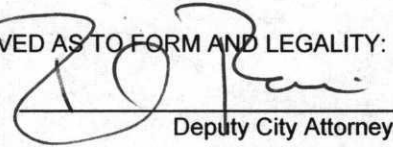


FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2014 JUL 10 PM 12:33

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

**OAKLAND CITY COUNCIL**  
**RESOLUTION No. 85139 C.M.S.**

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**A RESOLUTION (1) AUTHORIZING THE CREATION OF A CITY BASEMENT BACKFILL AND REPAIR PROGRAM, (2) ALLOCATING \$2,636,845 FOR THE PROGRAM USING EXCESS CENTRAL DISTRICT BOND FUNDS UNDER THE BOND EXPENDITURE AGREEMENT, AND (3) AUTHORIZING THE CITY ADMINISTRATOR TO MAKE GRANTS UNDER THE PROGRAM WITHOUT RETURNING TO COUNCIL**

**WHEREAS**, staff of the Economic Development and Workforce Development division have prepared a program known as the Downtown Basement Backfill and Repair Program (the "Program"), modeled after a similar program established by the Redevelopment Agency, to provide incentives for property owners in the Latham Square-Inner Telegraph and Old Oakland areas to backfill and/or repair their sub-sidewalk basement spaces so sidewalk improvements can be completed above; and

**WHEREAS**, the Program will provide for engineering grants and construction grants to backfill or retrofit the basement spaces; and

**WHEREAS**, the original Redevelopment Agency Program authorized an increase to loan or grant limits for small projects defined as 40 feet or less; and

**WHEREAS**, the intent of the original Redevelopment Agency program when created was to incentivize backfill and result in complete removal of the physical basement space including removal of spaces from the public right of way; and

**WHEREAS**, in the original program, the backfill loan converts to a grant upon satisfactory completion of construction and terms of the loan agreement; and

**WHEREAS**, the original program requires that if the owner elects to retrofit, the construction loan is due and payable upon transfer or resale; and

**WHEREAS**, the cost of multiple utility relocations is significant and has resulted in property owners receiving bids and engineers estimates that exceed the loan limits established under the program, when they elected to backfill; and

**WHEREAS**, removal of the basement space from the right of way would require wholesale utility relocation; and

**WHEREAS**, authorizing retrofits would be more cost effective than backfill; and

**WHEREAS**, the revised Program will provide greater financial incentives and will increase the feasibility of implementation of cost effective projects and likelihood of increased owner participation; and

**WHEREAS**, the revised Program will likely result in more rapid implementation of the streetscape project above; and

**WHEREAS**, funds are available for the revised Program from Central District excess bond funds provided by the Oakland Redevelopment Successor Agency to the City under the Bond Expenditure Agreement, and funding for this Program is provided for under the Bond Spending Plan adopted by the City Council; now, therefore, be it

**RESOLVED:** That the City hereby adopts a Downtown Basement Backfill and Repair Program to provide engineering grants of up to \$20,000 and to provide recoverable grants of up to \$4,000 per lineal feet of basement space, without returning to Council; and be it

**FURTHER RESOLVED:** That the grants made available shall be for backfill and/or retrofit of the basement spaces; and be it

**FURTHER RESOLVED:** That the maximum grant amount is increased for reinforcement or backfill work for small projects, which are defined as equal to or less than 40 linear feet, to an amount not to exceed \$200,000 or \$4,000 per lineal foot, whichever is higher; and be it;

**FURTHER RESOLVED:** That the grants for backfill and abandonment shall be recoverable if the property owner fails to complete the work; and be it

**FURTHER RESOLVED:** That the City hereby allocates a total of \$2,636,845 for the Program from two sources: (\$2,236,845) in Central District Major Projects City Fund (5611) Org(94889)Account(54011)Project (C473220)Program Code(SC13) and (\$400,000) in Basement Program City Fund (5610) Org (94889) Account (54930) Project (C354410) Program Code (SC13); and be it

**FURTHER RESOLVED:** That the City authorizes the City Administrator to make grants under the program without returning to City Council; and be it

