

**REDEVELOPMENT AGENCY
AND THE CITY OF OAKLAND
AGENDA REPORT**

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 APR -1 PM 1:10

TO: Office of the City/Agency Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: April 13, 2010

RE: **A City Ordinance Authorizing The Sale Of The City's Interest In Land Located At 8000 Joe Morgan Way, Adjacent To The Oakland-Alameda County Coliseum Complex In The Coliseum Redevelopment Project Area, To The Redevelopment Agency Of The City Of Oakland For \$3,500,000**
And
An Agency Resolution Authorizing The Purchase Of The City Interest In Land Located At 8000 Joe Morgan Way, Adjacent To The Oakland-Alameda County Coliseum Complex In The Coliseum Redevelopment Project Area, From The City Of Oakland For \$3,500,000 And Authorizing Up To \$25,000 For Real Estate Closing Costs

SUMMARY

The Redevelopment Agency of the City of Oakland (the "Agency") is proposing to purchase the 50% undivided interest of land currently owned by the City of Oakland. The parcel consists of 8.8 acres of parking at the Oakland-Alameda County Coliseum. The Property is currently owned in tenancy by the City and Alameda County, and is depicted on *Exhibit A* to the Ordinance. The City will sell its interest in the Property for \$3,500,000. This action is taken to provide a key property to the Agency for future development, while providing the City of Oakland (the "City") with funds for the Fiscal Year ("FY") 2009-2010 budget.

FISCAL IMPACTS

Funds for the purchase of the Joe Morgan Way parcel are available in the Coliseum Area Redevelopment Project TAB Series 2006T in Fund 9456, Capital Improvement Project – Economic Development Organization (94800), Land Acquisition Project (Project T315820). Proceeds from the property sale will be deposited in the General Purpose Fund (1010), Real Estate Services Organization (88639), Surplus Property Account (48111), Surplus Property Disposition Project (P47010), Real Estate Program (PS32). There are no City or County Real Estate Transfer Taxes associated with this transaction. These funds have been allocated for budget balancing in the General Purpose Fund for Fiscal Year 2009-10.

Item: _____
Finance Committee
April 13, 2010

BACKGROUND

The City of Oakland and Alameda County own the 8.8 acre parcel of parking area at the Coliseum Complex with each owning an undivided 50% interest, as deeded by the Oakland-Alameda County Coliseum Inc. in 1996. The property is located immediately adjacent to the Oakland-Alameda County Coliseum with access available from Joe Morgan Way. The parcel is improved for parking and will continue to be used for parking for the immediate future.

KEY ISSUES AND IMPACTS

The property rights will be conveyed from the City to the Agency for future development. The City's property rights were appraised. The Agency will acquire the City's 50% property rights for the appraised fair market value of \$3,500,000. The transfer proceeds will generate \$3,500,000 to the City's General Fund. This money has already been allocated to balance the budget for Fiscal Year 2009-10.

SUSTAINABLE OPPORTUNITIES

Economic: The Agency plans to use this site for a future project to stimulate growth in the area. The project contractor is typically required to have 50% of the work hours performed by Oakland residents, and 50% of all new hires are to be Oakland residents. A future project will improve neighborhood conditions and make the neighborhood area more attractive to current and prospective tenants and businesses that can provide employment within Oakland. Any project is typically subject to City and Agency program goals for Local and Small Local Business Enterprises and other standard programs.

Environmental: The acquisition of the Joe Morgan Way parcel is expected to contribute to smart growth by stimulating neighborhood infill development. Contractors for future infill projects will be required to make every effort to reuse clean fill materials and use recyclable concrete and asphalt products.

Social Equity: The proposed acquisition will provide a positive stimulus to the neighborhood for growth and stability.

DISABILITY AND SENIOR CITIZEN ACCESS

Seniors and people with disabilities will benefit from the improved design, and access that the future projects will provide.

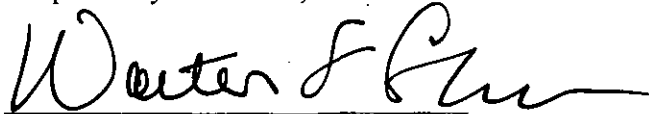
RECOMMENDATIONS AND RATIONALE

Staff recommends that Council approve this action which will provide the Coliseum Redevelopment Project Area with a valuable site for a future development project and also assist the City to meet its goal to balance the Fiscal Year 2009-2010 budget revenue expectation.

ACTION REQUESTED OF THE CITY COUNCIL

Council is requested to adopt the City ordinance authorizing the sale of the Property, and the Agency is requested to adopt the Agency resolution authorizing the purchase of this site from the City for a price not to exceed \$3,500,000, and closing costs not to exceed \$25,000.

Respectfully submitted,




Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by: Gregory Hunter, Deputy Director
Economic Development and Redevelopment

Reviewed by: Frank Fanelli, Manager
Real Estate Division

Prepared by: William Wilkins
Real Estate Division

**APPROVED AND FORWARDED TO THE
FINANCE MANAGEMENT COMMITTEE:**



Office of the City/Agency Administrator

Item: _____
Finance Committee
April 13, 2010

Quinn

City Attorney

OAKLAND CITY COUNCIL
ORDINANCE NO. _____ C.M.S.

A CITY ORDINANCE AUTHORIZING THE SALE OF THE CITY'S INTEREST IN LAND LOCATED AT 8000 JOE MORGAN WAY, ADJACENT TO THE OAKLAND-ALAMEDA COUNTY COLISEUM COMPLEX IN THE COLISEUM REDEVELOPMENT PROJECT AREA, TO THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND FOR \$3,500,000

WHEREAS, the City of Oakland (the "City") owns an undivided 50% interest in 8.8 acres of real property located at 8000 Joe Morgan Way, adjacent to the Oakland-Alameda County Coliseum complex in the Coliseum Redevelopment Project Area (the "Property"), more fully described in *Exhibit A*; and

WHEREAS, the City desires to sell and the Redevelopment Agency of the City of Oakland (the "Agency") desires to purchase the Property from the City for redevelopment purposes; and

WHEREAS, California Health and Safety Code Section 33220 authorizes any public body, with or without consideration, to sell or convey property to a redevelopment agency to aid in the undertaking of redevelopment projects; and

WHEREAS, a market analysis has established the market value of the Property at \$3,500,000; and

WHEREAS, the City is the Lead Agency for this project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"); and

WHEREAS, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been met; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. As authorized by Ordinance No. 11602 C.M.S., the City will sell the property to the Agency because the City Council finds and determines that it is in the best interest of the City to sell the Property by negotiated sale to the Agency, since the Property is undeveloped, located in a redevelopment project area, and the Agency is responsible for promoting redevelopment in Oakland's project areas.

Section 2. The City Council hereby authorizes the conveyance of the Property to the Agency for \$3,500,000 in cash.

Section 3. The City Administrator, or his designee, is authorized to execute a Quitclaim Deed conveying the Property, and to negotiate and execute any and all other documents necessary to effectuate the sale of the Property.

Section 4. Proceeds of \$3,500,000 from the property sale shall be deposited in the General Purpose Fund (1010), Real Estate Services Organization (88639), Surplus Property Account (48111), Surplus Property Disposition Project (P47010), Real Estate Program (PS32).

Section 5. The City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information in the staff report accompanying this Ordinance, that this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Section 15061(b) (3) (no possibility of significant environmental impact) and Section 15183 (projects consistent with a General Plan) of the CEQA guidelines.

Section 6. The City Administrator, or his designee, shall cause to be filed with the County of Alameda a Notice of Exemption and an Environmental Declaration (California Fish and Game Code Section 711.4) for this action.

Section 7. The Manager, Real Estate Services is hereby authorized to take any and all actions necessary, consistent with this Ordinance, to complete the sale of the Property.

Section 8. All agreements related to the sale of this Property shall be approved as to form and legality by the City Attorney's Office and a copy shall be filed with the Office of the City Clerk.

Section 9. This Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise, it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES-

ABSENT-

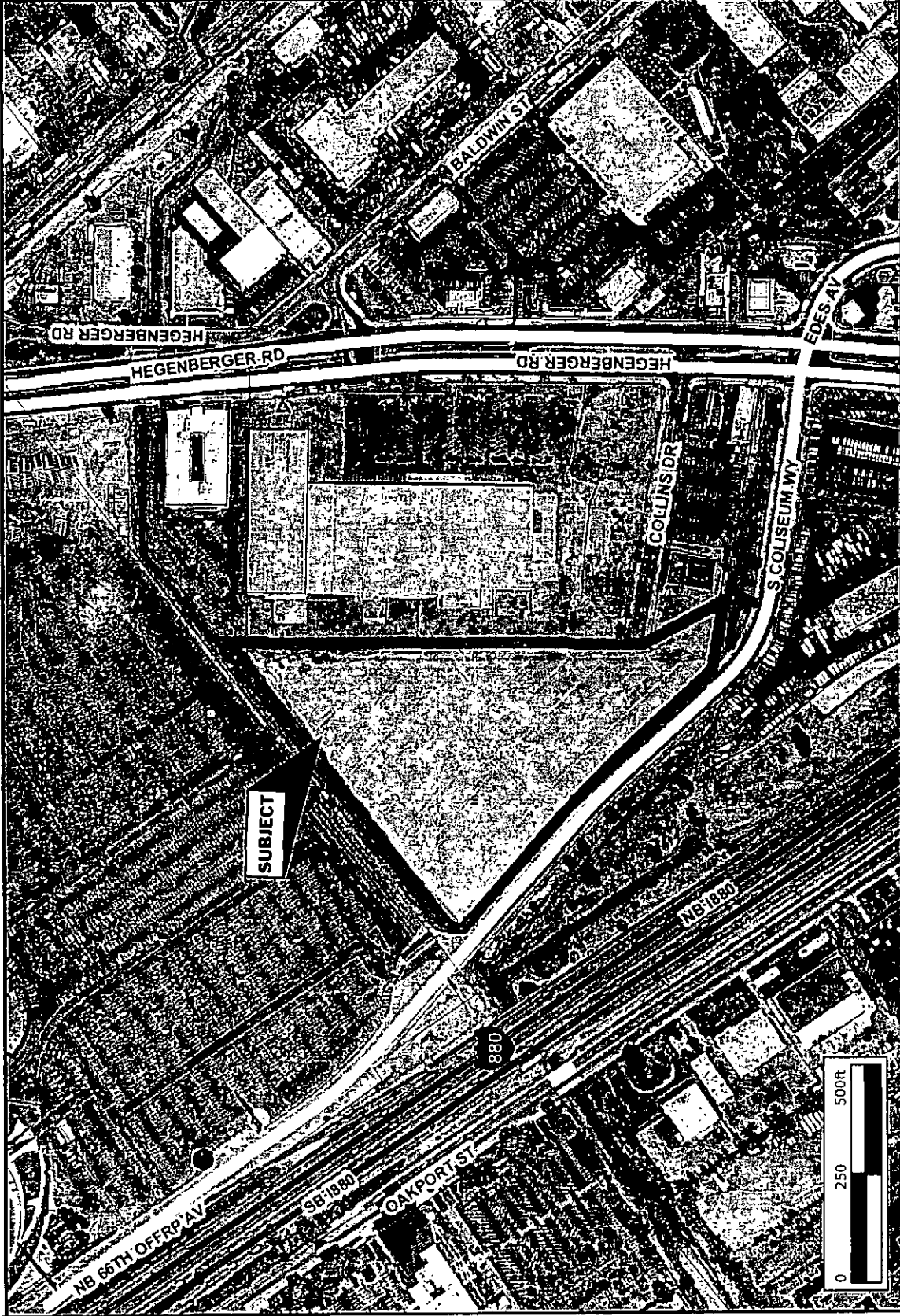
ABSTENTION-

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: _____

8000 Joe Morgan Way

Exhibit "A"



Legend

- Selected Features
- Parcels
- Freeways
- Major Sts
- Streets
- Water
- Land

It is imperative that you obtain BOTH the Zoning and General Plan designations for the property(s) you are searching for.

Questions? Contact a planner at (510)238-3911.

Printed: 3/18/2010 9:17:16 AM



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 APR -1 PM 1:10

Approved As To Form And Legality:



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION NO. _____ C.M.S.

AN AGENCY RESOLUTION AUTHORIZING THE PURCHASE OF THE CITY INTEREST IN LAND LOCATED AT 8000 JOE MORGAN WAY, ADJACENT TO THE OAKLAND-ALAMEDA COUNTY COLISEUM COMPLEX IN THE COLISEUM REDEVELOPMENT PROJECT AREA, FROM THE CITY OF OAKLAND FOR \$3,500,000 AND AUTHORIZING UP TO \$25,000 FOR REAL ESTATE CLOSING COSTS

WHEREAS, the City of Oakland (the "City") owns an undivided 50% interest in 8.8 acres of real property located at 8000 Joe Morgan Way, adjacent to the Oakland-Alameda County Coliseum complex in the Coliseum Redevelopment Project Area (the "Property"); and

WHEREAS, the Redevelopment Agency desires to purchase the Property from the City for redevelopment purposes; and

WHEREAS, California Health and Safety Code (the "Code") Section 33220 authorizes any public body, with or without consideration, to sell or convey property to a redevelopment agency to aid in the undertaking of redevelopment projects; and

WHEREAS, Code Section 33391 authorizes a redevelopment agency to purchase real property within a project survey area or for purposes of redevelopment; and

WHEREAS, the Agency proposes to acquire the Property for land banking purposes, and intends to hold it while the Agency develops a plan for its re-use; and

WHEREAS, the acquisition and future re-use of this Property will reduce blight and prevent further deterioration of the land and improvements in the Coliseum Redevelopment Project Area; and

WHEREAS, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been met; and

WHEREAS, the property has been appraised for \$3,500,000; and

WHEREAS, the cost of real estate closing is estimated to be \$25,000; and

WHEREAS, funding for the acquisition of the property is available from Coliseum Area Redevelopment Project TAB Series 2006T in Fund 9456, Capital Improvement Project – Economic Development Organization (#94800), Land Acquisition Project (Project T315820); now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the purchase and acceptance of the Property from the City for the purchase price of \$3,500,000, plus closing costs of up to \$25,000; and be it

FURTHER RESOLVED: That \$3,525,000 will be allocated from the Coliseum Area Redevelopment Project TAB Series 2006 (Taxable) Bond Fund (9456), Capital Improvement Project – Economic Development Organization (94800), Land Acquisition Project (Project T315820); and be it

FURTHER RESOLVED: That the Agency Administrator or his designee, is authorized to negotiate and execute, modify, amend and extend a purchase and sale agreement, and any other documents necessary for the purchase of the Property, including an acceptance of the Property from the City, consistent with this Resolution and its basic purposes; and be it

FURTHER RESOLVED: The Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information in the staff report accompanying this Resolution, that this action complies with CEQA because this action on the part of the Agency is exempt from CEQA pursuant to Section 15061(b) (3) (no possibility of significant environmental impact) and Section 15183 (projects consistent with a General Plan) of the CEQA guidelines; and be it

FURTHER RESOLVED: That by agreement with the City, the City Administrator or his designee, shall cause to be filed with the County of Alameda a Notice of Exemption and an Environmental Declaration (California Fish and Game Code Section 711.4) for this action; and be it

FURTHER RESOLVED: That all documents related to these transactions shall be reviewed and approved by Agency Counsel prior to execution, and copies will be placed on file with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

AYES-KERNIGHAN, NADEL, QUAN, DE LA FUENTE, BROOKS, REID, KAPLAN, AND
CHAIRPERSON BRUNNER

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California

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NOTICE AND DIGEST

A CITY ORDINANCE AUTHORIZING THE SALE OF THE CITY'S INTEREST IN LAND LOCATED AT 8000 JOE MORGAN WAY, ADJACENT TO THE OAKLAND-ALAMEDA COUNTY COLISEUM COMPLEX IN THE COLISEUM REDEVELOPMENT PROJECT AREA, TO THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND FOR \$3,500,000

This Ordinance authorizes the sale of Surplus City-owned Property to the Oakland Redevelopment Agency for the fair market value of \$3,500,000.