

CITY OF OAKLAND
COUNCIL/ AGENCY AGENDA REPORT 2004 MAY 27 PM 2: 39

TO: Office of the City Manager/ Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: June 8, 2004

RE: CITY AND AGENCY RESOLUTIONS AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH ROTUNDA GARAGE, LP FOR THE DEVELOPMENT OF A PARKING GARAGE STRUCTURE BETWEEN 16TH AND 17TH STREETS AND SAN PABLO AVENUE, OAKLAND; THAT INCLUDES SELLING THREE PARCELS OF LAND FOR \$99 EACH AND LEASING A FOURTH PARCEL FOR \$1.00 PER YEAR FOR 20 YEARS; AND ASSIGNING TO ROTUNDA GARAGE, LP, \$4 MILLION PLUS INTEREST OF A \$12 MILLION PROMISSORY NOTE PAYABLE TO THE REDEVELOPMENT AGENCY BY THE ROTUNDA BUILDING DEVELOPER, AND FURTHER REQUIRING AGENCY TO PAY THE NET PROPERTY TAX INCREMENT GENERATED BY THE NEW PARKING GARAGE FOR A PERIOD OF 10 YEARS TO ROTUNDA GARAGE, LP

SUMMARY

Resolutions have been prepared authorizing the Redevelopment Agency to sell and lease to Rotunda Garage, LP ("Developer") Agency-owned real property located on the block bounded by 16th Street, 17th Street and San Pablo Avenue, and authorizing the Agency Administrator to enter into a Disposition and Development Agreement ("DDA") with Developer for the 17th Street Garage Project (see Exhibit B, Term Sheet for the full details of the material terms of the DDA). The Agency resolution will also authorize the transfer of one third of the \$12 million Note from the Rotunda Building, and rebate for ten years of the net tax increment (after statutory pass throughs, ERAF payments to the state and housing set-asides are made) to Developer. The property will be sub-divided into four parcels. Developer will purchase three parcels for a purchase price of \$99 each. Parcel 1 (23,445 square feet) would be used for the 320+ space parking garage. Parcel 2 (3,723 square feet) and Parcel 3 (2,775 square feet) would be developed as retail or other commercial uses within 5 years or the Agency would have the right to take them back at the Developer's cost for site demolition and preparation. The developer will be granted a permanent vehicular and pedestrian easement and a lease for up to 20 years for \$1 per year on Parcel 4. (See Exhibit A, Parcel Map, for a description of the four parcels.) The Agency will be allowed to sell Parcel 4 for a development in the future and the Developer will have the right to make a competing offer. Rotunda Garage, LP, is a new limited liability corporation to be set up for the development of the garage with Phil Tagami and Leonard Epstein as general partners and Rotunda Partners I as the limited partner. Messrs Tagami and Epstein are principals in Rotunda Partners I; Rotunda Partners I is the general partner in the partnership that owns the Rotunda Building.

Item: 7
CED Committee
June 8, 2004

FISCAL IMPACTS

Approval of the DDA and sale of the 17th Street Garage site will cost the Agency \$2.7 million in land write downs (the Agency paid approximately \$1.8 million for the site, but the current fair market value is now \$2.7 million), \$4 million in principal and \$600,000 in interest on the Rotunda Note and approximately \$380,000 in tax increment rebates over ten years (the rebate for the first year, FY 2006-07, is estimated to be \$35,000). When discounted by 4.85%, the federal long term cost of funds, the current value of the Rotunda Note, including interest, is \$2.2 million and \$270,000 for the tax increment rebates, for a total of \$2.47 million. When discounted by 8.25%, the Developer's required return, the current value of the note, interest, and rebate is \$1.513 million. This is approximately 25% of the developer's estimated costs for the garage (the Project will cost approximately \$6.0 million, including \$5.0 million to construct the garage). Approval of the DDA will free up approximately \$4 million which would otherwise have been needed to fund part of the Agency-owned garage. It is anticipated that \$3.8 million of this will be reallocated to fund the proposed Uptown lease disposition and development agreement. This reallocation will eliminate the need for a parking revenue bond (the bond would reduce the ability of the Public Works department to fund Traffic Engineering staff) and transfers this amount of Uptown funding to the Agency rather than the having the City provide the funding.

The City will receive approximately 70% more in parking tax revenue from the garage than it now receives from the surface lot presently on the site. This is approximately \$40,000 per year in additional General Fund revenue beginning in FY 2006-07. The City will also receive its share of property tax which is not rebated to the project, about \$5,000 per year to start. This \$5,000 is the City's portion of the statutory pass throughs that are required from the Central District since the Council passed Ordinance No. 12570 C.M.S. which eliminated the time limit on establishing debt. The Agency will receive approximately \$175,000 in general tax increment revenue after the rebate is completed and \$282,000 in 25% Low- & Moderate-Income Housing Set-Aside funds (see Exhibit C, Tax Increment Analysis).

Other options for building a public garage on the site have even greater fiscal impacts. For the Agency to develop a larger garage (525 spaces instead of 320), the Agency would have to put in the land, \$2.7 million value, an additional \$4.2 million in cash and \$10.0 million in debt. The debt would require a guarantee from the City or Parking Authority, which could have fiscal impacts in the future if the garage cannot cover debt service. The Agency-owned garage would have major short-term costs to the Agency and long-term benefits, including free and clear ownership of the garage after 30 years.

BACKGROUND

History of Site

In June 1998 the Agency entered into a disposition and development agreement with Rotunda Partners I (the limited partner of the garage Developer) for the Rotunda Building. The Rotunda Building DDA included a \$12 million loan from the Agency to the Rotunda Building developer,

profit sharing with the Agency of 50% of all sales proceeds over \$38 million should the building be sold, and required that the City/Agency provide parking for the Rotunda Building tenants and customers. Accordingly, the City provides 50 monthly parking spaces plus short term visitor parking in the Daziel Building for the Rotunda Building tenants and customers, and the Agency leases the proposed garage development site to the Rotunda Building developer for its tenants' parking. The Agency receives all net revenues from the surface parking lot. It was anticipated that the Agency would build or have another entity build a garage on the current garage development site primarily for use by Rotunda Building tenants and visitors. The Agency pledged 220 spaces in any new garage to the Rotunda Building. The Agency has pursued the development of this garage for several years.

The Agency issued Requests for Proposals for the garage twice, in 1998 and 1999, and negotiated with two developers, Allright Parking and Aegis Realty Partners. Both times staff could not negotiate a deal that was supported by staff or the Agency Board. Instead the Agency Board authorized staff to pursue development of an Agency-owned garage. The Agency issued a Request for Proposals for a design project management team for the garage, hired a team made up of Aegis Realty Partners, Komorous-Towey Architects, and Watry Design Group and paid \$750,000 to complete the design. The Agency concurrently pursued a \$10 million garage construction loan from the State Infrastructure Bank. It should be noted that in order for the garage revenue to cover debt service the loan would have needed to be amortized over 30 years, 14 years longer than the life of the Central District Plan Area. As a result, a loan guarantee from the City General Fund or Parking Authority would have been necessary, thereby potentially putting the General Fund at risk of covering any debt service shortfalls.

Current Proposal

At about the time that Aegis completed the construction documents, Phil Tagami and Leonard Epstein submitted an unsolicited proposal to develop the garage. Messrs. Tagami and Epstein propose to form Rotunda Garage, LP ("Developer") to construct a 320 space garage (the "Project"). Rather than bidding the project immediately and selecting a contractor, the Agency asked the Developer to refine its proposal to determine if it provided a viable alternative to a pledge of the General Fund. The Developer was always interested in owning the garage, which is tied to their office building (Rotunda) and will enhance the Rotunda Building's value even more if it is under control of the same owner. Messrs. Tagami and Epstein pulled out of the 1998/1999 Requests for Proposals because they were concentrating on completion of the Rotunda Building. In 2001, the Developer also had put in a proposal for the Request for Proposals for design and project management of the garage but lost out to Aegis for the contract. A comparison of the various proposals that the Agency has considered, along with the current proposal are included as Exhibit D, *Comparison of Proposals*.

After completing negotiations with the Developer, staff is bringing for approval a DDA with the following key terms (for the complete terms of the DDA, see Exhibit B, Term Sheet):

- 1) The Agency will divide the Site into four parcels as reflected on the attached Exhibit A, Parcel Map: Parcel 1- the garage site; Parcels 2 and 3- retail or commercial sites; and Parcel 4- a remainder site on 16th Street with garage access easements and reserved for future development by an Agency-selected developer.
- 2) The Developer will purchase Parcels 1, 2 and 3 for \$99, and lease Parcel 4 for \$1/year until the parcel is ready for development by Developer or another developer in the future. All future development on Parcels 2, 3 and 4 would require separate Agency approval. (The Developer would retain an auto/pedestrian easement for the garage over Parcel 4);
- 3) The Agency would assign to the Developer \$4 million (plus interest on this amount) of the \$12 million promissory note (with a NPV of \$2.2 million) due from repayment of a loan the Agency made to the developer of the Rotunda Building. [In 1999, when the Agency sold the Rotunda Building to Rotunda Partners II, LLC, of which the proposed garage Developer was the general partner, the Agency loaned Rotunda Partners \$12 million. Rotunda Partners executed a promissory note (secured by a second deed of trust on the building) that requires it to pay the Agency accrued interest at 3% per annum starting in 2014 and repay the principle in 2019.]
- 4) The Agency would rebate to the Developer the net tax increment generated by the project (net of required pass-throughs for affordable housing, ERAF, etc.) for 10 years; and,
- 5) Developer will take all risk that the garage revenue will cover operating costs and debt service.

The Developer will build a garage with at least 320 parking spaces on Parcel 1. The Developer will have 18 months from execution of the DDA to complete the new garage design, obtain approvals, and complete construction. The Developer's initial schematic design is attached hereto as Exhibit E. The Agency will give the Developer five years to develop retail or commercial uses on Parcels 2 and 3. If the Developer does not develop Parcels 2 and 3 within five years, the Agency will have the option to reacquire the parcels by reimbursing the Developer for its reasonable demolition, landscape and hardscape costs. Until the Agency executes its option, the Developer will landscape and hardscape (e.g., treewells and scored concrete with the same specifications as Kahn's Alley and Broadway for the Rotunda Building) and maintain the parcels. The Developer will grade, pave, stripe, secure, landscape, and maintain Parcel 4 until it is developed. The Agency can select a developer and proceed with development on Parcel 4 at any time after the garage is completed. Developer will have the option to make a comparable offer on the site when the Agency is ready for development.

The garage is an important project that the Agency wants to make best efforts to complete. Because Developer is undertaking construction on Agency's behalf, Agency wants reasonable assurances that Developer will complete the garage, or, in the unlikely event Developer does not, Agency may wish to take the site back and try to complete the garage. As with other projects,

the Agency requested that the Developer provide a construction completion and payment bond. Without the bonds, the Agency's risk is that it transfers the site to the Developer and the parking garage is not built or not completed or costs related to the construction not paid. This could result in partially completed improvements and liens against the site. If the Agency recovered the site in order to complete the Project, these liens may be transferred to the Agency. The Developer hesitated at the cost of the bonds. The primary reason is the cost of the construction bonds has increased and the money saved could be put into the project. In lieu of bonds, Developer proposed that the budget include a 10% construction contingency at start of construction and the Developer provide a cash pledge as a further contingency or provide a non-revocable line of credit to the Agency equal to 15% of the construction costs, approximately \$750,000. The proposed cash or line of credit is not the same dollar value as a construction completion bond or a payment bond, which typically are for between 50% and 100% of the construction value, currently estimated at \$5 million, and will not cover construction defects for 10 years after completion of construction as a bond would. However it will be easier for the Agency to collect on the cash/ line of credit and the cash/line of credit will be used to guarantee the performance of both the contractor and Developer, whereas the bonds generally cover only the contractor. Also since the Agency will not own the project, the Agency's risk is less. Not only does the Developer have an interest in not losing its investment in the garage, but the garage is important to Developer's interest in the Rotunda Building. Therefore, Developer has an incentive to get other contractors to complete the project in order to protect its own interest. Further, a garage is a less complicated construction than residential or commercial and entails less risk. Additionally, since Developer will get a construction loan, the construction lender also has an incentive to see the project completed; Agency will not convey the site until Developer has the construction loan in place. For these reasons, staff believes the alternate security (cash pledged) offered by the Developer is sufficient for this Project. In addition, under new state law the Agency could have responsibility to pay prevailing wage to workers on the Project should the Developer or contractor fail to do so. The cash/line of credit could be used to cover this potential liability.

KEY ISSUES AND IMPACTS

Staff believes that the proposed DDA substantially benefits the Agency. By permitting a private developer to construct the garage, the Agency would not have to commit \$4.2 million in cash and borrow \$10 million from the State Infrastructure Bank for the garage construction. The State loan would have to be backed by the City General Fund or City Parking Authority (from funds that presently go to the Multipurpose Reserve Fund) to repay the loan from the parking revenues from other garages should the 17th Street garage not produce enough revenue to cover its operating costs and the loan payments. Under the Agency-owned alternative, the City would be risking revenue that presently funds the Public Works Agency – Traffic Division, and that would need to be offset with allocations from the General Fund. Private development of the garage by the Developer would eliminate this risk.

The Agency has already invested a substantial sum in the garage project. Land acquisition costs have totaled \$1.8 million. Design, planning and project management costs have totaled \$1.2

million. If the Agency were to construct the garage, it would need to invest an additional \$4.2 million in cash, along with a \$10 million State loan to finance construction, for a total of \$17.2 million. The Developer's proposal relieves the Agency of investing any further cash at this time, and frees up Agency funding for other projects.

The Agency's garage design is superior to, larger than, and more expensive than the garage the Developer proposes. However, staff believes that the revised schematic design will work if design modifications based on the Planning Department's suggestions are incorporated into the future plans.

Including the project property tax reimbursement as income, the garage project has been estimated to provide an annual return of \$376,200 or 6.27%. A normal market-rate investment would have a \$495,000 or 8.25% annual return. The difference between the lower return for the Garage proposal compared to a normal 8.25% return over the first 16 years, the term of the Rotunda loan, is \$2,999,390. When the loss is compounded over 16 years at an 8.25% interest rate, the loss is \$5,155,123. In addition, the appreciation on the Garage would be lower than a normal investment by approximately \$3,277,105 at the end of this term. An equivalent investment at a normal market return of 8.25% would yield approximately \$8.4 million more than the proposed garage investment. The Developer is counting on the long-term return, and more important the synergy that will benefit its investment in the Rotunda Building. Given this analysis, the \$4 million write down of the Rotunda loan seems like a reasonable subsidy for creating a privately-owned, public-access garage. This analysis reflects that required prevailing wages will be paid and Rotunda Garage, LP has further stated that it would commit to using union labor. The reuse appraisal of the site, i.e. an appraisal of the site with the Redevelopment Agency's requirements attached to the property, substantiates the need for the subsidies. The Agency commissioned Keyser Marston to prepare an independent review of the DDA terms and the proposed Project, and prepare a reuse appraisal for the site. The result was that even with the reassigned note and tax increment rebate, the garage site had a negative value of \$627,000. If the Developer is also credited with the full value from Parcels 2 and 3 (\$585,000); which is substantially more than their value to the Developer given the development restrictions, irregular shape and small size of the parcels; the Project still has a negative value of approximately \$42,000.

In summary, the project must generate an additional \$8.4 million in revenue and future sales value for the investment to meet normal developer return requirements, and Rotunda Garage, LP is asking the Agency to subsidize the project with \$5.1 million over 15 years to partially meet this need. Even with the Agency subsidy, the project does not meet normal developer return requirements. The only reason Rotunda Garage, LP is willing to develop the project under this scenario is so that it can control parking for the Rotunda Building and increase the long term value of that investment. Since the Agency could share 50:50 with Rotunda Partners all sales proceeds in excess of \$38 million from the Rotunda Building, the Agency will directly benefit from any increased value in the Rotunda Building.

Some additional advantages of the Developer's proposal to the Agency are:

- 1) The garage will provide all the parking required under the Rotunda Building DDA and its parking leases for the Rotunda Building tenants and customers.
- 2) The newly built garage will provide mitigation and parking for tenants in the adjacent Adcock Joiner residential building, the Fox theater, Ice Skating rink and the Uptown Project.
- 3) The reduced scale of the Developer's proposed garage will lower the impact on views and natural light for the tenants at the adjacent Adcock Joiner Apartments, compared to the larger garage the Agency planned.
- 4) The City/Redevelopment Agency/Parking Authority can also use the financial plans and the proposed State Infrastructure Bank loan to develop another downtown parking facility, once revenues are improved under new consolidated management of City/Agency's other garages.
- 5) By having the Developer construct the garage, the Agency can reallocate funds to Uptown and other important projects that need to be completed before the Central District plan expires in 2009.

CEQA Review

An Environmental Impact Report ("EIR") was prepared for the 17th Street Parking Garage project by the Redevelopment Agency of the City of Oakland, and certified by the Planning Commission on April 4, 2001. The Planning Commission also applied the EIR to a different, Agency-owned, project on September 18, 2002. The EIR analyzed a 530 space garage project with 22,680 square feet of retail. The Developer's proposal is for at least 320 spaces (the latest design is 332 spaces), with separate projects that contain at least 3,975 square feet of retail on the two remainder parcels along San Pablo Avenue, Parcels 2 and 3. Based on review of the environmental documents and the Mitigation Monitoring Program, staff has determined that the revised project will be expected to result in the same or reduced environmental effects as the project analyzed in the EIR. Before taking action on this project, the City and Agency Board will determine that the environmental documents meet the requirements under CEQA, the California Environmental Quality Act, and that Project benefits identified in the Statement of Overriding Considerations continue to apply to the Project and each separately and independently outweighs any adverse unavoidable environmental effects of the Project. In order to make this determination, a copy of the environmental documents will be provided to the City Council/ Agency Board. Members of the public can receive a copy from the Planning Division on the 3rd Floor of 250 Frank Ogawa Plaza (Suite 3330).

ALTERNATIVES

Three alternatives for the garage project are: (1) the City, Redevelopment Agency and Parking Authority can develop a publicly owned garage on the site as originally proposed; (2) the Agency Board can direct staff to issue a new Request for Proposals to developers for a privately developed garage on the site; or (3) the Agency can keep the existing parking leases with

Rotunda Partners on the 16th Street surface lot and in the Dalziel Building and wait to build the garage until the effects of the Uptown project change the financial feasibility for parking. Rotunda Building DDA does not require the Agency to build a parking garage, but only to provide parking for the Rotunda Building in any garage actually built. Unless and until such a garage is built the Agency must continue to provide the surface parking lot and parking spaces in the Dalziel Garage.

Alternative 1: Agency Developed Garage - If the City, Redevelopment Agency and Parking Authority develop the garage, the Agency will have to contribute the land and other expenditures already made (relocation, environmental impact report, design, etc.), about \$3 million, plus \$4.2 million in additional costs. The Parking Authority will also have to borrow \$10 million from the State Infrastructure Bank by pledging revenue from City owned parking facilities. The City will be risking revenue that presently funds the Public Works Agency – Traffic Division. Although initial estimates are that the garage would be able to service the \$10 million loan and no City funds would be required, parking rates have been declining and this conclusion is uncertain. The long term benefits of this alternative are (1) surplus revenue from publicly owned facility; (2) increased parking tax for the City from 525 spaces (as the Agency originally planned) instead of 320 spaces proposed by the Developer; (3) ownership of a fully capitalized garage in 30 years; (4) no requirement to assign to the Developer \$4 million of Rotunda Building loan repayment proceeds. The disadvantage of this option is that if the Uptown project does not move forward, and approximately 1,250 public parking spaces remain in the immediate area, the demand for 525 new parking spaces may not exist and the financial assumptions would be too aggressive. This alternative costs the Agency \$14 million more initially compared to the Developers proposal, and there is risk that the City will have to make up any State Bank loan payment deficiencies. In the long run the costs of the \$10 million loan should be off-set by garage revenue.

Alternative 2: Issue a New Request for Proposals - Although issuing a new RFP may bring more offers to the Agency/City, there is no guarantee the City/Agency would receive any improved offers, since the Developer has the greatest incentive to develop the site. Prior negotiations from proposed developers pursuant to RFPs for this project were not better, and in many cases were worse, than the Developer's current proposal. One of the most important points of the proposal by the Developer is that the subsidy in the project is a reduction in a future payment to the Agency (\$120,000 in interest per year from 2014-2018 plus \$4 million in 2019) that has a Net Present Value of \$2,199,733. That is to say that the Agency's subsidy is from future funds that the Agency will not receive for 10 to 15 years; and these future funds are worth \$2.20 million to the Agency today. The one benefit of a new RFP is that it could generate better proposals for the Agency and would allow other property owners in the area to develop/control parking required for their properties. The disadvantage of the option is that it would require substantial time and staff work, and the project has already been delayed by continued changes in the development scenarios. In order to have the garage completed prior to demolition of the parking on the Uptown sites, it will be difficult to recruit a new developer for the project through a new RFP process.

Alternative 3: Postpone the Garage Development and Maintain Existing Lot and Parking License for the Rotunda Building Tenants - By maintaining the existing parking arrangement for the lot at 17th Street and San Pablo, the Agency would continue to receive a small amount of revenue from the surface lot and would not have to make any significant capital expenditures. The benefits of this option are that the Agency will continue to receive a small amount of net revenue from the surface lot and the Agency will receive the benefit of any increase in parking rates that result from the removal of approximately 1,250 public parking spaces if the Uptown project proceeds. Moreover, activities generated by the Uptown development will increase demand, and supply will decrease, which will result in higher prices for the remaining parking spaces. The disadvantages of this option are that by delaying the garage development, the Agency will not be supporting the Rotunda's leasing efforts -- which could affect the Agency's long term financial interest in the Rotunda - the surface lot will remain an underutilization of land, no parking will be built to off-set the losses that will be caused by the Uptown project, and the Ice Rink will not have nearby parking.

SUSTAINABLE OPPORTUNITIES

Economic

The project will generate additional parking tax revenue for the City's General Fund beginning in FY 2006-07 and increase the Redevelopment Agency investment value for the Rotunda Building.

Environmental

The developer and design consultants will work with the Agency and the Mayor's Sustainability Programs staff to investigate the feasibility of incorporating green building attributes into this development, including: (1) energy efficiency; (2) water efficiency; (3) recycled, local and less materials and resources; and (4) improved indoor environmental quality.

Social Equity

The project will create jobs for low-income Oakland residents that pay the City's mandated "Living Wage," and will provide free after hours parking to the very low-income residents of the neighboring Adcock-Joyner Building.

DISABILITY AND SENIOR CITIZEN ACCESS

The garage and all developments on the site are new construction and will be required to comply with state and federal accessibility requirements, including Federal ADA Accessibility Guidelines and the State of California's Title 24 Accessibility regulations.

ACTION REQUESTED OF THE COUNCIL AND AGENCY MEMBERS

Staff recommends that the City and Agency approve the attached resolutions that authorize the Agency Administrator to negotiate and execute a disposition and development agreement with

Rotunda Garage, LP for the development of a parking garage structure between 16th and 17th Streets and San Pablo Avenue, Oakland; including selling three parcels of land for \$99 each and leasing a fourth parcel for \$1.00 per year for 20 years; and assigning to Rotunda Garage, LP, \$4 million plus interest from the \$12 million promissory note payable to the Redevelopment Agency by the Rotunda Building developer, and further requiring Agency to pay to Rotunda Garage, LP the net tax increment generated by the new parking garage for a period of 10 years.

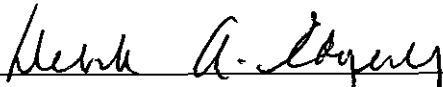
Respectfully submitted,



Dan Vanderprieem, Director of Redevelopment,
Economic Development and Housing

Prepared by:
Patrick Lane
Redevelopment Manager

APPROVED FOR FORWARDING TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE



OFFICE OF THE CITY MANAGER/
AGENCY ADMINISTRATOR

EXHIBIT A
PARCEL MAP

PARCEL MAP WAIVER MAP

MAP OF A PORTION BLOCK B OF THE SURVEY MADE FOR G.C. POTTER, FILED IN
 BOOK 2 OF MAPS AT PAGE 14, ALAMEDA COUNTY RECORDS
 CITY OF OAKLAND,
 COUNTY OF ALAMEDA,
 STATE OF CALIFORNIA.

BASIS OF BEARINGS:
 THE BEARING OF SOUTH 13°15'29" WEST BETWEEN CITY OF OAKLAND MONUMENTS
 65E152 AND 65E5 AS PROVIDED BY THE CITY OF OAKLAND DEPARTMENT OF
 PUBLIC WORKS WAS TAKEN AS THE BASIS OF BEARING FOR THIS MAP.

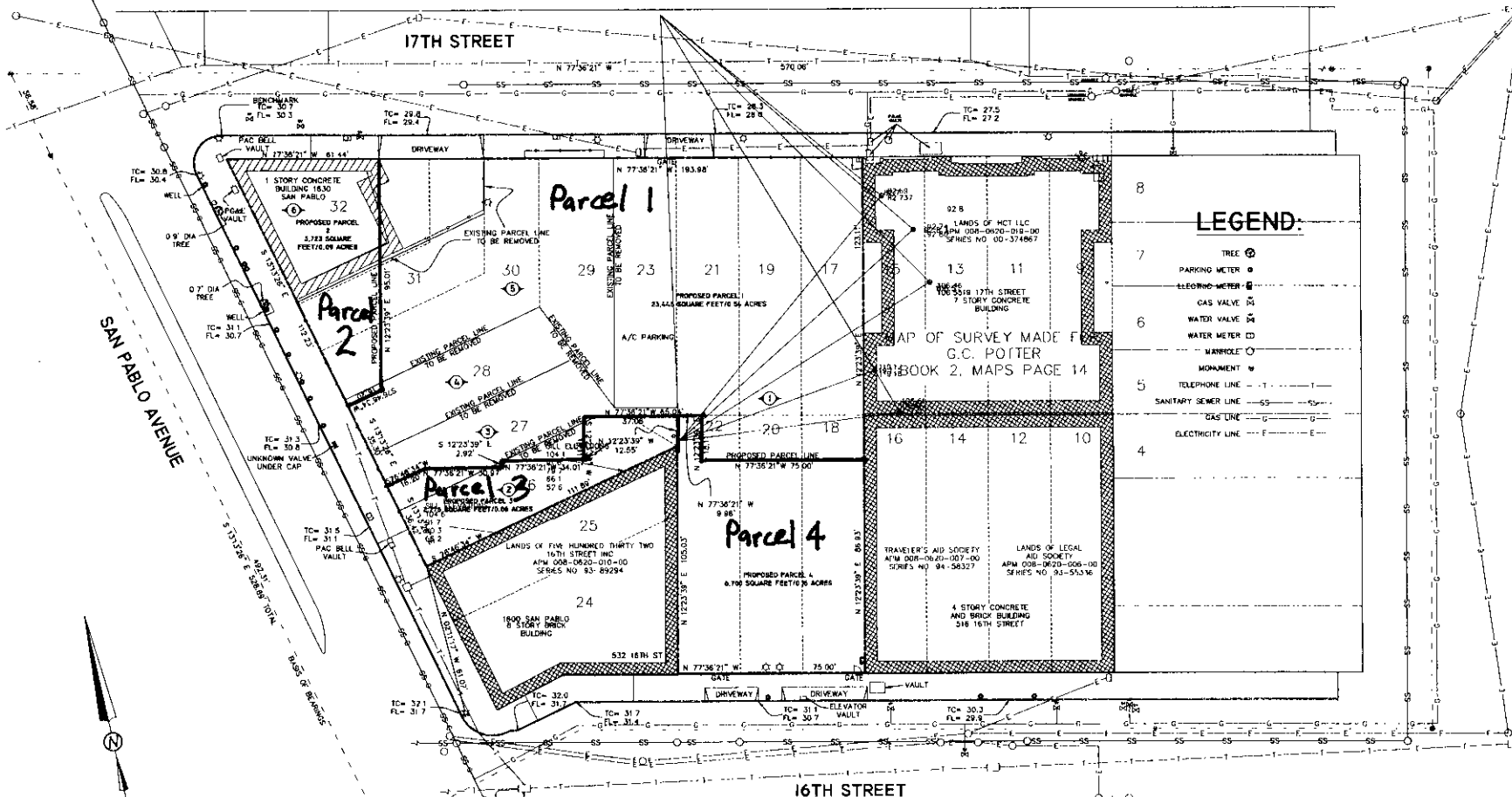
BENCHMARK:
 ELEVATIONS FOR THIS SURVEY ARE BASED UPON THE TOP OF
 CURB ELEVATION AT PAC EASTERLY CURB RETURN ON 17TH
 STREET AT THE SOUTHEASTERLY CORNER OF THE INTERSECTION
 OF SAN PABLO AVENUE WITH 17TH STREET AS SHOWN ON CITY
 OF OAKLAND MONUMENT MAP NO. 221
 ELEVATION 30.71'

APPLICATION TO WAIVE PARCEL MAP

I CERTIFY THAT I AM THE APPLICANT NAMED HEREIN AND THAT THE INFORMATION GIVEN
 ON MY SUBMISSION HERewith IS IN ALL RESPECTS TRUE AND ACCURATE TO THE BEST
 OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT I AM THE OWNER OR
 PURCHASER (OR OPTION HOLDER) OF THE PROPERTY INVOLVED IN THIS APPLICATION. I
 UNDERSTAND THAT ANY MAPS OR EXHIBITS FILED BECOME A PERMANENT PART OF THE
 FILE AND MAY NOT BE RETURNED TO ME.

SIGNATURE _____ AM THE OWNER
 ADDRESS _____ PURCHASER
 (INCLUDED COPY OF CONTRACT)

TELEPHONE NO. _____
 OWNER'S NAME _____ (IF OTHER THAN APPLICANT)
 OWNER'S ADDRESS _____ TELEPHONE NO. _____



LEGEND:

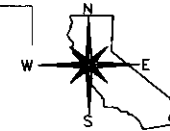
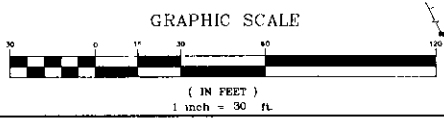
- 7 TREE
- 6 PARKING METER
- 5 BLEEDING METER
- 4 GAS VALVE
- 3 WATER VALVE
- 2 WATER METER
- 1 MANHOLE
- MONUMENT
- TELEPHONE LINE
- SANITARY SEWER LINE
- GAS LINE
- ELECTRICITY LINE

RECORD PROPERTY OWNERS:
 REDEVELOPMENT AGENCY
 OF THE CITY OF OAKLAND
 1330 BROADWAY
 OAKLAND, CA 94612
 (510) 238.

SURVEYOR:
 BRUCE STORRS L.S. 6914
 2647 INTERNATIONAL BLVD.
 SUITE 853
 OAKLAND, CA 94601
 (510) 532-3501

EXISTING PARCELS:

- 1 LANDS OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
 APM 008-0620-009-D1
 SERIES NO. 81-31620
 18,298 SQUARE FEET/0.42 ACRES
 - 2 LANDS OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
 APM 008-0620-011-D0
 SERIES NO. 86-28890
 2,797 SQUARE FEET/0.06 ACRES
 - 3 LANDS OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
 APM 008-0620-012-D0
 SERIES NO. 80-28990
 2,346 SQUARE FEET/0.05 ACRES
 - 4 LANDS OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
 APM 008-0620-013-D0
 SERIES NO. 87-22368
 2,230 SQUARE FEET/0.05 ACRES
 - 5 LANDS OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
 APM 008-0620-015-D0
 SERIES NO. 87-22368
 7,100 SQUARE FEET/0.16 FEET
 - 6 LANDS OF REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
 APM 008-0620-014-D0
 SERIES NO. 81-31662
 3,874 SQUARE FEET/0.09 FEET
- TOTAL AREA
 36,843 SQUARE FEET/0.84 ACRES



STORRS LAND SURVEYING

2647 INTERNATIONAL BLVD., SUITE 853
 OAKLAND, CA 94601
 PHONE: (510) 532-3501
 03-293_PMMW.DWG

EXHIBIT B

TERM SHEET

17th Street & San Pablo Avenue Garage

The following terms will be incorporated into a Disposition and Development Agreement for the 17th Street & San Pablo Garage (“DDA”) between the Redevelopment Agency of the City of Oakland and Rotunda Garage, LP, a new limited liability corporation to be set up for the development of the garage with Phil Tagami and Leonard Epstein as general partners and Rotunda Partners I as the limited partner. These terms were first taken to the City Council/Redevelopment Agency Board in closed session to confirm that the negotiations and terms are acceptable, and to get directions for any additional requirements. Based on the direction of Council, staff negotiated additional terms for the operation of the facility as a public garage (see Section 4, Garage Operation, below).

1. Scope

- 1.1. The Agency will subdivide the site into four parcels as shown in Exhibit “A”. Rotunda Garage will purchase the garage/retail site (parcels 1, 2, & 3) and have a 6 foot pedestrian and a 20 foot vehicular entry/exit easement on parcel 4.
- 1.2. Rotunda Garage will lease parcel 4 for \$1 per year, to be used as a surface parking lot until such time a development project is approved by the Agency.
- 1.3. Parcel 2 will be hardscaped and landscaped to the same specification as Kahn’s Alley and Broadway for the Rotunda Building, and professionally maintained until such time as it is developed for retail uses. Rotunda Garage shall cooperate with the Agency to recruit retail use(s) for parcel 2. If at the end of a five year period, commencing from the date of completion of the parking garage, parcel 2 is not developed for retail or other agreed to use(s), then this portion of the site shall be transferred to the Agency in exchange for reimbursement of all reasonable demolition on Parcel 2 of the building at 1630 San Pablo, and depreciated improvement costs incurred by Rotunda Partners.
- 1.4. Parcel 3 will be at a minimum hardscaped and professionally maintained until such time as it is developed for retail or Public Works uses. In all cases this site will be secured to prevent public/transient access to the alley.
- 1.5. Rotunda Garage, shall design, construct and operate the following improvements on parcel 1, 2, 3& 4:
 - 1.5.1. Rotunda Garage will receive all parcels in an “as is” condition and demolish the existing building at 1630 San Pablo.
 - 1.5.2. Rotunda Garage will build a 320 plus space parking garage on parcel 1.

- 1.5.3. Rotunda Garage will construct surface parking on parcel 4.
- 1.5.4. Rotunda Garage will cooperate with the Agency to develop retail/or other use on parcel 2 and shall at a minimum construct and maintain minimal hardscape and landscape improvements on this portion of the property prior to retail development. As an alternative, if financially feasible, the portion existing structure at 1630 San Pablo not on the garage parcel shall be renovated for retail use and permanent landscaping installed within one year of completion of the garage, .

Collectively, these improvements will be referred to as the 17th & San Pablo Garage Project.

2. Financial

- 2.1. Agency will sell the land to Rotunda Partners for \$99 for Parcels 1, 2, and 3.
- 2.2. The tax increments generated by the project, net of all pass throughs to the County, ERAF, Housing, etc. will be rebated to Rotunda Garage for up to 10 years after the project receives a temporary certificate of occupancy.
- 2.3. Agency will assign to Rotunda Garage a note for \$4 million in principle plus interest from the \$12 million loan made by the Agency to Rotunda Partners II on the Rotunda Building.

3. Design and Construction

- 3.1. Within 18 months of execution of the DDA, Rotunda Garage will complete the design, obtain approvals, and initiate construction of a 320+ car garage, incorporating design comments made by Claudia Cappio consistent with the design attached as Exhibit D, Schematic Design.
- 3.2. The surface lot on 16th Street will be graded, paved, striped, secured, landscaped, and made ready to accept parked autos at Rotunda Garage sole cost.

4. Garage Operation

- 4.1. The garage will be operated as a public parking garage that is available to members of the public on a first come, first served basis.
- 4.2. At least one hundred- (100) parking spaces are available at all times the garage is open for transient (hourly or daily) parkers.
- 4.3. The garage will be open for transient parking from 8 a.m. to 6 p.m.

- 4.4. Parking will be made available outside normal business hours for patrons and employees of the Oakland Ice Center. Developer agrees to make best efforts to investigate and use technology that would enable Oakland Ice Center patrons and employees to use electronic access card (sometimes known as “proximity cards”) to enable them to access the garage outside normal business hours.
- 4.5. Parking will be made available outside normal business hours for members of the public on a basis that will permit Developer to recover its cost of making such parking available.

5. General Provisions

- 5.1. The Agency will continue to provide parking spaces in the Dalziel building (50 monthly spaces) and on the surface lot until the start of construction on the garage. At the start of construction on the garage, the Agency will provide an additional 50 monthly spaces in the Dalziel building at the fair market price (100 spaces total), plus provide short term validated parking (2 hours maximum) for visitors to the Rotunda. At the completion of the 17th Street and San Pablo Garage, the Agency will have no parking obligation to the Rotunda Partners (I, II or III).
- 5.2. Rotunda Garage will grant the Adcock Joiner tenants use of (10) spaces on the parcel 4 surface lot or parcel 1 garage between the hours of 6 pm and 8 am, if requested,
- 5.3. Rotunda Garage will continue to operate the parking lot on the site under the existing Parking Lease (Surface Lot) until the DDA requirements prior to construction are met. These requirements will include: evidence of financing, land use entitlements, building permits, construction contract, etc. Once these requirements are met, the Agency will sell the land.
- 5.4. If and only if the parking garage is offered for sale by the developer during the next 16 years the agency shall have a right to purchase it at an 8.25% cap rate.
- 5.5. Once the 17th Street Garage is completed, the City and Agency will no longer be required to provide parking to the Rotunda Building.

EXHIBIT C

TAX INCREMENT ANALYSIS

Year	Project Assessed Value	Applicable Tax Rate	Tax Increment	Pass Through 20%	ERAF 5.78%	Housing Set-a-side 25%	Net Tax Increment
2004-05							-
2005-06							-
2006-07	6,000,000	1.1775%	70,650	(14,130)	(4,084)	(17,663)	34,774
2007-08	6,120,000	1.1775%	72,063	(14,413)	(4,165)	(18,016)	35,469
2008-09	6,242,400	1.1775%	73,504	(14,701)	(4,249)	(18,376)	36,179
2009-10	6,367,248	1.1775%	74,974	(14,995)	(4,334)	(18,744)	36,902
2010-11	6,494,593	1.1775%	76,474	(15,295)	(4,420)	(19,118)	37,640
2011-12	6,624,485	1.1775%	78,003	(15,601)	(4,509)	(19,501)	38,393
2012-13	6,756,975	1.1775%	79,563	(15,913)	(4,599)	(19,891)	39,161
2013-14	6,892,114	1.1775%	81,155	(16,231)	(4,691)	(20,289)	39,944
2014-15	7,029,956	1.1775%	82,778	(16,556)	(4,785)	(20,694)	40,743
2015-16	7,170,555	1.1775%	84,433	(16,887)	(4,880)	(21,108)	41,558
2016-17	7,313,967	1.1775%	86,122	(17,224)	(4,978)	(21,530)	42,389
2017-18	7,460,246	1.1775%	87,844	(17,569)	(5,077)	(21,961)	43,237
2018-19	7,609,451	1.1775%	89,601	(17,920)	(5,179)	(22,400)	44,102
2019-20	7,761,640	1.1775%	91,393	(18,279)	(5,283)	(22,848)	44,984

Total Pass Throughs to Other Taxing Entities	\$225,712
City's Total Portion of Pass Through (34.8%)	\$78,548

Total for the Agency's Low- & Moderate-Income Housing Set-A-Side	\$282,140
	\$198,378

Developer - Total 10-Year Net Tax Increment To Be Rebated FY 2006-2016	\$380,765
NPV of Rebate Discounted At 4.85%	\$267,332
NPV of Rebate Discounted At 8.25%	\$212,845

Agency's Tax Increment FY 2016-2020 (After 10-Year Rebate)	\$174,712
--	-----------

Total Tax Increment to Agency Net of Pass Throughs, Setasides, Etc.	555,477
NPV of Rebate Discounted At 4.85%	\$355,271

**EXHIBIT D
COMPARISON OF PROPOSALS**

	Allright Parking *	Aegis **	Agency Owned +	Rotunda Garage ++
Parking Spaces	500	500	525 spaces	320 spaces
Retail	10,000 square feet			Differed (separate project)
Land Subsidy	\$1.8 million	\$1.8 million	\$1.8 million	\$1.8 million
Financial Assistance	\$5.5 million capital investment	Rate guarantee for permanent loan, no more than 7.5% interest	\$4.2 million cash from the Redevelopment Agency	Assign \$4 million Note plus future interest
		Agency to lease 200 spaces for \$265/month	\$10.0 million loan from the State Infrastructure Bank	Rebate the net tax increment for 10 years
			\$1.2 million design, project management, planning, and EIR costs that are only marginally applicable to other project	

- * Allright Parking's proposal was for the Agency to own the garage and Allright to lease the garage. Allright would prepay the lease for 20 years for \$3,600,000, and make annual payments equal to 35% of the net revenue over \$1,050,000. According to Allright's operating proforma the Agency would not receive a payment from the net revenue until the tenth year and only receive \$685,000 in payments over the 20 year lease. The Agency would pay for \$5.5 million in capital costs not covered by the lease prepayment. The Agency would own the garage free and clear after 20 years.
- ** Lease of land at \$1.00 per year plus additional rent equal to a 5% return on the Agency's costs plus bonus rents of 67% of remaining revenue. There would be no additional or bonus rents for several years according to Aegis' proforma. The Agency would lease of 200 parking spaces at the above market price of \$265/month. With current monthly rates at \$140, this would require a subsidy of up to \$125/month*12months*200 spaces or \$300,000 per year.
- + The total Agency costs for the Agency-owned option would be \$17.2 million, including \$14.2 million in additional equity and debt needed to complete the project. The Agency would own the garage free and clear after 30 years and would get net yearly revenue.
- ++ \$2.2 million net present value for assigning 1/3 of \$12 million Rotunda Note and interest, rebate approximately \$380,000 in property taxes over 10 years, and sell three parcels for \$297 and lease a fourth parcel for \$1 per year.

EXHIBIT E
SCHEMATIC DESIGN

Carters-Burgess
 300 Lakeside Drive, Suite 110
 Oakland, California 94612

California Commercial Investments

SHEET NOTES:

1. DRAWING OF "AS-BUILT" IS TO BE PROVIDED AS SHOWN

LEGEND:

---	WALL
---	DOOR
---	WINDOW
---	STAIR
---	ELEVATOR
---	MECHANICAL
---	ELECTRICAL
---	PLUMBING
---	TELEPHONE
---	...

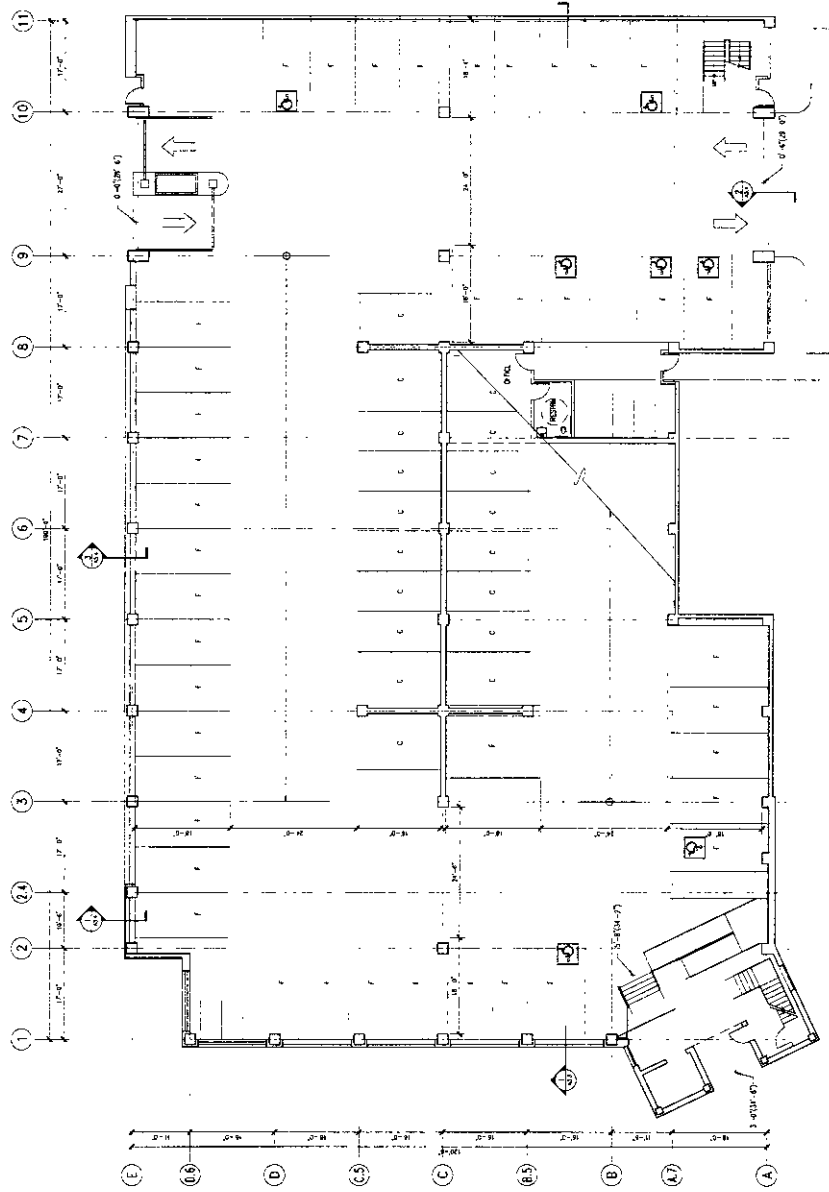
PARKING GARAGE
 176 STREET AND
 SAN PABLO AVE.
 OAKLAND, CA



DATE: 11/15/11
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 SCALE: AS SHOWN

GARAGE FIRST FLOOR PLAN

A2.1



FIRST FLOOR PLAN
 SCALE: 1/8" = 1'-0"

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Carter-Burgess
3000 Chestnut Street, Suite 300
Oakland, California 94612

CCI
California
Commercial
Interiors

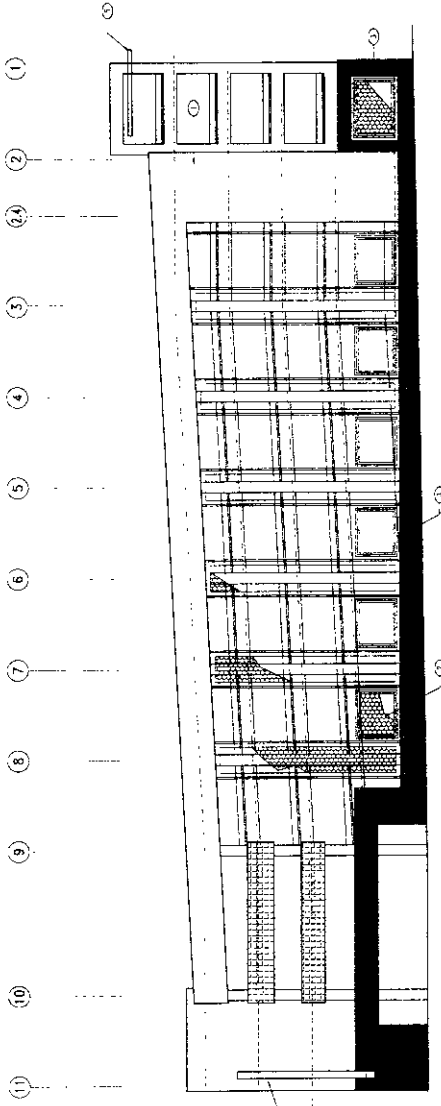
SHEET NOTES:

1 ELEVATION OF 36'-0" IS ESTABLISHED AS 0'-0"

KEY NOTES:

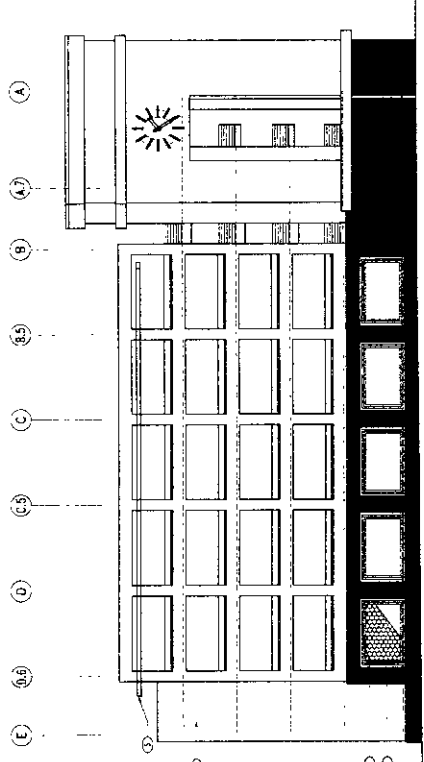
- 1 STUCCO WHITE FINISH
- 2 METAL PANEL WITH ALUMINUM FRAME
- 3 STUCCO WHITE FINISH AT FIRST FLOOR
- 4 STUCCO WHITE FINISH
- 5 METAL PANEL WITH ALUMINUM FRAME
- 6 STUCCO WHITE FINISH

LEGEND:



17TH STREET ELEVATION

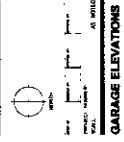
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- 2 METAL PANEL WITH ALUMINUM FRAME
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- 4 STUCCO WHITE FINISH
- 5 METAL PANEL WITH ALUMINUM FRAME
- 6 STUCCO WHITE FINISH

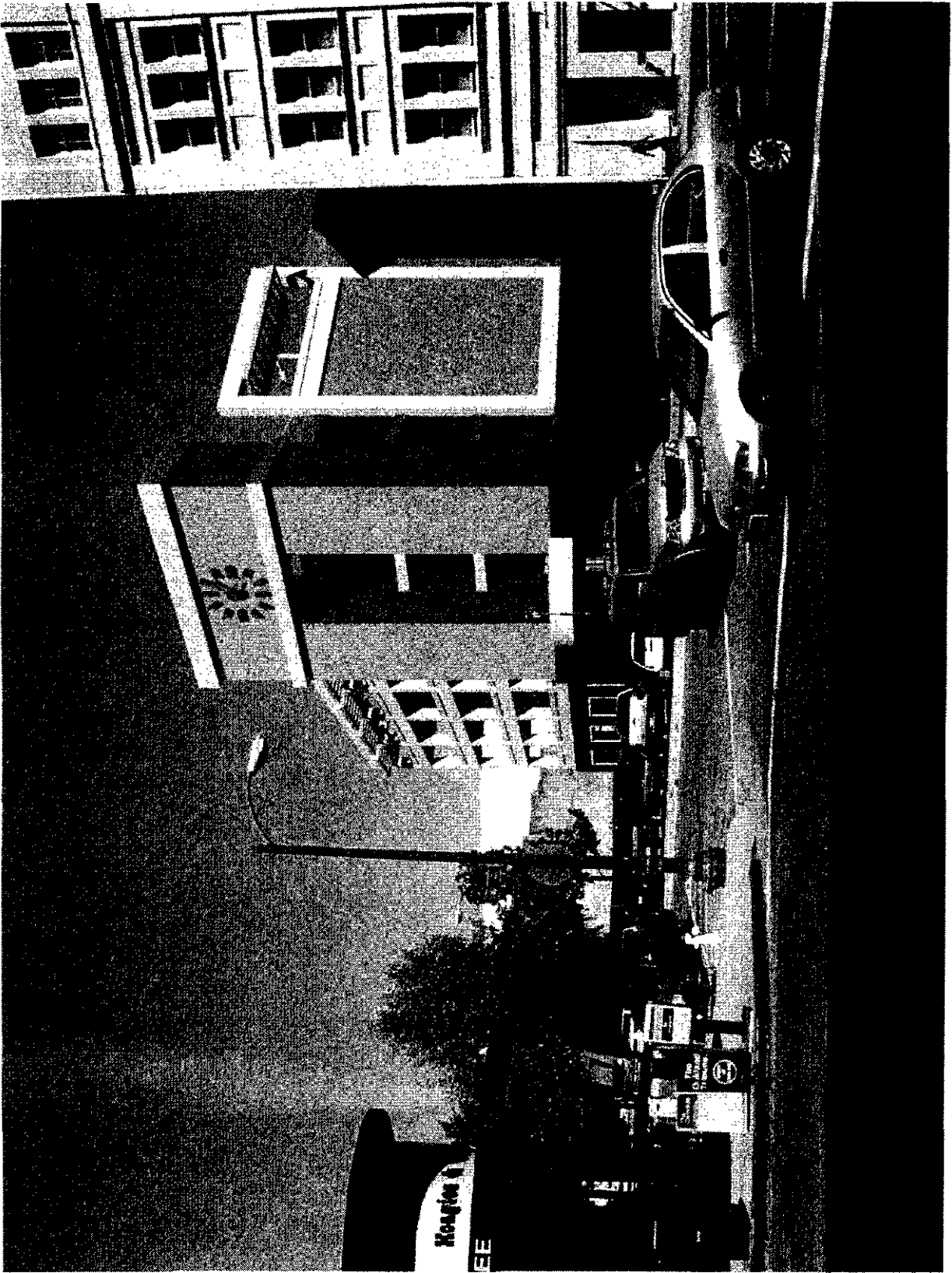


SAN PABLO STREET ELEVATION

- 1 STUCCO WHITE FINISH
- 2 METAL PANEL WITH ALUMINUM FRAME
- 3 STUCCO WHITE FINISH AT FIRST FLOOR
- 4 STUCCO WHITE FINISH
- 5 METAL PANEL WITH ALUMINUM FRAME
- 6 STUCCO WHITE FINISH

PARKING GARAGE
17th STREET AND
SAN PABLO AVE.
OAKLAND, CA







7

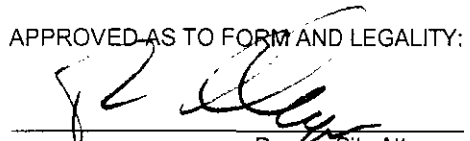
COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

JUN 8 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 MAY 26 AM 10:11

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION APPROVING THE SALE OF THREE PARCELS OF REAL PROPERTY FOR \$99 EACH AND LEASING A FOURTH PARCEL FOR \$1.00 PER YEAR ALL LOCATED AT 16TH STREET, 17TH STREET AND SAN PABLO AVENUE TO ROTUNDA GARAGE, LP, FOR THE 17TH STREET PROJECT AND UPON SUCH OTHER TERMS AS SET OUT IN A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE GARAGE 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 convey 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 conveyed for development pursuant to a redevelopment plan, the conveyance 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") desires to provide parking for the Rotunda Building and other near by uses; and

WHEREAS, the Agency owns portions of the block bounded by 16th Street, 17th Street and San Pablo Avenue (that has been divided into four parcels), more fully described in Exhibit A attached to this Resolution (the parcels together are referred to as the "Property"); and

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

JUN 8 2004

WHEREAS, the Property is located within the Central District Redevelopment Project Area; and

WHEREAS, Rotunda Parking, LP ("Rotunda Parking") desires to purchase portions of the Property and lease another portion from the Agency in order to develop a 320 plus space public parking garage and possibly develop retail or commercial over portions of the Property in a later phase (altogether the "Project"); and

WHEREAS, the market value of the Property at its highest and best use has been appraised at \$2.1 million for Parcel 1, \$0.33 million for Parcel 2, \$0.25 million for Parcel 3 and \$0.60 million for Parcel 4 (or an annual lease value of \$60,000); and

WHEREAS, staff has negotiated a Disposition and Development Agreement ("DDA") with Rotunda Parking which sets forth the terms and conditions of Agency conveying three of the parcels comprising the Property to Rotunda Parking and leasing the fourth, and governs the development of the Project and use of the Property by Rotunda Parking and any successors to the Property subsequent to sale through recorded covenants running with the land; and

WHEREAS, the DDA requires that the Agency transfer one third of the \$12 million Rotunda Building Note to Rotunda Parking and pay to Rotunda Parking the net tax increment generated by the garage for the first ten years of operation; and

WHEREAS, the DDA requires that Rotunda Parking construct and operate the Project consistent with the Central District Urban Renewal Plan (the "Central District Redevelopment Plan" or the "Redevelopment Plan"), and restricts the use of the Property to housing and commercial uses; and

WHEREAS, the DDA, and the grant deeds and the lease that will convey the Property to Rotunda Parking, adequately conditions the sale of the Property on the development 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 Redevelopment Area, and the Project will help meet the objectives of the Central District Redevelopment Plan; 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 public hearing on the conveyance of the Property, a report

that contained 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 fair reuse value of the Property at the use and with the covenants and conditions and development costs authorized by the conveyance under the Central District Redevelopment Plan and the DDA, and an explanation of why the conveyance 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 conveyance 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, this resolution approving the conveyance is conditioned on Agency approving the conveyance of the Property on like terms by resolution after the public hearing; and

WHEREAS, the City is the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, an Environmental Impact Report ("EIR") (certified by the Oakland Planning Commission on September 18, 2002) has been prepared for the 17th Street Parking Garage project as previously proposed by Redevelopment Agency, and has been independently reviewed and considered by the Agency in evaluating the Project in compliance with CEQA, the Guidelines for Implementation of the California Environmental Quality Act (14 CCR Sections 15000, et seq., the "State EIR Guidelines"), and the City's Environmental Review Regulations; and

WHEREAS, the Planning Commission and the City determined that the EIR examined a reasonable range of alternatives to the Project, and that each alternative was rejected as infeasible for various reasons; and

WHEREAS, the Planning Commission and the City found and determined that all adverse environmental effects of the Project, with the exception of cumulative contribution to regional air pollutant problems, and temporary noise impacts during construction, would be less than significant or reduced to less-than-significant levels after implementation of the mitigation measures identified in the EIR and the mitigation monitoring program; and

WHEREAS, the Planning Commission and the City found and determined that the benefits of the Project outweigh any unavoidable adverse impact of the Project; and

WHEREAS, none of the circumstances necessitating preparation of a subsequent or supplemental EIR are present. Specifically, there are no substantial changes to the project or the circumstances surrounding the project and no new information of substantial importance that will involve new significant impacts or an increase in the severity of previously identified impacts. All potentially significant impacts (with the exception of cumulative contributions to air quality, and noise impacts during construction that were fully analyzed in the certified EIR) will be reduced to less than significant level by mitigation measures incorporated into the Project or imposed upon the Project as conditions of approval and implemented by the adopted Mitigation Monitoring Program; and

WHEREAS, the consideration for the Property is not less than the fair reuse value of the Property at the use and with the covenants and conditions and development costs authorized by the conveyance under the Central District Redevelopment Plan and the DDA; now, therefore, be it

RESOLVED: That the City Council hereby finds and determines: (1) that it has been presented with and has independently reviewed and considered the information contained in the previously certified EIR, and the EIR comply with CEQA and the CEQA Guidelines' requirements for analysis of the Project's environmental effects and mitigation measures; (2) that the mitigation measures adopted by the Planning Commission and the Agency in considering the EIR and adopting the DDA, together with a mitigation monitoring program for the Project, are hereby adopted and amended as specified in the attached Exhibit B; (3) that the alternatives identified in the EIR other than the Project will not attain the Project objectives for and are therefore rejected as infeasible; (4) that all adverse environmental effects of the Project, with the exception of cumulative contribution to regional air pollutant problems and temporary noise impacts during construction, would be less than significant or reduced to less-than-significant levels after implementation of the mitigation measures identified in the EIR and the Mitigation Monitoring Program; and (5) that it has reviewed and hereby adopts and incorporates by reference as though set forth fully herein that Statement of Overriding Considerations set forth in the Planning Commission's September 18, 2002, staff report on the Project (set out in Exhibit C), and finds and determines that the Project benefits identified in that Statement of Overriding Considerations continue to apply to the Project, and each separately and independently outweighs any adverse unavoidable environmental effects of the Project; and be it further

RESOLVED: That the Council hereby finds and determines that the conveyance of the Property by the Agency to Rotunda Parking 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 public parking in the Central District, and reestablish residential areas for all economic levels within the Central District; (2) the Project will provide necessary neighborhood-serving commercial 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 redevelop a key underutilized site in the Central District; (5) the Project will improve environmental design within the Central District; and (6) the Project, once developed, will enhance commercial property values in the surrounding City Center and 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 conveyance of the Property by the Agency to Rotunda Parking as follows: Parcel 1, including garage access easements over Parcel 4, for the sum of \$99, Parcel 2 for the sum of \$99, Parcel 3 for the sum of \$99, and Parcel 4 for a lease amount of \$1.00 per year for five (5) years with options to extend for up to fifteen (15) additional years, subject to the terms and conditions of the DDA; and be it further

RESOLVED: That the City Council finds and determines that the conveyance amounts are less than the fair market value of the Property at its highest and best use permitted under the Redevelopment Plan, but are not less than the fair reuse value of the Property at the use and with the covenants and conditions and development costs authorized by the sale under the Central District Redevelopment Plan and the DDA; and be it further

RESOLVED: That the City Council has independently reviewed and considered the environmental determination for this Project, and the Council finds and determines that this action complies with CEQA; 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 City's decision is based are respectively: (a) the Community and Economic Development Agency, Projects 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 Council hereby appoints the City Administrator or his or her designee as agent of the City to take any other action with respect to the Property and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A

PROPERTY DESCRIPTION, 17TH STREET GARAGE SITE

PARCEL 1

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING LOTS 17,19,21,29 AND A PORTION OF LOTS 18,20,22,23,26,27,28,30,31 AND 32 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL. 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 17 OF SAID MAP, SAID CORNER ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF 17TH STREET (60 FEET WIDE) AS SHOWN ON SAID MAP; THENCE SOUTH 12°23'39"EAST, ALONG THE EAST LINES OF LOTS 17 AND 18 OF SAID MAP, A DISTANCE OF 123.11 FEET; THENCE LEAVING SAID LINE, NORTH 77°36'21 "WEST PARALLEL WITH SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET, FOR A DISTANCE OF 65.04 FEET; THENCE, NORTH 12°23 '39"EAST, 18.11 FEET; THENCE, NORTH 77°36'21"WEST, 47.02 FEET; THENCE, SOUTH 12°23'39"WEST, 18.11 FEET; THENCE, NORTH 77°36'21"WEST, 34.01 FEET; THENCE, SOUTH 77°36'21 "WEST, 30.97 FEET, TO A LINE PERPENDICULAR TO THE EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE (100 FEET WIDE) AS SHOWN ON SAID MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER" AND SOUTH 13°13'26" EAST, 147.53 FEET FROM SAID INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 17TH STREET AND SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE ALONG SAID LINE SOUTH 76°46'34"WEST , 16.20 FEET TO SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE ALONG SAID EAST RIGHT OF WAY LINE NORTH 13°13'26"WEST, 35.30 FEET; THENCE LEAVING SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE NORTH 76°46'34"EAST, 14.33 FEET; THENCE, NORTH 12°23'39"EAST, 31.02 FEET; THENCE, NORTH 77°36'21"WEST, 16.95 FEET; THENCE, NORTH 12°23'39"EAST, 95.01 FEET; TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF 17TH STREET; THENCE, SOUTH 77°36'21 "EAST, ALONG SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET 193.98 FEET, TO THE POINT OF BEGINNING.

CONTAINING 23,445 SQUARE FEET/0.54 ACRES MORE OR LESS

PARCEL 2

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING A PORTION OF LOT 32 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 17TH STREET (60 FEET WIDE) AND THE EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE (100 FEET WIDE) AS SHOWN ON SAID MAP; THENCE, SOUTH 77°36'21 "EAST, ALONG SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET 61.44 FEET; THENCE LEAVING SAID LINE, PERPENDICULAR TO SAID SOUTH RIGHT OF WAY LINE, SOUTH 12°23'39"WEST, 95.01 FEET, TO A LINE DRAWN PERPENDICULAR TO SAID EAST LINE OF SAN PABLO AVENUE, DISTANT THEREON, SOUTH 12°23 '39" EAST, 112.23 FEET ALONG THE SAID EAST LINE OF SAN PABLO AVENUE FROM THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE, SOUTH 76°46'34"WEST, 14.33 FEET, TO SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE, NORTH 12°23'39" WEST, 112.23 FEET ALONG SAID EAST RIGHT OF WAY LINE, TO THE POINT OF BEGINNING

CONTAINING 3,723 SQUARE FEET/0.09 ACRES MORE OR LESS

PARCEL 3

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING A PORTION OF LOT 32 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 17TH STREET (60 FEET WIDE) AND THE EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE (100 FEET WIDE) AS SHOWN ON SAID MAP; THENCE, SOUTH $13^{\circ}13'26''$ EAST, ALONG SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET 147.53 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE, PERPENDICULAR TO SAID EAST RIGHT OF WAY LINE, NORTH $76^{\circ}46'34''$ EAST, 16.20 FEET; THENCE, SOUTH $77^{\circ}36'21''$ EAST, 30.97 FEET; THENCE, NORTH $12^{\circ}23'39''$ EAST, 2.92 FEET; THENCE, SOUTH $77^{\circ}36'21''$ EAST, 34.01 FEET; THENCE, NORTH $12^{\circ}23'39''$ EAST, 18.11 FEET; THENCE, SOUTH $77^{\circ}36'21''$ EAST, 37.06 FEET; THENCE, SOUTH $12^{\circ}23'39''$ WEST, 12.55 FEET, TO THE MOST WESTERLY CORNER OF LOT 25 OF SAID MAP; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 25, SOUTH $76^{\circ}46'34''$ WEST, 111.89 FEET TO SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE ALONG SAID EAST RIGHT OF WAYLINE, NORTH $31^{\circ}13'26''$ WEST, 36.42 FEET, TO THE POINT OF BEGINNING

CONTAINING 2,775 SQUARE FEET/0.06 ACRES MORE OR LESS

PARCEL 4

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA BEING A PORTION OF LOTS 18, 20 AND 22 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 17 OF SAID MAP, SAID CORNER ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF 17th STREET (60 FEET WIDE) AS SHOWN ON SAID MAP; THENCE SOUTH $12^{\circ}23'39''$ EAST. 123.11 FEET, ALONG THE EAST LINES OF LOTS 17 AND 18 OF SAID MAP, TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE.

LEAVING SAID LINE, NORTH $77^{\circ}36'21''$ WEST PARALLEL WITH SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET. FOR A DISTANCE OF 65.04 FEET; THENCE, NORTH $12^{\circ}23'39''$ WEST. 18.11 FEET; THENCE, NORTH $77^{\circ}36'21''$ WEST, 9.96 FEET. TO A POINT ON THE WEST LINE OF SAID LOT 22; THENCE.

SOUTH $12^{\circ}23'39''$ WEST, 105.03 FEET, ALONG SAID WEST LINE. TO THE SOUTHWEST CORNER OF SAID LOT 22. SAID CORNER ALSO BEING A POINT ON THE NORTH RIGHT OF WAY LINE OF 16TH STREET (56 FEET WIDE) AS SHOWN ON SAID MAP; THENCE,

SOUTH $77^{\circ}36'21''$ EAST, ALONG SAID NORTH RIGHT OF WAY LINE OF 16TH STREET 75.00 FEET, TO THE SOUTHEAST CORNER OF SAID LOT 18; THENCE, NORTH $12^{\circ}23'39''$ WEST, 86.93 FEET. ALONG THE EAST LINE OF SAID LOT 18. TO THE POINT OF BEGINNING.

CONTAINING 6,700 SQUARE FEET/0.15 ACRES MORE OR LESS

EXHIBIT B

MITIGATION MONITORING PROGRAM

Based on the 17th Street Parking Garage Environmental Impact Report ("EIR") (certified by the Oakland Planning Commission on September 18, 2002), the following mitigation measures were identified and incorporated into the "Mitigation Monitoring Plan".

**1. Install signage to inform drivers of bike lanes.
(Mitigation Measure 2.9)**

The project sponsor shall install signage at the vehicular exits on 16th and 17th Streets to inform and warn drivers using the garage of bicyclists in the bike lanes on both of these streets.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division.

Monitoring Timeframe: These signs shall be installed within one month of installation of the bike lanes on these streets.

**2. Undertake asbestos and lead paint survey
(Mitigation Measure 3.1)**

The project sponsor shall complete a building survey for asbestos or lead-based paint, and if necessary, obtain clearance for asbestos removal from the Bay Area Air Quality Management District (BAAQMD) prior to issuance of a demolition permit.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Building Services Division.

Monitoring Timeframe: Survey shall be submitted concurrent with the application for the demolition permit. Clearance for asbestos removal must be secured prior to issuance of the demolition permit.

**3. Implement dust control measures during demolition and construction.
(Mitigation Measures 3.2)**

The project sponsor will implement the following measures to control dust emissions during construction:

- a. Water all active construction areas at least twice daily, or more as required to control dust.
- b. Cover all trucks hauling soil, sand, demolition debris including rock, gravel and asphalt and other loose materials or require all trucks to maintain at least 2 feet of freeboard.
- c. Pave, apply water daily to, or apply (nontoxic) soil stabilizers on, all unpaved access roads, parking areas, and staging areas at construction sites.
- d. Sweep (with water sweepers) all paved access roads, parking areas, and staging areas at construction sites, as needed.
- e. Sweep streets (with water sweepers) if soil is visible on adjacent public streets, as needed.
- f. Hydroseed or apply (nontoxic) soil stabilizers to inactive construction areas (previously graded areas that will be inactive for 10 days or more).
- g. Enclose, cover, water twice daily to, or apply (nontoxic) soil binders to exposed stockpiles (dirt and sand).
- h. Install sandbags or other erosion control measures to prevent silt runoff to public roadways, as needed.
- i. Idling of internal combustion engines shall, to the greatest extent feasible, be held to an absolute minimum.
- j. Construction equipment shall be properly maintained and tuned to minimize exhaust emissions.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Building Services Division.

Monitoring Timeframe: Ongoing throughout demolition, grading and all phases of construction.

**4. Implement the recommendations of the Downtown Parking Management Strategy once it is adopted.
(Mitigation Measure 3.6 and 3.7)**

The project sponsor shall implement the recommendations of the Downtown Parking Management Strategy, currently under development by the City of Oakland, as applicable to this project, upon adoption of the Parking Management Strategy.

Monitoring Responsibility: City of Oakland; Community and Economic Development Agency (CEDA), Planning and Zoning Division.

Monitoring Timeframe: Ongoing throughout operation of the garage.

**5. Employ noise-reducing construction practices.
(Mitigation Measures 4.1)**

To reduce construction noise impacts, construction contractors shall implement the following measures:

- a. Posted signs at the construction site will include permitted construction days and hours, a day and evening contact number for the job site and a day and evening contact number for the City in the event of problems.
- b. On as-needed basis, a rotating stand-by system for building inspection staff to respond to complaints during off-hours and weekends will be established. The staff will be available by pager.
- c. An on-site complaint and enforcement manager will be designated to respond to and track complaints. A pre-construction meeting with the job inspectors and the general contractor/on-site project manager will be held, to confirm that noise mitigation measures and practices are completed prior to the issuance of a building permit (including construction hours, neighborhood notification, posted signs, etc).
- d. Construction hours will be limited to be between 7:00 a.m. to 7:00 p.m., Monday through Friday. Construction activities are not allowed on Saturdays without prior authorization of the Building Services and Planning Divisions. Saturday construction activity shall be evaluated on a case by case basis, with criteria including the proximity of residential and business uses and a survey of residents and business preferences for whether Saturday activity is acceptable if the overall duration of construction is shortened. No construction activity shall take place on Sundays or federal holidays.
- e. Equipment and trucks used for project construction shall utilize the best available noise control techniques (e.g. improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically attenuating shields, or shrouds) wherever feasible.
- f. Impact tools (e.g., jack hammers, pavement breakers, and rock drills) used for project construction shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools. However where use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be

used. External jackets on the tools themselves shall be used, where feasible. Quieter procedures, such as drills instead of impact equipment, shall be used where feasible.

- g. Stationary noise sources shall be located as far from sensitive receptors as possible, and they shall be muffled and enclosed within temporary sheds, or insulation barriers or other measures shall be incorporated to the extent feasible.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Building Services Division.

Monitoring Timeframe: Ongoing throughout construction.

6. Employ noise-reducing construction practices for pile driving or other extreme noise-generating activity (90 dBA or above)

To reduce noise impacts associated with pile-driving or other extreme noise generating construction activities (defined as 90dBA and above), if pile driving or other extreme noise generating activities are used during the construction, the following measures shall be implemented:

- a. Pile driving or other extreme noise generating activity (90 dBA or above) shall be limited to between 8:00 a.m. to 4:00 p.m., Monday through Friday, with no pile driving or other extreme noise generating activity permitted between 12:30 and 1:30 p.m., or other mid-day hour as established and noticed. Pile driving or other extreme noise generating activity is prohibited on Sundays and holidays. Pile driving on Saturdays will be evaluated on a case by case basis, with criteria including the proximity of residential uses and a survey of residents and businesses preferences for whether Saturday activity is acceptable if the overall duration of the pile driving is shortened. At least 30 days written notice to surrounding residents and businesses (minimum of 300 foot radius) shall be provided of proposed pile driving activity and its estimated duration.
- b. To further mitigate potential pile-driving and/or other extreme noise generating construction impacts, site-specific noise attenuation measures shall be further developed into a noise reduction plan to ensure that the maximum feasible noise attenuation is achieved (feasibility shall be as defined by CEQA). This plan shall be submitted to the City for review and approval and then implemented under the supervision of a qualified acoustical consultant. This plan shall be based on the final design of the project. A third-party peer review, paid for by the applicant, shall be required to assist the City in evaluating the feasibility and effectiveness of the noise

reduction plan submitted by the applicant. A special inspection deposit is required to ensure compliance with the noise reduction plan. The amount of the deposit shall be determined by the Building Official, and the deposit shall be submitted by the project sponsor concurrent with submittal of the noise reduction plan. The noise reduction plan shall include, but not be limited to, an evaluation of the following measures.

1. "Quiet" pile-driving technology considering geotechnical, structural requirements, and other conditions.
2. Temporary plywood noise barriers around the entire construction site.
3. Noise control blankets on the proposed building structure as it is erected to reduce noise emission from the site.
4. The feasibility of temporarily improving the noise reduction capability of adjacent or nearby buildings, by the use of sound blankets for example, if acceptable to adjacent or nearby users.
5. The effectiveness of noise attenuation shall be evaluated by taking noise measurements during construction

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division and Building Services Division.

Monitoring Timeframe: Submittal of Noise Reduction Plan is required prior to issuance of any building permit, including grading and demolition permits, if pile driving or other extreme noise generating activity (90 dBA or above) is planned. Implementation of the Plan is ongoing throughout construction when extreme noise generating activities (90dBa and above) are underway.

7. Implement Noise Reduction measures for retail and commercial uses located within 150 feet of the compressors of the Oakland Ice Center. (Mitigation Measures 4.4)

All retail and commercial uses within 150 feet of the compressors of the Oakland Ice Center shall be designed to meet the noise reduction standards of the City's adopted building code.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning & Zoning and Building Services Divisions.

Monitoring Timeframe: Prior to issuance of the building permit for the Core and Shell of the building.

**8. Implement procedures for accidental archaeological discoveries.
(Mitigation Measure 5.3)**

Should previously unidentified cultural resources be discovered during construction, the project sponsor is required to cease work in the immediate area until such time as a qualified archaeologist, and the City of Oakland, can assess the significance of the find and make mitigation recommendations, if warranted.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division and Building Services Division.

Monitoring Timeframe: Ongoing, throughout demolition and grading operations.

7-1
**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**
JUN 8 2004

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 MAY 26 AM 10:11

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING THE SALE OF THREE PARCELS OF REAL PROPERTY FOR \$99 EACH AND LEASING A FOURTH PARCEL FOR \$1.00 ALL LOCATED AT 16TH STREET, 17TH STREET AND SAN PABLO AVENUE TO ROTUNDA GARAGE, LP, FOR THE 17TH STREET PROJECT AND UPON SUCH OTHER TERMS AS SET OUT IN A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE GARAGE PROJECT, AND AUTHORIZING THE REDEVELOPMENT AGENCY TO TRANSFER ONE THIRD OF THE \$12 MILLION NOTE FROM THE ROTUNDA BUILDING AND REBATE THE NET TAX INCREMENT FROM THE GARAGE FOR 10 YEARS

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 convey real property, Section 33432 requires that any conveyance 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 conveyed for private use as provided in the redevelopment plan; 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 convey land in the Central District Redevelopment Project Area (the "Central District"); and

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

WHEREAS, the Agency owns portions of the block bounded by 16th Street, 17th Street and San Pablo Avenue (that will be divided into four parcels), more fully described in Exhibit A attached to this Resolution (the parcels together are referred to as the "Property"); and

WHEREAS, the Property is located within the Central District; and

WHEREAS, Rotunda Parking, LP ("Rotunda Parking") desires to purchase three parcels and lease the fourth parcel comprising the Property from the Agency in order to develop a 320 plus space public parking garage with possible retail or commercial development over portions of the Property in a later phase (the "Project"); and

WHEREAS, the market value of the Property at its highest and best use has been appraised at \$2.1 million for Parcel 1, \$0.33 million for Parcel 2, \$0.25 million for Parcel 3 and \$0.60 million for Parcel 4; and

WHEREAS, staff has negotiated and proposes entering into a Disposition and Development Agreement ("DDA") with Rotunda Parking which sets forth the terms and conditions of conveyance of the Property to Rotunda Parking and governs development of the Project and use of the Property by Rotunda Parking and any successors to the Property subsequent to conveyance through recorded covenants running with the land; and

WHEREAS, the DDA requires that the Agency transfer one third of the \$12 million Rotunda Building Note to Rotunda Parking and pay to Rotunda Parking the net tax increment generated by the garage for the first ten years of operation; and

WHEREAS, the DDA requires that Rotunda Parking construct and operate the Project consistent with the Redevelopment Plan and restricts the use of the Property to commercial and other uses consistent with the Redevelopment Plan; and

WHEREAS, the DDA, and the grant deeds and the lease that will convey the Property to Rotunda Parking adequately condition the conveyance 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 Redevelopment Area, and the Project will help meet the objectives of the Central District Redevelopment Plan; 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 conveyed for development pursuant to a redevelopment plan, the conveyance 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 public 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 fair reuse value of the Property at the use and with the covenants and conditions and development costs authorized by the sale under the Central District Redevelopment Plan and the DDA, and an explanation of why the conveyance 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 conveyance of the Property for the Project; and

WHEREAS, notice of the proposed conveyance 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 conveyance of the Property by resolution after the public hearing; and

WHEREAS, the Redevelopment Agency is a Responsible Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, an Environmental Impact Report ("EIR") (certified by the Oakland Planning Commission on September 18, 2002) has been prepared for the 17th Street Parking Garage project as proposed by Redevelopment Agency, and has been independently reviewed and considered by the Agency in evaluating the City Center project in compliance with CEQA, the Guidelines for Implementation of the California Environmental Quality Act (14 CCR Sections 15000, et seq., the "State EIR Guidelines"), and the City's Environmental Review Regulations; and

WHEREAS, the Planning Commission and the Agency determined that the EIR examined a reasonable range of alternatives, and that each alternative was rejected as infeasible for various reasons; and

WHEREAS, the Planning Commission and the Agency found and determined that all adverse environmental effects of the Project, with the exception of with the exception of cumulative contribution to regional air pollutant problems, and temporary noise impacts during construction, would be less than significant or reduced to less-than-

significant levels after implementation of the mitigation measures identified in the EIR and the mitigation monitoring program; and

WHEREAS, the Planning Commission and the Agency found and determined that the benefits of the Project outweigh any unavoidable adverse impact of the Project; and

WHEREAS, none of the circumstances necessitating preparation of a subsequent or supplemental EIR are present. Specifically, there are no substantial changes to the project or the circumstances surrounding the project and no new information of substantial importance that will involve new significant impacts or an increase in the severity of previously identified impacts. All potentially significant impacts (with the exception of cumulative contributions to air quality, and noise during construction that were fully analyzed in the certified EIR) will be reduced to less than significant level by mitigation measures incorporated into the Project or imposed upon the Project as conditions of approval and implemented by the adopted Mitigation Monitoring Program; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby finds and determines (1) that it has been presented with and has independently reviewed and considered the information contained in the previously certified EIR, and the EIR comply with CEQA and the CEQA Guidelines' requirements for analysis of the Project's environmental effects and mitigation measures; (2) that the mitigation measures adopted by the Planning Commission and the Agency in considering the EIR and approving the DDA, together with a mitigation monitoring program for the Project, are hereby adopted and amended as specified in the attached Exhibit B; (3) that the alternatives identified in the EIR other than the Project are not feasible and will not attain the Project objectives for the reasons set forth in the Planning Commission's April 26, 2000 staff report on the Project (incorporated herein by reference), and are therefore rejected as infeasible; (4) that all adverse environmental effects of the Project, with the exception of cumulative contribution to regional air pollutant problems and temporary noise impacts during construction, would be less than significant or reduced to less-than-significant levels after implementation of the mitigation measures identified in the EIR and the Mitigation Monitoring Program; and (5) that it has reviewed and hereby adopts and incorporates by reference as though set forth fully herein that Statement of Overriding Considerations set forth in the Planning Commission's September 18, 2002, staff report on the Project, and finds and determines that the Project benefits identified in that Statement of Overriding Considerations continue to apply to the Project and each separately and independently outweighs any adverse unavoidable environmental effects of the Project; and be it further

RESOLVED: That the Redevelopment Agency finds and determines that the consideration for conveyance of the Property is not less than the fair reuse value of the Property, taking into account the conditions and covenants required as part of the conveyance, as set forth in the Central District Redevelopment Plan and the DDA, the development costs of the Project, including the prevailing market conditions in the

Central District area for the types of commercial and residential uses contemplated by the Project; and be it further

RESOLVED: That the Agency hereby finds and determines that the conveyance of the Property by the Agency to Rotunda Parking 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 public parking in the Central District, and reestablish residential areas for all economic levels within the Central District; (2) the Project will provide necessary neighborhood-serving commercial 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 redevelop a key underutilized site in the Central District; (5) the Project will improve environmental design within the Central District; and (6) the Project, once developed, will enhance commercial property values in the surrounding City Center and 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 conveyance of the Property by the Agency to Rotunda Parking as follows: Parcel 1, including garage access easements over Parcel 4, for the sum of \$99, Parcel 2 for the sum of \$99, Parcel 3 for the sum of \$99, and Parcel 4 for a lease amount of \$1.00 per year for five (5) years with options to extend for up to fifteen (15) additional years, subject to the terms and conditions of the DDA; and be it further

RESOLVED: That the Agency finds and determines that the conveyance amounts are less than the fair market value of the Property at its highest and best use permitted under the Redevelopment Plan, that there are Agency subsidies to the Rotunda Parking, and that therefore the Agency's employment and contracting programs, including Living Wage apply to this conveyance and the DDA; and be it further

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

- The Property is to be conveyed to Rotunda Parking as follows: Parcel 1, including garage access easements over Parcel 4, for of \$99, Parcel 2 for the sum of \$99, Parcel 3 for the sum of \$99, and Parcel 4 for a lease amount of \$1.00 per year for five (5) years with options to extend for up to fifteen (15) additional years, subject to the terms and conditions of the DDA;

- Rotunda Parking will construct a parking garage of at least 320 spaces on the Property;
- Rotunda Parking to be responsible for the cost of required off-site improvements in connection with the Project;
- Agency will assign to Rotunda Parking one-third (\$4 million) of the \$12 million promissory note financing the Rotunda Building on which Agency is the beneficiary;
- Agency will pay to Rotunda Parking the net tax increment (after deducting housing and other pass-throughs, ERAF) for 10 years starting the first full fiscal year after certificate of occupancy is issued;
- Rotunda Parking 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;
- Agency has first right of refusal to purchase garage;
- Agency can repurchase parcels not developed;
- Rotunda Parking can purchase leased parcel if not developed;
- Project commencement and completion dates to be set in the DDA as negotiated by the Agency Administrator;
- Application of the Agency's employment and contracting programs (prevailing wage, local employment, local/small local business enterprise contracting, apprenticeship, living wage, or first-source hiring) to the Project is required;
- In lieu of construction and completion bonds, Rotunda Parking will pledge other security;
- The Project will be restricted to residential, parking, retail, and commercial uses, unless otherwise first approved by Agency;
- 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 Administrator or his or her designee is hereby authorized to negotiate and execute the Disposition and Development Agreement with Rotunda Parking, or an affiliated entity or entities approved by the Agency Administrator, for the Project, as well as negotiate and execute other documents necessary to facilitate conveyance 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 conduct negotiations and execute documents with respect to the sale of the Property as necessary to effectuate this transaction, and to take any other action with respect to the Property and Project consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

EXHIBIT A
PROPERTY DESCRIPTION, 17TH STREET GARAGE SITE

PARCEL 1

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING LOTS 17,19,21,29 AND A PORTION OF LOTS 18,20,22,23,26,27,28,30,31 AND 32 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL. 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 17 OF SAID MAP, SAID CORNER ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF 17TH STREET (60 FEET WIDE) AS SHOWN ON SAID MAP; THENCE SOUTH 12°23'39"EAST, ALONG THE EAST LINES OF LOTS 17 AND 18 OF SAID MAP, A DISTANCE OF 123.11 FEET; THENCE LEAVING SAID LINE, NORTH 77°36'21 "WEST PARALLEL WITH SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET, FOR A DISTANCE OF 65.04 FEET; THENCE, NORTH 12°23 '39"EAST, 18.11 FEET; THENCE, NORTH 77°36'21"WEST, 47.02 FEET; THENCE, SOUTH 12°23'39"WEST, 18.11 FEET; THENCE, NORTH 77°36'21"WEST, 34.01 FEET; THENCE, SOUTH 77°36'21 "WEST, 30.97 FEET, TO A LINE PERPENDICULAR TO THE EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE (100 FEET WIDE) AS SHOWN ON SAID MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER" AND SOUTH 13°13'26" EAST, 147.53 FEET FROM SAID INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 17TH STREET AND SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE ALONG SAID LINE SOUTH 76°46'34"WEST , 16.20 FEET TO SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE ALONG SAID EAST RIGHT OF WAY LINE NORTH 13°13'26"WEST, 35.30 FEET; THENCE LEAVING SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE NORTH 76°46'34"EAST, 14.33 FEET; THENCE, NORTH 12°23'39"EAST, 31.02 FEET; THENCE, NORTH 77°36'21"WEST, 16.95 FEET; THENCE, NORTH 12°23'39"EAST, 95.01 FEET; TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF 17TH STREET; THENCE, SOUTH 77°36'21 "EAST, ALONG SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET 193.98 FEET, TO THE POINT OF BEGINNING.

CONTAINING 23,445 SQUARE FEET/0.54 ACRES MORE OR LESS

PARCEL 2

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING A PORTION OF LOT 32 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 17TH STREET (60 FEET WIDE) AND THE EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE (100 FEET WIDE) AS SHOWN ON SAID MAP; THENCE, SOUTH 77°36'21 "EAST, ALONG SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET 61.44 FEET; THENCE LEAVING SAID LINE, PERPENDICULAR TO SAID SOUTH RIGHT OF WAY LINE, SOUTH 12°23'39"WEST, 95.01 FEET, TO A LINE DRAWN PERPENDICULAR TO SAID EAST LINE OF SAN PABLO AVENUE, DISTANT THEREON, SOUTH 12°23 '39" EAST, 112.23 FEET ALONG THE SAID EAST LINE OF SAN PABLO AVENUE FROM THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE, SOUTH 76°46'34"WEST, 14.33 FEET, TO SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE, NORTH 12°23'39" WEST, 112.23 FEET ALONG SAID EAST RIGHT OF WAY LINE, TO THE POINT OF BEGINNING

CONTAINING 3,723 SQUARE FEET/0.09 ACRES MORE OR LESS

PARCEL 3

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING A PORTION OF LOT 32 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 17TH STREET (60 FEET WIDE) AND THE EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE (100 FEET WIDE) AS SHOWN ON SAID MAP; THENCE, SOUTH 13°13'26"EAST, ALONG SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET 147.53 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE, PERPENDICULAR TO SAID EAST RIGHT OF WAY LINE, NORTH 76°46'34" EAST, 16.20 FEET; THENCE, SOUTH 77°36'21" EAST, 30.97 FEET; THENCE, NORTH 12°23'39" EAST, 2.92 FEET; THENCE, SOUTH 77°36'21" EAST, 34.01 FEET; THENCE, NORTH 12°23'39" EAST, 18.11 FEET; THENCE, SOUTH 77°36'21" EAST, 37.06 FEET; THENCE, SOUTH 12°23'39" WEST, 12.55 FEET, TO THE MOST WESTERLY CORNER OF LOT 25 OF SAID MAP; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 25, SOUTH 76°46'34" WEST, 111.89 FEET TO SAID EAST RIGHT OF WAY LINE OF SAN PABLO AVENUE; THENCE ALONG SAID EAST RIGHT OF WAYLINE, NORTH 31°13'26" WEST, 36.42 FEET, TO THE POINT OF BEGINNING

CONTAINING 2,775 SQUARE FEET/0.06 ACRES MORE OR LESS

PARCEL 4

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA BEING A PORTION OF LOTS 18, 20 AND 22 BLOCK "B", AS SAID LOTS AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SURVEY MADE FOR G. C. POTTER, MARCH 28, 1877 BY T. ARNOLD C.E.", FILE APRIL 23, 1877 IN BOOK 2 OF MAPS, PAGE 14, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY, SAID REAL PROPERTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 17 OF SAID MAP, SAID CORNER ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY LINE OF 17th STREET (60 FEET WIDE) AS SHOWN ON SAID MAP; THENCE SOUTH $12^{\circ}23.39'$ EAST. 123.11 FEET, ALONG THE EAST LINES OF LOTS 17 AND 18 OF SAID MAP, TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE. LEAVING SAID LINE, NORTH $77^{\circ}36'21''$ WEST PARALLEL WITH SAID SOUTH RIGHT OF WAY LINE OF 17TH STREET. FOR A DISTANCE OF 65.04 FEET; THENCE, NORTH $12^{\circ}23'39''$ WEST. 18.11 FEET; THENCE, NORTH $77^{\circ}36'21''$ WEST, 9.96 FEET. TO A POINT ON THE WEST LINE OF SAID LOT 22; THENCE. SOUTH $12^{\circ}23'39''$ WEST, 105.03 FEET, ALONG SAID WEST LINE. TO THE SOUTHWEST CORNER OF SAID LOT 22. SAID CORNER ALSO BEING A POINT ON THE NORTH RIGHT OF WAY LINE OF 16TH STREET (56 FEET WIDE) AS SHOWN ON SAID MAP; THENCE, SOUTH $77^{\circ}36'21''$ EAST, ALONG SAID NORTH RIGHT OF WAY LINE OF 16TH STREET 75.00 FEET, TO THE SOUTHEAST CORNER OF SAID LOT 18; THENCE, NORTH $12^{\circ}23'39''$ WEST, 86.93 FEET. ALONG THE EAST LINE OF SAID LOT 18. TO THE POINT OF BEGINNING.

CONTAINING 6,700 SQUARE FEET/0.15 ACRES MORE OR LESS

EXHIBIT B

MITIGATION MONITORING PROGRAM

Based on the 17th Street Parking Garage Environmental Impact Report (“EIR”) (certified by the Oakland Planning Commission on September 18, 2002), the following mitigation measures were identified and incorporated into the “Mitigation Monitoring Plan”.

**1. Install signage to inform drivers of bike lanes.
(Mitigation Measure 2.9)**

The project sponsor shall install signage at the vehicular exits on 16th and 17th Streets to inform and warn drivers using the garage of bicyclists in the bike lanes on both of these streets.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division.

Monitoring Timeframe: These signs shall be installed within one month of installation of the bike lanes on these streets.

**2. Undertake asbestos and lead paint survey
(Mitigation Measure 3.1)**

The project sponsor shall complete a building survey for asbestos or lead-based paint, and if necessary, obtain clearance for asbestos removal from the Bay Area Air Quality Management District (BAAQMD) prior to issuance of a demolition permit.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Building Services Division.

Monitoring Timeframe: Survey shall be submitted concurrent with the application for the demolition permit. Clearance for asbestos removal must be secured prior to issuance of the demolition permit.

**3. Implement dust control measures during demolition and construction.
(Mitigation Measures 3.2)**

The project sponsor will implement the following measures to control dust emissions during construction:

- a. Water all active construction areas at least twice daily, or more as required to control dust.

- b. Cover all trucks hauling soil, sand, demolition debris including rock, gravel and asphalt and other loose materials or require all trucks to maintain at least 2 feet of freeboard.
- c. Pave, apply water daily to, or apply (nontoxic) soil stabilizers on, all unpaved access roads, parking areas, and staging areas at construction sites.
- d. Sweep (with water sweepers) all paved access roads, parking areas, and staging areas at construction sites, as needed.
- e. Sweep streets (with water sweepers) if soil is visible on adjacent public streets, as needed.
- f. Hydroseed or apply (nontoxic) soil stabilizers to inactive construction areas (previously graded areas that will be inactive for 10 days or more).
- g. Enclose, cover, water twice daily to, or apply (nontoxic) soil binders to exposed stockpiles (dirt and sand).
- h. Install sandbags or other erosion control measures to prevent silt runoff to public roadways, as needed.
- i. Idling of internal combustion engines shall, to the greatest extent feasible, be held to an absolute minimum.
- j. Construction equipment shall be properly maintained and tuned to minimize exhaust emissions.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Building Services Division.

Monitoring Timeframe: Ongoing throughout demolition, grading and all phases of construction.

**4. Implement the recommendations of the Downtown Parking Management Strategy once it is adopted.
(Mitigation Measure 3.6 and 3.7)**

The project sponsor shall implement the recommendations of the Downtown Parking Management Strategy, currently under development by the City of Oakland, as applicable to this project, upon adoption of the Parking Management Strategy.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division.

Monitoring Timeframe: Ongoing throughout operation of the garage.

**5. Employ noise-reducing construction practices.
(Mitigation Measures 4.1)**

To reduce construction noise impacts, construction contractors shall implement the following measures:

- a. Posted signs at the construction site will include permitted construction days and hours, a day and evening contact number for the job site and a day and evening contact number for the City in the event of problems.
- b. On as-needed basis, a rotating stand-by system for building inspection staff to respond to complaints during off-hours and weekends will be established. The staff will be available by pager.
- c. An on-site complaint and enforcement manager will be designated to respond to and track complaints. A pre-construction meeting with the job inspectors and the general contractor/on-site project manager will be held, to confirm that noise mitigation measures and practices are completed prior to the issuance of a building permit (including construction hours, neighborhood notification, posted signs, etc).
- d. Construction hours will be limited to be between 7:00 a.m. to 7:00 p.m., Monday through Friday. Construction activities are not allowed on Saturdays without prior authorization of the Building Services and Planning Divisions. Saturday construction activity shall be evaluated on a case by case basis, with criteria including the proximity of residential and business uses and a survey of residents and business_preferences for whether Saturday activity is acceptable if the overall duration of construction is shortened. No construction activity shall take place on Sundays or federal holidays.
- e. Equipment and trucks used for project construction shall utilize the best available noise control techniques (e.g. improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically attenuating shields, or shrouds) wherever feasible.
- f. Impact tools (e.g., jack hammers, pavement breakers, and rock drills) used for project construction shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools. However where use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be used. External jackets on the tools themselves shall be used, where feasible. Quieter procedures, such as drills instead of impact equipment, shall be used where feasible.
- g. Stationary noise sources shall be located as far from sensitive receptors as possible, and they shall be muffled and enclosed within temporary sheds, or

insulation barriers or other measures shall be incorporated to the extent feasible.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Building Services Division.
Monitoring Timeframe: Ongoing throughout construction.

6. Employ noise-reducing construction practices for pile driving or other extreme noise-generating activity (90 dBA or above)

To reduce noise impacts associated with pile-driving or other extreme noise generating construction activities (defined as 90dBA and above), if pile driving or other extreme noise generating activities are used during the construction, the following measures shall be implemented:

- a. Pile driving or other extreme noise generating activity (90 dBA or above) shall be limited to between 8:00 a.m. to 4:00 p.m., Monday through Friday, with no pile driving or other extreme noise generating activity permitted between 12:30 and 1:30 p.m., or other mid-day hour as established and noticed. Pile driving or other extreme noise generating activity is prohibited on Sundays and holidays. Pile driving on Saturdays will be evaluated on a case by case basis, with criteria including the proximity of residential uses and a survey of residents and businesses preferences for whether Saturday activity is acceptable if the overall duration of the pile driving is shortened. At least 30 days written notice to surrounding residents and businesses (minimum of 300 foot radius) shall be provided of proposed pile driving activity and its estimated duration.
- b. To further mitigate potential pile-driving and/or other extreme noise generating construction impacts, site-specific noise attenuation measures shall be further developed into a noise reduction plan to ensure that the maximum feasible noise attenuation is achieved (feasibility shall be as defined by CEQA). This plan shall be submitted to the City for review and approval and then implemented under the supervision of a qualified acoustical consultant. This plan shall be based on the final design of the project. A third-party peer review, paid for by the applicant, shall be required to assist the City in evaluating the feasibility and effectiveness of the noise reduction plan submitted by the applicant. A special inspection deposit is required to ensure compliance with the noise reduction plan. The amount of the deposit shall be determined by the Building Official, and the deposit shall be submitted by the project sponsor concurrent with submittal of the noise reduction plan. The noise reduction plan shall include, but not be limited to, an evaluation of the following measures.

1. "Quiet" pile-driving technology considering geotechnical, structural requirements, and other conditions.
2. Temporary plywood noise barriers around the entire construction site.
3. Noise control blankets on the proposed building structure as it is erected to reduce noise emission from the site.
4. The feasibility of temporarily improving the noise reduction capability of adjacent or nearby buildings, by the use of sound blankets for example, if acceptable to adjacent or nearby users.
5. The effectiveness of noise attenuation shall be evaluated by taking noise measurements during construction

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division and Building Services Division.

Monitoring Timeframe: Submittal of Noise Reduction Plan is required prior to issuance of any building permit, including grading and demolition permits, if pile driving or other extreme noise generating activity (90 dBA or above) is planned. Implementation of the Plan is ongoing throughout construction when extreme noise generating activities (90dBa and above) are underway.

7. Implement Noise Reduction measures for retail and commercial uses located within 150 feet of the compressors of the Oakland Ice Center. (Mitigation Measures 4.4)

All retail and commercial uses within 150 feet of the compressors of the Oakland Ice Center shall be designed to meet the noise reduction standards of the City's adopted building code.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning & Zoning and Building Services Divisions.

Monitoring Timeframe: Prior to issuance of the building permit for the Core and Shell of the building.

8. Implement procedures for accidental archaeological discoveries. (Mitigation Measure 5.3)

Should previously unidentified cultural resources be discovered during construction, the project sponsor is required to cease work in the immediate area until such time as a qualified archaeologist, and the City of Oakland, can assess the significance of the find and make mitigation recommendations, if warranted.

Monitoring Responsibility: City of Oakland, Community and Economic Development Agency (CEDA), Planning and Zoning Division and Building Services Division.

Monitoring Timeframe: Ongoing, throughout demolition and grading operations.

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