

**Case File Numbers: PLN15-378; PLN15378-ER01; PLN15378-PUDF01;
PLN15378-PUDF02; CP15032; TTM8320**

October 18, 2017

Location:	Oak Knoll Mixed Use Community Plan Project is located on the former Oak Knoll Naval Medical Center Property at 8750 Mountain Boulevard, bounded by Keller Avenue and Mountain Boulevard. APNs: Multiple including 043A-4675-003-21; 048-6865-002-03; 043A-4712-001; 048-6870-001; 048-6870-002; and 043A-4675-074-01
Proposal:	The Project consists of a Master Planned community on approximately 191 acres consisting of 918 residences, 72,000 square feet of neighborhood commercial, 14,000 square feet of civic/commercial use (relocated historic Club Knoll building as a community center and commercial space), open space, creek restoration and trails.
Applicant/Owner:	Oak Knoll Venture Acquisitions LLC, c/o Suncal, Sam Veltri (949) 777-4000
Case File Number:	PLN15378; PLN15378-ER01; PLN15378-PUDF01; PLN15378-PUDF02; CP15032; TTM8320
Planning Permits Required:	Proposed General Plan Amendment (change to Land Use Diagram), Rezoning, Planned Unit Development Permit (PUD) including Preliminary Development Plan (PDP), Final Development Plan (FDP) for Master Developer Installed Improvements, Final Development Plan for Relocation and Rehabilitation of Club Knoll, Design Review, Vesting Tentative Tract Map, Creek Permit, Conditional Use Permit for a Shared Access Facilities, and other permits and/or approvals. A Development Agreement is no longer being proposed for consideration.
General Plan:	Current: Hillside Residential, Community Commercial, Institutional, Urban Open Space and Resource Conservation Area Proposed: Amend the Project site to the Hillside Residential, Detached Unit Residential, Mixed Housing Type Residential, Neighborhood Center, Community Commercial, Urban Open Space and Resource Conservation Area land use designations. <i>Note: No General Plan amendments are proposed for the Seneca Center and Sea West Federal Credit Union parcels. The City of Oakland is sponsoring a General Plan Amendment for the 5.4-acre parcel, owned by the City, near Barcelona Street and St. Andrews Road.</i>
Zoning:	Current: RH-3 (Hillside Residential Zone -3), and RH-4 (Hillside Residential Zone -4) Proposed: Rezone to a new Zoning District (D-OK Oak Knoll District Zoning which includes seven (7) sub-zones) <i>Note: No zoning changes are proposed for the Seneca Center and Sea West Federal Credit Union parcels. The City of Oakland is sponsoring a Rezoning for the 5.4-acre parcel, owned by the City, near Barcelona Street and St. Andrews Road.</i>
Environmental Determination:	The Draft Supplemental Environmental Impact Report (SEIR) was published for a 45-day review period beginning August 29, 2016. The review and comment period ended on October 12, 2016. The Final SEIR, including responses to all comments on the Draft SEIR, was published on April 27, 2017.
Historic Status:	The existing Club Knoll building on the Project site is an historic resource under CEQA, listed on the Local Register, Oakland Cultural Heritage Survey rating of B+3, eligible for Landmark status with an A rating, and placed on the Preservation Study List as a Designated Historic Property.

City Council District:	District 7 - Reid
Actions to be Taken:	Receive public comments, and provide a recommendation to City Council regarding certification of SEIR, General Plan Amendment, Rezoning, PUD Permit/PDP, subsequent FDP's, Vesting Tentative Tract Map, and other permits and/or approvals.
Finality of Decision	All of the Planning Commission's recommendations as to the CEQA findings, certification of the SEIR and the Project will automatically be considered at a later date by the City Council for its independent review, consideration and final action. Thus, no appeal of these actions is necessary. However, all interested parties must exhaust their administrative remedies by raising any and all issues and/or evidence at this public hearing or in writing received by the Project Planner Scott Gregory or Heather Klein no later than 4:00 pm on October 18, 2017.
For Further Information:	Contact case planner Scott Gregory , Contract Planner at (510) 535-6671 or by e-mail at sgregory@lamphier-gregory.com , or Project Planner Heather Klein at (510) 238-3659 or hklein@oaklandnet.com

SUMMARY

The following staff report is a supplemental report to the June 21, 2017 staff report for the proposed Oak Knoll Project (attached for reference). Included within the prior staff report and staff's verbal presentation to the Planning Commission on June 21st was a complete description of the Project, including its proposed land use entitlements, approvals and permits; a General Plan and Zoning consistency analysis; an overview of the environmental review analysis prepared for the Project pursuant to the California Environmental Quality Act (CEQA); a discussion of key issues associated with the Project and proposed resolution of those issues; and staff's recommendations to the Planning Commission regarding:

- Certification of the Oak Knoll Project's Supplemental Environmental Impact Report (SEIR), adoption of CEQA Findings and a Statement of Overriding Considerations, and adoption of a Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCAMMPR);
- A recommendation to the Oakland City Council to approve the proposed amendments to the General Plan Land Use Diagram, and adoption of Planning findings for the General Plan Amendment;
- A recommendation to the Oakland City Council to approve the proposed new Zoning district, new text and Zoning map changes, and adoption of Planning findings for the Rezoning;
- A recommendation to the Oakland City Council to enter into a Development Agreement (DA) with the Project Applicant; and
- A recommendation to the Oakland City Council to approve the requested development related permits including the proposed Oak Knoll Planned Unit Development (PUD) permit, the Oak Knoll Preliminary Development Plan (PDP) and Design Guidelines, the Final Development Plan (FDP) for the Master Developer Site Improvements, the FDP for Club Knoll, the Vesting Tentative Tract Map (VTTM), and a Creek Permit.

Staff acknowledged at the June 21st hearing that there were still several matters not yet fully resolved at that time, specifically related to the ultimate ownership status of the City-owned "Barcelona" parcel, the terms and conditions of a DA, and final resolution of the Project's Conditions of Approval, particularly those related to the establishment of a Community Facilities District (CFD).

On June 21, 2017, staff provided the Commission with two alternative actions on the proposal for consideration.

- a) Postpone a decision on the Project to a date uncertain until a draft DA and Conditions regarding the establishment of a CFD have been prepared; or
- b) Consider an alternative action to recommend the City Council ultimately certify the Project's SEIR and approve all requested land use entitlements and permits for the Project with consideration given to staff's concerns regarding the Retail Village.

The Commission decided to continue the item, and requested that staff return once all issues had been resolved.

Staff now believes that issues outstanding as of the June 21st hearing have been resolved or found irresolvable. These issues are discussed in more detail below. All other matters related to the Project and its environmental review remain as presented in the June 21, 2017 staff report.

Staff is still supportive of the Oak Knoll Project except for certain aspects of the preliminary design of the Retail Village. Staff believes that the Project's SEIR has been prepared consistent with the requirements of CEQA; provides an adequate basis for understanding the environmental implications associated with implementation of the Project; and that Mitigation Measures and Conditions of Approval identified in that SEIR, if implemented, would reduce impacts to the extent reasonable and feasible. However, not all environmental impacts can be reduced to a level of less than significant, and staff has included a Statement of Overriding Considerations with the other Project's approval findings. Finally, the Project's entitlement applications and documents have benefited from comments, questions and recommendations received at multiple public hearings. The Project Applicants have also conducted a substantial public outreach.

The purpose of this hearing is to:

- 1) Receive additional public testimony on the Project,
- 2) Address remaining Planning Commissioner's questions or comments about the Project, and
- 3) Consider staff's recommendation that the Planning Commission act to recommend the City Council ultimately certify the Project's SEIR and approve the requested land use entitlements and permits for the Project.

RESOLUTION OR STATUS OF REMAINING ITEMS

Barcelona Parcel

Within the overall 191-acre Project site, the City has retained ownership of a 5.4-acre parcel of the former Oakland Navy Medical Center located in the southwest corner of the site near Barcelona Street and St. Andrews Road ("Barcelona" parcel). This property was originally included in plans for the Project, and had been considered for sale to Oak Knoll Acquisition LLC as part of an Exclusive Negotiating Agreement (ENA). Oak Knoll Acquisitions LLC is no longer considering purchase of the Barcelona parcel, and this parcel has been removed from the Applicant's Project and proposed entitlements. As such, the parcel will remain in City ownership and following changes have been made to the proposed PUD, PDP and VTTM:

- The PUD and PDP have been revised to remove the 17 single-family residential units previously proposed on the Barcelona parcel from the development program. The resulting Oak Knoll Project site is now approximately 183.8 acres rather than approximately 191 acres as originally proposed, and the development potential for the entire Project is now 918 residential units, rather than 935 units (see **Attachment 1-B**).

- The revised VTTM now shows the Barcelona parcel as remaining “Lands of the City of Oakland” and not a part of the Project. A 50-foot public access easement remains on this property for construction of a roadway serving the adjacent Parcel 7 of the Oak Knoll Project and the Barcelona parcel, and a 26-foot wide extension of this easement remains for provision of an emergency vehicle access (EVA) only to the existing segment of Sequoia Road (see *Attachment I-H*).

The City has agreed to designate the 50-foot strip for public street purposes, and the Applicant has agreed to improve the roadway serving the Barcelona parcel and the EVA, including any tree removal and grading necessary to construct this roadway for the City. The Applicant’s agreement to improve the roadway has been made a Condition of Project Approval (see *Attachment I-R, Condition #66*).

The City will continue to hold title to this property until another interested party may choose to purchase it, or until the City may pursue its own development plans for the property. City staff, not the Project Applicant, is now sponsoring the General Plan Amendment of Barcelona parcel to the Detached Unit Residential classification, and a Rezoning to the new D-OK-1 Low Density Residential and D-OK-7 Passive Open Space Zoning districts (see *Attachments I-E and I-G*). No other entitlements or approvals for this property are currently proposed and the Oak Knoll PUD, PDP, Design Guidelines and VTTM would not apply to the Barcelona parcel.

Development Agreement

The June 21st staff report indicated that City staff and the Applicant were considering entering into a DA with respect to development of the property. The City had indicated that it was willing to consider such a DA under certain beneficial terms and conditions. The June 21st staff report included an outline of the negotiation/topics under consideration in the DA. These topics included provisions for extending vested rights to the Project Applicant for a 20-year period; accelerated payment of City affordable housing fees; accelerating construction of off-site traffic improvements with the provision of a credit against both the City traffic impact fees and the Southeast Oakland Transportation Improvement Fees; an Open Space improvements process; Project phasing, creation of a CFD to assist with construction and long term maintenance of public improvements; and conveyance of City-owned parcels or improvements.

Since the June 21st hearing, the Project Applicant and the City have mutually agreed to withdraw from further consideration of a DA, and negotiations over terms and conditions have ceased. As a result, several of these topics are now addressed within the Conditions of Approval (*Attachment I-R*) or have been eliminated, as further discussed below.

- Vested rights for the VTTM shall run for a term as provided pursuant to the California Subdivision Map Act (anticipated to be 8 years after Project approval), and all other Project approvals shall expire at the same time as the VTTM (see *Attachment I-R, Condition #2*)
- The Project’s calculated Affordable Housing Impact Fees are estimated at \$19,789,000 (based upon July 1, 2018 Master Fee Schedule rates), and due one half (½) at time of issuance of building permits and one half (½) at the time of issuance of certificates of occupancy, pursuant to the requirements of City Municipal Code section 15.72.070. The Applicant and City had been negotiating for advance payment of these affordable housing fees, if means for financing these fees could be achieved via a CFD or other similar financing structures. Although the City had not made any finite plans for use of this nearly \$20 million of advanced affordable housing fees, staff was focused on developing a broad-based affordable ownership housing program as a way for households to stabilize housing costs, build wealth and improve the community. The Applicant’s offer for advanced payment of fees via a CFD or other similar financing structure would have limited use of such funds for capital improvements (i.e., off-setting infrastructure, purchasing property or construction costs for affordable housing), and would, by law, have prevented the City’s desire to use these funds for mortgage assistance, down-payment subsidies of other types of broad-based affordable ownership

housing programs. City staff believes the limitations on use of advanced fees substantially compromised the intended benefit of receiving the funds in advance of building permits. With the withdrawal of a DA application, the City has no further means by which to compel the funds be provided upfront. The City will still receive Affordable Housing Impact Fees from the Project at the time of issuance of building permits and certificates of occupancy, pursuant to Municipal Code requirements.

- The SEIR prepared for the Project identified seven off-site intersection improvements to be designed and installed by the Applicant as mitigation for traffic impacts. The SEIR also indicated the timing of these improvements based on the Project's contribution of traffic at each intersection. The Applicant and City had been negotiating advanced installation of these intersection improvements as part of the DA. With the withdrawal of a DA application, the Applicant will still be responsible for installation of all seven off-site intersection improvements, but City has no further means by which to compel installation of these improvements in advance of that called for in the SEIR.
- As discussed above, conveyance of the City-owned Barcelona parcel is no longer being considered as part of the Project.

All other topics that had been under consideration pursuant to a DA are now addressed within the Conditions of Approval (see below).

Revisions to the Conditions of Approval

As noted above in the *Summary* section, the June 21st staff report provided the Planning Commission the option of recommending approval of the development-related permits for the Project, subject to Conditions of Approval included as Attachment 1-R to that staff report. However, the Commission decided to continue the item until all issues had been resolved. City Staff has used the time since the June 21st hearing to refine and correct certain Conditions of Approval and to address certain issues that had been previously considered as part of a DA. Important changes and additions to the prior Conditions of Approval, now recommended by staff, are addressed below (see *Attachment 1-R, Staff-recommended Conditions of Approval*).

Establishment of a Community Facilities District (CFD)

Staff recommends the City establish a CFD for the Project pursuant to the Mello-Roos Community Facilities Act of 1982 (see *Attachment 1-R, Condition #50*). The CFD is to include all, but only those properties within the Oak Knoll Project. All costs for forming and implementing such a CFD, including costs for consultants, elections and any legal challenge, are to be at the Applicant's sole expense. The CFD will contain two separate parcel taxes to be levied only against property owners within the Project, up to a maximum of two percent (2.00%) of the appraised market value of that residential unit at the time bonds are sold or secured. The maximum 2% tax to be levied is the sum of (a) the ad valorem tax, (b) the assigned Special Services tax rate and the Special Facilities tax, and (c) all other special taxes or assessments (i.e., GHAD assessments) secured by a lien on the residential unit.

- The Special Services Tax is levied to finance maintenance costs of certain public facilities and improvements, and levied in perpetuity to provide for on-going maintenance costs. The total value of the Special Services Tax will be determined by the City at the time the CFD is formed, but at that amount necessary to maintain those public facilities within the CFD (i.e., parks and a pedestrian bridge) to meet City-defined standards and cost parameters for maintenance, repair and/or replacement of these facilities.
- The Special Facilities Tax is used to secure bonds issued for purposes of financing construction of the Project's public facilities and improvements. Tax revenues available to secure bond funding for construction purposes shall be limited to those funds available after all Special Services taxes and GHAD assessments have been assessed (i.e., maintenance funds shall be the first priority).

Annexation to the Geologic Hazards Abatement District (GHAD)

The City's standard conditions of approval (SCA GEO-4) require property to be in a Geological Hazard Abatement District (GHAD) is required to address soil and geologic hazards. Staff recommends that the City annex all the property within the boundaries of the Project into the existing Oakland Area GHAD. The Oakland Area GHAD is an independent public agency that oversees geologic hazard prevention, mitigation, abatement and control, operating with a focus on the prevention of geologic hazards, with mitigation and abatement also being primary functions. A "geologic hazard" is broadly defined as an actual or threatened landslide, land subsidence, soil erosion, earthquake, fault movement or any other natural or unnatural movement of land or earth. Like a CFD, the GHAD is authorized to levy a special tax for purposes of maintaining certain properties to prevent geologic hazards. Unlike a CFD, the GHAD is also authorized to own those lands deemed subject to potential geologic hazards (see also *Attachment 1-R, Condition #51*).

Ownership, Funding Sources and Maintenance Responsibilities

Oak Knoll Acquisition LLC intends to install certain primary site improvements pursuant to the Master Developer FDP (including site-wide grading and retaining walls, installation of backbone streets and major utilities, entry monuments, parks and major streetscapes, and Rifle Range Creek restoration and other creek tributary improvements). Once these Master Developer improvements are installed, Oak Knoll Acquisitions LLC intends to sell developable properties to home builders and a retail developer, to convey certain open space parcels to the GHAD, and to dedicate certain public lands to the City. At final buildout, Oak Knoll Acquisitions LLC would not own any remaining property. City staff has fully understood these intentions and has no objection, except to ensure that on-going maintenance obligations for the Project are appropriately provided for before, during and after the Master Developer's obligations are complete, without overly burdening the City's general fund for maintenance needs.

City staff and Oak Knoll Acquisitions LLC have agreed in principle to certain ownership and maintenance responsibilities, as outlined in the Oak Knoll Development Ownership, Funding Sources and Maintenance Responsibilities Matrix (see *Attachment 1-R- Exhibit B*). At completion of the Project, there will only be five categories of property owners within Oak Knoll: homeowners, the retail site owner, a Homeowner's Association (HOA), the GHAD, and the City of Oakland. The homeowners will own and be responsible for the maintenance of all privately owned residences (single-family and townhomes), and the retail site owner will own and be responsible for the Retail Village property. Other public or collective ownerships and maintenance obligations are apportioned as follows:

- The City of Oakland will own and maintain the public roads within the Project (pavement, street lights and traffic signals) as well as the storm drains and sewer lines within the public right-of-way. Staff has also agreed in principle to City of Oakland ownership of the five public parks within the Project, provided the CFD is responsible for all maintenance obligations, to be funded through the CFD special services tax. To ensure that a secured and permanent CFD tax is used to fund park maintenance needs, the parks need to be owned by the City as a public entity. Similarly, staff recommends that City own the one pedestrian bridge across Rifle Range Creek, also with CFD funding for maintenance, repair or replacement.
- The Oakland Area GHAD will own and maintain the Rifle Range Creek corridor, Powerhouse and Hospital Creeks, all undisturbed open space parcels, the preserved oak woodlands, and other open space and grassland parcels. They will also be responsible for maintenance of all function-related stormwater quality facilities including those in the street right-of-way, the EVAs, and all improvements within the open space parcels (such as gates, fences and trails).

- HOA ownership and/or maintenance obligations will be limited to ornamental landscaped areas at Project entries, ornamental landscaping (only) along the Rifle Range Creek corridor, ornamental landscape within the street right-of-way, any ornamental landscape associated with stormwater quality facilities, and vegetation management for fire suppression.
- The HOA would also own and be responsible for maintenance of the relocated and restored Club Knoll building. Other ownership options for this historic building have been fully considered but are limited. Specifically, there is no potential geologic hazard associated with the building that would involve the GHAD, the City of Oakland does not have available budget to expand Parks and Recreation services to this facility, and no private entities have expressed an ownership interest. One of the purposes of the Club Knoll building is to serve as a clubhouse and meeting room for the HOA. Therefore, staff has attached a Condition of Approval for the Project (see *Attachment 1-R, Condition #29*), that the HOA's CC&R shall include a requirement to contract with a professional property management firm to operate and maintain the Club Knoll building on their behalf, potentially off-setting these management expenses through revenue derived from commercial lease of certain space within the building.

Project Phasing

As indicated in the July 21st staff report, the Project's PDP and SEIR included an anticipated phasing sequence (see *Attachment 1-R- Exhibit C*). Staff has developed new Conditions of Approval related to phasing (see *Attachment 1-R, Conditions #23 and #24*) that would ensure that public improvements for Phase 1 (roads, parks, bridges, trails, Rifle Range Creek improvements, etc.) are front-loaded into the earlier parts of Phase 1 and completed before any development in Phases 2 or 3. Public improvements in subsequent phases are tied to certificates of occupancy for new residential development that is proximate to these public improvements. These updated Conditions provide greater clarity as to specifically when, during each development phase, the identified public improvements must be completed.

Public Improvements

Rather than a DA to provide for up-front installation of off-site intersection improvements as a credit against future fees, the Applicant has agreed to install all seven off-site intersection improvements, assuming Caltrans and City approval, as applicable, but in accordance with the timing provisions set forth in the SEIR. These intersection improvements could be considered "developer constructed facilities" pursuant to the City's Transportation Impact Fee Program, and the Applicant is eligible to seek a Credit and Reimbursement Agreement with the City pursuant to Municipal Code section 15.74.120, whereby the Applicant may receive credit against Transportation Impact Fees in exchange for installation of these improvements if acceptable to the City (see *Attachment 1-R, Condition #22*).

Similarly, Revised Condition #22 also clarifies that the Applicant shall install and dedicate (to the City or the GHAD) those public parks and trails identified in the PDP and FDP for the Project, and may apply to the City Administrator for a credit of capital improvement impact fees (pursuant to Municipal Code section 15.74.120) because the Project will instead provide for these improvements.

Other Changes

Other changes, revisions or edits of note to the Conditions of Approval and/or VTTM include the following:

- Revised Condition #35 regarding Bike Lanes clarifies that the identified off-site bike lanes to be improved by the Applicant are confined to improvements within the existing road beds through re-striping of traffic lanes, and that modifications to the City's standard lane widths may be necessary to install these bike lanes.

Installation of these bike lanes shall not require any modifications to any road bed, curb, gutter, bridge or other structures, other than restriping. If these bike lanes are not feasible under these limitations or result in new traffic impacts not previously studied, they will not be required. These clarifications are consistent with City staff's original intent.

- Revised Condition #18 regarding Oakland star tulips has been revised to be consistent with language in the Final SEIR, specifically indicating that bulbs and associated soil plugs of these flowers shall be harvested from 100 percent the Oakland star tulip plants within graded or disturbed portions of the Project site, and harvested bulbs shall be replanted on-site in an area designated for passive open space preservation.
- Staff has agreed in principle to Revised Condition #53, accepting Final Maps to be used for financing and/or conveyance purposes only. All such maps must clearly indicate the map is used for financing and land conveyance purposes only, and that no applications for building or grading permits will be accepted for the parcel or parcels created by such maps until a future Final Map for development has been submitted and approved by the City.
- The VTTM has been revised to indicate that the private, shared driveway access to each of the "Garden Court" units shall be included in a 20-foot wide Private Access Easement. Maintenance of these shared access facilities for the Garden Court units shall be provided via an HOA for that specific development.

ANALYSIS AND ENVIRONMENTAL REVIEW

General Plan Analysis

As was indicated on our June 21st staff report, OKVA proposed an Oak Knoll project that was similar to the current proposal in terms of land use, facilities and density in 2006. At that time, the City's Director of Planning and Zoning issued a written determination (May 2006) that the 2006 Oak Knoll project was in substantial compliance with the General Plan. That determination concluded that the land uses and facility types proposed in 2006 conformed to the General Plan Land Use and Transportation Element's (LUTE) Land Use Diagram and policies, and that the 960 residential units then proposed were within the maximum density limits set forth in the General Plan. To support the General Plan conformity determination, staff noted that the 1998 LUTE EIR recognized that changes to the land use diagram were anticipated, to "facilitate redevelopment of large parts of the City, including military bases"; and that the ultimate land use designations applied to this property are to "match the proposed master plan for the site." The Director's 2006 determination also indicated that the LUTE Land Use Diagram is intended to be "general" and not always specific to actual site conditions. In December 2006, the Director of Planning and Zoning again rendered a follow-up determination that the proposed adjustments in the location and placement of land uses, as proposed under the 2006 Oak Knoll Project, were in substantial conformance with the General Plan. An appeal of that determination was filed, specifically challenging the Director's determination that the land use adjustments proposed under the 2006 Oak Knoll Project were not in conformance with the General Plan, and specifically not in conformance with the policies of the OSCAR Element. In March of 2007, the Oakland Planning Commission considered this appeal and upheld the Director's determination, confirming that the 2006 Oak Knoll project was consistent with the General Plan.

The June 21, 2017 staff report concluded that the current Project's proposed development plan and land use configuration differs only slightly from the 2006 Oak Knoll project, and remains in substantial conformance with that prior proposal, thereby also meeting the criteria for General Plan consistency (see *Attachment 1-N*). The staff report also noted that the Applicant was proposing a new zoning district with seven subzones solely to be used at the Project site. To reflect the boundaries of the new zones and to ensure consistency with the Zoning, the Applicant submitted a General Plan Amendment to create a parcel specific Land Use Diagram, with no text or policy

amendments. With the removal of the Barcelona parcel from the proposed Project, City staff is now sponsoring a General Plan Amendment and a Rezoning for that parcel. None of the changes, revisions or edits described above alter or conflict with that determination.

Zoning Analysis

The Project is proposing Planning Code amendments including a new Zoning district, new text and Zoning map changes consistent with the proposed land uses and future character of the development described in the PDP. The existing and proposed Zoning for the Project site, as well as the requested changes are fully described in the June 21, 2007 staff report. The only change to Planning permits from the June 21, 2017 report is a Conditional Use Permit (CUP) for Shared Access Facilities. Specifically, it has come to staff's attention that the proposed Garden Court lots share a driveway, which requires approval of a CUP. Staff has made the proposed findings, including those required for the CUP, in the Findings section of this report (see *Attachment 1-O*). None of the changes, revisions or edits described above alter or conflict with these findings.

Environmental Review

The June 21, 2017 staff report included a detailed discussion of the CEQA process for the Project, as well as the conclusions of the Draft and Final SEIR. Staff has identified and made the required CEQA Findings, including a Statement of Overriding Considerations for significant and unavoidable air quality and transportation impacts section (see *Attachment 1-Q*). None of the changes, revisions or edits described above alter or conflict with those CEQA Findings or the Statement of Overriding Considerations.

STAFF RECOMMENDATIONS

Staff believes the proposed Oak Knoll Project will be a substantial benefit to the City of Oakland. It will provide additional needed housing opportunities at a mix of densities and affordability ranges, and conveniently accessible community retail spaces to serve the needs of the new community and the surrounding area. The Project includes public infrastructure, as well as important open space and parks available to the public that will benefit the City and the environment. The Project provides for the relocation and rehabilitation of a historic resource (Club Knoll), rather than demolition. The proposed riparian improvements would effectively address current deficiencies of the creeks (part of which is currently underground), and will provide long-term benefits of a sustainable day-lighted channel, lower maintenance and improved habitat consistent with City's expressed policies of the General Plan.

Staff acknowledges that the Project will result in significant and unavoidable environmental impacts related to traffic congestion and air quality emissions. However, as discussed in the Statement of Overriding Considerations, staff believes that all Mitigation Measures that are reasonable and feasible will be applied to the Project and that the benefits of the Project outweigh these adverse impacts.

Therefore, staff recommends that the Planning Commission:

1. Recommend that the Oakland City Council certify the Oak Knoll Project SEIR by adopting the attached CEQA Findings, including adoption of a Statement of Overriding Considerations (see *Attachment 1-Q*) and adopting the attached Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (*Attachment 1-P*);
2. Recommend that the Oakland City Council approve amendments to the Land Use Diagram for the Project and the Barcelona parcel to match the Project's parcel-by-parcel specificity and existing site conditions

(Attachment 1-E), by adopting planning findings for the General Plan Amendment as included in this staff report (Attachment 1-O);

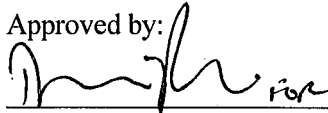
3. Recommend that the Oakland City Council approve the proposed new Zoning districts, new text and Zoning map changes to accompany and implement the land use plans and design guidelines of the Oak Knoll Planned Unit Development (PUD) and PDP (Attachment 1-G), by adopting planning findings for Rezoning as included in this staff report (Attachment 1-O); and
4. Recommend that the Oakland City Council approve the remaining development-related permits including the proposed Oak Knoll PUD permit, including the Oak Knoll PDP and Design Guidelines (with consideration of Staff's concerns regarding the Retail Village), the FDP Master Developer Site Improvements, the FDP for Club Knoll, the VTTM, CUP for Shared Access Facilities and Creek Permit, by adopting findings for the Project as included in this staff report (Attachment 1-O), with the attached Conditions of Approval (Attachment 1-R).

Prepared by:

Scott Gregory

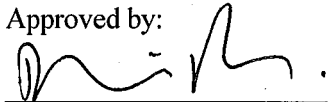
Scott Gregory, Contract Planner

Approved by:



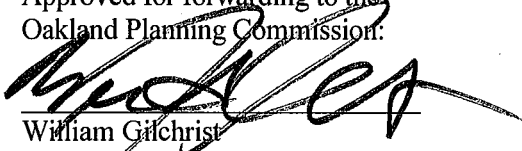
Robert Merkamp
Development Planning Manager
Bureau of Planning

Approved by:



Darin Ranelletti
Deputy Directory of Planning
Bureau of Planning

Approved for forwarding to the
Oakland Planning Commission:



William Gilchrist
Director
Department of Planning and Building

ATTACHMENT:

1. Oak Knoll Project staff report to the Planning Commission, dated June 21, 2017 including the following previous attachments revised for the October 18, 2017 Staff Report, as noted:
 - A. Site Plan (Revised for the October 18, 2017 staff report with removal of the Barcelona Parcel)
 - B. Oak Knoll PUD Permit, Preliminary Development Plan (PDP) (Revised for the October 18, 2017 staff report with removal of the Barcelona Parcel)
 - C. Oak Knoll PUD Permit, Design Guidelines (Revised for the October 18, 2017 staff report with removal of the Barcelona Parcel)
 - D. Existing General Plan Land Use Diagram (LUTE)
 - E. Proposed General Plan Land Use Diagram Amendment (Revised for the October 18, 2017 staff report with City-proposed GPA for Barcelona Parcel)
 - F. Existing Zoning Map and Text
 - G. Proposed Rezoning Map and Zoning Text, D-OK Oak Knoll District Zone Regulations (Revised for the October 18, 2017 staff report with City-proposed rezoning of Barcelona Parcel)
 - H. Vesting Tentative Tract Map (Revised for the October 18, 2017 staff report with removal of the Barcelona Parcel) with Memo dated September 2017 regarding changes to the VTTM
 - I. Final Development Plan (FDP) – Master Developer Site Improvements (Revised for the October 18, 2017 staff report with removal of the Barcelona Parcel)
 - J. Final Development Plan (FDP) – Club Knoll
 - K. Creek Protection Plan
 - L. **Deleted**; replaced with letter from Applicant confirming withdrawal of the Development Agreement application, dated October 6, 2017
 - M. Tree Removal/Replacement Plan
 - N. Discussion Regarding General Plan Conformity and Amendments to the Land Use Diagram
 - O. Findings for General Plan Amendment, Oak Knoll Rezoning, Planned Unit Development permit, including the Oak Knoll Preliminary Development Plan and Design Guidelines, Master Developer Site Improvements Final Development Plan, Vesting Tentative Tract Map, and Creek Permit revised for the October 18, 2017 staff report with the addition of Conditional Use Permit for Shared Access Facilities
 - P. Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCAMMP)
 - Q. CEQA Findings, including a Statement of Overriding Considerations
 - R. Staff-recommended Conditions of Approval (Revised for the October 18, 2017 staff report with a clean and redlined version from June 21, 2017 version)
 - Exhibit A**: Equivalent Housing Unit Summary
 - Exhibit B**: Oak Knoll Development Ownership, Funding Sources and Maintenance Responsibilities Matrix;
 - Exhibit C**: Oak Knoll Phasing Diagram
 - Exhibit D**: Phase 1 Diagram
 - Exhibit E**: Extension of Barcelona Street
 - S. Public Comments, including Additional Public Comments since June 21, 2017
 - T. Fire Department Memo revised for the October 18, 2017 staff report