



REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION No. 01-03 C.M.S.

A RESOLUTION AMENDING RESOLUTION NO. 00-51 C.M.S. TO INCREASE THE LIMIT ON AGENCY LIABILITY TO COVER ENVIRONMENTAL CLEANUP COSTS FOR THE PRESERVATION PARK RESIDENTIAL PROJECT AT 11TH STREET, 12TH STREET, AND MARTIN LUTHER KING, JR., WAY FROM \$400,000 TO \$650,000, AND TO AUTHORIZE REMEDIATION WORK PRIOR TO PROPERTY CONVEYANCE

WHEREAS, the Redevelopment Agency approved Resolution No. 00-51 C.M.S. on July 25, 2000, authorizing the Agency Administrator to negotiate and execute a Disposition and Development Agreement ("DDA") with Preservation Park, LLC ("Developer") to sell property located on the eastern half of the block bounded by 11th Street, 12th Street, Martin Luther King, Jr., Way and Castro Street (the "Property") for the development of 92 units of for-sale housing (the "Project"); and

WHEREAS, Resolution No. 00-51 C.M.S. limited the Agency's liability for remediation costs to \$400,000; and

WHEREAS, the Agency and the Developer have determined that the remediation may cost up to \$700,000; and

WHEREAS, the Agency and the Developer have agreed that the Agency will pay the first \$600,000 in remediation costs and split any additional remediation costs up to \$700,000, which would limit the Agency's liability to \$650,000; and

WHEREAS, the Agency and the Developer have agreed that the Agency will pay the first \$600,000 in remediation costs and split any additional costs up to \$700,000, which would limit the Agency's liability to \$650,000; and

WHEREAS, the Agency and the Developer wish to amend Resolution No. 00-51 C.M.S. to increase the Agency's liability for remediation costs to \$650,000; and

WHEREAS, the Agency has \$650,000 available in the 10K Parking Project Fund;
and

WHEREAS, the Agency has determined that it may be appropriate to complete the remediation work in advance of the sale of the Property to the Developer; now, therefore, be it

RESOLVED: That Resolution No. 00-51 C.M.S. is hereby amended to increase the limit on the Agency's liability for remediation costs from \$400,000 to \$650,000; and be it further

RESOLVED: That the Agency shall be liable for the first \$600,000 in remediation costs; and be it further

RESOLVED: That the Agency and Developer shall split the next \$100,000 in remediation costs equally; and be it further

RESOLVED: That the Agency Administrator or his designee is hereby authorized to perform the remediation work, or cause the Developer or another third part to perform the remediation work, prior to the conveyance of the Property to the Developer, if the Agency Administrator or his designee determines that such advance work is appropriate, to negotiate and enter into any contracts as necessary to perform such work, and to appropriate up to \$650,000 from the 10K Parking Project Fund to cover remediation costs or to leave up to \$650,000 in escrow from Property sale proceeds to cover remediation costs, as he or she may determine is most appropriate in his or her discretion; and be it further

RESOLVED: That any funds expended from the 10K Parking Project Fund for remediation costs shall be reimbursed to said Fund from the proceeds of the sale of the Property.

IN AGENCY, OAKLAND, CALIFORNIA, FEB - 6 2001, 2001


PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, CHANG, NADEL, REID, SPEES, WAN, AND CHAIRPERSON DE LA FUENTE, -17

NOES- None

ABSENT- None

ABSTENTION- None

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