

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

2011 FEB 10 AM 9:47

TO: Office of the City/Agency Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: February 22, 2011

RE: A Resolution Authorizing The City Administrator To Accept And Appropriate A Grant Of Up To \$200,000 From The National Endowment For The Arts, And To Contribute Such Funds To The Redevelopment Agency Under The Cooperation Agreement For The Creation Of A Temporary Art Installation Space At A Redevelopment Agency-Owned Parcel At 19th Street And Telegraph Avenue

An Agency Resolution Authorizing The Redevelopment Agency To Accept And Appropriate A Contribution Of Funds From The City Under The Cooperation Agreement In An Amount Not To Exceed \$200,000 For The Creation Of A Temporary Art Installation Space At A Redevelopment Agency-Owned Parcel At 19th Street And Telegraph Avenue

SUMMARY

Staff of the Community and Economic Development Agency (“CEDA”) recommends approval of a Redevelopment Agency (“Agency”) resolution authorizing the Agency Administrator to accept and appropriate a grant in the amount of \$200,000 from the National Endowment for the Arts (NEA). The appropriation of the NEA grant responds to City Council direction to staff to create a low-cost, interim arts use for “Parcel 4,” the currently vacant Agency-owned development site located along Telegraph Avenue between the Fox Theater and The Uptown apartments (the “Property”). The grant requires a one-to-one local match, which can be met with funds already appropriated for Central District Public Art. Staff is also pursuing private funds and in-kind contributions. Temporary exhibitions of art will be rotated every six to twelve months until the initiation of construction on a permanent development.

While the slow economy has hindered development opportunities on the Property in the short term, the Property is a valuable real estate asset for the Agency because of its central location in the heart of the vibrant Uptown District. In the long term, the Property should be developed into a mixed-use project that will continue the revitalization of Downtown Oakland and continue as a development opportunity for the City and for the Agency. In the near term, staff believes that the temporary use of a portion of the site for art installations is the best use. This use will activate the

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Property and further enhance the appearance of the district and attract more visitors to the area, and create more interest in the site for development.

The NEA grant represents a significant opportunity, and needs to be accepted by the City so that the design and construction bidding process can proceed immediately in order to make the NEA's project completion deadline of December 31, 2011.

FISCAL IMPACT

Approval of the proposed resolution will have no adverse impact on the City or Agency. The proposed resolution will authorize the Agency Administrator to accept and appropriate a \$200,000 grant from the NEA. Funding will be appropriated to create a temporary art installation at the Agency-owned Property in an account and project to be determined.

The grant requires a one-to-one match. These funds, in the amount of \$202,859, are already appropriated in the Central District Public Art fund. Altogether, the funds will pay for construction of landscaping and art infrastructure, public art-related improvements, programming, project management, new artwork commissions, stipends for display of existing art, publicity and marketing, etc.

<i>Sources</i>		<i>Uses</i>	
NEA grant	\$200,000	Soft costs	\$107,410
Public Art funds	<u>204,952</u>	Artwork	115,500
	\$404,952	Site work	<u>182,042</u>
			\$404,952

Sources	Fund	Organization	Account	Project	Amount
NEA Grant	9215	88732	TBD	TBD	\$200,000
Public Art Fund	9504	94800	53719	P130190	\$204,952
Total					\$404,952

BACKGROUND

Property Description

The one-acre Agency-owned Property at 1901 Telegraph Avenue, formerly occupied by Sears Auto Center and approximately 100 spaces of public parking, is located at the center of the historic and re-emerging Uptown Arts and Entertainment District. Adjoining the site to the west is the Henry J. Kaiser Memorial Park, which will feature "Remember Them," a monumental

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bronze sculpture by local artist Mario Chiodo, to be unveiled in September 2011. Surrounding the site are the 665-unit Uptown apartment complex, numerous restaurants and bars, Sears, the Fox Theater, Oakland School for the Arts and the Fox Courts Apartments. Further east, bounded by San Pablo Avenue and 19th Street, is another Agency-owned property. The Agency has an Exclusive Negotiation Agreement with Sunfield Properties for the development of a retail, entertainment and public parking project. The Agency completed hazardous materials remediation activities on the Property in 2009. The fenced site is currently vacant and considered an underutilized “dirt lot” that is ready for development. A contractor hired by the Agency cleans up the Property periodically. In 2010, a parking lot was proposed for the Property; see “Parking lot proposal” below for more information.

Central District public art investment

The Public Art Program within CEDA’s Cultural Arts and Marketing Division (CAMD) is actively managing current and pending public art projects in Uptown. One of the biggest challenges to the City’s and Public Art Program’s vision for funding and installing art in Uptown has been the lack of a flexible space for temporary art. The proposed installation will temporarily address this challenge while honoring the community’s interest in use of the site for cultural purposes. The project also has the potential to become a “roving” mobile temporary art gallery, where shows would rotate to other sites managed by sponsoring arts organizations. In 2010, City Council awarded a \$600,000 public art commission for the redesign of the 17th Street BART station entrance, one block from Parcel 4, which will be completed in August 2012. In the past year, CAMD produced the popular Uptown Unveiled evening street festival in the Frank Ogawa Plaza/Uptown area, featuring illuminated public art; and plans to commission three to four additional public artworks in Uptown (in addition to those associated with Parcel 4 projects).

National Endowment for the Arts grant

In Spring 2010, CAMD staff applied for a \$200,000 grant from the NEA Mayors’ Institute on City Design to create a temporary public art space featuring sculptures at the Property. The NEA made the award to the City in Summer 2010. Oakland is one of 21 cities in U.S. to receive such a grant, and received one of the highest amounts. Public Art funds, already earmarked for the Central District, will provide the one-to-one required match.

KEY ISSUES AND IMPACTS

The Property is a valuable real estate asset for the Agency because of its central location in the heart of the redeveloped Uptown District. In the long term, the Property should be developed into a mixed-use project that will continue the revitalization of Downtown Oakland by bringing additional commercial/housing, retail and parking to this popular area, and generate property, sales, utility consumption and business tax revenue for the City and Agency. The Agency plans to issue a Request for Proposals for the Property once market conditions improve and builders are beginning to look at new development opportunities. Staff is confident that the site will

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attract quality development proposals. At that time, the Agency can sell the Property at its fair market value. In the meantime, staff believes that a temporary art installation will enhance the appearance of the district and attract more visitors to the area.

Without spending new Agency or City funds, options are limited as to interim uses. Given the award of the generous NEA grant and existing and already budgeted Public Art funds slated for Uptown, this project represents a positive short term use without requiring additional funding. If Council accepts the grant funds, the temporary art project will proceed. If Council declines the grant funds, the project will not proceed, this one-time NEA grant opportunity will be lost, and future opportunities to secure NEA grants may be adversely impacted.

PROJECT DESCRIPTION

Project vision

Development of the temporary art installation at Parcel 4 will transform a vacant and blighted property into a temporary outdoor cultural space, activating and enhancing this underutilized site, creating a sense of place and complementing many of the cultural assets in the district. Detailed engineer's estimates on development costs for this project have been developed and the project is feasible.

Given the two main constraints of the site—a limited budget and the need to retain the parcel as a future development site—the programming and scope for site preparation is minimal. The proposed installation will include:

- Site grading
- Decorative (chain link) fence
- Installation of decomposed granite gravel, sub-grade sculpture pads and a basic lighting package to illuminate the artwork
- Lighting across 19th Street to connect the space to the Fox and enclose the street, activating the installations and their immediate area at night.

As shown in *Attachment A*, there is a precedent for successful rustic, temporary art installations, such as those in New York and San Francisco.

Staff believes the proposed improvements will succeed by:

- Drawing people to the space as well as to nearby businesses and amenities.
- Catalyzing special events to occur on evenings or weekends on 19th Street and/or Telegraph Avenue.
- Activating streets which can be used for movie nights and other events.

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- Enhancing “Remember Them” by widening the sidewalk corridor along 19th between Telegraph and the Henry J. Kaiser Memorial Park and improving the connection between Telegraph and San Pablo.
- Leveraging the popularity of Oakland’s busy art scene, including the monthly Art Murmur First Friday gallery openings.
- Reminding visitors that the site remains a development site, made evident by the fence perimeter and the unimproved portion of the lot within.

Project schedule

Timing is crucial if the Agency is to make use of this NEA grant. The project is required to be well underway by June 30, 2011, and grant funds fully expended by December 31, 2011. Given the City’s lengthy construction procurement requirements, it will likely be December 2011 before construction can begin. The NEA grant deadline may require consideration of the following options:

- a. Utilize existing Public Works Agency as-needed construction contracts.
- b. Fast-track project and return to Council prior to the summer recess with a recommendation for a contract award.
- c. Waive advertising and Council award process pursuant to OMC Chapter 2.04.

The procurement and commissioning of artwork will take place on a parallel track, managed by the Public Art Program, so individual pieces will be ready to install at the time of completion.

Funding and partnerships

The NEA grant requires a one-to-one local match which will be provided by Public Art funds. Staff is also reaching out to local and regional foundations and community partners which may want to be a part of a temporary art installation program. External partners could include:

- The lead proponent of “Remember Them,” the Oakland Metropolitan Chamber of Commerce, supports the development and will be consulted as events are scheduled for the possibility of co-programming the adjacent public spaces.
- Lake Merritt-Uptown and Downtown Oakland Community Benefit Districts (CBDs) support the project and have offered to provide security and maintenance services (at cost).
- Oakland School for the Arts is interested in exhibiting work by its students.
- Black Rock Arts Foundation, a Bay Area nonprofit organization that sponsors artworks for temporary display at the Burning Man arts festival and in various cities, has expressed interest and is raising funds to support installation of works by member artists on the site.
- Oakland Cultural Trust, representing many arts organizations throughout the city, has been consulted and there is potential of participation by various Oakland arts groups in the temporary space.

Availability of artwork

Two pipelines are envisioned for bringing public art to Parcel 4, all of which will be selected through arts/community-based panels making recommendations to the City of Oakland Public Art Advisory Committee, or by the Committee itself:

- CAMD’s Public Art Program will commission new work, both permanent and temporary, for this site. Permanent works will debut in the Parcel 4 art installation for an extended period of display and then be rotated to other City- or Redevelopment-owned sites. These projects will be commissioned with Central Business District 11/2% for Art funds.
- CAMD will partner with local arts organizations such as Black Rock Arts Foundation to provide existing works of art.

SUSTAINABLE OPPORTUNITIES

The Parcel 4 Temporary Art Installation project supports the City’s 3 Es: economy, environment and equity.

Economic: Temporary art installations at Parcel 4 and elsewhere in Oakland will provide economic opportunity directly and indirectly to Oakland-based artists, craftspersons, manufacturers and other arts-related professionals. Additionally, public art projects bolster the cultural and civic identity of Oakland, fortifying the City and neighborhoods as destinations, and enhancing, enriching and enlivening the visual environment of the area.

Displaying art on a portion of this future development improves the aesthetics of the site, attracting more customers to the area, and makes the site more inviting to developers. Development of the site into a tax revenue-generating multi-level commercial and/or residential project remains the priority for this site.

Environmental: Artworks chosen to be displayed at Parcel 4 and other temporary art installations will, whenever possible, be designed to be compatible with and integrated into the environment and architecture of their surroundings. Artists responding to commissions for the temporary art installations will be directed to use sustainable (low-maintenance) materials that will not adversely impact the natural environment of the project site. The probable walking surface material—decomposed granite—is sustainable and permeable. Bike racks are available nearby and are being considered on-site.

Social Equity: Public artwork adds to the quality of life for all residents of Oakland, and particularly for those who live or work in the neighborhoods where public artwork exists. The sculptures will be accessible and viewable 24 hours a day.

DISABILITY AND SENIOR CITIZEN ACCESS

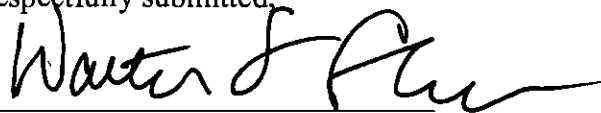
Artwork on the site will be visible at close range to viewers from many vantage points along the existing ADA-compliant sidewalks bordering the site. Artwork will be located adjacent to sidewalks and therefore will not be a tripping hazard for senior citizens or the vision-impaired. Newly installed ADA-compliant ramps exist at all four corners of the Parcel 4 block.

ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

Staff recommends that the City Council adopt resolutions:

- o Authorizing the City Administrator to accept and appropriate a grant of up to \$200,000 from the National Endowment For The Arts, and to contribute such funds to the Redevelopment Agency under the Cooperation Agreement for the creation of a temporary art installation space at a Redevelopment Agency-owned parcel at 19th Street and Telegraph Avenue
- o Authorizing the Redevelopment Agency to accept and appropriate a contribution of funds from the City under the Cooperation Agreement in an amount not to exceed \$200,000 for the creation of a temporary art installation space at a Redevelopment Agency-Owned parcel at 19th Street and Telegraph Avenue

Respectfully submitted,




Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by:
Gregory D. Hunter, Deputy Director
Economic Development and Redevelopment

Prepared by:
Steven Huss, Cultural Arts Manager
Keira Williams, Urban Economic Analyst

**APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:**

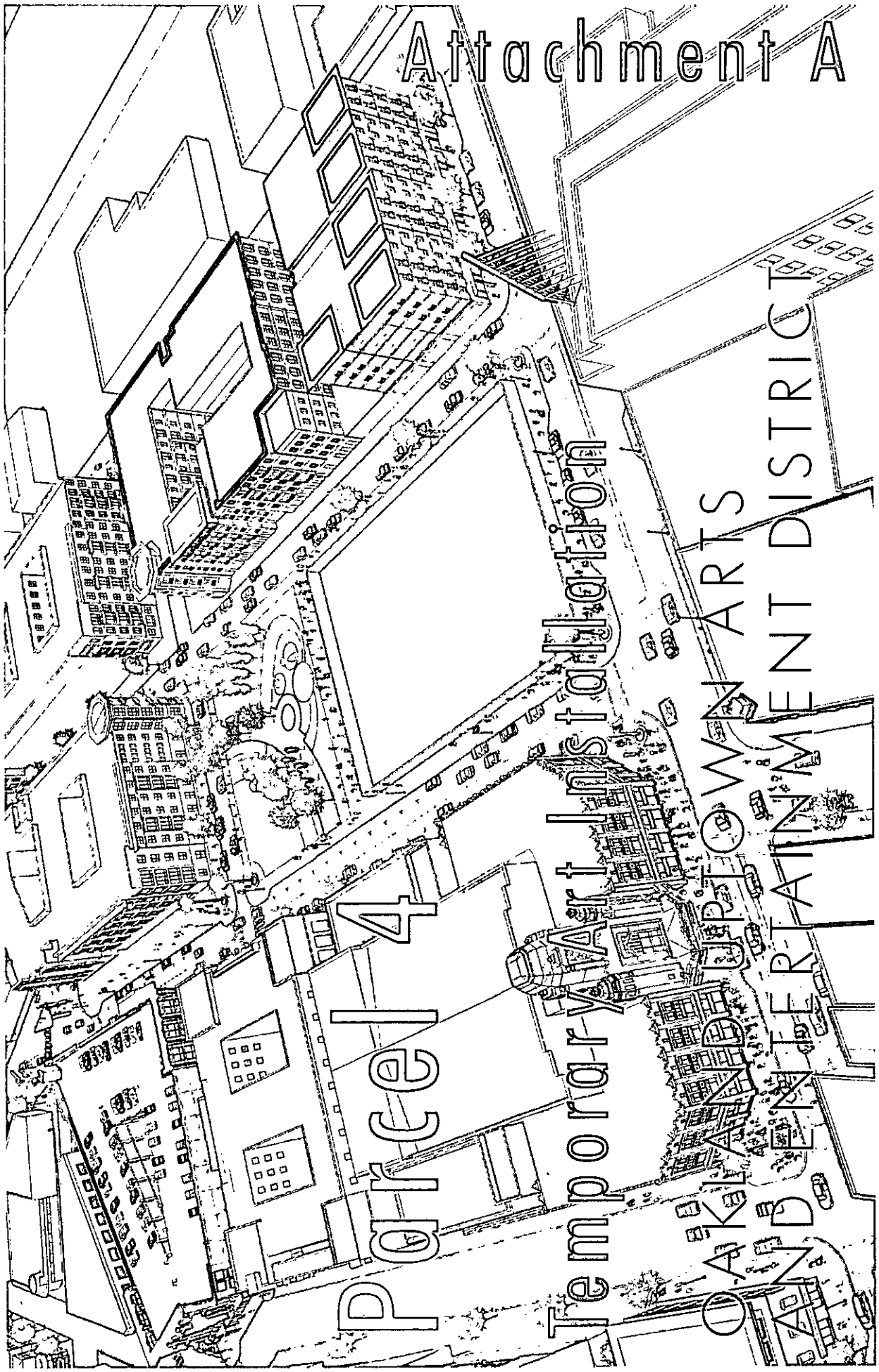


Office of the City/Agency Administrator

Attachment A: Site plans

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Attachment A



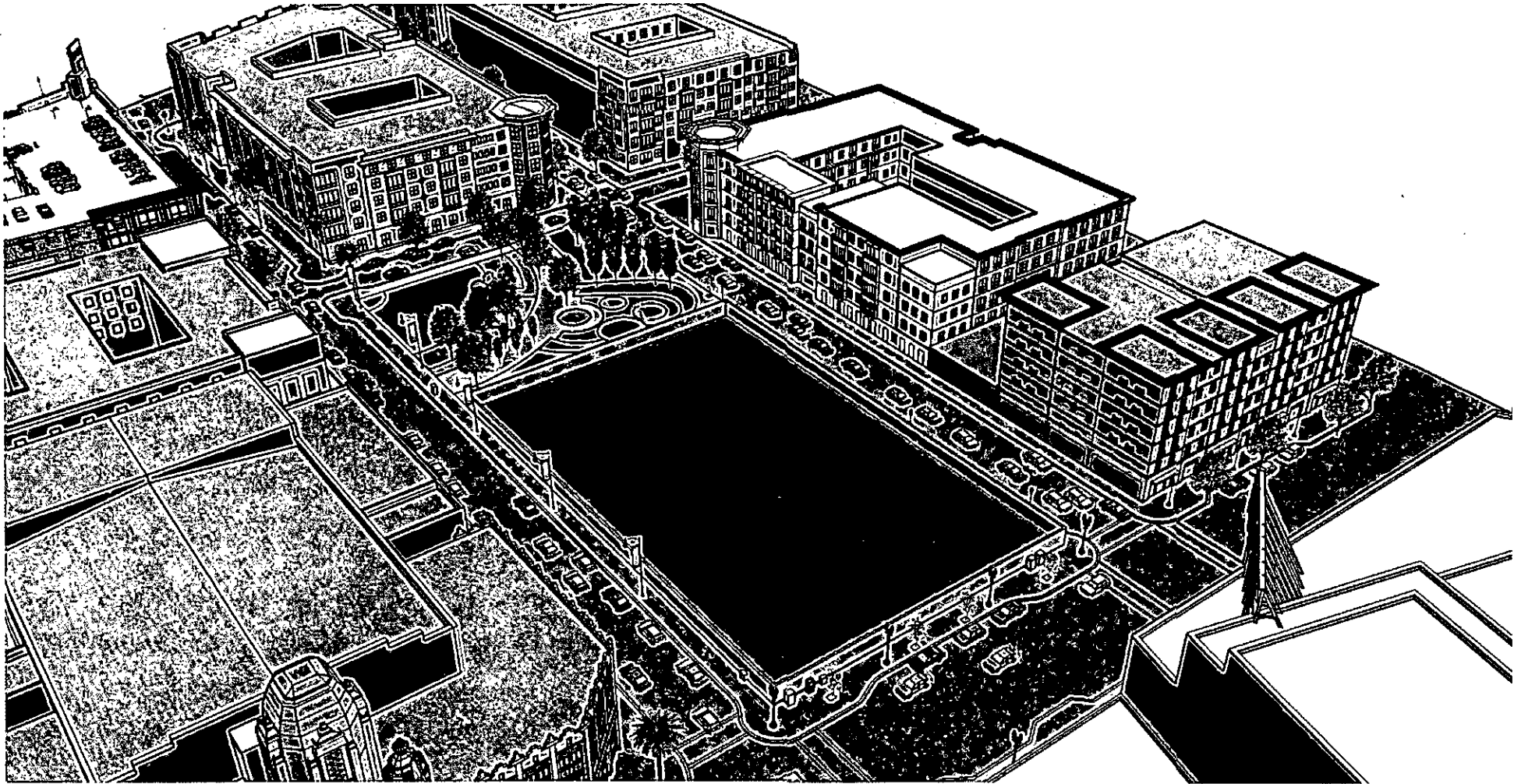
Parcel 4

Temporary Art Installation

WALKER ART CENTER DISTRICT

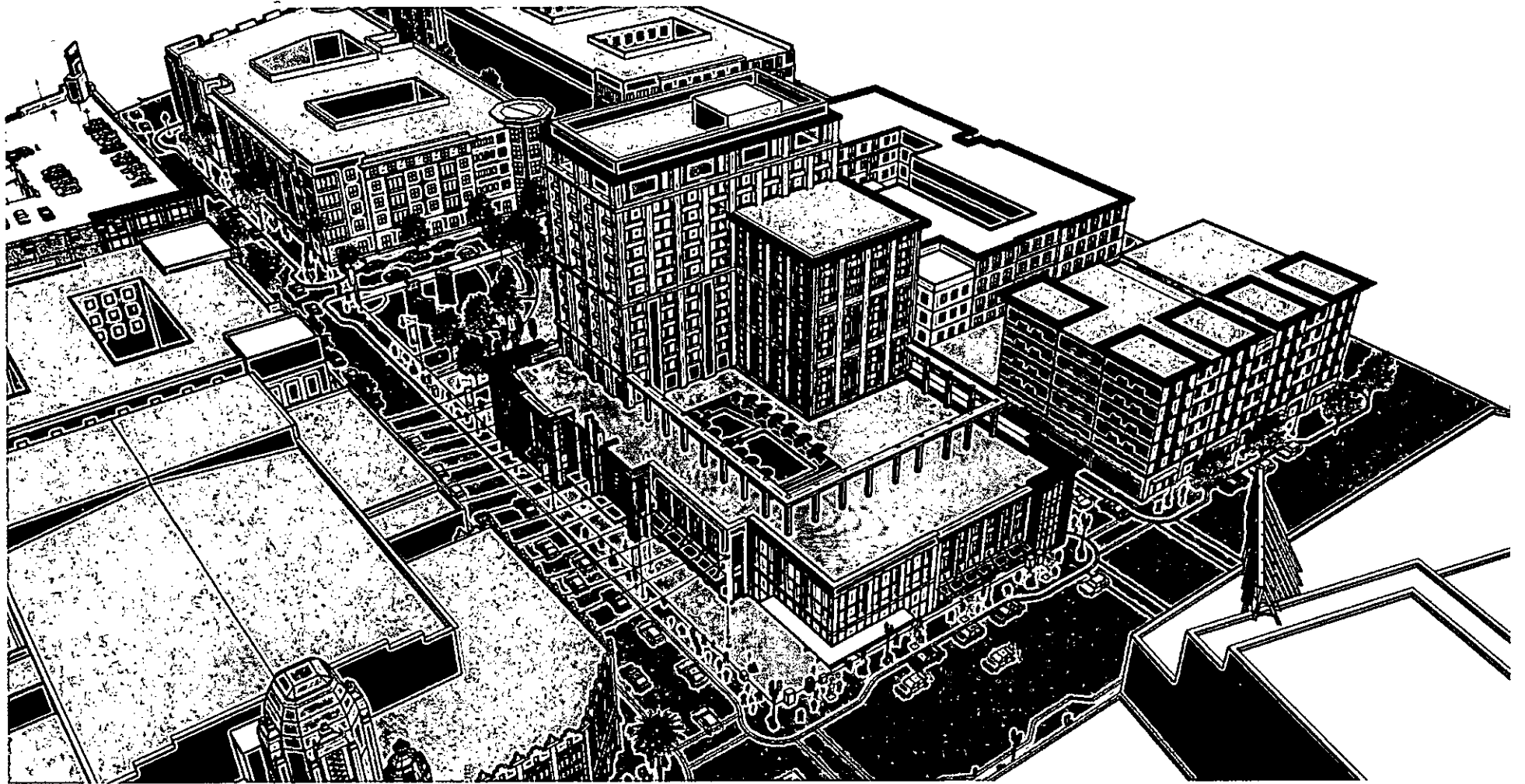
Now

PARCEL 4 LONG TERM DEVELOPMENT



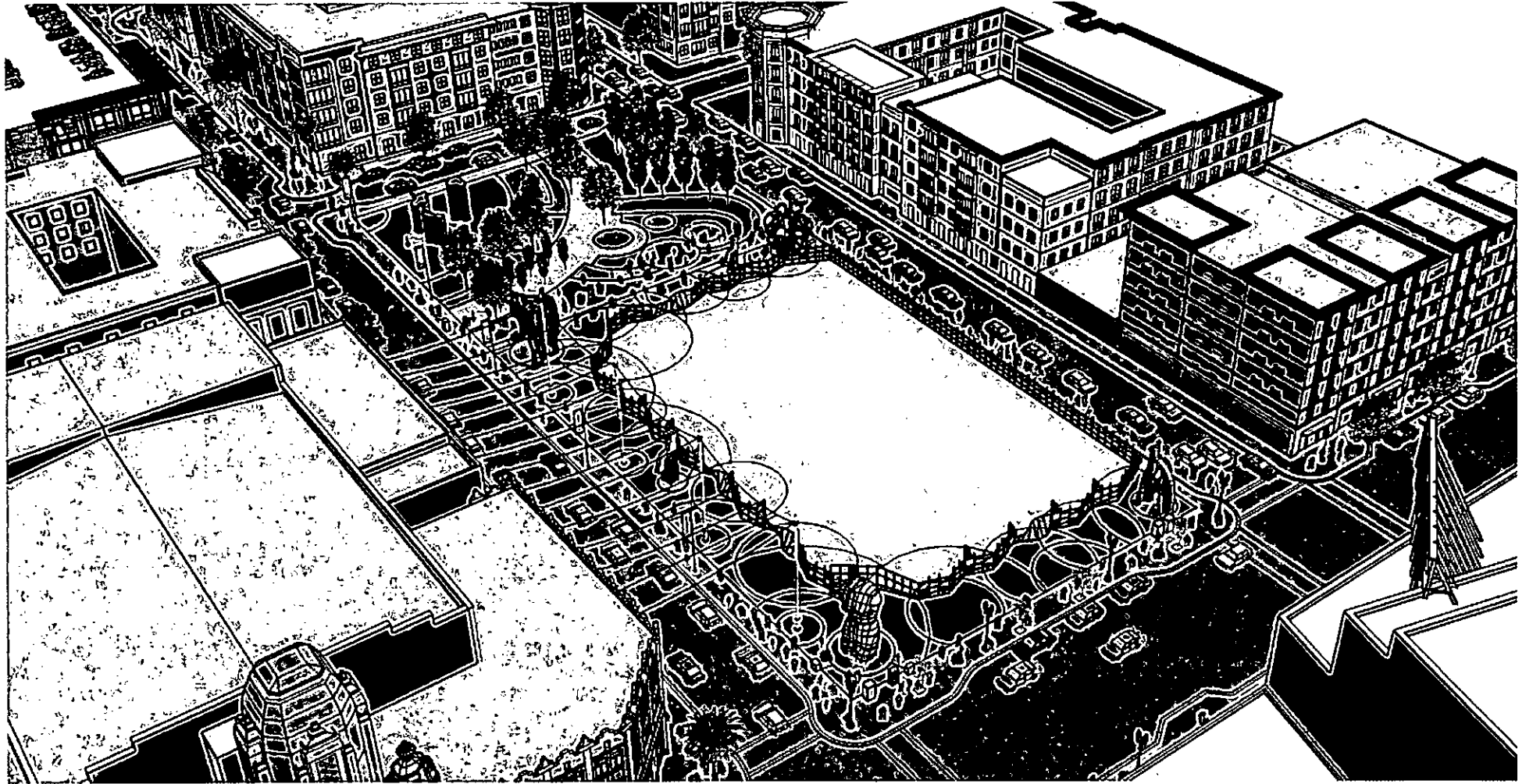
Long Term

PARCEL 4 LONG TERM DEVELOPMENT



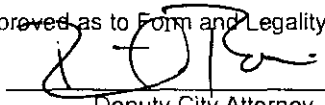
Parcel 4 Interim Use

PROPOSED CONCEPTUAL DESIGN



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Approved as to Form and Legality


Deputy City Attorney

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT AND APPROPRIATE A GRANT OF UP TO \$200,000 FROM THE NATIONAL ENDOWMENT FOR THE ARTS, AND TO CONTRIBUTE SUCH FUNDS TO THE REDEVELOPMENT AGENCY UNDER THE COOPERATION AGREEMENT FOR THE CREATION OF A TEMPORARY ART INSTALLATION SPACE AT A REDEVELOPMENT AGENCY-OWNED PARCEL AT 19TH STREET AND TELEGRAPH AVENUE

WHEREAS, "Parcel 4" is a Redevelopment Agency-owned vacant parcel located at Telegraph Avenue and 19th Street in the Uptown part of the Central District destined for residential and/or commercial development; and

WHEREAS, the Redevelopment Agency wishes to alleviate any possible blighting influence a vacant lot has on the burgeoning Uptown District; and

WHEREAS, the City and Agency agree that economic development and redevelopment are goals of the Central District Redevelopment Project and that the Parcel 4 improvements would stimulate additional private investment in the Central District Project Area; and

WHEREAS, City Council directed staff to create an interim arts use for Parcel 4, at no cost to the City or Agency; and

WHEREAS, the National Endowment for the Arts (NEA) awarded the City of Oakland Public Art Program a grant of up to \$200,000 to fund a temporary art installation at Parcel 4; and

WHEREAS, existing City funding for public art can provide the NEA's required one-to-one local match; and

WHEREAS, options have been developed to create a cost effective, attractive and easily reversible design for a temporary art installation space; and

WHEREAS, the process to select the artists and artworks will be administered by Public Art Program staff in accordance with the 1989 1½ Percent for Art Ordinance and Public Art Regulations adopted by the City Council; and

WHEREAS, the resulting public art projects will provide economic opportunity for Oakland-based artists and improve the quality of life in Oakland's neighborhoods; and,

WHEREAS, through the Public Art Program, the Cultural Arts and Marketing Division (CAMD) is managing current and pending public art projects in Uptown with a budget exceeding \$1 million; and

WHEREAS, one of the biggest challenges to the City's and Public Art Program's vision for funding and installing art in Uptown has been the lack of a flexible space for temporary art; and

WHEREAS, the proposed installation will address this challenge while honoring the community's interest in use of the site for cultural purposes; and

WHEREAS, in 2010, the City Council awarded a \$600,000 public art commission for the redesign of the 17th Street BART station entrance, one block from Parcel 4, which will be completed in August 2012, and other complementary projects to support redevelopment and economic development of the Central District Project Area; and

WHEREAS, the project also has the potential to become a "roving" mobile temporary art gallery, where shows would rotate to other sites managed by sponsoring arts organizations; and

WHEREAS, the proposed uses are consistent with the land use designation and zoning of the site; and

WHEREAS, the City and the Agency entered into a Cooperation Agreement on July 1, 2004, which generally governs the provision of assistance and the payment of funds between the two agencies, including City financial contributions and other assistance to support Redevelopment Agency public improvements; now, therefore, be it

RESOLVED: That the City Administrator is authorized to accept a grant of up to \$200,000 from the NEA, and contribute this amount under the Cooperation Agreement to the Redevelopment Agency for the creation of a temporary art installation space at Parcel 4, which will be deposited in the Central District Grants Fund (9215), Public Art Organization (94800) in a project to be established; and be it further

RESOLVED: That these grant funds combined with public art funds will be used to pay for site preparation and art infrastructure, public art-related improvements, programming, project management, new artwork commissions, stipends for display of existing art, publicity and marketing etc.; and be it further

RESOLVED: That the City Council has independently reviewed and considered this environmental determination and the Council finds and determines that this action complies with CEQA pursuant to Sections 15303 and 15304 of the CEQA guidelines; and be it further

RESOLVED: That the City Administrator or his designee is hereby authorized to take whatever action is necessary with respect to grant and the contribution to Parcel 4 consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, SCHAAF, DE LA FUENTE, BROOKS,
KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -


ABSTENTION -

ATTEST:

LATONDA SIMMONS
Clerk of the City Council

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Approved as to Form and Legality


Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

RESOLUTION AUTHORIZING THE REDEVELOPMENT AGENCY TO ACCEPT AND APPROPRIATE A CONTRIBUTION OF FUNDS FROM THE CITY UNDER THE COOPERATION AGREEMENT IN AN AMOUNT NOT TO EXCEED \$200,000 FOR THE CREATION OF A TEMPORARY ART INSTALLATION SPACE AT A REDEVELOPMENT AGENCY-OWNED PARCEL AT 19TH STREET AND TELEGRAPH AVENUE

WHEREAS, the Redevelopment Agency is working to alleviate blight caused by vacant lots and improve economic conditions in Uptown, in the Central District Redevelopment Project Area; and

WHEREAS, "Parcel 4" is an Agency-owned vacant parcel located at Telegraph Avenue and 19th Street in the Uptown part of the Central District destined for residential and/or commercial development; and

WHEREAS, the current economy is inhibiting development at this time; and

WHEREAS, the City Council directed staff to create an interim arts use for Parcel 4, at no cost to the City or Agency; and

WHEREAS, the National Endowment for the Arts (NEA) awarded the City of Oakland Public Art Program a grant of up to \$200,000 to fund a temporary art installation at Parcel 4; and

WHEREAS, adequate funds have already been set aside in the Central District Public Art Fund to provide the NEA's required one-to-one local match; and

WHEREAS, options have been developed to create a cost effective, attractive and easily reversible design for a temporary art installation space; and

WHEREAS, the process to select the artists and artworks will be administered by Public Art Program staff in accordance with the 1989 1½ Percent for Art Ordinance and Public Art Regulations adopted by City Council; and

WHEREAS, this grant will augment existing City funding for public art, and the resulting public art projects will provide economic opportunity for Oakland-based artists and improve the quality of life in Oakland's neighborhoods; and,

WHEREAS, the proposed uses are consistent with the land use designation and zoning of the site; and

WHEREAS, the City and the Agency entered into a Cooperation Agreement on July 1, 2004, which generally governs the provision of assistance and the payment of funds between the two agencies, including City financial contributions and other assistance to support Redevelopment Agency public improvements; and

WHEREAS, that these grant funds will be appropriated in the Central District Grants Fund (9215), Public Art Organization (94800) in a project to be established; now, therefore, be it

RESOLVED: That the Agency hereby accepts a contribution of \$200,000 in grant funds from the City under the Cooperation Agreement for a temporary art installation at Parcel 4, and appropriates such funds to the Parcel 4 project; and be it further

RESOLVED: That the use of Parcel 4 for art is a temporary use at the site; and be it further

RESOLVED: That upon initiation of construction of the permanent building on the site, art that is not part of the permanent plans for the site will be removed; and be it further

RESOLVED: That these grant funds will be appropriated in the Central District Grants Fund (9215), Public Art Organization (94800) in a project to be established; and be it further

RESOLVED: That these grant funds combined with public art funds will be used to pay for site preparation and art infrastructure, public art-related improvements, programming, project management, new artwork commissions, stipends for display of existing art, publicity and marketing, etc.; and be it further

RESOLVED: That the Agency has independently reviewed and considered this environmental determination and the Agency finds and determines that this action complies with CEQA pursuant to Sections 15303 and 15304 of the CEQA guidelines; and be it further

RESOLVED: That the Agency Administrator or his designee is hereby authorized to take whatever action is necessary with respect to the contribution of grant funds and the Parcel 4 temporary art installation consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, SCHAAF, DE LA FUENTE, BROOKS, KAPLAN, AND
CHAIRPERSON REID

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California