

CITY of OAKLAND

Agenda Report

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2003 OCT -2 PM 1:34

TO: Office of the City Manager/Agency Administrator  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: October 14,2003

**A RESOLUTION APPROPRIATING UP TO \$100,000 FROM REDEVELOPMENT FUNDS AND AUTHORIZING THE AGENCY ADMINISTRATOR TO ENTER INTO A CONTRACT WITH BURNS & WATRY, INC. FOR SERVICES FOR THE CENTRAL CITY EAST REDEVELOPMENT AREA AND THE WEST OAKLAND PLAN ADOPTION PROCESS FOR AN AMOUNT NOT TO EXCEED \$97,000 AND \$3,000 FOR CONTRACT COMPLIANCE SERVICES.**

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**EXECUTIVE SUMMARY**

The Central City East Redevelopment area was unanimously adopted and approved at the joint public hearing of the City Council and the Oakland Redevelopment Agency on July 29, 2003. Staff is exploring the feasibility of a fiscal merger of the Oak Knoll Redevelopment area with the Central City East Redevelopment area. The Bums & Watry, Inc. consultant will assist Redevelopment staff with the Oak Knoll merger process. Bums & Watry, Inc. will also work with completing the West Oakland Plan Adoption process. Several *steps* in the process have been accomplished and others need to be completed before adoption of the proposed West Oakland Redevelopment area is complete. This is a request to approve a contract with Bums & Watry, Inc. to provide services to the Central City East and West Oakland Redevelopment areas as stated above for an amount not to exceed \$100,000.

Bums & Watry, Inc. specializes in plan adoptions and has been involved in over 80 redevelopment projects. The firm has provided the Agency with cost and time-saving concepts for Central City East. Bums & Watry, Inc. has provided technical assistance with the redevelopment process, citizen participation, technical reports, and a modified blight determination, which has been very beneficial to the Central City East project. Burns & Watry, Inc. brings the background and experience with redevelopment that reduces the cost of administering the adoption and merger process. Because the redevelopment process for the West Oakland Redevelopment area is on a time-sensitive schedule, Bums & Watry Inc. will help keep the process underway.

**FISCAL IMPACT ANALYSIS**

The contract with Bums & Watry, Inc. will be for an amount not to exceed \$100,000. The \$100,000 will be charged to CEDA's Planning Fund (9101, P37650); \$97,000 to cover the Bums & Watry, Inc. contract and \$3,000 for contract compliance services.

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The fiscal merger of the Oak Knoll area to the Central City East Redevelopment area will enhance the overall financial capacity of redevelopment in the Central City East area. The merger will increase the economic viability of the Project Areas by pooling revenues to address where redevelopment needs are the greatest. The affect of combining the revenues will be additional opportunities to fund projects that would not otherwise be possible. By merging projects the Agency will be able to fund projects in the earlier stages of Redevelopment; this will act as a catalyst and further promote private sector investment. Burns & Watry, Inc. will assist Redevelopment Agency staff to oversee the gathering of data and information that demonstrates the reasons for the fiscal merger of these two project areas. Burns & Watry, Inc will also assist with the selection and management of consultants, staff reports, PAC meetings, Redevelopment Plan, environmental analysis, Report to Council, and other documents.

Burns & Watry, Inc. will work with the West Oakland Redevelopment area staff to assist with the adoption and implementation process. The consultant will assist in managing the Plan Adoption process, including managing consultants that are responsible for preparation of major documents, including the revised Auditor's report, State Board of Equalization Report, Implementation Plan, Redevelopment Plan, Environmental Impact Report (EIR), Report to Council, PAC meetings, meetings with affected taxing agencies, and other plan adoption activities.

## **BACKGROUND**

The impetus for the Central City East redevelopment area began in 2001 when concerns from community groups were raised about the MacArthur Boulevard corridor, from approximately 73<sup>rd</sup> to 106<sup>th</sup> Avenues. The City Council established a redevelopment survey area along this portion of MacArthur Boulevard and, based on testimony at the hearing, extended the survey area along Bancroft and Foothill boulevards to High Street. The Council had also previously established a survey area from Oak Street south to 22<sup>nd</sup> Avenue (the border with the Coliseum Redevelopment Area). City management directed staff to determine if other areas could also benefit from redevelopment. Neighborhood meetings were held and based on the input from residents, community groups, and property owners regarding the blighted conditions of properties in this area, a new survey area recommendation was developed. The expanded survey area was approved by the City Council on December 4, 2001. On December 5, 2001 the City Planning Commission recommended approval of the Preliminary Plan to the Agency. On July 29, 2003 the joint City Council and Oakland Redevelopment Agency adopted and approved the Central City East Redevelopment area.

In 1996 the Oakland Base Reuse Authority, created through Joint Powers Agreement between the City of Oakland, the Agency, and County of Alameda, completed and adopted the Final Reuse Plan for the Naval Medical Center, Oakland (commonly known as the Oak Knoll Naval Hospital) (the "Reuse Plan"). The Oak Knoll redevelopment plan was adopted in 1998. The Naval Medical Center Oakland (NMCO) served as the Navy's East Bay medical center since 1942 until 1996 when it was decommissioned. A final Reuse Plan for Oak Knoll was prepared by the Oakland Base Reuse Authority (OBRA) in August 1996. The ORA serves as the lead implementation agency for this former base's reuse.

The West Oakland Redevelopment Project is Phase II of a two-phased strategy for approaching redevelopment area designation in West Oakland. The first Phase consisted of designation of the Oakland Army Base as a redevelopment area, which occurred in July 2000. Shortly thereafter activities related to the creation of the West Oakland Redevelopment Area, which encompasses the remaining portion of the West Oakland district not currently in a redevelopment area, commenced and are expected to result in approval of a final redevelopment plan in December 2003.

### **KEY ISSUES/IMPACTS**

The West Oakland Redevelopment Project is on a time sensitive schedule for adoption by December 2003. Retaining the services of Burns & Watry Inc. will allow the Agency to keep the process underway and to meet the adoption deadline to assure tax increment cash flow. The fiscal impact of not keeping the project on schedule with the services of Burns & Watry is the potential loss of \$426,000 of Tax Increment Funds for the first fiscal year of adoption by December 2003 for the proposed West Oakland Redevelopment Area.

The merger of the Central City East redevelopment area with the Oak Knoll redevelopment area will combine revenues to fund projects that would not otherwise be possible and which benefit both areas. By merging projects the Agency will be able to fund projects in the earlier stages of Redevelopment; this will act as a catalyst and further promote private sector investment.

### **ENVIRONMENTAL OPPORTUNITIES**

Environmental: Staff will encourage developers in the future Project Area to make substantial use of such green building techniques as energy-conserving design and appliances, water-conserving fixtures and landscaping, recycled-content building materials, and low-waste construction techniques. An environmental impact report will be prepared as part of the plan adoption process.

Economic: Projects for the area will be developed working with the Project Area Committees (PACs) that will review the goals of economic development and, as appropriate, shall incorporate local hiring. The areas will be studied by the PAC to identify development sites for housing, commercial, and other land uses, as well as public improvements.

Social Equity: The proposed Central City East Project Area and West Oakland Project Area will be studied for physical and economic blight. As the project areas are reviewed, the benefits to the immediate neighborhoods, increased services to disadvantaged areas, or enhanced recreational or social venues will be incorporated into the review process.

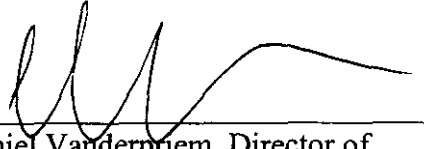
**DISABILITY AND SENIOR CITIZEN ACCESS**

This report and resolution does not include the approval of any specific projects or programs. Disability and senior access issues will be addressed when specific redevelopment projects and programs are brought to the Agency or Council for approval.

**RECOMMENDATION**

Staff recommends approval of the attached resolution, which authorizes the Agency Administrator to enter into a contract with Burns & Wattrick Inc. for services establishing the redevelopment plan for the West Oakland Redevelopment Area and studying the feasibility of merging the Central City East Redevelopment area with the Oak Knoll Redevelopment area for an amount not to exceed \$100,000 plus a 3% contract compliance fee of \$3,000.

Respectfully submitted,



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Daniel Vanderpriem, Director of  
Redevelopment, Economic Development, and Housing

Prepared by:  
Theresa M. Navarro, Urban Economic Analyst IV

APPROVED FOR FORWARDING TO  
THE COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE:

  
\_\_\_\_\_  
Office of the Agency Administrator

APPROVED AS TO FORM AND LEGALITY:

  
AGENCY COUNSEL

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2003 OCT -2 PM 1:34

# REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. \_\_\_\_\_ C.M.S.

**A RESOLUTION APPROPRIATING UP TO \$100,000 FROM REDEVELOPMENT FUNDS AND AUTHORIZING THE AGENCY ADMINISTRATOR TO ENTER INTO A CONTRACT WITH BURNS & WATRY, INC. FOR SERVICES FOR THE CENTRAL CITY EAST REDEVELOPMENT AREA AND THE WEST OAKLAND PLAN ADOPTION PROCESS FOR AN AMOUNT NOT TO EXCEED \$97,000 AND \$3,000 FOR CONTRACT COMPLIANCE SERVICES.**

WHEREAS, the Central City East Redevelopment area was adopted by the City Council and the Oakland Redevelopment Agency on July 29, 2003 and staff would like to explore the feasibility of merging the Oak Knoll Redevelopment Area with the Central City East Redevelopment area; and

WHEREAS, the California Community Redevelopment Law requires the Agency to prepare specific documentation prior to merging two redevelopment areas and adoption of a new redevelopment plan; and

WHEREAS, the Agency will enter into an agreement with Burns & Watry, Inc. to perform services to explore the feasibility of merging the Oak Knoll Redevelopment area with the Central City East Redevelopment area; and

WHEREAS, Burns & Watry, Inc. will provide services for the West Oakland Redevelopment adoption process to meet the West Oakland adoption schedule; and

WHEREAS, the agreement for these services will be for an amount not to exceed \$97,000; and

WHEREAS, the Agency finds that the services provided under this contract are of a professional, scientific or technical nature and are temporary in nature; and

WHEREAS, the Agency finds that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

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RESOLVED: That the Agency authorizes the Agency Administrator to negotiate and enter into a contract with Burns & Watry, Inc. for an amount not to exceed \$97,000; and be it further

RESOLVED: That the Agency authorizes the Agency Administrator to reprogram \$100,000 from Oakland Redevelopment Funds (9101, P37650, 54930) \$97,000 for services to be rendered by Burns & Watry, Inc and \$3,000 to cover the cost of contract compliance services; and be it further

RESOLVED: That the contract shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and a copy shall be placed on file with the Agency Secretary; and be it further

RESOLVED: That the Agency Administrator or his designee is hereby authorized to take whatever action is necessary with respect to this contract and the Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2003

**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

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