

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

2011 JUN 30 PM 2:51

AGENDA REPORT

TO: Office of the Agency Administrator
ATTN: P. Lamont Ewell, Interim Agency Administrator
FROM: Community and Economic Development Agency
DATE: July 12, 2011

RE: Resolution Authorizing an Owner Participation Agreement with BUILD West Oakland, LLC/BRIDGE Economic Development Corporation to Grant up to \$1,300,000 in Matching Oakland Army Base Redevelopment Funds for Phased Improvements to the Historic 16th Street Train Station, Including Improvements to the Baggage Wing

SUMMARY

BUILD West Oakland, LLC ("BUILD") owns the historic 16th Street Train Station (the "Train Station") and will be transferring the property to its affiliate, BRIDGE Economic Development Corporation ("BREDCO") to perform certain exterior and shell improvements, including improvements to the Baggage Wing.

Staff requests that the Agency Board authorize an Owner Participation Agreement ("OPA") with BUILD/BREDCO to assist with the improvements. The Agency would reimburse BUILD/BREDCO from Oakland Army Base Redevelopment Funds up to \$1,300,000, or 50 percent of actual costs, whichever amount is less, for work performed under the OPA.

The proposed improvements are grouped into four categories:

- Structural
 - Repair lower level roofs over the Baggage Wing and south wing of the Main Hall
 - Demolish and clean out the Baggage Wing interior
 - Outfit the Baggage Wing to cold shell status
 - Create an outbuilding for water and restroom facilities
 - Create a shade structure/medium-term tent for outdoor activities
- Infrastructure
 - Re-connect water hook-up to the site
 - Upgrade power/electrical capabilities for the Train Station
 - Develop a temporary parking plan for interim usage of the site
- Landscape
 - Develop a landscape plan for the Plaza Area
 - Implement the landscape plan

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- o Develop a plan for elevated tracks and area below
- o Implement the elevated track plan
- Studies
 - o Commission a Hazmat study for the Baggage Wing
 - o Commission a study to gain temporary occupancy of the Main Hall
 - o Commission a study to redevelop the Signal Tower

Construction is estimated to cost \$1,760,000. Architectural and engineering fees, permits, financing and other soft costs are estimated to add another \$840,000 for a total project cost of \$2,600,000. The rationale for these particular improvements and a detailed development budget can be found in the Train Station Business Plan (*Attachment A*).

FISCAL IMPACT

The OPA commits the Agency to match up to \$1,300,000 of BUILD/BREDCO's eligible improvement expenditures. The funding source for the OPA is OBRA Operations Fund (9575), Oakland Army Base Organization (88679), 16th Street Train Station Project (S235322).

BACKGROUND

BUILD, a for-profit subsidiary of the affordable housing developer BRIDGE Housing Corporation ("BRIDGE"), acquired the Train Station in 2004 as part of the Wood Street Development (formerly Central Station) Project. BUILD plans to transfer the Train Station to BREDCO, another subsidiary of BRIDGE, at the end of 2011. BRIDGE created BREDCO in 1991 to undertake economic and community development work in tandem with BRIDGE's development of a major affordable housing project in Richmond. The success of that dual effort led BRIDGE and BREDCO to continue working together on other projects in disinvested neighborhoods. Due to the economic downturn, BUILD sees the need for the broader community approach to developing the Train Station that BREDCO offers.

The Train Station will have a key role in the redevelopment of the surrounding neighborhood. Besides being located in the center of the Wood Street Development, the Train Station is a historically significant City landmark that embodies much of West Oakland's past and is reflective of its future. As the point of entry for many of Oakland's African American and immigrant residents, it was central to West Oakland's earlier transformation into a thriving "Harlem of the West." It was the West Coast home of the International Brotherhood of Sleeping Car Porters, which organized the first African American labor union and played a major role in the U.S. Civil Rights Movement. If restored, the Train Station could again become a destination and vital part of the community.

The Train Station consists of five components: (1) the “Main Hall,” a 13,000 sq. ft. Beaux Arts building; (2) the “Baggage Wing,” an 8,000 sq. ft. annex to the Main Hall; (3) the “Signal Tower,” a small structure north of the Main Hall; (4) approximately 320 linear feet of the original two-story track structure behind the Main Hall; and (5) the 16th Street Plaza, a three-quarter acre parcel to the east of the Main Hall and Baggage Wing. The structures were damaged by the 1989 Loma Prieta earthquake and have been unoccupied since then. For most of that time, the Train Station has been subject to vandalism and deterioration.

In June 2005, the City Council adopted the Wood Street Zoning District, which incorporates the Train Station. Land use standards and conditions of approval govern development in the District. Conditions 52A through 61 apply specifically to the Train Station and prescribe certain actions aimed at preserving the historic resource. For example, Conditions 55 and 56 require interim stabilization of the Main Hall, Signal Tower, and Baggage Wing, and Conditions 57 and 57A restrict alteration of the Main Hall, Signal Tower, and track structure. Conditions 56A and 58 require the Train Station owner (i.e., BUILD) to follow a specific planning process and produce five studies for the Train Station—a Development Plan, Business Plan, Financing Plan, Management Plan, and Community Participation Plan—which the Agency would use in deciding whether or not to contribute funding toward the rehabilitation of the Train Station. Condition 59 requires the Train Station owner to identify an entity to oversee the rehabilitation and reuse of the Train Station.

In fulfillment of Condition 59, BUILD initiated a Request for Qualifications (“RFQ”) process in 2007, which led to the establishment of the Restoration Association for Improving the Landmark 16th Street Station (“RAILS”) as the train station entity on September 16, 2008.

On the same date, the Agency Board authorized a \$400,000 predevelopment loan to RAILS to study the practicality of preserving and improving the Train Station. RAILS engaged California Capital Group (“CCG”) to conduct the feasibility study, and used the findings to develop a reuse plan for the Train Station. In October 2010, RAILS submitted to the Agency a draft Development and Reuse Plan, which contained the five plans required under Conditions 56A and 58. This Plan considered the use and management of a fully restored Train Station, the total cost of which, including tenant improvements, is estimated to be \$36 million.

RAILS subsequently submitted to the Agency on March 2011 a more developed Business Plan, which proposed restoring the Train Station in three phases. Improvements outlined in the first two phases of this plan could be accomplished for under \$3 million. In June 2011, RAILS submitted a refined Business Plan (included here as *Attachment A*), which took the near-term improvements identified in the March plan and grouped them into a menu of discrete project elements, each of which would be more easily funded if considered individually. Completion of each element would contribute to the overall utility of the site and facilitate activation of the site with interim uses. The budget for the menu of improvements is \$2.6 million.

KEY ISSUES AND IMPACTS

The phased approach to restoration is more realistic and financially feasible than a full-on restoration. The Train Station can start generating revenue from short-term uses as portions of the property become serviceable. A more important consideration than revenue is the regular foot traffic and reduction in vandalism that will result from the uses. Vacant lots currently lie to the north and south of the Train Station. Despite BUILD's efforts, the Train Station is tagged as quickly as BUILD can remove the graffiti because of the perceived sense of isolation and abandonment at the site. The sooner RAILS can involve the nearby community in events and activities at the Train Station, the sooner the Train Station can shed its derelict image.

The phased approach also gives RAILS time to consider an appropriate level of restoration for the Train Station. The initial plan to restore the Train Station to its original finishes requires more funding than is available to RAILS. In CCG's feasibility study, the cost of rehabilitating the Main Hall, Baggage Wing, and tracks is approximately \$30.8 million. The Business Plan discusses the merits of a full and partial restoration. Redevelopment of the Train Station as an historic property would provide access to federal rehabilitation tax credits. However, along with the financial incentives would also come strict regulations. A less costly approach could be to restore the interior with a rawer look, which would appeal to certain end users.

Until restoration is underway, RAILS will be at a disadvantage in applying for grants. The entity has neither the resources nor demonstrable experience in this kind of work. At this juncture, BUILD/BREDCO must take on a larger role in the rehabilitation process.

PROJECT DESCRIPTION

The essential terms of the OPA are similar to those of a tenant or façade improvement grant.

Terms of Reimbursement: Agency will reimburse BUILD/BREDCO fifty percent (50%) of documented Project Costs paid for by BUILD/BREDCO or by funding sources other than the Agency. "Project Costs" mean those hard and soft costs directly attributable to the development of the Project, as set forth in that Project Development Budget approved by the Agency.

Disbursement Process: BUILD/BREDCO may request monthly disbursements of Agency funding. In order to receive disbursements, BUILD/BREDCO must deliver to the Agency, along with the request for reimbursement, invoices with proof of payment both for that portion of the cost of the Project which is Developer's financial responsibility and for that portion for which Developer seeks reimbursement from the Agency.

Contracting Requirements: BUILD/BREDCO must enter into contracts with building contractors licensed by the State of California to perform the work. All construction work must be competitively bid.

BUILD/BREDCO shall be responsible for monitoring its contractors and enforcing its agreements, ensuring that those with whom it contracts for the construction of each Phase are in compliance with the Agency's employment and contracting requirements and with the requirements of the Contracts Compliance Office at all times during the term of the OPA until a Certificate of Completion is issued by the Agency for the Phase.

SUSTAINABLE OPPORTUNITIES

Economic: Improvement of the Train Station would help accelerate ancillary developments in the Wood Street District.

Environmental: A Hazmat survey will identify any contaminants associated with the property and outline cleanup steps to take going forward.

Social Equity: The project would help preserve the Baggage Wing and honor the memory of the Brotherhood of Sleeping Car Porters, which organized the first African American labor union.

DISABILITY AND SENIOR CITIZEN ACCESS

Rehabilitation of the Train Station would include complying with applicable City, state, and federal disabled access requirements.

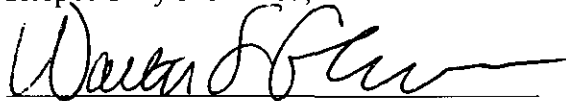
RECOMMENDATION AND RATIONALE

Staff recommends that the Agency Board authorize an OPA with BUILD/BREDCO. At this juncture RAILS lacks the resources to effect improvements. The matching grant funding provided through the OPA enables BUILD/BREDCO to bring the Train Station up to an operable level and facilitates RAILS future rehabilitation efforts.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the Agency Board authorize an Owner Participation Agreement with BUILD West Oakland, LLC/BRIDGE Economic Development Corporation to grant up to \$1,300,000 in matching Oakland Army Base Redevelopment Funds for phased improvements to the historic 16th Street Train Station, including improvements to the Baggage Wing.

Respectfully submitted,



Walter S. Cohen, Director
Community and Economic Development Agency

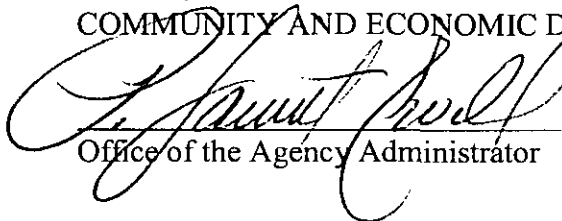
Reviewed by:

Gregory D. Hunter, Deputy Director
Community and Economic Development Agency

Prepared by:

Hui Wang, Urban Economic Analyst
Redevelopment

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



Office of the Agency Administrator

ATTACHMENT

A. RAILS Business Plan for the 16th Street Train Station

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ATTACHMENT A

**16th Street Train Station
Business Plan**

16th Train Station Business Plan

Executive Summary

This is a Business Plan for the 16th Street Train Station. We are presenting a plan which we believe makes the project more feasible in today's economic environment. We believe it is critical that we move forward immediately on the project to not lose the momentum of several months' investment in the property and to assure that we do not backslide into the previous deterioration and vandalism that has led to the site's degradation. We think the plan outlined below is very achievable and will both serve as a catalyst for redeveloping this project, and for the entire neighborhood of West Oakland, particularly for the adjacent properties. We are delighted to play a leadership role in the redevelopment of the Wood Street project. To achieve this, we will rely on an ongoing partnership with the City of Oakland.

In addition to the description and budgets for the redevelopment, we are including as Addenda a *Preliminary Development Budget (A)*, *Potential Sources of Funds (B)*, and a ten-year *Operating Budget for the Baggage Wing (C)*. We are also providing a *Critical Path Timeline (D)*, an *Interim Use Plan & Budget for 2011 Events (E & F)* and an article about The Standard Hotel's Beer Garden in New York City (G).

Simultaneous with the physical redevelopment outlined below, we will be managing interim programs, outlined in the Year End Interim Use Plan, to continue to focus on the site and bring people to the site for several alternative uses. The activities will begin this summer and will continue for the next several years as the site gets developed. The demolition, construction and lease rates herein included are based on discussions with both commercial kitchen developers and commercial real estate brokers in the East Bay.

Our overall vision for this property has been developed over the years with input from research provided by consultants, community residents, and many community organizations. We realize this site has historic significance for both the organizing home of the Brotherhood of Sleeping Car Porters and the wave of immigration for many Oakland residents. Because of its historic significance and its iconic presence, we are committed to utilizing the 16th Street Station as a community resource with community access. The steps outlined below adhere to these goals.

Background

We are at a critical point in the redevelopment of the 16th Street Train Station. In 2006, Equity Community Builders (ECB) prepared the 16th Street Train Station Re-Use Plan, on behalf of BUILD West Oakland and submitted to the City of Oakland Redevelopment Agency. In addition, during 2008, RAILS commissioned, with funding assistance from the City of Oakland, a Feasibility Study for the site. Since

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that study was completed, the economy has failed to rebound in a way that would make it reasonable to move forward with that plan. For the last several months, we have carefully analyzed alternative potential uses for the facility and we now believe that a phased development approach is the most prudent way to move forward on this project.

Most recently, BRIDGE/BUILD invested \$150,000 to protect further deterioration of the facility. This included a new roof, a protective fence bordering the property to discourage both graffiti artists and vagrants, removal of debris from inside the Baggage Wing and the Signal Tower, refinishing the floors in the Main Hall, sealing the windows and removing the resident pigeons in the Main Hall, and boarding up any entry holes. From January to May 2011, HBO leased the site for a movie set. They invested an additional \$200,000 in cosmetic improvements to the interior of the Main Hall and inserting new Plexiglas in all the Main Hall windows. *The interior of the Main Hall looks more presentable than it has been in more than twenty years!*

The combination of these improvements makes it imperative for BRIDGE/BUILD to move forward quickly to maintain the current momentum. In all the planning, we continue to be cognizant of what makes sustainable and economically feasible sense for the site as well as recognizing the importance of where the Station is located and being both a centerpiece for a neighborhood-in-need and as an historic icon.

As mentioned above, the plan below divides future improvements into discrete phases. We want to be as flexible and adaptable as possible in achieving our goals, and also have measurable successes. Each measurable piece of work gets us closer to a viable final product.

Simultaneously we will continue to develop interim uses for the plaza areas of the property with the goal of both bringing new people to the site, reawakening their interest and awareness of the property, and serving the neighboring community. These interim uses are not seen as revenue generating programs, but will provide ongoing activities at the site, which will also deter continued vandalism.

Financial Framework

The City of Oakland's Redevelopment Agency (RDA) has looked favorably on the recent investment in the Train Station. As a result, we are currently negotiating with the RDA a \$1.3 million Owners Participation Agreement (OPA) that would allow us to make additional investment in the Train Station building and site (plaza area). Further, we hope that this investment will lead to subsequent funding opportunities from the RDA and private foundations and organizations.

One requirement of the OPA is that we must line up funds (1:1) to match the RDA's \$1.3 million grant. The potential to have up to \$2.6 million, from the combined OPA

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and private funding sources, would allow us to make significant visible improvements to the Train Station building and plaza area. The more activity at the site, the less vandalism that will occur and the sooner we can return the building and site to active use as a centerpiece for the community.

Given the uncertainty of soft funding, particularly in the current economic environment, we need as much flexibility as possible to have the time to secure the necessary funds to choose which discrete project elements to pursue. We developed Appendix H: *Proposed Scope of Work for the Train Station* in order to have a menu of project elements available when additional funding is secured. The options described below are not meant to be exhaustive and are in no particular order.

Ready the Building: Roof Repairs (T1¹)

We have made some significant improvements to halt further deterioration of the property. Before we can move forward with any redevelopment, we must halt further ongoing destruction. We have improved the roof to the Main Hall and that area is now safe from water leakage. The Baggage Wing and the South Hall are still experiencing water intrusion. Our first efforts will be to make the entire building safe from further water damage.

Clean-up, Demolition & Outfit the Baggage Wing (S3, T2, T3)

The Baggage Wing is a separate smaller building that we believe has the greatest immediate income generation possibilities. Future uses for this 8,000 square foot space include a restaurant, a café and a community cooperative kitchen. There is significant demand for all three of these uses in West Oakland. Studies have shown that the area is underserved by foodservice operations. In addition, the food truck community, new catering operations, and new food preservation companies are seeking convenient space that particularly caters to clean and local food.

Conduct Hazmat Study

Due to the age of the property and previous uses, we need to commission a Hazmat survey to understand and outline any contaminants associated with the property. Our goal for this phase of development is to get the Baggage Wing building ready for occupancy. We have identified potential tenants for all three of the above-mentioned uses but have not been able to show the space because of the current conditions.

Clean-up & Demolition

The current status of the Baggage Wing is severe disrepair. Vagrants had previously used this part of the site as an abode. There were fires inside which have damaged

¹ Per Appendix H, *Proposed Scope of Work for the Train Station*, T1 refers to a Structural project element from the table. Other project elements in this section are referred to in a similar manner.

the interior. At some point, a false floor was installed which needs to be removed. The north wing of the Baggage Wing houses the remains of the building's mechanical operations. There is a remaining mezzanine inside the Baggage Wing, which contains intact bookcases, and file drawers that deem saving for historic uses. Because of continued water damage, the Baggage Wing, which has potentially viable uses as a community café, a restaurant, and as a community kitchen, is not in a condition to seriously seek future tenants. In order to do that, the designated funds will be used to demolish the interior, leaving a showable shell. Because of the historic nature of the site, we will work closely with both architects and engineers during this phase to protect our options should we pursue Historic Tax Credits.

Outfit the Baggage Wing

Developing the property for food service uses is more complicated than for either retail or warehouse uses. Due to minimal power to the site and a lack of water, basic infrastructure will need to be delivered to this space. In this phase, working with commercial kitchen designers as well as architects and engineers, we will bring power and water to the building, take the floor down to gravel to make sure the floor drains to the edge, pour a new slab, bring utilities to the edge of the site, prepare duct work, so that when a final interior design is ready to implement, the space is set for equipment installation. In addition, we will repair and replace all windows and doors that are now boarded up.

All three of these potential uses will serve both the near neighborhood and the community of Oakland at-large. Local residents bemoan the fact that they have no alternative but to leave the area for these types of activities. As both market-rate and affordable housing options continue to grow and develop in this area, demand will only increase. With these improvements, the site will be ready to show to potential long-term tenants.

Develop Attractive Plaza Area (L1, L2)

The current site is an eyesore. The Station sits amidst barren, undeveloped lots and is not inviting. Redeveloping the Plaza area will not only make the entire site more attractive, but with relatively simple improvements, it can also become a revenue-generating piece of the immediate plan and an attractive feature for potential tenants in the Baggage Wing. We would like to develop a raised bed urban farm and orchard on the front plaza. One possibility that we have been exploring is that the food raised on site will initially be distributed through People's Grocery's Grub Box program and at a farmstand on site. Eventually the food will supply the tenants of the Baggage Wing. In order to accomplish these goals, however, we need repair the infrastructure to deliver water to the site. During this project element, we propose restoring water to the site, which will make the possibility of redeveloping the plaza area more feasible. Further, by having the water infrastructure repaired, it will provide interim events, both indoor and outdoor, more options to our partners operating these events.

Create Usable Spaces With Elevated Tracks (L3,L4)

We believe the Tracks offer a unique and interesting space. In addition to being a monument to earlier mass transit options in the Bay Area, the space both under and on the elevated Track area could be developed into something quite special. We are looking toward The High Line in New York City as an inspiration. The elevated portion of the Tracks is somewhat protected from the noise of the traffic on the adjoining freeways. In fact, the traffic provides a moving landscape. We would like to develop the last remaining sections of the Track as a park space, to be used by customers of the businesses below.

The space under the Tracks could be used as an indoor/outdoor beer garden. Again, the New York High Line is an inspiration. The Standard Hotel has created a beer garden in a space very similar to the space under the tracks. With the creation of a sound barrier to protect customers from the noise of the freeway, this use would be a welcome addition to the neighborhood. Our model for this space, as referred to in the attached article (Appendix C: Pull Me a Cold One – Birth of the Modern Beer Bar), has constructed a temporary clear plastic barrier that provides a weather barrier in New York City's winter climate.

There are studies that would need to be performed and consultants engaged before we could implement such a plan. Earlier studies indicate there may be some soil remediation work required for the rear track area. We will detail specifically what must be accomplished to make this unique space ready for development.

Conclusion

We believe by dividing up the overall Train Station project into these various elements will allow us to efficiently determine the appropriate course of action and be able to implement tangible results. Further, we have developed these elements so that there is positive visibility brought to the Train Station, by creating active spaces, such as a beer garden or park space, from the combined RDA and soft funding investment.

Interim Use Plan

Simultaneous with the building and plaza redevelopment, we are committed to organizing a series of events on the outdoor spaces to attract both neighbors and the community at large. Beginning in the summer of 2011, we are planning the following activities outdoors:

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- Train Station Kick-off Party: In an effort to show off some of the improvements made to the Main Hall, we are inviting community members and potential financial partners in an effort to get folks excited about the site.
- Outdoor Movie Festival: This will be a regular drive-in/walk-in/bike-in movie event. The movies will be family oriented and will be free or minimal charge.
- Food Murmur: In conjunction with the outdoor movies, will assemble an assortment of sustainable local food catering trucks to provide food and beverage for sale at the movie nights. The Food Murmur will be modeled after the successful Oakland Uptown Art Murmur and Eat Real Festival.
- Brainwash Film Festival: This film festival has a seventeen-year history in West Oakland. We will collaborate with them to host the festival on the Train Station property for this year.
- Urban Farm: Working with Dig Deep, a program of the Alameda County Deputy Sheriff's League, we will develop a raised bed urban farm and orchard on the front plaza. The food raised on site will initially be distributed through People's Grocery's Grub Box program and at a farmstand on site. Eventually the food will supply the tenants of the Baggage Wing.
- Pop-Up Events: Pending temporary occupancy of the Main Hall, we will host and lease to a variety of pop-up events inside the Main Hall including pop-up restaurants, markets, performance art and music events.

Budgets

Preliminary Development Budget

We have included cost estimates for a significant portion of the work that we've outlined above, including hard and soft costs to redevelop the Plaza Area, upgrade existing infrastructure (power & water), clean-up, demolition and outfit the Baggage Wing and repair the two roof areas. There are certain project elements, however, that we included despite not having cost estimates at this time. We did not want to preclude ourselves from being able to embark on this work.

At the completion of each discrete project element, we will provide a report, with before and after photos, within 45 days of completion. Further, no less frequently than once a year, we will provide a status report update on our fundraising and redevelopment efforts to date.

Operating Budget for the Baggage Wing

In addition, we have included a ten-year projected operating cash flow once the baggage wing is ready for tenants. The ten-year budget is for both the restaurant/café scenario and for the restaurant/café/commercial kitchen option. Because the site must be developed as a destination, the management requirements during the initial years will be heavier due to the marketing support required. We have also anticipated a varied potential vacancy rate for all the uses. The first several years' lease payments are based on a percentage of sales rather than on a

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square footage basis because we realize the risk associated with investing here. In year three we transition to a regular lease payment. Growth and expense assumptions are based on 3% year after year.

Critical Path

Attached please find a **Critical Path** calendar and schedule of activities based on the proposed improvements.

HISTORIC 16TH STWOOD STREET TRAIN STATION

Preliminary Development Budget

Program Summary	(sf)
Main Hall Area	14,500
Baggage Wing Area	8,230
Track Structure Area	29,152
Plaza Area	32,670

Hard Costs			
Plaza development	psf	\$3	\$98,389
Infrastructure costs	psf	\$10	\$217,424
Demolition costs	psf	\$20	\$164,600
Baggage Wing Construction Costs	psf	\$100	\$818,885
Baggage Wing - Fixtures	psf	\$30	\$245,666
Roofing Costs	psf	\$8	\$83,348
Hard Costs Contingency	10%		\$131,250
Total Construction Costs			\$1,759,561
Soft Costs			
Architect fees		4%	\$70,382
Engineering & consultants		6%	\$105,574
Miscellaneous consultants		10%	\$175,956
Permits and fees		3%	\$49,268
Legal and accounting		3%	\$49,268
Insurance		\$0.70	\$12,317
Marketing/Leasing commissions		\$3	\$21,398
Development Administration		10%	\$260,000
HTC Financing costs		Allowance	\$50,000
Property Tax during construction			
Operating Reserve			
Soft Cost contingency		10%	\$46,276
Total Soft Costs			\$840,439
Total Project Costs			\$2,600,000

HISTORIC 16TH ST/WOOD STREET TRAIN STATION

Potential Sources of Funds

Equity Financing Sources		
Historic Tax Credit Equity	10% of qualifying costs	\$174,855
New Market Tax Credit Equity	20% of project cost	\$350,145
Charitable Sources		
California Cultural and Historical Endowment		\$250,000
Fundraising		\$525,000
City/Agency Funding - OPA		\$1,300,000
Total Equity Financing Sources		\$2,600,000

HISTORIC 16TH ST/WOOD STREET TRAIN STATION

Operating Revenues and Expenses for Baggage Wing
10-year cash flow

Assumptions

Rent growth	3%
Expenses growth	3%
Restaurant vacancy factor	10%
Community Kitchen	
Café vacancy factor	15%

Option 2

Baggage Claim - Restaurant/Café

Revenue			1	2	3	4	5	6	7	8	9	10
Baggage Rent		psf										
Restaurant	\$1.75	6,590	\$112,500	\$115,875	\$128,288	\$132,136	\$136,100	\$140,183	\$144,389	\$148,720	\$153,182	\$157,777
Café	\$2.00	1,280	\$23,800	\$24,514	\$26,112	\$26,895	\$27,702	\$28,533	\$29,389	\$30,271	\$31,179	\$32,114
Total Revenues			\$136,300	\$140,389	\$154,400	\$159,032	\$163,802	\$168,717	\$173,778	\$178,991	\$184,361	\$189,892
Associated Expenses												
Management Fee	\$2.00	7,870	\$15,740	\$16,212	\$16,699	\$17,200	\$17,716	\$18,247	\$18,794	\$19,358	\$19,939	\$20,537
Legal			\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
TI Budget	\$3.50		\$27,545	\$28,371	\$29,222	\$30,099	\$31,002	\$31,932	\$32,890	\$33,877	\$34,893	\$35,940
Security			\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433	\$10,746	\$11,069	\$11,401	\$11,743
Marketing/Admin			\$24,000	\$25,200	\$25,200	\$18,900	\$18,900	\$18,900	\$18,900	\$18,900	\$18,900	\$18,900
Property Taxes	\$49,000/yr	2%	\$49,000	\$49,980	\$50,980	\$51,999	\$53,039	\$54,100	\$55,182	\$56,286	\$57,411	\$58,560
Insurance	\$1.00		\$7,870	\$8,106	\$8,349	\$8,600	\$8,858	\$9,123	\$9,397	\$9,679	\$9,969	\$10,269
Total Expenses			\$138,155	\$142,290	\$145,303	\$142,096	\$145,272	\$148,532	\$151,880	\$155,318	\$158,848	\$162,472
Net Revenue			-\$1,855	-\$1,901	\$9,097	\$16,936	\$18,531	\$20,184	\$21,898	\$23,673	\$25,513	\$27,420

HISTORIC 16TH ST/WOOD STREET TRAIN STATION

Operating Revenues and Expenses for Baggage Wing
10-year cash flow

Assumptions	
Rent growth	3%
Expenses growth	3%
Restaurant vacancy factor	10%
Community Kitchen	
Café vacancy factor	15%

Baggage Claim - Restaurant/Café/Community Kitchen

Revenue			1	2	3	4	5	6	7	8	9	10
Baggage Rent		psf										
Restaurant	\$1.75	4,000	\$90,000	\$92,700	\$77,868	\$80,204	\$82,610	\$85,088	\$87,641	\$90,270	\$92,978	\$95,758
Community Kitchen	\$0.80	2,090	\$18,058	\$18,599	\$19,157	\$19,732	\$20,324	\$20,934	\$21,562	\$22,209	\$22,875	\$23,561
Café	\$2.00	1,280	\$19,040	\$19,611	\$20,200	\$20,806	\$21,430	\$22,073	\$22,735	\$23,417	\$24,119	\$24,843
Total Revenues			\$127,098	\$130,911	\$117,225	\$120,742	\$124,364	\$128,095	\$131,938	\$135,896	\$139,973	\$144,172
Associated Expenses												
Management Fee	\$2.00	5,280	\$10,560	\$10,877	\$11,203	\$11,539	\$11,885	\$12,242	\$12,609	\$12,987	\$13,377	\$13,778
Legal			\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
TI Budget	\$3.00		\$15,840	\$16,315	\$16,805	\$17,309	\$17,828	\$18,363	\$18,914	\$19,481	\$20,066	\$20,668
Security			\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433	\$10,746	\$11,069	\$11,401	\$11,743
Marketing/Admin			\$24,000	\$25,200	\$25,200	\$18,900	\$16,900	\$18,900	\$18,900	\$18,900	\$18,900	\$18,900
Property Taxes	\$49,000/yr	2%	\$49,000	\$49,980	\$50,980	\$51,999	\$53,039	\$54,100	\$55,182	\$56,286	\$57,411	\$58,560
Insurance	\$1.00		\$5,280	\$5,438	\$5,602	\$5,770	\$5,943	\$6,121	\$6,305	\$6,494	\$6,689	\$6,889
Total Expenses			\$118,680	\$122,230	\$124,642	\$120,815	\$123,352	\$125,956	\$128,626	\$131,366	\$134,177	\$137,062
Net Revenue			\$8,418	\$8,630	-\$7,417	-\$73	\$1,011	\$2,139	\$3,311	\$4,529	\$5,795	\$7,110

Train Station Budget for Interim Uses - 2011

I. Baggage Wing and Main Hall Occupancy

Studies that need to be completed:

- Hazmat
- Environmental
- Historic review

Estimated Related Expenses:

Architect fees	4%	\$11,475
Engineering & consultants	6%	\$17,212
Fire/Life Safety consultant	3%	\$9,562
Historic Architect	3%	\$9,562
Environmental Consultant	3%	\$9,562
Hazmat Consultant		\$15,000
Soft Cost Contingency	10%	\$7,237
Total Consulting Fees/Studies		\$79,611

II. Interim Events to be held at the Train Station

In 2011, we propose hosting: Film Festival (with Brainwash), Food Murrur and additional Film/Dance nites.

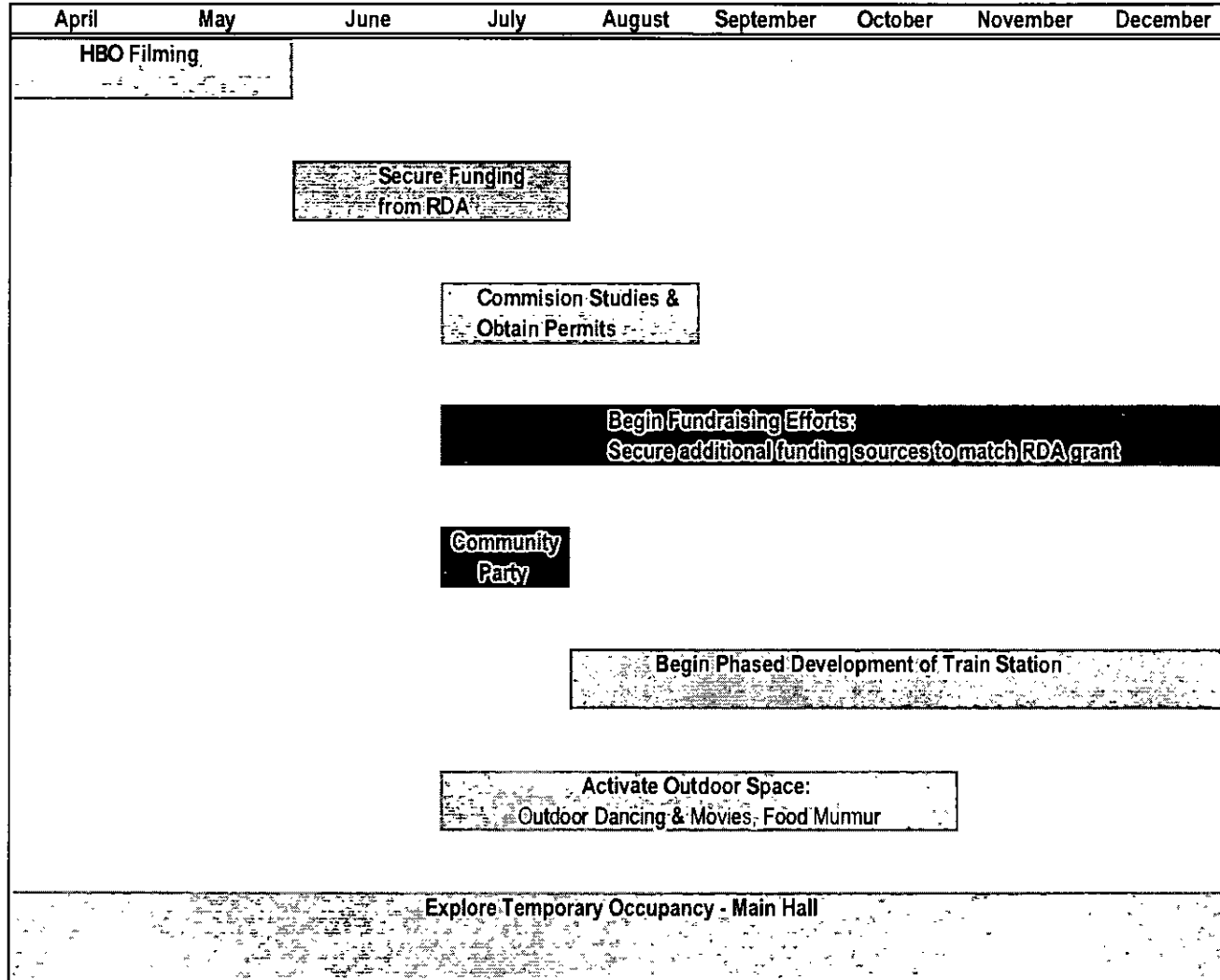
We believe the estimated costs for an event to be nearly \$1,800/nite, or \$12,000 total for all the events in 2011.

A detailed sample budget is included below as well as a total for all 5 events.

	August-11	Total	Notes
Revenue			
Sponsorship Needed	\$8,550		To be raised
Food vendors fees	\$600	\$3,000	10 vendors @ \$50-\$75
Total Revenue		\$3,000	
Expenses			
Porta Potties	\$315	\$1,575	2 toilets plus tax
Security	\$480	\$2,400	\$40/hr, 3 hrs, 4 guards
Generators	\$150	\$750	May not be needed
Chairs	\$100	\$750	50 @ \$2 ea; incl delivery fee
Film Licensing Fees	\$150	\$450	
Physical barriers		\$0	
Posters/Fliers Design/Distribution		\$1,000	
temporary lights?		\$0	Gratis
Licenses	\$150	\$750	
Noise permit		\$175	
Fire Dept	\$120	\$600	
Sanitation	\$120	\$600	
Signage		\$250	
Misc	\$75	\$750	
Bike Valet		\$1,000	
Insurance	\$71	\$500	
Total Expenses	\$1,731	\$11,550	
Net		\$8,550	

HISTORIC 16TH ST/WOOD STREET TRAIN STATION

Critical Path Schedule - 2011



Proposed Scope of Work for the Train Station
Menu of Discrete Project Elements

Landscape	Studies	Structural	Infrastructure
L1 Commission landscape architect & develop plan for Plaza	S1 Commission Studies to gain Temporary Occupancy in the Main Hall	T1 Repair lower level roofs (Baggage Wing & South Wing of Main Hall)	I1 Re-connect water hook-up to the site and Station
L2 Implement landscape plan for Plaza	S2 Commission Studies to redevelop Signal Tower	T2 Clean-out & demolition of Baggage Wing	I2 Upgrade power/electrical capabilities for the Station
L3 Engage consultants to develop plan for Elevated Tracks & Area underneath	S3 Commission Hazmat Study for Baggage Wing	T3 Outfit and deliver Baggage Wing to Cold Shell status	I3 Develop temporary parking plan for interim usage
L4 Implement plan for Elevated Tracks & Area underneath		T4 Create outbuilding for water & restroom facilities	
		T5 Create shade structure/medium-term tent for outdoor activities	

16th Street Train Station

2010 End of Year Report

Overview

The 16th Street Train Station, with its component pieces, is a beautiful building of historic significance. We all agree that developing a feasible and sustainable plan for its future is a valid course of action. As we begin to explore specific short and long term uses for the site, we are uncovering some challenges. These are not unexpected and will most likely continue to occur as the project moves forward.

There have been several studies already performed regarding rehabilitation of the site. There is the 16th Street Train Station Re-Use Plan, prepared by Equity Community Builders (ECB) on behalf of BUILD West Oakland and submitted to the City of Oakland Redevelopment Agency on May 23, 2006.

There is also the 16th Street Train Station Feasibility Study, 1st Deliverable Draft, completed by CCIG and Architectural Dimensions on August 28, 2009.

In addition to these studies, there have been a series of community meetings to help determine interest and demand for the space usage.

This presentation takes into consideration the work that has already been done and is referenced above.

Short Term Usage

Rationale

The 16th Street Train Station sits in the midst of several undeveloped lots and is located in a transitioning area of Prescott/West Oakland. Recently, more than 400 new renters and homeowners have moved into the first phase of the Central Station project. At the completion of the Central Station project, we anticipate more than 1,400 new housing units coming on line, although development has been delayed due to the economic slowdown. Where the building sits, however, is not a part of Oakland that the general public is familiar with. Ultimately, the site's success will be established when it can be considered a viable destination location.

The distressed condition of the Main Hall is attractive in its current state to certain edgier and artier communities. There is a large constituency who is fascinated by the site and would like to visit the interior, mostly out of curiosity. These communities are not put off by the location and the lack of surrounding amenities. In fact, this almost adds to the intrigue. There are artists who are seeking gallery space; there are musicians seeking venues for playing music.

Interest in using the site in its current condition with minor improvements, as detailed below, has been expressed by the following groups:

- Pop Up Restaurateur/Chef

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- Underground Farmers Market
- Various concert organizers
- Various art groups
- Performance Art venue
- Movie venue
- Movie Making and Photograph Setting
- Urban farm

It would benefit the neighborhood in general if people began coming to the site for public events. Neighboring developers have indicated that they want to bring people to the area, as this will help accelerate the ancillary developments.

Below is a brief description of these potential short-term uses, with contacts where appropriate. In addition, as an attachment please find a matrix that shows these uses, what is needed to accommodate them, if the use is inside or outside the structure, and proposed costs and potential revenues.

Pop-Up Restaurants

A pop-up restaurant is part of an underground dining scene. These restaurants occur often just once or at random times, announced through social media venues. There are quite a few of these in the Bay Area. Attendance is usually determined by the size of the venue. Some may be as small as someone's dining room.

The Main Hall has been shown to several pop-up restaurateurs and there is a strong interest in using the space for such activities including:

- Forage SF
- Peko Peko
- Blair Warsham/Graff Eats.

Some of these pop-up restaurants are very irregularly scheduled. Blair Warsham is interested in possibly have weekly or bi-weekly events.

Underground Farmers Market

This organization sponsors markets for DIY homemade products. Started in San Francisco, sometimes attended by thousands of people, the event has come to the East Bay and has been holding markets on Wood Street on the other side of Grand Ave. They have seen the space and are very interested in holding their markets at the Station.

Concerts

A variety of concert organizers have offered to assist in organizing concerts at the Station. These range from jazz to electronic music to hip hop. Each would draw different audiences. All have offered to help organize gratis.

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While we could charge the public to attend musical events, usually the income taken in is given to the performers. In addition, we would need chairs, a sound system and a stage.

Art

West Oakland is the home to a growing artist community. Art Murmur, which happens the first Friday of each month in Uptown Oakland has become very popular, attracting a wide audience. There is enough of a distance between Uptown and the Station, especially at night, that it is unlikely we could link the two events, at least initially.

However, a survey of West Oakland artists indicates a strong interest in supporting joint art events involving the Station. This may be an Open Studio tour of West Oakland artists with a reception at the Station.

Several performance artists have indicated a desire to use the Station's Main Hall as an event space.

A local artist, Lauren Madsen, has indicated an interest in helping curate the art events at the station.

Each of these artists has a mailing list that would bring more and different people to the Station.

Movies

There has been an ongoing outdoor film festival called Brainwash that occurs in West Oakland near the West Oakland BART station. The organizers have visited the Train Station site and are very interested in moving the festival to the Train Station for the summer 2011 events. They have all the equipment for operating the festival. Their weakness seems to be on the PR front. They would most likely hang the screen on the northern edge of the Station. Cars would pull into the lot and face south. Sound is achieved through FM broadcasting. There is a small fee for attending the festival. Income could be enhanced by serving refreshments.

In addition to hosting the site for the Brainwash Film Festival, which shows original films, the organizers of Brainwash are interested in working with us to show other commercial films at the site, using their equipment.

We could charge for attendance and could also set up a concessions stand which could generate revenue. These events can happen in the evenings, beginning in the spring and extending to the fall.

Movie Site and Photographs

The City of Oakland Film Office is working with us to introduce the site to various movie scouts. There are several advantages to pursuing this route. While the public may not have access to the building because of its structural condition, that caveat does not hold true for film making. The only disadvantage to using the site for film making is that we may not have access to the property for the other suggested uses or for showing the property to other potential users.

Urban Farming

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The front Plaza is currently barren and the lack of landscaping only exacerbates the abandoned feeling of the Station itself. The entire West Oakland neighborhood is considered a food desert. While there are several food-related non-profit organizations based in West Oakland, there are very few options for local residents to shop for food, particularly fresh fruits and vegetables. There has been interest in developing a farmers' market on the site. However, successful farmers' markets require a regular and significant number of shoppers. It is not clear from previous efforts, that there is adequate support in the community to justify a farmers' market.

Designing and planting an active urban farm and orchard on the front plaza will help beautify the site, will ensure daily activity at the site, can provide locally grown food to sell or distribute in the West Oakland neighborhood. Eventually this urban farm can help supply the activities and businesses residing in the Train Station.

With ongoing activities happening in the Main Hall and in the Plaza, the site becomes more attractive to show to longer term investors.

Next Steps

The immediate goals for the 16th Street Station are:

1. Create a usable event site for interim, edgier events. These may include pop-up restaurants, underground farmers' markets, performance art events, concerts, art shows, movies, catering events, photo shoot site.
2. Create a two year calendar of events for the site in its current distressed state.
3. Develop an urban farm landscape on the front plaza.
4. Develop plans for final restoration of the site with potential tenants and management plan.

The immediate actions for the 16th Street Station are:

1. Mitigate the ongoing deterioration of the facility. Repair the two lower roof areas, over the Baggage Wing and over the original lavatory area, where there continues to be water intrusion issues.
2. Deter continued graffiti and other vandalism.
3. Obtain temporary occupancy for the building for short term usages.
4. Bring power to the site.
5. Bring potable water to the site.
6. Bring some toilet facilities (portable or permanent) to the site.
7. Repair interior ceiling of the Main Hall.
8. Obtain funding for design and equipping urban farm activities
9. Hire architect to assist in master planning/garden design.
10. Hire intern as event curator for regular monthly events.
11. Collaborate with Brainwash, outdoor film festival for summer 2011

12. Develop and implement PR plan to publicize events
13. Develop marketing materials for the Train Station as a rental venue
14. Obtain necessary equipment to host variety of events such as sound system, tables, chairs
15. Explore regulations regarding food and alcoholic beverage service at planned events as income stream
16. Exploring interim uses for the Signal Tower, including museum honoring the Pullman Porters

Financial Implications

We need to determine what the costs will be in order to utilize the facility for the next few years. It is unlikely, whatever the costs, the events suggested above will break even. However, the goals of getting the Station into the community's vision, bringing regular and diverse traffic to the site, reducing the ongoing deterioration and vandalism, and making the site more attractive for long-term tenants all justify these costs.

Detailed estimated revenue streams are included below.

Longer Term Vision

There is general agreement that ultimately the Main Hall should be used as an event space. This space can be rented on weekends for galas, private parties, etc., and be used midweek for corporate and community events.

There is less agreement on the final uses of the Baggage Claim and the Signal Tower.

It is generally agreed that there should be some homage to the Pullman Porters and the role that the Station played in their union organizing. In addition, the Station was the gateway to the west for many migrants and this, too, should be noted. The Station played an important role in the status of Oakland as an important city. How and where this should be acknowledged is open for discussion.

Main Hall

There are several options to consider when looking at the Main Hall. The initial plan was to restore it to its original finishes. The BBI cost estimate for rehabilitation of the Main Hall and retaining the rear tracks is \$12.8 million; the Turner Construction (from the CCG study) estimates are \$30.8 million.

This is an historic property and as such the redevelopment will probably have access to Federal Rehabilitation Tax Credits. Restoring a property to original finishes brings with it not only financial incentives but also strict regulations. Another option would be to explore restoring the finished interior with a more distressed look which is in vogue these days. This would probably be a less costly approach.

The drawings from the ECB report indicate turning the South Wing, which historically housed the Women's Waiting Room and the Women's Rest Rooms and the Men's Smoking Room and the Men's

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Rest Room into a private dining room. Further, this vision includes retaining the alcoves off the Main Hall and has the new Women's and Men's Rooms to the rear of the building, underneath the elevated tracks.

After talking to several caterers about eventually using the Main Hall for events and what their needs would be for catering functions, the greatest need is easy access and long areas to be able to prep and plate for events. I am suggesting the alcove areas would make an excellent prep area. (ECB had this function in the Baggage Wing as part of a commercial kitchen.)

Platform Area

The elevated platforms in the rear of the station are not dissimilar from the High Line in New York City. The High Line is a new park in the Chelsea neighborhood of Manhattan. There once were elevated trains that traversed this part of town and the tracks have been sitting abandoned. They were slated to be torn down. A citizen's committee worked to save these elevated tracks and has turned them into an urban park. The park currently runs for XX blocks and provides a green oasis in an asphalt jungle.

At one end of the High Line sits the Standard Hotel. Adjacent to the hotel, the hotel owners developed a beer garden under the tracks. The area under the tracks looks uncannily like the area in the rear of the station underneath the raised platform. When the beer garden first opened in the summer of 2010, one side was open to the sidewalk, a kind of indoor/outdoor restaurant. To prepare for the winter, they added heat lamps and plastic sheeting. The weather is far more inclement in New York City than in Oakland, so if this treatment was adequate for Northeast winters, a similar treatment should adequately work in the temperate Bay Area winter.

There is a beer renaissance happening and Oakland is not immune. There are several microbreweries, beer-oriented restaurants, specialty beer retailers, all with devout followers.

A potential use for the area to the rear of the station is to identify an operator to develop and manage a beer garden with a garden park on the elevated tracks.

Baggage Claim

The ECB study recommends some type of commercial kitchen operation for the Baggage Claim Area. There were three proposed uses: Non-exclusive In-House Catering Kitchen; Food Processing Kitchen; Bakery.

Most caterers I spoke with, who are based in the East Bay, have their own sites they currently use. There is one caterer who might be interested in looking at the space. For eventual catering of the Main Hall events, most comparable event spaces have a preferred caterers' list that they work from, but not a mandatory, on-site caterer. I think this is an important feature to keep in place when the project is ultimately designed.

I have spoken to several similar food processing kitchens who rent space to other food manufacturers. On one end is La Cocina in San Francisco, a business incubator for emerging food businesses. 50% of

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their annual revenue is from grant sources. Caleb Zigas, the acting executive director, strongly urged against this as a business model for the space.

Other models for rent-by-the-hour kitchens exist in Emeryville, Richmond, and San Francisco. Each has slightly different approaches, but managing the ever-changing renters is somewhat complicated. What is needed to make these models work is significant storage space so that the more regular, on-going renters do not have to bring everything with them each time they use the space. Monthly rents are relatively low for this usage.

One of the most interesting potential users for a commercial kitchen space like this is the Pacific Coast Farmers' Market Association. They are working with their growers to develop value-added products made from the produce they grow. The initial operation is based in the kitchen of St. Vincent de Paul and they anticipate growing out of that space. Their funding at this point is grant based.

There are potential bakeries that might be looking for space. Finding the right tenant for this use would be very dependent on the timing the site is ready for occupancy. The more established bread bakeries in the Bay Area, such as Acme, Semifreddi, Metropolis, all use larger facilities. Semifreddi's just moved from an 8,000 square foot location in Emeryville to 35,000 square feet in Alameda.

i think that breaking the Baggage Claim into several different restaurant-type businesses would be ideal. A relatively small space would be a high end coffee café, such as Blue Bottle or Ritual. There are no coffee shops in the West Oakland area (not counting Pretty Lady). As the event space gets rented out, the demand for a quality cup of coffee would increase. The artist community in West Oakland would also welcome a good coffee shop. The nearest is Farley's East on Grand at Broadway.

The remainder of the Baggage Claim might be a sit-down restaurant. Several restaurateurs who are invested in Oakland have expressed interest in the site and i will be showing the space to them once the weather clears up. in particular, Daniel Patterson, who has two restaurants in San Francisco and a new one in the Uptown area, is interested. So is Charlie Hallowell, the chef/owner of Pizzaiolo in the Temescal neighborhood.

This type of high quality sit-down restaurant could attract diners from all over the East Bay and also from San Francisco. it would also be a welcome addition for the existing and proposed residents of the neighborhood.

Another option to explore is using the remainder of the Baggage Claim for a nightclub. Nightclubs attract people at night and do not need windows. Both factors are a good fit with the existing Baggage Claim area. This use may bring with it extra needs for security and noise abatement, though.

Signal Tower

The Signal Tower, now cleaned but boarded up, is a three story structure that sits a bit distanced from the Train Station. it should be moved closer to the station and should be used as the museum space. The

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top floor has a 360 degree view. It is not a large space, but museums do not generate significant income. This would be an excellent use for this historic structure.

A similar tower with an educational component is at the Middle Harbor Shoreline Park. This tower is not enclosed but does demonstrate a multi-story tower. The advantages the Signal Tower has for museum purposes include:

- Enclosed space
- 360 degree windows on top floor
- Existing switch boxes

The greatest disadvantage is that the upper floors would not be ADA compliant.

Plaza

There is a three-quarter acre parcel in front of the Station that abuts Wood Street at 16th St. The Conditional Use for this land mandates that some educational function occur here. The CCG study did soil testing for the land surrounding the station, but much more toward the rear of the station. There were some soil issues, such as lead.

There has been an interest in a farmer's market for the Plaza. For a successful small farmers' market to operate, there is a need for at least 1000 weekly patrons. It is not clear that a farmers' market at this time located at the Station site could muster that kind of patronage. A survey was done over a weekend at people attending Raimondi Park, asking about their farmers' market usage. Those who were regular farmers' market shoppers felt a loyalty to their neighborhood farmers' market and would not want to shop at one adjacent to the Station, even if they were attending games at the Park.

A way to combine both educational activities and bring fresh fruits and vegetables to the area would be to use the Plaza as an urban farm. It is possible that the fruits and vegetables produced in raised beds in the front of the station could be sold to the local public, something that would have greater cache than simply a farmers' market.

In addition to raised boxes for vegetables, the area could be landscaped to include a public fruit-bearing orchard. There are models for public orchards around the world, some very successful ones in London.

Eventually, when the restaurants are developed for the Baggage Wing and Elevated Platforms, the urban farm could grow and supply these businesses.

I have spoken to the various non-profits in West Oakland that are addressing food issues, such as People's Grocery, City Slicker Farms and Mandela Marketplace. The greatest interest in farming the site at this time are people currently associated with Dig Deep Farms.

Dig Deep Farms is a program of the Alameda County Deputy Sheriffs' Activities League (DSAL) that has been funded by Kaiser Permanente and the San Francisco Foundation's Koshland Fellows. This program has multiple purposes:

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1. Employ local people to work on the Urban Farming Team
2. Turn un-used and blighted properties into beautiful farms and higher valued space
3. Sell locally-grown produce back to the community at an affordable price to encourage health, nutrition and the overall support of community-based food production
4. Use all revenue to continue paying people to work and hopefully employ more people over time in this green movement
5. Engage the community in the process of beautifying, caring for and eating from their very own local land.

SWOT Analysis

To help decide if this is a good use for the front plaza, below is a SWOT analysis that lays out the pros and cons.

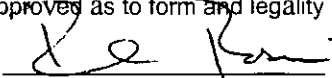
<p>Strengths</p> <ul style="list-style-type: none"> • Beautifies front plaza • Provides opportunities for education • Builds community ties by working with Dig Deep and People’s Grocery • Provides long-term productive usage to plaza • Brings immediate activity to area • Produces organic fruits and vegetables for community • Makes site more attractive to potential long-term tenants such as restaurants • Provides jobs and training to local residents 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Working farm may detract from overall look of site • May provide a physical obstacle to potential users of Station • May attract vandals • Requires extra fund raising
<p>Opportunities</p> <ul style="list-style-type: none"> • There is considerable interest in urban farming right now as a development model • There are funders focused on urban farming developments • This may be an impetus to begin a farmers’ market on site 	<p>Threats</p> <ul style="list-style-type: none"> • Urban farming may be a fad • If partners do not continue, who will maintain?

16th Street Train Station - Potential Interim Uses

Draft - For discussion purposes only

Activity	Key Players	Inside	Outside	Target Market/Audience	What needs to happen	Cost Associated	Role for BRIDGE/RAILS	Potential Revenue	Resources
Farmers Market	Farmers market association		xxx	West Oakland residents	1000 people weekly for a market of about 25 farmers	Marketing and PR	Bring people to market		Pacific Coast Farmers Market Assoc.; Urban Village; CUESA; Marin Farmers Markets; CA Farmers Markets
Pop Up Restaurant	Various chefs/caterers	xxx		Hipsters/Foodies	temporary occupancy of building; tables and chairs; heat lamps; power, water, toilets		lease to vendor	\$500 per event; 2 x per month	
Pop Up Restaurant	Various chefs/caterers		xxx	Hipsters/Foodies	Tent, heat lamps; porta potties; potable water; tables, chairs			\$200 per event	
Underground Farmers Market		xxx		Hipsters/Foodies	water, power, toilets		lease to vendor	\$200 per event	Forage SF
Concert Series		xxx		West Oakland residents; music aficionados	water, power, toilets, chairs, PR			\$15 per person? Although generally revenues go toward the artists	Piedmont Piano Company
Performance Art Events	NexMap;			art community					
Party Venue w/catering trucks	Off the Grid	xxx	xxx		water, power, toilets				Matt Cohen
Movies	Brainwash	xxx	xxx	Local community; edgier art community	water, power, toilets		Bring people to event		
Open Studio	artists in West Oakland	xxx		art community	Occupancy of building				
Urban Farm	Hank Herrera		xxx	local community	water, soil, initial capital for containers, seed, tools; initial \$ for manager and helpers			\$100K annually	
Photo Shoots		xxx						\$250C per day	

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Approved as to form and legality

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

RESOLUTION AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH BUILD WEST OAKLAND, LLC/BRIDGE ECONOMIC DEVELOPMENT CORPORATION TO GRANT UP TO \$1,300,000 IN MATCHING OAKLAND ARMY BASE REDEVELOPMENT FUNDS FOR PHASED IMPROVEMENTS TO THE HISTORIC 16TH STREET TRAIN STATION, INCLUDING IMPROVEMENTS TO THE BAGGAGE WING

WHEREAS, BUILD West Oakland, LLC (“BUILD”) owns the historic 16th Street Train Station (the “Train Station” or the “Property”), which is located within the Wood Street Zoning District in the Oakland Army Base Redevelopment Project Area, and which consists of five components: (1) the “Main Hall,” a 13,000 sq. ft. Beaux Arts building; (2) the “Baggage Wing,” an 8,000 sq. ft. annex to the Main Hall; (3) the “Signal Tower,” a small structure north of the Main Hall; (4) approximately 320 feet of the original two-story track structure behind the Main Hall; and (5) the 16th Street Plaza, a three-quarter acre parcel to the east of the Main Hall and Baggage Wing; and

WHEREAS, the Train Station is subject to certain land use standards, including conditions of approval which require the Property owner to identify a train station entity to oversee the rehabilitation and reuse of the Train Station; and

WHEREAS, the conditions of approval also state that either the Property owner or the train station entity may apply to the Agency for financial assistance for the preservation, rehabilitation, and stabilization of the Train Station upon the submittal of five plans—development, finance, management, business, and community participation—that provide a framework for rehabilitation efforts and identify the funding mechanisms for the work; and

WHEREAS, on September 16, 2008, pursuant to Council Resolution No. 81547 C.M.S., the City Council approved the Restoration Association for Improving the Landmark 16th Street Station (“RAILS”) as the train station entity, and also on that date, pursuant to Agency Resolution No. 2008-0085 C.M.S., the Agency Board authorized a predevelopment loan to RAILS to explore the feasibility of preserving and improving the Train Station and to determine under what conditions the Agency would provide financial assistance towards its rehabilitation; and

WHEREAS, based on the completed feasibility study, RAILS developed the five plans required by the conditions of approval, and in October 2010 submitted a draft development and reuse plan to the Agency, followed in March 2011 by a business plan, which offered a phased approach to rehabilitating the Train Station; and

WHEREAS, BUILD will transfer the Property to BRIDGE Economic Development Corporation (“BREDCO”), a non-profit affiliate which specializes in community development and redevelopment projects; and

WHEREAS, BREDCO proposes to facilitate redevelopment and reuse of the Train Station and assist RAILS with the Train Station’s rehabilitation by undertaking the initial improvements to the Property outlined in the business plan, including certain exterior and building shell improvements, and readying the Baggage Wing for tenants; and

WHEREAS, the project is not feasible without Agency financial assistance; and

WHEREAS, BREDCO and BUILD desire to enter into an Owner Participation Agreement (“OPA”) with the Agency to provide for phased rehabilitation of the Property and Agency financial assistance with the rehabilitation; and

WHEREAS, funding for the proposed improvements under the OPA would be structured as a phased, one-to-one matching grant in an amount not to exceed \$1.3 million, distributed on a reimbursement basis; and

WHEREAS, the proposed improvements will serve Oakland Army Base Redevelopment Plan goals and objectives by alleviating the existing blight on the Property and is consistent with the Agency’s Implementation Plan for the Oakland Army Base Project; and

WHEREAS, pursuant to authority granted under the California Community Redevelopment Law, the Agency has the responsibility to implement the Redevelopment Plan for the Oakland Army Base Redevelopment Project, and the authority to provide financial assistance to redevelopment efforts in accordance with the best interests of the City and its residents and in accordance with state redevelopment law; now, therefore, be it

RESOLVED: That the Agency hereby authorizes the Agency Administrator or his or her designee to negotiate and execute an OPA with BUILD/BREDCO for the rehabilitation of the Property; and be it

FURTHER RESOLVED: That the OPA shall provide for a phased, one-to-one matching grant from the Agency, distributed on a reimbursement basis, in an amount not to exceed \$1.3 million to BUILD/BREDCO for approved improvements to the Property; and be it

FURTHER RESOLVED: That a total of up to \$1.3 million in Agency funds is hereby allocated for this purpose from the Oakland Army Base Operations Fund (9570), Oakland Base Reuse Organization (88679), 16th Street Train Station Rehabilitation Project (S235322); and be it

FURTHER RESOLVED: That the disbursement of the grant shall be contingent on and subject to such appropriate terms and conditions as the Agency Administrator or his or her designee may establish; and be it

FURTHER RESOLVED: That the OPA and all grant documents will be placed on file with the Agency Secretary; and be it

FURTHER RESOLVED: That the Agency Administrator is hereby authorized to negotiate and execute all other necessary documents and amendments thereto, and to take any other action with respect to the OPA, the funding, and the project, consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

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

NOES - ~

ABSENT -

ABSTENTION -

ATTEST:

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