

REDEVELOPMENT AGENCY
OFFICE OF THE CITY ADMINISTRATOR
OF THE CITY OF OAKLAND
AGENDA REPORT

2011 DEC -1 PM 1:07

TO: Office of the Agency Administrator
ATTN: Deanna J. Santana
FROM: Community and Economic Development Agency
DATE: December 13, 2011

RE: Report and Recommended Community Benefits Policy Framework Associated with the Development and Operations at the Former Oakland Army Base

SUMMARY

The planned infrastructure and commercial construction and ongoing operations at the former Oakland Army Base is the most important major project in the City. The infrastructure and land preparation costs for the entire 330 acre site, including the Port's portion of the property, are estimated at \$500,000,000. Commercial facility costs are estimated at an additional \$300,000,000. The project will create upwards of 2,500 to 3,000 permanent operations jobs. The Community Benefits associated with a project of this magnitude are essential for a City confronted with a double-digit unemployment rate and local business enterprises struggling to stay afloat.

Expectations for a range of benefits to be derived from the Army Base project are high. This report and recommendations are intended to clarify and establish some community benefit terms and to begin establishing a comprehensive Army Base Community Benefits (CB) policy framework to inform negotiations with project developers and identify the resources needed to reap as many benefits as possible from the project.

Regarding the Local Hiring components of the CB framework, staff requests that the Agency Board approve the recommendation to accept in its entirety the Areas of Agreement detailed in *Attachment A*. The Areas of Agreement incorporate policies, goals, service delivery, and compliance monitoring structures for construction and operations jobs created by the Army Base project and were developed and adopted by consensus by dozens of stakeholders representing a wide range of interests who participated in the Jobs Working Group facilitated by Councilmember Brunner.

Staff also supports consideration for local contracting requirements for the construction phase of the Army Base project higher than the current 20% and consistent with the results of workshops facilitated by Councilmember Nadel and the Ordinance Amendment introduced by Vice Mayor Brooks and Council President Reid.

Staff recognizes that there is much work ahead in clarifying and refining all of the Community Benefit terms and conditions for the development and operations at the former Oakland Army

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Base and appreciates all of the hard work accomplished to date by the many community stakeholders dedicated to making this a transformative project for Oakland.

FISCAL IMPACT

There is no negative fiscal impact anticipated to the City's General Purpose Fund as a result of the policy framework report and recommendations. Staff will return to the Agency Board with a fiscal impact analysis when the Community Benefits framework is adopted.

BACKGROUND

It has been said countless times that West Oakland has endured more than 50 years of "broken promises." The former Oakland Army Base employed thousands of people at its peak and was one of the most robust operations in the City for decades. When the Base was targeted to be decommissioned in 1996, hopes and expectations abounded about how to reuse the former Army Base property, how to re-create the thousands of jobs lost, and how to mitigate the profound impact the base closure had on West Oakland and greater Oakland.

The "Promise" of the former Army Base site—that is, the economic redevelopment of the property—has not been fulfilled. Although the Agency and the Port operate leasing programs on our respective properties, the land, buildings, and infrastructure are decaying, and the area is blighted. There have been several development proposals over the years, which never got off the ground. Then in 2009-2010, the Port and the Agency came together on a vision to develop the entire site, with the same private development team—now called Prologis/CCIG Oakland Global, LLC. Neither the Port nor the Agency have completed negotiations with the developer, but remain committed to securing the necessary public funding needed to prepare the site for commercial/industrial development. The promise of thousands of construction jobs is within reach, with thousands more operations jobs to follow.

The only way the "Promise" of the Army Base development project can ultimately be fulfilled is if all key stakeholders—City/Agency, Port, Community Coalitions, Labor, and Business—work together and commit to the same vision to develop the site to its best and highest use. Only with stakeholder alignment will there be a transformative project and real Community Benefits.

KEY ISSUES AND IMPACTS

The Community Benefits terms and conditions must be established prior to the execution of any Development Agreements so negotiators know what costs to factor in to their budget projections. In addition, it is essential that all parties to Development Agreements understand and accept what will be expected and required of them as they develop their sites and impose the same terms and condition on each of their tenants.

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As the Army Base development project moves forward, there are a number of decision-points regarding the types of binding agreements needed between and among key stakeholders. The types of Agreements that already exist and are being considered include the following:

- Exclusive Negotiating Agreements
- Maritime and Aviation Project Labor Agreement
- Project Labor Agreement
- Community Jobs and/or Community Benefits Agreement
- Lease Disposition and Development Agreements
- Development Agreements

A fundamental policy issue for Agency Board consideration pertains to the “Third party right of action.” Will binding agreements be exclusively with the Agency, or will there be other private parties, which will be signatory to these Agreements and have oversight, monitoring and enforcement authority?

Whatever the case, all of the various agreement terms and conditions with regard to Community Benefits must be aligned and consistent.

OTHER POLICY CONSIDERATIONS

Local policies and priorities, such as for contracting and hiring, may conflict with state and federal law and funding source guidelines and restrictions. State Prop 209, for example, prohibits race-based targeting to enhance participation of local minority and women owned businesses. The Department of Transportation Highway Administration (FHWA) will likely be the largest source of federal funding for the Army Base infrastructure development project. The FHWA does not typically support geographic targeting for local business outreach or local hiring for that matter, though there are examples of projects that have negotiated contract terms with FHWA to help meet local contracting and hiring priorities.

The Army Base project must also consider the Port’s contracting and hiring policies governed by the State Lands Commission and prescribed within its Maritime and Aviation Project Labor Agreement (MAPLA). The Port’s Local Impact Area, for example, includes not only Oakland but also the cities of Alameda, Emeryville, and San Leandro.

With respect to the operation phase, the City is within its rights to establish local contracting and local hiring goals and requirements based on the profound need for jobs and economic development. The project team is relying on City and Port attorneys, as well as outside counsel, to ensure that the Army Base project complies with all relevant laws, regulations and guidelines, while striving to maximize local hiring and local contracting opportunities.

PROJECT DESCRIPTION

Following is an update on decisions made to date and the direction the development process appears to be going with respect to these Community Benefit components as presented in *Attachment B*. Please note that the original language in this Community Benefits Term Sheet is non-binding and non-exclusive, and open for negotiations. Also please note that the original Term Sheet assumed that there would be one master developer. As the project is emerging, there will likely be more than one “Lessee” and developers.

Also please note that recommendations regarding some of the Community Benefit terms addressed in this report are summarized in the Recommendations and Rationale section of this report.

1. AGREED LAND USES

The original Community Benefits Term Sheet stated the following regarding preferred land uses:

Film Center, Produce Market, logistics facilities, Class A office, research and development facilities, project-serving retail, waterfront open space, JATC job training facility, recycling facilities, or as Negotiated.

Since the RFQ and RFP were written for the master developer selection process, some preferred land uses articulated in those documents and draft Community Benefits Term Sheet have been modified, including the removal of the Film Center and Produce Market as mandated uses. The general direction of the Board is to negotiate “market rate” deals to the greatest extent possible.

In addition, the site in the East Gateway to be developed by Oakland Maritime Support Services (OMSS) was removed from that area per Agency Board approval in December 2010. The master development team is working on identifying a new location to accommodate the mandate and real need for truck parking and related services.

The Agency has not yet resolved questions regarding JATC’s legal status and whether it can assign its interests under the MOU to another entity. The Agency plans to resolve these issues in the near future.

Staff has also gotten clear direction to advance negotiations with California Waste Solutions (CWS) and Custom Alloy Scrap Services (CASS) to relocate in the North Gateway Area. Staff is working closely with the master developer, the recyclers and East Bay MUD to enable this relocation, which addresses a critical Community Benefit term regarding the relocation of polluting and hazardous uses from West Oakland neighborhoods to the Army Base.

We are now six months into the master planning process and the land uses contemplated, including the recyclers, are Port and rail-oriented trade and logistics warehouse operations. This

is a recognition that the highest and best use of the Army Base is to capitalize on its proximity to the Port and major rail carriers.

2. WEST OAKLAND COMMUNITY FUND (WOCF)

The Community Benefits Term Sheet states that:

(The) Lessee shall pay its fair share of the two million dollar (\$2,000,000) Community Fund based upon acreage leased within a timeframe to be negotiated during the ENA period.

For developers on Agency property, the contribution to the WOCF is approximately \$16,000 per developable acre. The Port is responsible for matching the Agency's contributions dollar-for-dollar up to \$2,000,000 and has elected to have its developer(s) assume the burden of those contributions. The trigger point for payment has not yet been approved by the Agency Board.

The West Oakland Community Advisory Group (WOCAG) has deliberated extensively on the West Oakland Community Fund and established criteria and advisory recommendations for the use of the WOCF. Staff will continue to work with the WOCAG on potential uses of the WOCF, particularly in light of high priorities that have been embraced by many stakeholders regarding local hiring and local contracting. The use of the WOCF is ultimately established by the Agency Board.

3. LOCAL CONTRACTING

The Terms Sheet states the following:

Lessee to comply with all City/Agency social justice contracting programs in both construction and operations phases, including, without limitation: prevailing wages, living wages, local and small local business, disadvantaged business program, equal benefits, disabled access, and apprenticeship/job training/first source hiring programs. Lessee must agree to comply with compliance monitoring by Agency.

Councilmember Nancy Nadel has hosted a series of workshops on Army Base Community Benefits, which has included discussions on local business participation. Recently, the Agency Board adopted an Ordinance Amendment introduced by Council President Reid and Vice Mayor Brooks regarding local contracting and hiring for Army Base Demolition and Remediation projects to be performed in the near term. In order for the Army Base development project to be truly transformative for the City of Oakland, opportunities for local contracting must be maximized. As of this writing, the current Local Business Enterprise/Small Local Business Enterprise (LBE/SLBE) policies require 20% local participation. An Ordinance Amendment is currently under consideration to increase local contracting requirements to as high as 50%, with a minimum of 25% Small Local Business participation.

The Agency Board can establish higher thresholds for local business participation during the infrastructure construction phase of the Army Base project. There are likely limits to how restrictive these higher thresholds can be based on legal concerns of exclusion, the need for getting the most competitive bids as possible, and federal contracting restrictions and requirements. That said, all stakeholders should work together to ensure that local businesses benefit greatly from the Army Base development project.

Staff has heard repeatedly that bonding and financing are among the largest impediments for small local businesses competing for contracts with the City. If the project can afford to pay for a Bonding and Finance Assistance Program, the Agency should consider doing so if that enables small local businesses to compete and grow.

4. JOBS FOR LOCAL RESIDENTS

The Term Sheet states the following regarding local hiring and job training:

Construction Jobs

To ensure that project construction provides the strongest possible training and employment opportunities for targeted residents, a Project Labor Agreement for construction shall include requirements for a share of project hours to be worked by targeted residents and by apprentices. The Agency will require all general contractors to develop a plan for satisfying these requirements, and to obtain approval from the Agency of that plan prior to commencement of work. Targeted hiring requirements will be monitored and enforced.

Permanent Jobs

In order to advance the Agency's goal of providing economic opportunities to residents of communities that have borne the brunt of social, economic and health impacts, the Agency will require Lessee to ensure that all project employers participate in a First Source hiring program for operations-phase jobs (i.e., non-construction jobs). This program will require employers to designate a first source system, prior to hiring; consider targeted applicants referred by the first source system; and hire a percentage of targeted applicants. The Agency will designate one or more nonprofit entities to refer applicants as part of the first source system. Targeted hiring requirements will be monitored and enforced through a process to be established by the Agency and similar to the Port of Oakland's MAPLA program, through which employers and contractors report progress, and challenges are addressed in a collaborative manner by various stakeholders from a particular industry, including community representatives and any relevant labor union(s).

Job Training

Lessee should be prepared to coordinate with local workforce training programs to provide trained workers for both construction and relevant permanent jobs and ensure that programs have resources to advance the Agency's goal of sustainable economic development of surrounding neighborhoods.

This section of the report and the work accomplished to date on Local Hiring goals merges the three hiring and workforce training Community Benefits components from the Term Sheet. The framework, goals and processes for enabling Oakland residents to obtain gainful employment during the construction and operations phases of the Army Base project is to date the most highly processed Community Benefit area.

Prior to the direct involvement of City leadership in the Army Base Community Benefits process, the AMB Property Corporation/California Capital Group JV (AMB/CCG) and the Building and Construction Trades Council of Alameda County (AFL/CIO) entered into a Project Agreement, comparable to a project labor agreement. That agreement among those private entities remains binding. It is staff's understanding that the parties will participate in good faith negotiations to amend that Project Agreement by way of a "side letter" so it is consistent with the terms and conditions ultimately adopted by the Agency Board regarding Local Hiring.

In December 2009, the Alameda Labor Council (AFL/CIO), Oakland ACORN, Center for Third World Organizing (CTWO), East Bay Alliance for Sustainable Economy (EBASE), Oakland Community Organizations, The Workforce Collaborative, and California Capital Group (CCG) entered into a Memorandum of Understanding to work in good faith towards achieving the following:

The Core goal of the Oakland Army Base development is to deliver a sustainable, productive, profitable, growing enterprise that yields benefits for (alphabetically) business, government, residents and workers.

This group invested much time and energy in drafting a Community Jobs Agreement document, which was not completed or executed. The Agreements and drafts executed and produced to date are, from staff's point of view, consistent with the fundamental vision and hiring goals for the Army Base project.

In November 2010, then Council President Jane Brunner and former Mayor Dellums' office assumed the lead role in convening large, inclusive groups of Army Base stakeholders in focused work sessions that have resulted in consensus on a broad range of elements related to local hiring. Oakland WORKS, a West Oakland-based, city-wide Advocacy Alliance, became very involved in this process along with Revive Oakland! and the groups involved in the previous community benefits processes. This expanded body is called the Army Base Jobs Working Group.

Attachment A summarizes all of the Areas of Agreement reached by the Jobs Working Group. During this one-year process, questions and issues arose regarding the pros and cons of having a Project Labor Agreement, which ultimately led to the formation of a Jobs Task Force, whose primary purpose was to address concerns regarding a Project Labor Agreement for the construction phase of the Army Base development project. The key stakeholders represented on the Task Force included:

- Building and Construction Trades Council of Alameda County
- Construction Employers Association
- City of Oakland Contract Compliance and Employment Services
- Oakland WORKS
- Revive Oakland!
- The Oakland Workforce Investment Board

The Task Force's consensus recommendations are incorporated in the Areas of Agreement.

NEXT STEPS

The Operations Jobs policy framework is not complete given the divergent points of view among business, community and labor representatives. A framework for negotiations will emerge from future discussions including community, labor, development and business representatives on Operations Jobs, the outcome of which will be reflected in a Community Jobs Agreement, all of which will be subject to Agency Board approval.

The core element for implementing the Community Jobs Agreement will be the establishment of a Jobs Center in West Oakland designed primarily to serve as the nexus for matching job seekers with employers for the Army Base project. Extensive efforts have already gone into laying the ground-work for the Jobs Center, presented mainly by Revive Oakland! and Oakland WORKS. Staff will facilitate the process for fleshing out a scope of work for the Jobs Center, which should ultimately be bid out competitively once start-up and operations funding has been identified and secured.

5. LABOR PEACE

The Term Sheet states that:

(The) Lessee is required to agree to the following language in its lease agreement with the Agency: The parties recognize that in order to protect the Agency's proprietary interests in uninterrupted receipt of the income and public services promised under this contract, labor disputes must be prevented. The parties agree that as a material condition of this agreement, Lessee shall cause each employer of employees rendering Services on the premises to sign a labor peace agreement with any labor organization which has informed the Agency that it represents or seeks to represent such employees, unless the Alameda Labor Council advises that such labor organization is not actively organizing in such industry.

A "labor peace agreement" means any written agreement which (a) waives the right of the labor organization and its members to engage in picketing, work stoppages, boycotts, or other economic interference with the Agency's proprietary interests in the premises for the duration of the Agency's lease; and (b) provides that any services to be performed by employees of the employer's tenants, subtenants, contractors, or subcontractors will also be done under agreements containing the same labor peace assurance. "Services" for these purposes means janitorial, security, building and grounds maintenance, warehousing and distribution, industrial, mechanics and truck services, retail, hotel (and any restaurant connected thereto), and grocery sales.

Project Labor Agreement

In the context of construction, labor peace can be achieved through the Project Labor Agreement with the Building Trades. Staff has been working under the assumption that there is and will continue to be a Project Labor Agreement (PLA) for the Agency's portion of the Army Base for infrastructure construction. A PLA must support and agree with the terms and conditions of an over-arching Community Jobs Agreement (to be developed). As stated previously, CCG has a Labor Agreement with the Building Trades, which is binding among the signatory entities. Going forward, the PLA must recognize and support the goals and policies of the Community Jobs Agreement as a condition of approval for commencing infrastructure construction on Agency property.

Operations Jobs

The primary focus of Labor Peace is on the operations jobs going into the future. Labor advocates believe strongly that workers with union representation are afforded safe working conditions, well paying jobs in many cases with health benefits, job security, and representation when they feel they are being treated unfairly by their employer.

The Labor Peace provision would prohibit employers from taking any overt action that prevents employees from organizing if they so choose to be represented by a recognized labor union. The practice of "Card Check" is used in some circumstances, whereby labor representatives reach out to employees individually, and encourage them to sign a pledge of support for unionizing. Current National Labor Relations Act provisions give employers the choice of determining whether their employees' decision to organize will be by a secret ballot or card check. "Card Check Neutrality" is a policy option for the Agency, which would prohibit employers from interfering in any way with the efforts of a labor organization recognized by the Alameda Labor Council to represent or seek to represent such employees using the card check method.

Developer and employer representatives have expressed strong concerns regarding Labor Peace and Card Check policies, which they say will likely have a profound impact on the development of the Army Base in terms of discouraging business attraction and locating local businesses on the site.

Staff is convening meetings among labor, developer and business representatives with the goal of reaching agreement on Neutrality language that is satisfactory to all parties.

6. PERFORMANCE STANDARDS AND REPORTING

The Community Benefit Term Sheet states the following:

To assist the Agency in assuring that project development is proceeding in a timely manner towards the Agency's goals, Lessee will be required to submit regular progress reports on satisfaction of various project requirements, including construction progress, financial goals, local hire, employment retention, and small/local business utilization, air quality and environmental health. In the Lease Development & Disposition Agreement (LDDA), the Agency will set goals in each of these areas for each phase of construction and operation of the project. The LDDA will stipulate penalties if goals are not met and incentives if goals are exceeded.

Monitoring and enforcement of the broad range of Community Benefit terms will be complicated and costly. The stakeholder Oversight Committee being contemplated to oversee the implementation of the Community Jobs Agreement would take care of the Jobs Component. That Oversight body would need staff support, technical assistance, and perhaps stipends for Committee members who do not have jobs that pay for their time while performing their Committee functions.

Contract Compliance monitoring is and should continue to be a function of the City and the Port on our respective parts of the project. The Department of Contract Compliance and Employment will likely need additional staff support to carry out its duties pertaining to the Army Base once the project moves into full construction mobilization and then into ongoing operations.

Air Quality and Health monitoring standards in excess of current regulatory requirements have been proposed by the Alameda County Department of Public Health and the Environmental Indicators Project. While the Army Base development team has not had the opportunity to thoroughly review the recommended standards, staff acknowledges that under CEQA and out of concern for the health and well-being of West Oakland residents and workers on the Army Base project, health and safety standards and monitoring are essential.

Agency and Port staff and the development team need more time to review and consider all of the different levels of compliance monitoring and enforcement needed to truly ensure that the Army Base project meets all of the economic, social equity and environmental standards and qualities intended for the project. Standards and goals without oversight and compliance monitoring are meaningless. How the project is able to support and sustain an effective oversight process has to be considered in the overall project cost projections.

7. COMMUNITY OUTREACH AND ENGAGEMENT

The Term Sheet states the following:

Lessee is required to create and maintain a program of ongoing communication and collaboration with relevant community stakeholders to ensure that there is community understanding and support for the project.

Staff regularly updates the West Oakland Advisory Committee (WOCAG) on the status of Army Base development. The master developer has made scores of presentations on the Army Base development project to community groups and in large assemblies. Telling the story of where we are with the Army Base project is crucial and must be done more regularly to engender universal support for the project moving forward. The Army Base project will not produce the range and volume of benefits Oakland needs without the full support of all key stakeholder groups.

Staff will work with the master development team to facilitate a series of updates open to the community on the status of Army Base development. A substantial amount of site planning and design work has been accomplished to date, much of which the community at large is unaware.

8. COMMUNITY SERVICES AND AMENITIES

The Term Sheet states the following:

Lessee should describe how project will result in creation of community services and amenities such as grocery stores, banks and other retail, community centers or child care centers, on or off-site, to benefit the surrounding neighborhoods.

Through its TIGER II grant, the Agency received \$2,000,000 for Army Base infrastructure master planning and West Oakland Specific Planning. These planning processes are intended to improve the livability of West Oakland by linking to the greatest extent possible Army Base development and West Oakland community and economic development. This planning process should identify the services and amenities needed off of the Army Base site to serve the surrounding neighborhoods.

9. RELOCATION OF POLLUTING AND HAZARDOUS USES FROM WEST OAKLAND

The Term Sheet states the following:

Lessee should describe plan to relocate polluting and other hazardous uses from the adjacent West Oakland neighborhoods onto the project area, including recycling facilities and trucking activities. Plan should include analysis of how project will decrease or increase communities' exposure to pollution.

Army Base staff is currently working with California Waste Solution (CWS) and Custom Alloy Scrap Services (CASS) on relocating them within the North Gateway Area of the Army Base. California Capital Investment Group Oakland Global LLC (CCIG), which is administering and overseeing the infrastructure master planning process, has given considerable thought to North Gateway site preparation and utilities, even though that area is not within the Prologis/CCIG ENA footprint. The Army Base development team is also working closely with East Bay MUD to come to agreement on a proposed realignment of Wake Avenue and easements to accommodate the needs of the recyclers.

10. URBAN DESIGN PRINCIPLES AND COHERENT DEVELOPMENT PLAN

The Term Sheet states the following:

The design of the GDA should be coherent, incorporate distinctive, innovative architecture, ensure a mix of uses, and be flexible enough to evolve over time.

We currently have five potential developers on the Agency's portion of the property: Prologis, CCIG, CWS, CASS and OMSS. Each business operation will have its own unique facility and circulation needs. Creating a coherent layout with complimentary design features will be challenging in the context of an all industrial setting, but possible. The project is several years away from commercial facility design and review.

11. GREEN INDUSTRIES

The Term Sheet states that the following:

Project should indicate types, numbers and timing of green businesses and industries to be included in project, establish recruitment incentives, and describe potential synergies among industries and how they will interact with whole development.

This major development project is market driven. The relocation of the recyclers is a big step in achieving the Green Industry goal. It is not clear at this point what other companies that fit the definition of "Green" may be able and willing to establish operations on the Army Base. The current focus is on Port-serving transportation and commercial operations, including businesses that move cargo through the Port, such as the recyclers.

12. GREEN AND CLEAN BUILDING/SUSTAINABLE DEVELOPMENT

The Term Sheet states the following:

Green" development principles should be applied which meet or exceed City of Oakland's Green Building Ordinance and related policies, including design,

construction, building materials, use of alternative energy sources, resource efficiency, waste stream diversion, communications technology and transportation. Plans to meet these standards, including energy generation and/or savings and details of carbon-neutral program, should be provided.

All major facilities constructed on the Project site should achieve energy efficiency levels at least 20% better than Title 24 requirements, and receive certification under the U.S. Green Building Council's LEED program at a minimum of the LEED Silver level. Project plans should demonstrate higher levels of green building achievement, including potential certification of the Project as a whole under the LEED for Neighborhood Development rating system and/or achievement of additional credits as prescribed under that rating system and other guiding documents such as the Alameda County Waste Management Authority's Bay-Friendly Landscape Guidelines. A significant portion of the Project's ongoing energy requirements should be met with on-site clean, renewable energy technologies.

Infrastructure should be installed to enable all facilities to use recycled grey water as an alternative to potable water for uses not requiring potable water (e.g., sewage conveyance). Systems should be designed to treat 100% of storm water on site, and to make use of rainwater and/or recycled water on-site where possible. Potable water should not be used for site irrigation.

Project should describe anticipated vehicle use associated with operations and should provide strategies for reducing transportation-related impacts and local air pollution.

Studies estimating air pollution from proposed uses of the project site, including associated vehicle travel, and of cumulative impact with adjacent Port uses should be performed and analyzed to increase perspective on the potential air quality impacts of project.

All roof and pavement surfaces should have a solar reflectivity index in order to minimize the urban heat island effect.

In compliance with the City's Construction and Demolition ordinance, 100% of concrete and asphalt and a minimum of 65% of all other materials generated should be targeted for reuse or recycling.

The Army Base development team will work closely with the City's Sustainability Coordinator and Energy Engineer III, as well as with other experts on "green development" practices, to ensure that the project is compliant with all established City, Regional, State, and Federal requirements, and that it incorporates other best management practices, including alternative energy generation, to the greatest extent possible. Currently, the developer is actively investigating the inclusion of photovoltaic power generation on building roof tops. Another potential benefit of the project is the elimination of up to 120,000,000 truck miles (VTM) per year with the contemplated near and on dock rail improvements. The estimated value of the improved air quality alone with these diversions is \$46,160,000 over 20 years.

13. PUBLIC, ACCESSIBLE OPEN SPACE AT WATERFRONT

The Term Sheets states the following:

Project should demonstrate plan for publicly-accessible connection – by bicycle, foot, and vehicle – from Central Gateway area to future development of the 16.5-acre shoreline open space mandated by the California State Lands Commission and for coordination with the 15-acre Gateway Park being developed by East Bay Regional Park District to help create a world-class destination and amenity.

This particular term should be open for modification. A new concept has emerged recently, which includes maintaining a “working waterfront” from the Central Gateway to the West Gateway Areas. The West Gateway, also known as Pier 7, is the only deep water break bulk facility in the region. Maintaining it as such appears to be a much more commercially viable operation than previously considered hotel or office complex.

Meanwhile, the City continues to work diligently with the Gateway Park Group on the plan to create a world-class park at the foot of the new Bay Bridge that “inspires the development of a vibrant district of commercial and social connectivity on the adjacent lands.”¹

The City’s commitment to the Gateway Park vision is to provide safe access for visitors by car, bike or foot to the park area to be operated by the East Bay Regional Park District. Some of the Park will also be on Caltrans property to the north of Burma Road.

SUSTAINABLE OPPORTUNITIES

Economic: The development of the former Army Base has the potential to create thousands of construction and permanent jobs for Oakland residents and multi-million dollar contracting opportunities for local businesses. The project will generate millions of dollars in new tax revenue to the City’s General Purpose Fund, as well as millions of dollars in tax increment revenue, assuming the Redevelopment Agency continues to exist.

Environmental: The project will use, to the greatest extent possible, best management practices that not only reduce health and safety impacts to local residents, but also aim towards improving air quality, safe pedestrian and bike access, reduce water usage, and use alternative energy options to the extent they are commercially viable to reduce green-house gas emissions.

Social Equity: This comprehensive package of Community Benefits addresses the Agency’s commitment to social equity by way of jobs for local residents, contracts for local businesses, and quality of life improvements for West Oakland residents. Many of the Terms in this package were derived from the West Oakland Community Advisory Group and other Community Coalitions and members.

¹ An excerpt from the Gateway Park Implementation Plan Overview, April 2011.

DISABILITY AND SENIOR CITIZEN ACCESS

All consideration will be given to enable access for disabled individuals and senior citizens, to the extent an industrial development can accommodate such access. Individuals with disabilities may be given preference for local hire depending on the goal that is approved for hiring of local “disadvantaged” residents.

RECOMMENDATIONS AND RATIONALE

A. Application of Community Benefits Policy Framework:

Staff recommends that the Community Benefit Policy Framework should apply to the master development Areas of the Army Base, with the ability to negotiate an appropriate set of Community Benefits for North Gateway Area Development Agreements.

The Agency Board purposely carved out the North Gateway Area from the master development ENA footprint for special development opportunities, such as relocating recyclers from West Oakland neighborhoods. While staff has been clear that all projects on the Army Base will be subject to meeting Community Benefit terms and conditions, such as local hiring, the Agency should retain discretion in negotiating terms for land sale Development Agreements. The Policy Framework should be the starting point for such negotiations, but should be flexible if any one of the conditions proves to be a deal breaker for what otherwise would be very beneficial market rate land sale development projects.

B. West Oakland Community Fund:

Staff recommends that payment to the WOCF should be required of developers when the following conditions are met: 1) the backbone infrastructure has been installed and a certificate of completion has been issued; 2) the land to be developed is remediated per the RAP/RMP; and 3) the developer has entered into a long-term ground lease or purchase agreement and has completed the first phase of vertical development.

Commercial developers will not invest large sums of money into a project without certainty of project scope, schedule and budget. Contribution to the WOCF at \$16,000 per acre is a large investment for any company. Requiring contributions prior to executing a long-term lease or purchase agreement for property that is ready for vertical development is not reasonable.

Regarding the use of the WOCF, staff will continue to work with the West Oakland Community Advisory Group in an effort to align its fund use recommendations with the community benefit priorities that have emerged from the local hiring and local contracting discussions.

C. Local Contracting:

Staff recommends that the Army Base project should aim for an overall goal of 50% local business participation during the infrastructure construction phase of the project.

This local contracting goal emerged from the Army Base Community Benefits workshops facilitated by Councilmember Nadel, and is consistent with the Ordinance Amendment put forth by President Reid and Vice Mayor Brooks, as well as the Ordinance Amendment currently under consideration for the entire City. The process for achieving this goal should be collaborative among the Agency, City, Master Developer and contractors. Depending on the federal agencies funding the project, the City should negotiate agreements with each agency that enables us to meet our local contracting priorities to the greatest extent possible. The prime contractors named in the AMB/CCG proposal should continue to manage the infrastructure development project, and there should be ample opportunities for qualified Local Business and Small Local Business Enterprises to perform a major portion of the work.

D. Local Hiring:

Staff recommends that the Agency Board approve the Areas of Agreement reached through the large group stakeholder process documented as *Attachment A*.

Discussions regarding local hiring for the Army Base project have been taking place for years. In the past year, these discussions, facilitated by Councilmember Brunner, were open to anyone who wanted to participate. Among the key stakeholder coalitions and organizations that have participated in these consensus building meetings are Revive Oakland!, Oakland WORKS, the Building Trades Council of Alameda County and other labor unions, the Construction Employers Association, and prospective developers. All of the Areas of Agreement listed within *Attachment A* were reached by consensus by the large Jobs Working Group, which at times had more than 50 people per meeting. Consensus in this case meant 100% agreement among the very diverse group of participants.

E. Labor Peace:

Staff recommends that the Agency use the existing language regarding Labor Peace as a starting point for negotiations with the master developers, and be open to modifying the language as needed.

Labor Peace is intended to ensure that there will be no labor disputes and actions that would disrupt the entire project area. Interferences and actions that disrupt or shutdown Port activities are very costly. The Labor Peace language in the current ENA Term Sheet is acceptable to many labor representatives staff has met with. The language, however, does not appear to be acceptable to Prologis and some of our local businesses.

F. Relocation of Hazardous Uses:

Staff recommends that the relocation of CWS and CASS to the Army Base be deemed to have fulfilled this term, once accomplished.

CWS and CASS currently occupy roughly 16 acres on four parcels in West Oakland. While some community members advocate for relocating all of the recyclers operating in West Oakland neighborhoods to the Army Base, this is not feasible. Not all of them want to relocate or can afford to, and there is only so much land available for that particular use on the Army Base. CWS and CASS approached the Agency together and have been persistent and consistent in their efforts to relocate to the Army Base. They have the means to move and develop new sites, and have made an initial offer to the Agency that proves they are serious.

G. Open Space and Waterfront:

Staff recommends that the Agency continue developing the “working waterfront” concept and begin the process of re-negotiating its Tidelands Trust obligation with the State Lands Commission regarding the proposed Shoreline Park.

There is a compelling case for maintaining the working waterfront along the West Gateway. The 15-acre Shoreline Park, while a nice amenity, would be costly to build and maintain, and would not generate revenue or create permanent jobs. The working waterfront will. Staff believes that there is a strong case to be made to the State Lands Commission for accepting the working waterfront plan as meeting the Agency’s Tidelands Trust obligation for the development project.

Staff will continue to participate in the Gateway Park planning process and will work on providing access to the south-western most tip of Pier 7 for Gateway Park patrons to experience the most stunning view of the Bay available in that end area.

Regarding the other Community Benefit terms that do not have recommendations at this time, staff will flesh out those areas with the development team and return to the Agency Board with recommendations at a later date. Staff will also return to the Agency Board for any actions requiring the authorization of funding or entering into any binding agreements regarding Army Base Community Benefits.

ACTION REQUESTED OF THE AGENCY BOARD:

Staff requests the following:

1. That the Agency Board adopt *Attachment A—Areas of Agreement* for Army Base Jobs—as the basis for moving forward on finalizing the terms of a Community Jobs Agreement.
2. Staff also requests that the Agency Board approve the recommendations summarized in the Recommendations and Rationale section of this report.

Respectfully submitted,



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Community and Economic Development Agency

Reviewed by:

Gregory Hunter, Deputy Director of Economic
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Prepared by:

Al Auletta, Redevelopment Area Manager

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


Office of the City/Agency Administrator

Item: _____
CED Committee
December 13, 2011

OAKLAND ARMY BASE JOBS WORKING GROUP

AREAS OF AGREEMENT

October 27, 2011

The following is the compilation of all of the Areas of Agreement developed in the huge Jobs Working Group (Large Group) sessions as well as by the Jobs Task Force. On October 27, 2011, the large Jobs Working Group affirmed by consensus the Areas of Agreement it had developed, as well the recommendations put forward by the Jobs Task Force.

These policy, goals and process recommendations will serve as the foundation for developing an Army Base Community Jobs Agreement and designing the scope of work for a Jobs Center in West Oakland, which is envisioned to serve as the nexus for matching job seekers with employers for the Army Base project.

I. LOCAL HIRE (FOR CONSTRUCTION AND OPERATIONAL JOBS)

LARGE GROUP AREAS OF AGREEMENT

- 50% (plus one) work hours for Oakland residents, craft by craft.
- There should be additional priority for local hire given to:
 - 1. West Oakland residents
 - 2. Enterprise Zone residents (or another proxy for areas of low-income, high employment etc. Task Force will further develop)
- 100% of new apprentices must be Oakland residents.
- Unions/contractors must guarantee that Oakland journey workers will get preference.
- Existing workers in Oakland must be recruited for job opportunities.
- A study of existing, trained workforce in Oakland is needed.
- Employers need to disclose info-on jobs in advance (construction and operations).
- Contractors should get credit for local hire if they employ workers at other projects in other cities.
- Majority agree that there should be a one-source center for all employees.

TASK FORCE ISSUES AND AREAS OF AGREEMENT ADOPTED BY THE LARGE GROUP

1. *Develop priority criteria for local hire*

- “Local” is defined as the City of Oakland, with priority being given to the zip codes that comprise West Oakland and city council District 3, and then to all of the Oakland Enterprise Zone.
- Staff will conduct a capacity study of West Oakland to better understand the skills, needs, and demographics of the targeted population.

2. *Clarify hiring process at jobs center*

- The Jobs Center should be located in West Oakland, be readily accessible, and serve as a resource for contractors, employers and job seekers during Construction and Operations phases.
- The Center will connect job seekers with job training, education and other support services, such as transportation.
- The Center will be overseen and administered by an independent body. Staff will develop an RFP for the operations of the Jobs Center.
- To meet local hire goals, contractors would send requests to the union hiring hall and to the Jobs Center simultaneously. If the hall cannot provide a local worker within 72 hours, the contractor would then call the Jobs Center to provide a qualified worker. All such workers need to be dispatched through the appropriate union hiring hall.
- The Jobs Center will monitor and track job assignments and worker hiring and retention. On a regular basis, the Jobs Center will transmit these results to the Monitoring and Enforcement sub-committee of the stakeholder Oversight Committee for compliance determination and enforcement actions.

3. *Should Oakland residents who had to move away be included in the local hire policy? If so, how?*

- Not included in recommendations. The general opinion of the Task Force members was that it would be difficult to establish parameters for determining local hire eligibility for people who once lived in Oakland.

II. TRAINING AND JOB PATHWAYS

LARGE GROUP AREAS OF AGREEMENT

1. Apprenticeships

- 100% of new apprentices must be Oakland residents.
- There should be a requirement for a specific number of new apprentices, craft by craft.
- There should be a number of apprenticeships set aside for graduates of pre-apprenticeship training programs.
- Statistics and regular reports on the number of pre-apprenticeship graduates in apprenticeships, and number of apprentices becoming journeyworkers should be provided.
- Contractors should be required to keep apprentices on for at least one year, beyond that the requirement will be negotiated case by case.

- Need a mechanism to recognize, analyze and ensure that contractors use apprenticeship graduates on a long-term basis (must include an enforcement mechanism).
- Need to define and implement pre-apprenticeship training standards.
- Apprentices should reflect ethnic diversity of Oakland community.

2. General Workforce Development

- City/CEDA/WIB should have a workforce development plan for the Army Base.
- Community Colleges should be encouraged to offer associate's degrees as well as certificates to trainees.
- Existing Workforce Development/job training programs should be utilized to train workers.
- Use linkages with Peralta Community College District.
- Employers must provide advance information on the type of jobs, number of jobs and duration of jobs.

TASK FORCE ISSUES AND AREAS OF AGREEMENT ADOPTED BY THE LARGE GROUP

1. *Develop appropriate number for new apprenticeship requirement.*

- The goal for the percent of overall apprentice work hours should be raised from 15% to 20% of total work hours.
- 5-10% of total work hours must be worked by new apprentices. (This translates to 25-50% of apprentice hours must be worked by new apprentices). Task Force did not reach agreement on an exact number.
- Developers/contractors will get credit for new Oakland apprentice hires once the apprentice has worked 1,000 hours. Off-site hours may also be included.
- New apprentices are defined as individuals who have not worked in union construction prior to being hired on the Oakland Army Base (OAB) and who are starting at the entry level of a 1st period apprentice.
- Stakeholders will contribute to a revolving loan fund that will help pay for initiation fees for low, very low and extremely low-income new apprentices.
- New apprenticeship hiring opportunities shall be given first to qualified graduates of Oakland pre-apprenticeship training programs.
- Jobs Center will track and support the progress of apprentices becoming journey-level workers.
- There should be established pre-apprenticeship training standards.

III. YOUNG ADULT/RE-ENTRY EMPLOYMENT PROGRAM

LARGE GROUP AREAS OF AGREEMENT

- Need job training and placement opportunities for young adults (18 and over).
- For youth (under 18):
 - Start basic math and reading foundational skills training in middle schools.
 - Funding for high schools, like McClymonds and others, to offer pre-apprenticeship training for pathways to Army Base jobs.
- For formerly incarcerated workers:
 - Require employers to ban the box on the job applications.
 - Jobs should be open to folks on parole or probation.
 - There should be a commitment by employers to hire re-entry workers.
 - Employers cannot ask for credit references.
 - If a background check is required, it should be done at the end of the hiring process.
- There should be targets set for hiring and retaining re-entry workers and other disadvantaged workers.
- There should be incentives/penalties associated with meeting re-entry/disadvantaged worker targets (i.e. discounts on lease payments).
- Need outreach and education to both employers and potential employees (young adult/formerly incarcerated).

TASK FORCE ISSUES AND AREAS OF AGREEMENT ADOPTED BY THE LARGE GROUP

1. *Develop definition of "disadvantaged worker."*

- Local Disadvantaged will include such populations as low-income young adults (18-25), disabled individuals, and the formerly incarcerated.
- The Jobs Center will follow Federal Department of Labor guidelines for defining "disadvantaged". Under the Workforce Investment Act (WIA), the term "disadvantaged adult" means an adult who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of the poverty line or 70% percent of the lower living standard income level.
- Formerly incarcerated residents also qualify as disadvantaged.
- The project should include a goal of 25% of apprentice hours to be completed by workers qualifying as "disadvantaged". These hours can be met by new apprentices and local workers.

IV. MONITORING AND COMPLIANCE

LARGE GROUP AREAS OF AGREEMENT

- The City, Port and community must all make a commitment to doing monitoring and compliance, including a commitment to funding staff to do monitoring and compliance.
- Resources are needed to train community members to participate in monitoring.
- A joint committee made up of representatives from the community, labor, government, and contractors should be responsible for the oversight of monitoring and compliance.
- A majority of the committee should be from community groups and should represent a cross section of the community.
- WOCAG should be part of the stakeholder oversight group.
- The Committee will have the authority to recommend solutions and to enforce penalties when contractors are out of compliance.
- Majority support a “Good Faith” effort to reach goals.
- Tough penalties are needed to hold contractors responsible for meeting goals. There should be non-monetary penalties in addition to monetary penalties such as:
 - increase local hire percentage (as an option instead of withholding retainer funds)
 - ban contractor from future Oakland work
- Penalty funds should go towards training, one-stop job center, monitoring and compliance, and/or a fund to address other problems associated with meeting the local hire goals.
- There must be a process that includes technical support, to help contractors get into compliance.
- There should be incentives for contractors that exceed goals by 10% or more (and are on schedule).

TASK FORCE ISSUES AND AREAS OF AGREEMENT ADOPTED BY THE LARGE GROUP

1. Define the “Good Faith” hiring process.

- “Good faith” efforts will involve utilizing “name call,” “rehire,” or other similar programs at the hiring halls to reach goals when they are available as part of the hiring hall dispatch procedures, as well as using the Jobs Center as a resource if the union cannot provide the local residents as requested.
 - The Oversight Committee will review the “good faith” efforts of the contractor or employer and determine whether they meet the goals of the Community Jobs Agreement, including local hiring and the City’s Local Employment Program goals.
 - If the Committee determines that “good faith” has not met, then there shall be corrective actions, penalties, or possibly referral to arbitration.
2. *What should be included in the monitoring program e.g. retention, verifying residency, software?*
- The Task Force agreed on the need for an ongoing monitoring program.

3. *What is the definition of “community” in terms of determining community representatives on Stakeholder/ Oversight group?*

- In general, membership would be composed of representatives from the local community, developers, labor, contractors, employers, the City and the Port.
- No consensus on specific composition of committee or definition of “community.”

4. *Should this committee be modeled on the Port’s Social Justice Committee?*

- There was no consensus on whether the Committee should be modeled on the Port’s Social Justice Committee.

5. *Definition of the Oversight Committee*

- There should be a “transparent, participatory and stakeholder model” for the Oversight Committee.
- Representatives to the stakeholder Oversight Committee would have to be specific individuals, committed to serve a term and to participate regularly.
- The Task Force members agreed that the stakeholder Oversight Committee should be a separate entity from the Jobs Center and its related advisory board.
- There should be a stipend provided for community members (who are not paid by another organization for their time) for serving on the Oversight Committee.

V. PROJECT LABOR AGREEMENT/COMMUNITY JOBS AGREEMENT

TASK FORCE ISSUES AND AREAS OF AGREEMENT ADOPTED BY THE LARGE GROUP

1. *Develop overall structure and general content of agreement (community workforce agreement, project labor agreement etc.).*

- The Community Jobs Agreement (CJA) should be a “3rd party agreement” between the developers, the City, community stakeholders (representatives to be determined) and labor. A CJA would provide signatories with legally enforceable rights and obligations.

2. *How can a PLA meet the goals of community benefits?*

- A binding Community Jobs Agreement (CJA) will serve as the overarching policy and program framework for construction and operations jobs. The terms of the Project Labor Agreements (PLA) for the construction jobs will conform to the

mutually agreed upon local hiring and program operations requirements within the CJA.

- The terms and conditions of a Project Labor Agreement, Community Jobs Agreement and Development Agreements will be aligned and consistent.
- A CJA should be developed and approved prior to the City of Oakland signing a PLA for the Army Base development.

VI. OPERATIONS JOBS

LARGE GROUP AREAS OF AGREEMENT

- Need operations jobs for Oakland residents, including blue collar and white collar jobs.
- Need an additional focus on sustainable industries like clean energy, movement of agriculture products, clean energy, and recycling, and on green jobs.
- Want permanent jobs not temporary ones. If temporary workers are employed, there needs to be a time limit and there should be a pathway for temporary workers to become permanent.
- Seasonal workers (“casual workforce”) hired directly by employers is permissible but temp agencies should not be used.

TASK FORCE ISSUES AND AREAS OF AGREEMENT ADOPTED BY THE LARGE GROUP

1. *The Task Force focused on construction-phase jobs; however it did confirm that basic policies for operations jobs should be consistent with Task Force principles.*
 - All of the policies developed for local hire, disadvantaged workers, the CJA and the Jobs Center shall be the baseline policies for operations jobs, including the 50% local hire goal and 25% disadvantaged worker goal.
 - The Jobs Task Force did not address the implementation details of the Operations phase jobs.

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THE FOLLOWING EXHIBIT INCLUDES NONEXCLUSIVE AND NONBINDING TOPICS FOR FURTHER DISCUSSION AND CONSIDERATION BETWEEN THE PARTIES DURING THE TERM OF THE ENA.

COMMUNITY BENEFITS

1	LANDLORD:	Redevelopment Agency of the City of Oakland (Agency)
2	LESSEE:	To be designated by Developer
3	AGREED USES:	Film Center, Produce Market, logisdes facilities, Class A office, research and development facilities, project-serving retail, waterfront open space, JATC job training facility, recycling facilities, or as Negotiated
4	COMMUNITY FUND	Lessee shall pay its fair share of the two million dollar (\$2,000,000) Community Fund based upon acreage leased within a timeframe to be negotiated during the ENA period.
5	CITY / AGENCY CONTRACTING REQUIREMENTS	Lessee to comply with all City/Agency social justice contracting programs in both construction and operations phases, including, without limitation: prevailing wages, living wages, local and small local business, disadvantaged business program, equal benefits, disabled access, and apprenticeship/job training/first source hiring programs. Lessee must agree to comply with compliance monitoring by Agency.
6	LOCAL HIRE, RETENTION, JOB TRAINING & APPRENTICESHIPS FOR CONSTRUCTION JOBS	To ensure that project construction provides the strongest possible training and employment opportunities for targeted residents, a Labor Peace Agreement for project construction shall include requirements for a share of project hours to be worked by targeted residents and by apprentices. The Agency will require all general contractors to develop a plan for satisfying these requirements, and to obtain approval from the Agency of that plan prior to commencement of work. Targeted hiring requirements will be monitored and enforced.
7	LOCAL HIRE AND FIRST SOURCE HIRING FOR PERMANENT JOBS	In order to advance the Agency's goal of providing economic opportunities to residents of communities that have borne the brunt of social, economic and health impacts, the Agency will require Lessee to ensure that all project employers participate in a First Source hiring program for operations-phase jobs (i.e., non-construction jobs). This program will require employers to designate a first source system, prior to hiring; consider targeted applicants referred by the first source system; and hire a percentage of targeted applicants. The Agency will designate one or more nonprofit entities to refer applicants as part of the first source system. Targeted hiring requirements will be monitored and enforced through a process to be established

		by the Agency and similar to the Port of Oakland's MAPLA program, through which employers and contractors report progress, and challenges are addressed in a collaborative manner by various stakeholders from a particular industry, including community representatives and any relevant labor union(s).
8	LABOR PEACE	<p>Lessee is required to agree to the following language in its lease agreement with the Agency: The parties recognize that in order to protect the Agency's proprietary interests in uninterrupted receipt of the income and public services promised under this contract, labor disputes must be prevented. The parties agree that as a material condition of this agreement, Lessee shall cause each employer of employees rendering Services on the premises to sign a labor peace agreement with any labor organization which has informed the Agency that it represents or seeks to represent such employees, unless the Alameda Labor Council advises that such labor organization is not actively organizing in such industry.</p> <p>A "labor peace agreement" means any written agreement which (a) waives the right of the labor organization and its members to engage in picketing, work stoppages, boycotts, or other economic interference with the Agency's proprietary interests in the premises for the duration of the Agency's lease; and (b) provides that any services to be performed by employees of the employer's tenants, subtenants, contractors, or subcontractors will also be done under agreements containing the same labor peace assurance. "Services" for these purposes means janitorial, security, building and grounds maintenance, warehousing and distribution, industrial, mechanics and truck services, retail, hotel (and any restaurant connected thereto), and grocery sales.</p>
9	PERFORMANCE STANDARDS AND REPORTING	To assist the Agency in assuring that project development is proceeding in a timely manner towards the Agency's goals, Lessee will be required to submit regular progress reports on satisfaction of various project requirements, including construction progress, financial goals, local hire, employment retention, and small/local business utilization, air quality and environmental health. In the Lease Development & Disposition Agreement (LDDA), the Agency will set goals in each of these areas for each phase of construction and operation of the project. The LDDA will stipulate penalties if goals are not met and incentives if goals are exceeded.

10	WORKFORCE TRAINING	Lessee should be prepared to coordinate with local workforce training programs to provide trained workers for both construction and relevant permanent jobs and ensure that programs have resources to advance the Agency's goal of sustainable economic development of surrounding neighborhoods.
11	COMMUNITY OUTREACH & ENGAGEMENT	Lessee is required to create and maintain a program of ongoing communication and collaboration with relevant community stakeholders to ensure that there is community understanding and support for the project.
12	COMMUNITY SERVICES & AMENITIES	Lessee should describe how project will result in creation of community services and amenities such as grocery stores, banks and other retail, community centers or child care centers, on or off-site, to benefit the surrounding neighborhoods.
13	RELOCATION OF POLLUTING AND OTHER HAZARDOUS USES FROM WEST OAKLAND	Lessee should describe plan to relocate polluting and other hazardous uses from the adjacent West Oakland neighborhoods onto the project area, including recycling facilities and trucking activities. Plan should include analysis of how project will decrease or increase communities' exposure to pollution.
14	URBAN DESIGN PRINCIPLES & COHERENT DEVELOPMENT PLAN	The design of the GDA should be coherent, incorporate distinctive, innovative architecture, ensure a mix of uses, and be flexible enough to evolve over time.
15	GREEN INDUSTRIES	Project should indicate types, numbers and timing of green businesses and industries to be included in project, establish recruitment incentives, and describe potential synergies among industries and how they will interact with whole development.

<p>16</p>	<p>GREEN, CLEAN BUILDING</p>	<p>“Green” development principles should be applied which meet or exceed City of Oakland’s Green Building Ordinance and related policies, including design, construction, building materials, use of alternative energy sources, resource efficiency, waste stream diversion, communications technology and transportation. Plans to meet these standards, including energy generation and/or savings and details of carbon-neutral program, should be provided.</p> <p>All major facilities constructed on the Project site should achieve energy efficiency levels at least 20% better than Title 24 requirements, and receive certification under the U.S. Green Building Council’s LEED program at a minimum of the LEED Silver level. Project plans should demonstrate higher levels of green building achievement, including potential certification of the Project as a whole under the LEED for Neighborhood Development rating system and/or achievement of additional credits as prescribed under that rating system and other guiding documents such as the Alameda County Waste Management Authority’s Bay-Friendly Landscape Guidelines. A significant portion of the Project’s ongoing energy requirements should be met with on-site clean, renewable energy technologies.</p> <p>Infrastructure should be installed to enable all facilities to use recycled grey water as an alternative to potable water for uses not requiring potable water (e.g., sewage conveyance). Systems should be designed to treat 100% of storm water on site, and to make use of rainwater and/or recycled water on-site where possible. Potable water should not be used for site irrigation.</p> <p>Project should describe anticipated vehicle use associated with operations and should provide strategies for reducing transportation-related impacts and local air pollution.</p> <p>Studies estimating air pollution from proposed uses of the project site, including associated vehicle travel, and of cumulative impact with adjacent Port uses should be performed and analyzed to increase perspective on the potential air quality impacts of project.</p> <p>All roof and pavement surfaces should have a solar reflectivity index in order to minimize the urban heat island effect.</p> <p>In compliance with the City’s Construction and Demolition ordinance, 100% of concrete and asphalt and a minimum of 65% of all other materials generated should be targeted for reuse or recycling.</p>
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17	PUBLIC, ACCESSIBLE OPEN SPACE AT WATERFRONT	Project should demonstrate plan for publicly-accessible connection – by bicycle, foot, and vehicle – from Central Gateway area to future development of the 16.5-acre shoreline open space mandated by the California State Lands Commission and for coordination with the 15-acre Gateway Park being developed by East Bay Regional Park District to help create a world-class destination and amenity.
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