; (5) the Project will redevelop a key underutilized site in the Central District; (6) the Project will improve environmental design within the Central District; and (7) the Project, once developed, will enhance depreciated and stagnant residential and commercial property values in the surrounding Uptown areas, and will encourage efforts to alleviate economic and physical blight conditions in the area, including high business vacancy rates, excessive vacant lots, and abandoned buildings, by enhancing the development potential and overall economic viability of neighboring properties; and be it further

**RESOLVED**: That the City Council hereby approves the sale of the Property to RCD by the Agency, subject to the terms and conditions of the DDA; and be it further

**RESOLVED**: That the City Council finds and determines that the consideration for the sale of the Property is not less than its fair reuse value at the use and with the covenants and conditions and development costs authorized under the DDA, for the reasons set forth in the report prepared in accordance with Health and Safety Code Section 33433; and be it further

**RESOLVED:** That the City Administrator or his or her designee is directed to file a Notice of Determination within five (5) working days of this Resolution in accordance with CEQA Guidelines Section 15094; and be it further

**RESOLVED:** That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the Agency's decision is based are respectively: (a) the Community and Economic Development Agency, Redevelopment Division, 250 Frank H. Ogawa Plaza, 5th Floor, Oakland; (b) the Community and Economic Development Agency, Planning Division, 250 Frank H. Ogawa Plaza, 3rd Floor, Oakland; and (c) the Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland; and be it further

**RESOLVED:** That the City Council hereby appoints the City Administrator or his or her designee to take any other action with respect to the Property or the Project, consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2005

**PASSED BY THE FOLLOWING VOTE:**

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

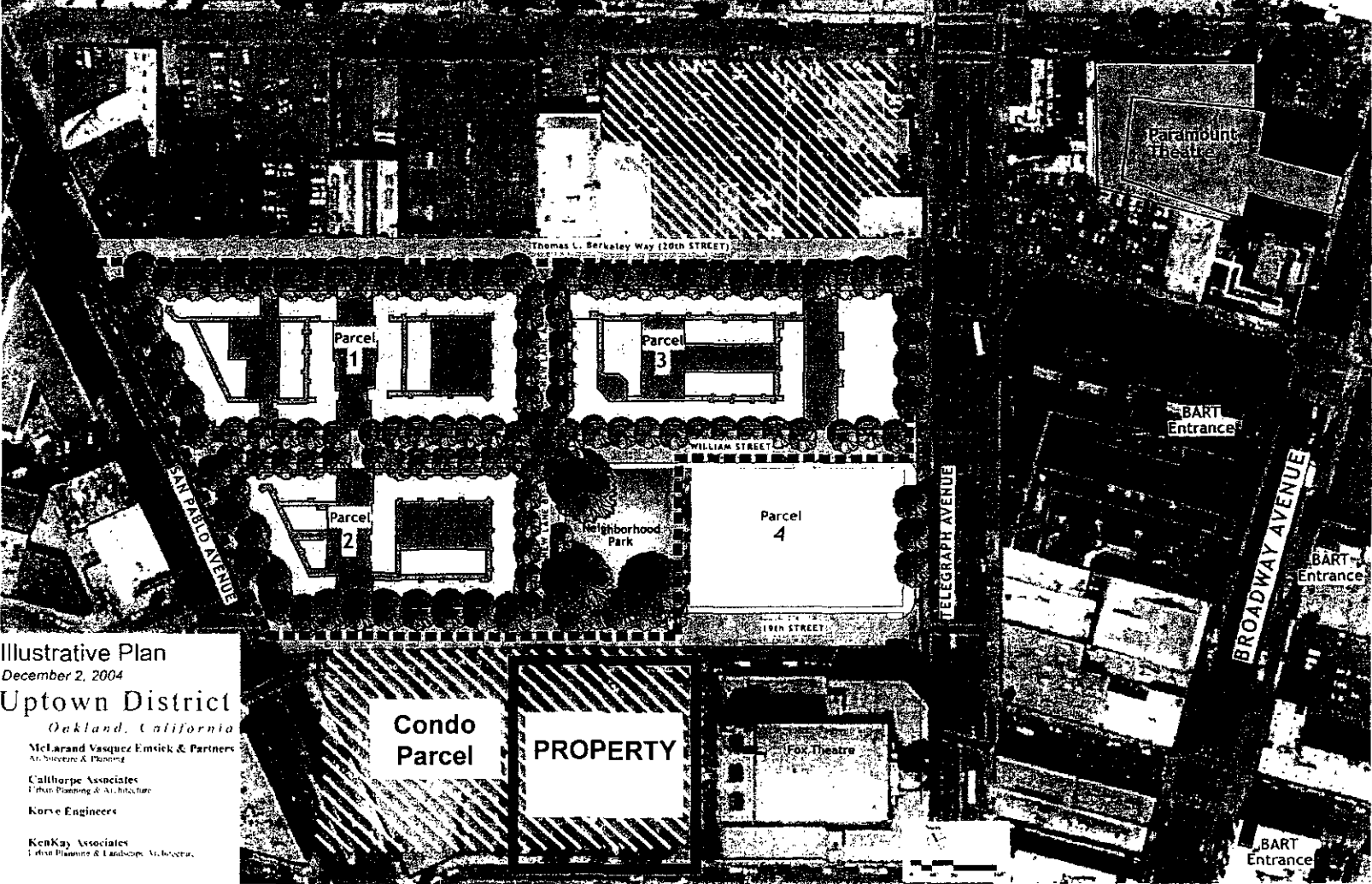
NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council  
of the City of Oakland

**Attachment A  
Project Site - Property**



**Illustrative Plan**  
December 2, 2004  
**Uptown District**

*Oakland, California*

McLarand Vasquez Emsiek & Partners  
Architects & Planners

Callhorpe Associates  
Urban Planning & Architecture

Korse Engineers

KenKay Associates  
Urban Planning & Landscapes Architecture

**Condo Parcel**  
**PROPERTY**



**ATTACHMENT B-1  
TERM SHEET AND PROJECT SUMMARY**

**Terms of Disposition and Development Agreement**

The terms of the proposed Disposition and Development Agreement (“DDA”) include the following:

- RCD to build 80 residential rental units (see Attachment B-1, Affordability Levels Chart);
- 79 of the 80 Project units to be restricted at an affordable rent to households at or below 60% of area median income for a period of 55 years;
- RCD to build 4,000 square feet of community retail space;
- The Property to be sold to RCD or its affiliate at no cost;
- Agency to provide the following funding to RCD:
  - \$1,600,000 from the Central District Tax Allocation Bond Series 2003: Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610);
  - \$100,000 from the proceeds of the sale of Preservation Park from Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780);
  - \$414,400 for hazardous materials remediation from the proceeds of the sale of Preservation Park from Preservation Park Loan Repayment Fund (#9562), Project Retail/Entertainment District Catalyst Project FY01 (#P132780); and
  - \$400,000 for potential cost overruns resulting from the Agency’s inability to deliver the Property to RCD by September 1, 2007, from the Central District Tax Allocation Bond Series 2003: Central District TA Bond Series 2003 Fund (#9532), Uptown Forest City DDA 9532 Project (#T245610); and
  - \$350,000 from the Agency’s Low and Moderate Operations Fund (#9580), Housing Development Program (#P209310) for Fiscal Year 2006-07.
- Agency will be responsible for the cost of off-site improvements in connection with the Project, up to \$500,000, via agreement with FC Oakland, Inc.;
- If the Agency cannot make the Property available to RCD by January 1, 2008, RCD may terminate the DDA and the unsecured predevelopment loan of \$1.4 million will be forgiven;
- RCD or RCD’s affiliate to take the Property in its “as-is” condition, subject to an Agency contribution of \$414,400 for hazardous abatement;
- RCD and RCD’s affiliate to comply with provisions of the Central District Redevelopment Plan and nondiscrimination provisions of redevelopment law;
- The plans and specifications for the Project to be reviewed and approved by the Agency;
- Transfer of the Property to be restricted prior to Project completion;

- Project commencement and completion dates to be set in the DDA as negotiated by the Agency Administrator;
- RCD or its affiliate to comply with the Agency's employment and contracting programs (prevailing wage, local employment, local/small local business enterprise contracting, apprenticeship, living wage, and first-source hiring) for the Project;
- The Project to be restricted to residential, parking, and retail uses; and
- Any other appropriate terms and conditions as the Agency Administrator or his or her designee may establish in his or her discretion or as the California Community Redevelopment Law or the Redevelopment Plan may require.

## Project Summary – Current Proposal

<b>Project Name</b>	Fox Courts
<b>Project Type</b>	Residential with commercial and parking
<b>Address/Location</b>	Bounded by San Pablo Avenue, 18 <sup>th</sup> Street, 19 <sup>th</sup> Street, and Telegraph Avenue, adjacent to the Fox Theater in the Central District Redevelopment Project Area
<b>Developer</b>	Resources for Community Development (RCD)
<b>Architect</b>	Pyatok and Associates
<b>General Contractor</b>	JH Fitzmaurice
<b>Type of Construction</b>	New construction – Type V wood-frame, four-story residential building over a subterranean garage
<b>Number of Units</b>	80 units ranging from approximately 450 to 1,375 sf <ul style="list-style-type: none"> <li>▪ 18 Studio and Loft units</li> <li>▪ 11 One Bedroom units</li> <li>▪ 11 Two Bedroom units</li> <li>▪ 35 Three Bedroom units</li> <li>▪ 5 Four Bedroom units</li> </ul>
<b>Area Median Income (AMI)</b>	<ul style="list-style-type: none"> <li>▪ 79 units affordable to persons and families earning incomes no greater than 60% of AMI for a period of at least 55 years</li> </ul>
<b>Retail Area</b>	4,000 sf <ul style="list-style-type: none"> <li>▪ 1,520 sf MOCHA arts center &amp; teen center</li> <li>▪ 2,480 sf childcare space administered by the Community Child Care Coordinating Council (“4C’s”) of Alameda County</li> </ul>
<b>Other Features</b>	Two large courtyards 1,150 sf recreation room for residents
<b>Parking Garage</b>	80 spaces
<b>Project Tenure</b>	79 out of 80 units will be affordable to low and very low income households
<b>Total Development Costs</b>	\$27,031,020
<b>Development Cost per Unit</b>	\$337,887.75
<b>Funding Sources</b>	<ul style="list-style-type: none"> <li>▪ California Housing Finance Agency (CalHFA)</li> <li>▪ State’s Multifamily Housing Program</li> <li>▪ OHA project-based Section 8</li> <li>▪ Alameda County Housing Opportunities for Persons with Aids (HOPWA)</li> <li>▪ Federal Home Loan Bank Affordable Housing</li> <li>▪ Low Income Housing Tax Credits</li> <li>▪ Deferred developer fee</li> </ul>

**ATTACHMENT B-2  
AFFORDABILITY LEVELS CHART**

Assisted Unit Type	Number of Assisted Units	Affordability Type		Maximum Tenant Household Income	Maximum Annual Rent
		Very Low Income	Low Income		
Studio	3	[X]		30% of AMI	30% of 30% of AMI
Studio	9	[X]		35% of AMI	30% of 35% of AMI
Studio	6	[X]		40% of AMI	30% of 40% of AMI
One bedroom	2	[X]		30% of AMI	30% of 30% of AMI
One bedroom	2	[X]		35% of AMI	30% of 35% of AMI
One bedroom	2	[X]		50% of AMI	30% of 50% of AMI
One bedroom	1	[X]		55% of AMI	30% of 55% of AMI
One bedroom	4		[X]	60% of AMI	30% of 60% of AMI
Two bedroom	1	[X]		30% of AMI	30% of 30% of AMI
Two bedroom	3	[X]		35% of AMI	30% of 35% of AMI
Two bedroom	2	[X]		50% of AMI	30% of 50% of AMI
Two bedroom	4		[X]	60% of AMI	30% of 35% of AMI
Three bedroom	17	[X]		35% of AMI	30% of 60% of AMI
Three bedroom	11		[X]	55% of AMI	30% of 55% of AMI
Three bedroom	7		[X]	60% of AMI	30% of 60% of AMI
Four bedroom	3	[X]		35% of AMI	30% of 35% of AMI
Four bedroom	2	[X]		50% of AMI	30% of 50% of AMI

**ATTACHMENT B-3**  
**DEVELOPER'S ESTIMATED DEVELOPMENT COSTS FOR FOX COURTS**

Land Acquisition, Environmental, Title Costs	\$424,000
Construction Costs	\$17,506,171
Construction Contingency	\$2,727,637
Soft Costs	\$1,388,259
Financing Costs	\$2,081,949
Legal Costs	\$10,000
Reserves	\$320,000
Developer Costs	\$1,300,000
Syndication Costs	\$95,000
Other (Permit fees, marketing, reports, soft cost contingency, security, etc.)	\$1,128,004
<b>Total Project Costs</b>	<b>\$27,031,020</b>

**ATTACHMENT B-4  
FOX COURTS DESIGN**

**[attached]**



# Elevation

