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**AGENDA REPORT**

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Michele Byrd

**SUBJECT:** Oakland Sustainable Neighborhood  
Initiative Status Report

**DATE:** September 16, 2015

City Administrator  
Approval

Date

9/16/15

**COUNCIL DISTRICTS:** 2, 5, 6, & 7

### **RECOMMENDATION**

Staff recommends that the City Council accept:

**An Informational Report on the status of the Oakland Sustainable Neighborhood Initiative (OSNI) International Boulevard Corridor Project**

### **EXECUTIVE SUMMARY**

Following two years of extensive planning and collaboration building, OSNI partner organizations and agencies are currently implementing programs and projects, and moving forward with long-term catalyst projects along the IB Corridor.

The IB Corridor Initiative is funded by a \$999,863 State Department of Conservation Strategic Growth Council Sustainable Communities Planning Grant (Resolution No. 83714 and 85486 C.M.S.), which is entering its third and final year. Many of the IB Corridor project partners have also received direct funding and technical support from funders such as, but not limited to, The California Endowment, the Local Initiative Support Corporation (LISC), Enterprise Community Partners, Inc., and the Great Communities Collaborative/San Francisco Foundation. More than 40 community-based, investment, philanthropic, and public organizations are signatory to a Memorandum of Understanding regarding their commitment to supporting OSNI.

### **BACKGROUND/LEGISLATIVE HISTORY**

As part of a growing movement to integrate equity and sustainability principles into economic development and prosperity plans, the City launched the OSNI. Its work focuses

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on IB and is grounded in the 2012 Transit Oriented Development Plan (TOD) that was prepared in anticipation of AC Transit's Bus Rapid Transit (BRT) project and the opportunities that a new major transit system offers for sustainable economic development and growth along the entire Corridor. The City and its dozens of public and private partners have assumed shared leadership on the IB Corridor project, which stretches from 1<sup>st</sup> Avenue to the San Leandro border.

Similar work led by the East Bay Asian Local Development Corporation (EBALDC) is occurring along the San Pablo Corridor, which may be addressed in future reports regarding the implementation of the West Oakland Specific Plan.

### ***Purpose and Promise***

The IB Corridor project is designed to ensure that residents in one of Oakland's most impoverished areas receive equitable benefits from the expected growth and development in the Bay Area Region. The Corridor's diverse neighborhoods are targeted for denser, more transit-oriented development and should receive a portion of new regional population growth projections. International Boulevard is part of the East Bay Corridor and is designated as a Planned Development Area (PDA) by the Association of Bay Area Governments (ABAG) and is thus well-positioned for regional, State and Federal housing and economic development funding.

### ***Vision and Goals***

OSNI's plan and vision is to prevent the displacement of long-time residents and small businesses while creating quality transit, low-income affordable and workforce housing, economic development, and improving public health and safety within the Corridor. The specific goals of the IB Corridor Project are as follows:

1. To mitigate the displacement of long-term Corridor residents and small businesses.
2. To integrate transit, housing, economic development, workforce development, and public health and safety efforts to coordinate public/private development strategies and investments.
3. To identify and implement priority catalyst projects as articulated in the TOD Plan for the Corridor.
4. To develop a public safety plan that enhances Corridor revitalization.
5. To increase workforce training and employment opportunities for Corridor residents.
6. To analyze and address public health impacts from policy decisions and development projects within the Corridor.

Collaborative partners, including designated resident Community Planning Leaders, have engaged in ongoing meetings that focus on leadership development, Collaborative

Coordination, Housing, Transportation, and Economic Development. These many meetings, as well as periodic town hall forums and annual retreats have resulted in the following agreed upon outcomes:

- Support of the BRT project with continuing input from community stakeholders and City staff to mitigate negative impacts of the project on local small businesses and residents along the route;
- Increased development of affordable housing led by partner agencies such as the City's Department of Housing and Community Development, East Bay Housing Organizations (EBHO), The Unity Council, the EBALDC, the Local Initiative Support Corporation (LISC), Enterprise Community Partners, Satellite Affordable Housing Associates (SAHA), Acts Full Gospel Baptist Church, and Related Companies;
- Increased focus on the health and well-being of Corridor residents through partnerships among Allen Temple Baptist Church, La Clinica de la Raza, Samuel Merritt University School of Nursing, the HOPE Collaborative, and the East Oakland Building Healthy Communities project;
- Trained and engaged 21 Community Planning Leaders (CPLs) who inform Collaborative decision-making and share project information with their respective neighborhood residents;
- Identified catalyst projects that are continually being evaluated for readiness and the need of additional resources and support to bring them to fruition; and
- The continued engagement of public and private funders and investors in the Corridor project.

To date, OSNI has achieved the process goals stated in its grant with the State Department of Conservation. Now that the planning grant is winding down, it is time to get new Corridor-oriented projects and programs lined up for both public and private investment.

## ANALYSIS

Oakland is experiencing extraordinary economic growth and is now considered one of the hottest housing markets in the Bay Area, with median housing prices rising to \$520,000. The new growth and investment in Oakland have concurrently resulted in the displacement of long-time residents and small businesses. OSNI's primary goal is to stem the tide of displacement of residents and small businesses by supporting local commerce, attracting new businesses that pay family sustaining wages, providing job training and career pathways opportunities for Corridor residents, and constructing and attracting new affordable housing.

The City of Oakland is working closely with AC Transit on the BRT, which is a \$178,000,000 transit-oriented development project that will run from downtown Oakland near the 19<sup>th</sup> Street BART station, down International Boulevard to the San Leandro BART station. A project of this magnitude offers major long-term economic development, public safety, health, and sustainable growth implications for the IB Corridor. The BRT project status will continue to be presented in detail to the City Council in separate reports.

Inclusive of and contiguous with the BRT project is the IB Corridor project, which extends one-quarter to one-half mile east and west of IB. Through a collaborative process, which involved representatives from more than 40 community-based, faith-based, financial, philanthropic, and public organizations, emerged the vision to ensure that residents along IB receive equitable benefits from the anticipated growth and development of the Corridor with minimized risk of displacement of families and existing small businesses.

The guiding principles that have shaped the IB collaborative process are as follows:

- That the IB Corridor is primed for development and that strong public/private partnerships are essential to enhance communication, coordination, and to attract the support needed to fulfill the vision of equitable and sustainable growth.
- That collaboration is the key to success and that the ideal structure for this long-term project is co-leadership among community groups and City staff.
- That nurturing collaboration requires building community leadership to understand the planning and development process so that residents can lead and influence decisions that impact their lives and futures.

### ***Collaborative Structure and Process***

#### Anchor Institutions

Through a deliberative and inclusive planning process, key community-based organizations along the IB Corridor were identified as Anchor Institutions, which are the leads of a number of catalyst projects to be vetted by potential investors and funders. These Anchor Institutions going north to south are as follows:

- EBALDC
- East Bay Asian Youth Center (EBAYC)
- Eastside Arts Alliance (recently added)
- The Unity Council
- Acts Full Gospel Baptist Church (recently added)
- Allen Temple Baptist Church

### Collaborative Coordinating Committee

The Coordinating Committee is composed of representatives of 12 Collaborative partner agencies including the Anchor Institutions, policy experts, CPLs, and City staff. The Committee meets monthly to discuss timely topics and make decisions intended to move the IB project forward. The Coordinating Committee is staffed by the City, and is chaired by its members on a rotating basis.

### Community Planning Leaders

Causa Justa::Just Cause engages CPLs in leadership development activities, which enable these Corridor residents to communicate their neighborhoods' education and training needs in order to understand key community planning issues and how to inform policy-making processes. Currently there are 19 CPLs that are helping to lead and inform the Collaborative and bring information back to their respective neighborhoods.

In addition to attending their own meetings and monthly Coordinating Committee meetings, the CPLs host Town Hall meetings and participate in the quarterly Collaboration meetings and annual IB Corridor retreats.

### Work Groups

Throughout the course of the last two years, work groups were formed and met regularly on the topics of Commercial Economic Development, Housing, and Transportation. Their work was supported and informed by extensive data analysis and mapping work performed by the Urban Strategies Council and funded by Enterprise Community Partners, whose work also informed the identification of the Catalyst Projects.

Public Health efforts have been led by the Alameda County Public Health Department and Healthy Homes Alliance, and the East Oakland Building Healthy Community initiative funded by the California Endowment.

The HOPE Collaborative, funded by the Kellogg Foundation and Alameda County Public Health Department, has also been performing its Healthy Corner Store Project in support of small corner stores to increase the availability of nutritious, affordable food in neighborhoods lacking access to super markets.

Aside from the ongoing work of the Oakland Police Department and Operation Cease Fire, a public safety issue regarding safe routes to schools was addressed by the City's BRT Project Manager, AC Transit, and community partners including Transform and the Oakland Unified School District (OUSD) through BRT design modifications that created safe cross-walks along the route near schools.

### Catalyst Projects

While OSNI is grounded in the principles of inclusion and resident empowerment, the collaborative members are also committed to service and project delivery. Most of the Collaborative's priority projects are tracked on a Catalyst Project List, adopted by the Coordinating Committee and the CPLs. Staff is continually evaluating this list with community partners and prospective funders to determine readiness for donations and investments. The following is a synopsis of some of the Catalyst Projects on the list:

- ❖ Camino 23  
On the corner of 23<sup>rd</sup> Avenue and International Boulevard, this is a new 35-unit affordable housing project next to the Eastside Arts Alliance being developed by Satellite Affordable Housing Associates (SAHA). This project also provides over \$700,000 in street improvements including the installation of pedestrian scale lighting along IB within a mile radius of the site, the repair of damaged sidewalks along IB and crossing streets, and increased visibility of crosswalks at BRT stations through the addition of special high-visibility treatments.
  
- ❖ 24<sup>th</sup> Avenue Multi-Use Hub  
This is a conceptual multi-use hub that would contain ground floor training space, with up to 70 units above of multi-family housing owned and operated by EBALDC, with Youth Employment Partnership (YEP) as a development and program partner.
  
- ❖ Hismen Hin-Nu Terrace  
2555 International Blvd  
This is a mixed use, 92-unit affordable housing development rehabilitation project for residents at 30-60 percent average median income (AMI) to be developed by EBALDC.
  
- ❖ Melrose Area  
2920, 3022, and 3050 International Boulevard  
The City owns two properties there and is authorized to enter into Exclusive Negotiating Agreements (ENA) with Primestor Development, Inc. for the development of a Nike Community Store, and with Pacific Companies for the relocation and expansion the Aspire Charter School. The project may also include the conversion of a medical facility to an affordable housing complex. The Native American Health Center is interested in obtaining additional parking, which will be considered in the negotiations.

- ❖ **Fruitvale Transit Village**  
This is The Unity Council's Phase 2a being developed by EBALDC and will include 80 affordable housing units and 14 market rate units. The Unity Council's developer for Phase 2b is L & M Development Partners, Inc. In total the project will create 275 housing units. The City owns a parcel near the project site, which it is considering leasing out for parking.
- ❖ **Tecnología Centro: Fruitvale Workforce Accelerator**  
This partnership between The Unity Council and Transmosis envisions the conversion of 20,000 square-feet of unused space in the Fruitvale Village (Masonic Temple) to serve as a technology incubator and learning lab. Transmosis is a nationally recognized Workforce Accelerator organization.
- ❖ **General Electric site**  
5411 International Blvd.  
This is a 23-acre opportunity site limited to commercial and industrial uses. There is still major contamination in parts of the site yet to be remediated. Corridor partners and staff are considering best uses for the site with hopes of acquiring it someday from GE Capital.
- ❖ **Historic Safeway Building**  
5741 International Blvd  
This building is being considered as a business services and incubation hub, community service center, and perhaps a charter school. Representatives from the community, Allen Temple, Acts Full Gospel, the Northern California Community Loan Fund, Clearinghouse CDFI, and others are looking into the feasibility of using the Safeway Building as a node for a Black Cultural, Wellness, and Business District.
- ❖ **City Parcel on 66<sup>th</sup> Avenue and San Leandro Street**  
This is a six acre parcel across from the EBALDC Lion Creek Crossings housing complex. The City has received and is evaluating a number of unsolicited proposals for the development of this site.
- ❖ **Healthy Corner Stores**  
8401 International Blvd.  
6680 International Blvd.  
1554 13<sup>th</sup> Ave.  
The HOPE Collaborative supports commercial retail rehabilitation and tenant improvements in order for small local stores to provide healthy food choices for neighborhood residents.

- ❖ Robert C. Scott Wellness Center—Phase 1  
8501 International Blvd.  
This project will expand community health care services in deep East Oakland by way of partnerships among Allen Temple Health and Social Services Ministry, La Clinica de la Raza and the Samuel Merritt University School of Nursing.
- ❖ Robert C. Scott Wellness Center—Phase 2  
8600 International Blvd.  
Allen Temple Baptist Church owns this vacant three-story building, which is envisioned to someday house an expanded community health care and fitness operation.
- ❖ Affordable Housing and Commercial Development Project on 94<sup>th</sup> Avenue  
Acts Full Gospel Baptist Church recently acquired two buildings near 94<sup>th</sup> Avenue and International Boulevard and is working with Related Company to convert them into 59 units of affordable housing and street level commercial retail outlets. The City owns a 28,802 square-foot parcel across the street from the two buildings, which remains available for lease. The City has not received any formal proposals for the development of this site and may issue an RFP.
- ❖ 10500 & 10550 International Blvd—AMG & Associates  
This is nearly a four acre site is being planned for 360 units of mixed-income housing and a retail and commercial complex. It is currently under negotiations and going through the entitlement process.

### Workforce Development

Limiting the displacement of Corridor residents due to the planned economic growth of the area as a result of the BRT requires a concerted effort to improve their ability to compete for and obtain family sustaining careers.

East Oakland has a number of outstanding employment and training programs including, but not limited to, EBAYC, YEP, Lao Family Community Development, The Unity Council, the East Bay Spanish Speaking Citizens Foundation, Goodwill Industries, OCCUR, Youth UpRising, East Oakland Youth Development Center, and the Allen Temple Housing and Economic Development Corporation. Youth and adult job seekers travel throughout the City to receive services, which means that every viable employment and training agency in the City should be considered in strategies to enable Corridor residents to obtain gainful employment.

The Oakland Unified School District (OUSD) and the Peralta Community College District provide the foundations of job readiness and career development in Oakland. Corridor youth



must be encouraged and supported to attend school and to engage in OUSD Linked Learning and Career Academy programs in the schools of their choice. They must graduate with a high school diploma. Students that do not choose to attend a four-year college should be encouraged to enroll in community college to improve their vocational skills and discover career pathways that motivate them and lead toward family sustaining employment.

For Corridor resident youth and young adults who have dropped out of school, parents and community leaders must encourage and support them in enrolling in community-based programs that provide basic education training that leads to a GED or, preferably, and high school diploma. Without basic education skills, young job seekers will most likely be relegated to unemployment or low paying jobs with very limited opportunities for career advancement and family sustaining jobs.

City staff is working with community partners and educators in developing strategies to enhance and expand Oakland's ability to meet the education and vocational training needs of Corridor residents. One idea that has emerged is to convene education and job training leaders around improving the engagement of Corridor residents in school and vocational training programs. Just as the IB Corridor is attracting the attention of investors and developers because of the BRT, a coalition of educators and job training programs could also attract new investors to replenish public funding for these vital services that have diminished over the years. The IB Corridor Project provides an opportunity to demonstrate how business, labor, education, community, and the public sector can work together to achieve a clear and critical goal: To enable Corridor residents to remain in the corridor and prosper as this part of East Oakland grows economically in the years to come.

### ***Funders and Investors***

A substantial amount of public and private funding has already gone into the IB planning process, programs, and projects. Other sources have been at the table and are poised to invest. These sources of funding include, but are not limited to, the following:

- ❖ Affordable Housing--The City's Department of Housing and Community Development, Clearinghouse Development Finance Corporation, EBALDC, EBHO, Enterprise Community Partners, LISC, Northern California Community Loan Fund, Related Company, SAHA, and others have advocated for, funded, constructed and plan to construct many units of affordable housing through public grants, donations, City funding, private investors, community development financing, New Market Tax Credits, Low Income Housing Tax Credits, and Cap and Trade funding.
- ❖ BRT system--\$180,000 in Federal and regional transportation funds.

- ❖ Business Sustainability--\$2,000,000 from the City of Oakland and \$2,000,000 from AC transit through the Alameda County Transportation Commission, plus an additional \$500,000 in direct business impact mitigations from AC Transit's BRT project funding.
- ❖ Pedestrian safety and sidewalk improvements-- \$2,480,000 from the California Transportation Commission and \$726,000 from SAHA's Affordable Housing and Community Sustainability (Cap and Trade) award for Camino 23.
- ❖ Planning and outreach-- Approximately \$2,000,000 from the California Endowment, Enterprise Community Partners and the Great Communities Collaborative, and \$999,836 from the State Department of Conservation Sustainable Communities Planning Grant.
- ❖ Health and Wellness-- \$750,000 from the Alameda County Public Health Dept., \$2,600,000 from the Kellogg Foundation, and \$350,000 from Kaiser Permanente.
- ❖ Cultural and Public Art-- \$250,000 from ArtPlace America and \$200,000 from the National Endowment for the Arts.

### **FISCAL IMPACT**

This is an informational report and does not have any cost implications at this time. To date the City Council has approved \$1,000,000 in General Purpose Funds and \$1,000,000 in Community Block Grant Funding for phase two of the Business Sustainability Program related to the BRT (Resolution No. 85286 C.M.S.). All other funding for OSNI and related projects has come from public grants, private and corporate foundation grants, and community development fund investments.

### **PUBLIC OUTREACH/INTEREST**

Inclusion is a primary guiding principle of OSNI. There are more than 40 community and faith-based, philanthropic, investment, and public organizations that are signatory to the Memorandum of Understanding regarding the International Boulevard Corridor project.

### **COORDINATION**

OSNI is coordinated among a number of City Office and Departments, including the Office of the City Administrator, Housing and Community Development, Economic and Workforce

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Development, Planning and Building Services, the Public Works Agency, and the City Attorney's Office.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that the City Council accept the OSNI status report.

**SUSTAINABLE OPPORTUNITIES**

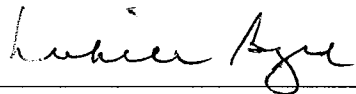
*Economic:* OSNI's goal is to revitalize the IB Corridor while minimizing to the greatest extent possible displacement of residents and businesses.

*Environmental:* The focal point of OSNI is around transit oriented development, which is a proven effective strategy of sustainable development. In addition, energy and water-efficient features are being incorporated in every development project to the extent possible.

*Social Equity:* OSNI's primary focus is on enabling residents and commercial businesses operations in low-income, under-served communities to benefit from the economic growth opportunities that the Bay Area is experiencing.

For questions regarding this report, please contact Al Auletta, Project Manager, at 238-3752.

Respectfully submitted,



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