

**REDEVELOPMENT AGENCY
AND THE CITY OF OAKLAND**

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**SUPPLEMENTAL
AGENDA REPORT**

TO: Office of the City/Agency Administrator
ATTN: P. Lamont Ewell, Interim City/Agency Administrator
FROM: Community and Economic Development Agency
DATE: July 5, 2011

RE: A Supplemental Report For An Agency Resolution Authorizing the Agency Administrator to Negotiate and Execute a Cost Sharing Agreement Between the Redevelopment Agency and the Port of Oakland for the Development of Infrastructure Including Public Utilities and Public Streets on the Former Oakland Army Base

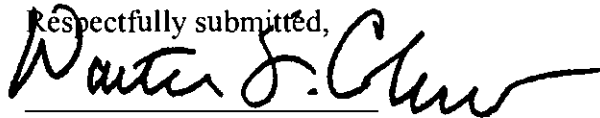
A Supplemental Report For A City Resolution Authorizing the City Administrator to Negotiate and Execute a Cost Sharing Agreement Between the City and the Port of Oakland for the Development of Infrastructure Including Public Utilities and Public Streets on the Former Oakland Army Base

SUMMARY

This Supplemental Report highlights a minor modification of the Cost Sharing Agreement among the Redevelopment Agency, City of Oakland, and Port of Oakland.

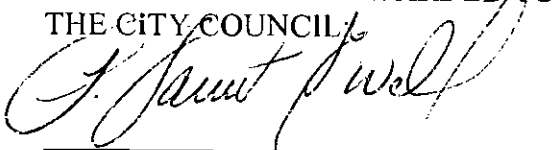
The modification is illustrated in redline at the bottom of the attached page 6 of the Cost Sharing Agreement, which is *Attachment B* in the Cost Sharing Agreement Report. The modified language indicates how the Agency/City and Port would “negotiate a pro-rated reduction” of the Agency/City’s portion of the Port’s Trades Corridor Improvement Fund allocation should the Agency/City be unable to meet a portion of its \$10,000,000 contribution to the Joint Infrastructure Development Fund over the next seven years.

Respectfully submitted,



Walter S. Cohen, Director
Community and Economic Development Agency

APPROVED AND FORWARDED TO
THE CITY COUNCIL



Office of the City/Agency Administrator

Item: _____
Agency Board/City Council
July 5, 2011

- a. TIGER II grant. The Port also acknowledges that the expenditure of such TIGER II grant funds on the Project will be considered as the initial portion of the Agency's \$10,000,000 commitment.
- b. The Agency's obligation under this Section 2.01 shall be binding upon its successors in interest to the Agency Lands, including, without limitation, the City.

2.02 Port Contribution: The Port agrees to contribute the following towards the TCIF matching fund requirement:

- a. \$5,700,000 deposited in or to be deposited into the JERF by the Port and disbursed from the JERF in accordance with the terms and conditions set forth in the ARMOA. In the event that the Agency and the Port do not require the full \$11,400,000 to be deposited into the JERF for environmental remediation and compliance work in accordance with the ARMOA and with the RAP/RMP (as defined in Exhibit E), the amount of the Port's contribution to be credited toward the TCIF matching fund requirement under this Section 2.02a will be reduced to 50% of the total amount deposited into the JERF by the Agency and the Port and expended by the Agency and/or the Port for environmental remediation and compliance work to comply with the RAP/RMP.
- b. Such other funds as the Port and its development partners for the TCIF Projects (including, without limitation, the City, the Agency, other public agencies, the developers of the Agency Lands and the Port Lands, respectively, and other private investors) may be able to raise.
- c. \$62,000,000. Provided that the Agency makes all of the contributions set forth in Section 2.01a and b above of this Agreement, the Port shall use commercially reasonable efforts to obtain reimbursement of up to \$62,000,000 in TCIF funds from one or combination of the OHIT or the 7th Street Project for the construction of certain railroad, street, utility and land infrastructure improvements on or adjacent to the Agency Lands and in accordance with the Baseline Agreements, as the same may be amended from time to time. The Agency and the Port shall each cooperate in good faith with the other in providing information and performing such actions as may be necessary to comply with the requirements of the Baseline Agreements, the Proposition 1B Goods Movement Program authorizing legislation, the rules and regulations of CTC and/or CalTrans for the TCIF program, and any other applicable law, rule or regulation.
- d. If the Agency is unable to contribute the entire remaining amount of the \$10,000,000 as set forth in Section 2.01c above due to changes to the California Community Redevelopment Law after the date of this Agreement, then the Agency shall so notify the Port in writing. Upon the Port's receipt of such notice, the parties shall negotiate a pro-rated reduction of the \$62,000,000 amount referred to in

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