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APPROVED AS TO FORM AND LEGALITY:

  
AGENCY COUNSEL

**REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND**

**RESOLUTION No. 2005 - 0052 C.M.S.**

**A RESOLUTION ADOPTING THE 2005-2010 IMPLEMENTATION PLAN  
FOR THE OAKLAND ARMY BASE REDEVELOPMENT PROJECT**

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a five-year Implementation Plan for the Oakland Army Base Redevelopment Project for 2005-2010; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Oakland Army Base project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

**RESOLVED:** That the Agency hereby approves and adopts the 2005-2010 Implementation Plan for the Oakland Army Base Redevelopment Project attached to this Resolution; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, JUL 19 2005, 2005

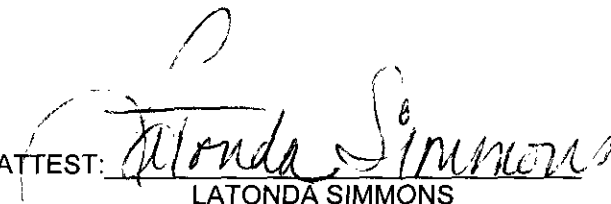
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, ~~BRUNNER~~, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON DE LA FUENTE, **-7**

NOES- **Ø**

ABSENT- **BRUNNER - 1**

ABSTENTION- **Ø**

ATTEST:   
LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland

## ATTACHMENT A

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# OAKLAND ARMY BASE REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2005-2010

## I. BACKGROUND AND INTRODUCTION

In July 2000, the Oakland Redevelopment Agency adopted the Oakland Army Base (OARB) Redevelopment Plan as a means of addressing blighting within the area including and surrounded by, the Oakland Army Base. At that time, the Base -- though no longer an active military installation -- was under Federal ownership and in the process of being conveyed to the Oakland Base Reuse Authority (OBRA) to facilitate the Agency's redevelopment of the property for civilian purposes. Hence, a major purpose of the Redevelopment Area was to facilitate the revitalization of the property and areas potentially affected by its closure, by creating a funding source to support needed improvements. The approximately 1,800-acre OARB Redevelopment Project Area consists of three distinct subareas:

- (1) the "*OARB Subarea*" which consists of the former Army Base property;
- (2) the "*Maritime Subarea*" which consists of the Port of Oakland's maritime area west and south of the Base, including the existing marine terminal facilities and related infrastructure along the Outer and Inner Harbors channels, as well as the former U.S. Fleet Industrial Supply Center Oakland (FISCO) property; and
- (3) the "*16<sup>th</sup> and Wood Subarea*" which then consisted of underutilized commercial and industrial property generally bounded by the realigned I-880 Freeway, and Pine and Wood Streets between 7<sup>th</sup> and 26<sup>th</sup> Streets.

Per California Redevelopment Law, the Agency is required to produce Implementation Plans every five years over the life of the Redevelopment Plan. The 2000-2005 Implementation Plan was based upon the OARB property development agreements between the Redevelopment Agency and the Port of Oakland in effect at that time. Specifically, the Agency was expected to develop OARB areas east of Maritime Street, with the west of Maritime Street area expected for Port-oriented development. Since that time, the Agency and Port have switched OARB development areas: the Port's OARB footprint is now predominantly east of Maritime and the Agency's is predominantly west of Maritime. Both the Agency and the Port will receive title to their respective properties within the OARB Redevelopment Area in August 2006, and in anticipation of various major redevelopment activity that is expected to occur after transfer, each entity is currently refining the development program for their new respective areas. It is likely that both will retain their initial development premises: namely, that the Agency's OARB footprint will be developed for an economic development project that generates employment and contributes to the City's tax base, and that the Port's OARB footprint will be developed with

uses that support the existing and future needs of its maritime operations. Because of these ongoing development evaluations, it is not possible to identify specific projects in the Implementation Plan. Thus this 2005-2010 Implementation Plan highlights general capital improvements that are supportive of any economic development and port-oriented venture. As each entity's development plans are finalized, the 2005-2010 Implementation Plan can be amended to identify any specific improvement or activity desired within the next five years.

## **II. GOALS AND OBJECTIVES FOR THE PROJECT AREA**

The redevelopment goals of the OARB Redevelopment Project as set forth in the OARB Redevelopment Plan are as follows:

- a. The mitigation of the economic and social degradation that is faced by the City of Oakland due to the closure of the OARB by the Federal Base Closure Commission
- b. Implementation of the adopted OARB Reuse Plan, as such Plan may be amended or modified from time to time
- c. The elimination of physical and economic blighting influences in the Project Area
- d. The subdivision of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area
- e. The replanning, redesign, and development of portions of the Project Area which are improperly utilized
- f. The strengthening of the economic base of the community by the construction and installation of infrastructure and other needed site improvements to stimulate new development, employment, and social and economic growth
- g. The expansion, improvement, and preservation of the City's supply of housing available to low- and moderate-income persons and families
- h. Other goals and purposes of redevelopment as set forth in the Community Redevelopment Law.

## **III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS**

The following table outlines the projected tax increment revenue from the Oakland Army Base Redevelopment Project Area over the five-year period of this Implementation Plan.

**Oakland Army Base  
Projections of Tax Increment Revenue  
FY 2005-2010  
(\$'000s)**

	FISCAL YEAR					TOTAL 2005-10
	2005-06	2006-07	2007-08	2008-09	2009-10	
Gross Tax Increment Revenue	3,134	3,290	3,454	4,626	6,894	21,397
Housing Set Aside Requirement	-784	-823	-863	-1156	-1723	-5,349
AB 1290 Pass-through	-627	-658	-691	-925	-1379	4,279
State Education Funds (ERAF)	-182	-191	-200	-268	-400	-1241
<b>Net Tax Increment Revenues</b>	<b>1,542</b>	<b>1,619</b>	<b>1,699</b>	<b>2,276</b>	<b>3,392</b>	<b>10,527</b>

For the last three of the five years proposed (FY 2005-2010), the schedule reflects projections only and is contingent upon specific Agency authorizations at a later date. The assumed rate of revenue growth is based upon a percentage growth in total assessed value of all taxable properties within the area, over the 2004 assessed valuation.

The above chart reflects tax increment revenues only. Due to the extensive improvements that will be required to spearhead redevelopment within the area, the original Implementation Plan presumed that a number of funding sources will be required to implement the five-year program of improvements. Potential major funding sources included, but were not limited to, revenues from sale of Agency's OARB property to private developers, Port maritime expenditures, tax increment revenues and proceeds from Agency tax allocation bonds, and Community Facilities District (CFD) revenues and proceeds from CFD bonds. The 2005-2010 Implementation Plan also will also rely on a variety of funds to implement the improvements that are vital to effective elimination of blight within the Project Area. These expenditures are estimated to be approximately \$138,600,000.

Various types of projects and programs have been identified to alleviate blighting conditions in the Project Area and advance the goals and objectives of the *Redevelopment Plan*. Most are backbone infrastructure projects and other capital improvements. A building rehabilitation program, other transportation projects/programs, and Low and Moderate Income Housing Fund projects also are included. The specific types of projects and programs identified through the OARB reuse planning process and the relevant Port of Oakland and City of Oakland planning processes are summarized below. Although the improvements are identified by subarea, they will be of benefit to the entire Project Area.

1. OARB Subarea

For the OARB Subarea, the Plan focuses on investments required to prepare the area for development by the Redevelopment Agency. These activities are:

◆ Demolition/Deconstruction

Existing buildings on the Base will be removed to allow for the development of finished land for sale or lease to developers/builders. Demolition, deconstruction, and relocation

of existing buildings are anticipated. In addition, demolition and removal of damaged and/or obsolete utility systems and rail infrastructure also will be required.

- ◆ Utilities

Existing utilities on the OARB will require replacement or significant upgrading and reconfiguration to meet current standards and provide adequate capacity for modern development of the types anticipated on the Base. Substantial improvements are planned for the water supply, electrical, telecommunications, natural gas, sanitary sewer, and storm drainage systems.

- ◆ Site Preparation, Remediation and Entitlements

Once buildings have been removed and utility systems replaced or upgraded, certain site improvements will be needed to prepare the land for new development. Site improvements can include grading, remediating hazardous conditions, bringing utilities on-site, pouring curbs and gutters, and paving. Entitlements will also need to be secured.

- ◆ Road Improvements

A new on-site roadway network that accommodates the future parcelization of land will be needed as will improvements and upgrades to the existing streets to remain in use in the future. The new development also will require the construction of access intersections to provide new connections to West Grand Avenue and 7<sup>th</sup> Street, and other off-site roadway improvements to achieve acceptable traffic operations in the area.

- ◆ Public Access and Open Space Improvements

Roadway improvements also will be needed to provide access to the public shoreline and parks to be developed within this subarea.

- ◆ OARB Real Estate Activities

Although the Department of the Army conveyed the majority of the Base at no cost, selected Base parcels then owned by the Army Reserve Enclave had to be purchased. Redevelopment funds may need to be set aside to cover future installment payments should the Agency elect to not immediately sell these parcels to a third party for development.

The infrastructure and other capital improvements to be made in the OARB subarea will be developed in phases consistent with the Redevelopment Agency's objectives for the portion of the Base it will receive in August 2006.

## 2. Maritime Subarea

Development of new rail, shipping, terminals, and ancillary maritime support facilities are planned by the Port of Oakland. Rationalization and modernization of the rail and roadway infrastructure are required to facilitate and accommodate new maritime terminal development and to enhance the Port's overall competitive position. The Port of Oakland plans to make the following capital improvements for the maritime-related subareas of the Project Area:

### ◆ Joint Intermodal Terminal

Development of a Joint Intermodal Terminal (JIT) facility to provide a single, centralized terminal for the efficient transfer of containers between ship and rail that would serve both existing and new terminal facilities. Working track, support track, and parking areas for containers/trailers are planned. The project also will require relocation of some existing rail facilities in the Port maritime area.

### ◆ Railyard Improvements

Renovation and expansion of the capacity of the former Knight Railyard on the eastern edge of the OARB is required to enable it to serve as an extension of the Joint Intermodal Terminal (JIT) to be developed on adjacent Port of Oakland property. These improvements are part of the overall rationalization and modernization of rail infrastructure in the larger Project Area.

### ◆ New Roadways and Intersections

A new roadway may be required to serve the planned new marine terminals to be developed on the former FISCO site and the JIT. In addition, 7<sup>th</sup> Street may need to be realigned to provide more marine terminal capacity and more efficient, higher capacity access to the harbor area. Additional roadway improvements, including two other intersections that need to be redesigned with new signaling and other improvements, have been identified for mitigating transportation impacts of planned marine terminal development.

### ◆ Roadway and Rail Improvements: Maritime Expansion Area of OARB

Improvements are required to the roadway and rail system in the Maritime Area to facilitate expansion and modernization of the terminal facilities in that area.

## 3. 16<sup>th</sup> and Wood Subarea

Improvements are needed in this part of the Project Area to remove impediments to development and enhance potential for revitalization in accordance with recently adopted General Plan and zoning changes for this subarea. In support of the City's and Agency's approval of the Wood Street Residential Project, a major residential mixed-use project within



this subarea, a number of improvements have been identified for improving access and circulation, meeting historic preservation goals, meeting affordable housing requirements, and otherwise enhancing potential for new development and revitalization:

◆ Demolition/Renovation/Site Work

Improvements and assistance to remove unsafe structures, to address possible soil contamination, and to facilitate/rationalize parcelization are expected to be required in the area. In addition, seismic retrofitting, structural improvements, earthquake damage repair, and overall building renovation have been identified as required to reinforce and improve the safety of older structures, particularly the historic former train station.

◆ Historic Preservation

Recent approvals for the Wood Street Residential Project anticipate significant Agency contributions to purchasing of the baggage wing of the former train station and the renovation of the train station and baggage wing. Funding is expected to be primarily generated from tax increment revenues generated by the Wood Street residential development that could be bonded to provide the funding necessary for purchase and renovation of this historic structure.

◆ Affordable Housing

The Wood Street area contains the only residentially zoned property in the OARB redevelopment plan area. The recent approval of the Wood Street Residential Project anticipates Agency participation in funding affordable rental and ownership housing. Further details are set forth in Section V below.

◆ Transportation and Related Improvements

Improvements in the 16<sup>th</sup> and Wood area are anticipated to be initiated during the next five years of the Redevelopment Plan, with the precise timing dependent on market demand for new development. Within the area, improvements to and in the vicinity of the former train station property may occur first to remove the visible blight of that area.

The proposed expenditures are summarized below and reflect actions to be undertaken by the Agency, or Port of Oakland, and activities that may be jointly funded by both entities.

<u>Projects</u>	<u>5-Year Funding Level</u>
<b>1. Oakland Army Base Subarea</b>	
▫ Demolition and Deconstruction	\$12,000,000 (9 % of Project Fund)
▫ Utilities	\$40,000,000 (29 % of Project Fund)

▫ Site Preparation and Entitlements	\$19,000,000 (14 % of Project Fund)
▫ Road Improvements	\$30,000,000 (22 % of Project Fund)
▫ Public Access/Open Space Improvements	\$10,000,000 (7 % of Project Fund)
▫ OARB Real Estate Activities	\$8,600,000 (6 % of Project Fund)
<b>2. Maritime Subarea</b>	
▫ Joint Intermodal Terminal	Port-Funded Activity (To be Determined by Port)
▫ Railyard Improvements	(Port-Funded Activity) (To be Determined by Port)
▫ New Roadways and Intersections	(Port-Funded Activity) (To be Determined by Port)
▫ Roadway and Rail Improvements	(Port-Funded Activity) (To be Determined by Port)
<b>3. 16<sup>th</sup> and Wood Subarea</b>	
▫ Demolition/Renovation/Site Work	\$2,000,000 (1 % of Project Funds)
▫ Historic Preservation	\$9,000,000 (6 % of Project Funds)
▫ Transportation and Related Improvements	\$7,000,000 (5 % of Project Funds)
<b><u>Project-Area Wide Improvements</u></b>	
▫ Public Transportation Related Improvements	\$1,000,000 (1 % of Project Fund)

These costs are estimates and will be refined by the actual development program pursued by the Agency and the Port.

#### **IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT**

The OARB goals and objectives, as well as the overarching purpose of successful revitalization, are to be accomplished through the implementation of a variety of projects and programs. These projects and programs are specifically tailored to advance these goals and objectives and to address blighting influences identified through the redevelopment process. Table 12 of the 2000-2005 Implementation Plan identifies the relationship between the projects and programs and the specific goals and objectives they are designed to achieve. The elimination of blight would be accomplished in the same manner during the 2005-2010 period.

Along with the Project Area-specific goals and objectives, the implementation of the *Redevelopment Plan* in areas under the jurisdiction of the City of Oakland will also conform to communitywide goals and adopted policies for encouraging sustainable development, implementing contracting and employment programs, and conforming with City design and land use policies and standards. Taken together, achieving all of these goals and objectives will ensure successful redevelopment and foster a livable community.

**TABLE 12  
PROJECTS AND PROGRAMS THAT ADVANCE  
GOALS AND OBJECTIVES OF REDEVELOPMENT PLAN**

Goals and Objectives	Projects and Programs							
	Demolition/ Deconstruction	Site Work/ Renovation	Utilities	Roads	Rail	Rehabilitation Program	Housing Fund Projects	Planning & Implementation
The mitigation of the economic and social degradation that is faced by the City of Oakland due to the closure of the Oakland Army Base.	☐	☐	☐	☐	☐	☐		☐
Implementation of the adopted Reuse Plan, as such Plan may be amended or modified from time to time.	☐	☐	☐	☐	☐	☐		☐
The elimination of physical and economic blighting influences in the Project Area.	☐	☐	☐	☐	☐	☐	☐	☐
The subdivision of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.	☐	☐	☐	☐	☐			☐
The replanning, redesign, and development of portions of the Project Area which are improperly utilized.	☐	☐	☐	☐	☐	☐		☐
The strengthening of the economic base of the community by the construction and installation of infrastructure and other needed site improvements to stimulate new development, employment, and social and economic growth.	☐	☐	☐	☐	☐			☐
The expansion, improvement, and preservation of the City's supply of housing available to low- and moderate-income persons and families.							☐	☐
Other goals and purposes of redevelopment as set forth in the Community Redevelopment Law.	☐	☐	☐	☐	☐	☐	☐	☐

Source: Oakland Redevelopment Agency; Hausrath Economics Group.

**V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE-INCOME HOUSING REQUIREMENTS**

**A. Implementation Plan Requirements**

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000 *et seq.* of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the Project Area that deal with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low and moderate ("low-mod") income. Low-mod income is defined in the CRL by reference to Section 50093 of the Health and Safety Code, which specifies the following income levels:

- Moderate income, which is defined as household income of 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low income, which is defined as income of 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very-low income, which is defined as income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

**Definition of Affordable Housing Cost**

<b>Income Level</b>	<b>Rental Housing</b>	<b>Owner-Occupied Housing</b>
Very Low Income	30% of 50% of AMI	30% of 50% of AMI
Low Income	30% of 60% of AMI	30% of 70% of AMI
Moderate Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving a community's supply of low-mod housing; and
- Preparing reports on how the Agency has met, or preparing plans on how the Agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the Project Area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below.

**1. Production of Housing Based on Activities in the Project Area:**

- At least 30 percent (30%) of all new and substantially rehabilitated dwelling units developed by a redevelopment agency shall be available at affordable housing cost to persons and families of low and moderate income and shall be occupied by these persons and families (Section 33413(b)(1));
- At least 15 percent (15%) of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families (Section 33413(b)(2));
- At least 15 percent (15%) of all substantially rehabilitated units that have received agency assistance shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families (Section 33413(b)(2)(iii));
- Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan (Section 33490(a)(3)).

## **2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:**

- The set-aside of 20 percent of tax increment in projects adopted on or after January 1, 1977 (Section 33334.2)
- The proportional expenditure of housing funds on moderate, low, and very-low income housing (Section 33334.4)
- The set-aside of 20 percent of tax increment in projects adopted prior to January 1, 1977 (Section 33334.6)
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

## **3. Additional Requirements:**

- Estimates of the balances and deposits into the Housing Fund created to hold the Set-Aside of tax increment;
- A housing program identifying expenditures from the Housing Fund;
- An indication of housing activity that has occurred in the Project Area; and
- Estimates of housing units that will be produced in the Project Area for each of the various income categories.

## **B. Applicable Low- and Moderate-Income Housing Requirements**

### **1. Applicable Housing Production Requirements**

The date of adoption, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the project area are discussed below:

#### **a. Replacement Housing Obligation**

The Agency is required to meet replacement-housing obligations pursuant to CRL Section 33413(a). This Section requires the Agency to replace, on a one-for-one basis, all units removed from the low and moderate income housing stock caused by Agency activities in the Project Area. Article 16.5 requires that if an implementation plan contains projects that could result in the removal of low-mod

housing units, the plan must identify locations suitable for the replacement of such housing.

The Agency does not anticipate undertaking or assisting any actions that would result in the demolition or removal from the market of low and moderate income housing. Therefore there is no replacement housing obligation at present.

**b. Housing Production Obligation**

The Agency is required to comply with the housing unit production requirement of the CRL Section 33413(b). Subparagraph (1) of the Section requires that 30 percent (30%) of all housing units developed by the Agency be affordable to low-mod persons.

The Agency does not plan to develop housing in the next five years; rather the Agency will assist in private sector affordable housing development. Thus, the Agency is not anticipated to incur any obligations under this provision of the CRL.

The Agency will assist the private sector in developing affordable housing and it is possible that there will be some residential infill within the Project Area that is not Agency assisted. As a result, the Agency will need to create low-mod housing in order to comply with the provisions of subparagraph (2) of Section 33413(b). Subparagraph (2) requires that 15 percent (15%) of all housing developed in the Project Area (inclusive of restricted units) be low-mod housing. Of these low-mod units, at least 40 percent (40%) must be affordable to persons and families of very-low income.

To determine the number of units that must be developed in order to comply with this requirement, and to identify how much of this requirement will be satisfied by the activities included in this Implementation Plan, a brief review of past and anticipated housing development activity in the Project Area is presented below.

**c. Housing Construction Activity in the Project Area Prior to July 2005**

From the inception of the Redevelopment Plan for this Area through June 2005, no housing has been developed.

**d. Estimate of Future Housing Construction Activity in the Project Area**

The Agency estimates that between 2005 and 2015, approximately 1,557 units of housing may be newly constructed as a result of development of all phases of the proposed Wood Street Station project.



**e. Estimated Number of Units Required for Housing Production Obligation**

If 1,557 units are built, this would generate a housing production obligation of at least 234 units affordable to very-low, low or moderate income households. Of these, at least 94 units would be required to be affordable to and restricted for occupancy by very-low income households.

**f. How the Housing Production Obligation Will be Met**

The following illustrates how the housing production obligations will be fulfilled:

Project	Total Units	Very Low	Low	Moderate	Unrestricted
Wood Street Station, Rental	94	94	0	0	0
Wood Street Station, Owner	1463	0	0	141	1322
<b>TOTALS</b>	<b>1557</b>	<b>94</b>	<b>0</b>	<b>141</b>	<b>1322</b>

It should be noted that all of these units will be located within the Project Area and therefore can be counted on a one-for-one basis toward the production obligation.<sup>1</sup>

Development of the very-low and moderate income housing units in the Wood Street Station project is governed by the City of Oakland’s Conditions of Approval (COA) for the development. Under COA number 100, development of the affordable units is contingent on the Redevelopment Agency providing sufficient subsidy to maintain affordability of the designated units. The cost of these subsidies is currently estimated to exceed \$30 million, which greatly exceeds the amount of money expected to be available in the Project Area’s Low and Moderate Income Housing Fund over the next five years. To address this financial gap, the Agency will consider several alternatives, including issuing a bond backed by the Low and Moderate Income Housing Fund revenues or utilizing funds from Low and Moderate Income Housing Funds generated from other project areas in Oakland.

Consistent with the Conditions of Approval, if, after good faith negotiations, the owner of the “Affordable Housing Parcel” has not entered into a purchase agreement for the parcel with a nonprofit housing developer within the one-year period specified in the Conditions of Approval, or if the Agency and the nonprofit housing developer have not entered into a Funding Agreement within the one-year period, then the Agency intends to exercise its option to purchase the parcel, for the purpose of providing housing at an affordable price to households at or below 50% of AMI, and deed restrict the parcel as affordable housing for households at or below 50% of AMI.

The Conditions of Approval also grant to the Agency the option to purchase for-sale housing units in the project and to record sale price restrictions to maintain

<sup>1</sup> If the production requirement is met with units located outside of the Project Area, two units must be produced to fulfill one unit of housing production obligation.

affordability to households with incomes up to 100 percent of area median income for a period of at least 45 years.

In the event the Agency is unable to provide such financing, or determines that such financing is infeasible or impracticable, some or all of the housing production obligation will be met by aggregating new or substantially rehabilitated units in the Oakland Army Base Project Area with units in other project areas, consistent with the provisions of subparagraph (2)(A)(v) of Section 33413(b). It is the Agency's intent to give priority to the development of very low income units within the project area.

## **2. Applicable Provisions Regarding Low and Moderate Income Housing Set-Aside**

### **a. Set-Aside of Tax Increment**

The Agency must comply with the Section 33334.2 requirement to allocate 20 percent of the gross tax increment (Set-Aside) to affordable housing activities. The Set-Aside is required to be deposited into a Housing Fund created to hold the monies until expended. Section 33334.2 enables the Agency to eliminate or reduce the annual housing deposit if the Agency makes findings regarding the lack of need for low-mod housing in the City of Oakland, or the sufficiency of less than 20 percent of the Project Area's tax increment to meet the need that does exist.

However, the Redevelopment Agency has adopted a resolution that 25 percent of all tax increment be allocated to the construction of affordable housing. Furthermore, based on the City's commitment to affordable housing production it is unlikely the Oakland would exercise the option to reduce the Set-Aside deposits in any year subject to this Implementation Plan. The projections of deposits into the Housing Fund that are included in the following section assume that the 25 percent Set-Aside will be deposited into the Housing Fund in each of the years covered by the Plan.

### **b. Proportional Expenditures of Housing Fund Monies**

The Project Area is subject to the Section 33334.4 requirement that the Agency expend Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

### **c. Very-Low and Low Income Housing Expenditures**

The income proportionality test requires the Agency to expend Set-Aside funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs

Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA, the City's minimum required allocation for very-low and low-income expenditures, and maximum moderate income housing expenditures are:

Category	RHNA	Threshold
Very-Low Income	2,238	At least 43%
Low Income	969	At least 19%
Moderate Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Housing Fund monies dedicated to projects and programs be spent on housing for very-low income households. In addition, at least 19 percent of these funds must be spent on housing for low-income households, and no more than 38 percent of the funds can be spent on moderate-income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very-low income households, and to subtract a commensurate amount from the low and/or moderate-income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low income housing by reducing the amount of funds allocated to moderate-income households. In no event can the expenditures targeted to moderate-income households exceed the established threshold amount.

The Agency will allocate its funds in such a way that these percentages are met over the ten-year period from July 2005 through June 2015. In addition, the City and other entities may provide assistance for the construction of units affordable to very low and low income households that may also be counted toward meeting the requirements of Section 33334.4.

**d. Age Restricted Housing Expenditures**

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City's total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City's population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects must be spent to assist projects that do not impose age restrictions on the residents. The following summarizes the allocation of housing fund monies.

Age Category	Percentage of Funds
Senior	10.5% maximum
Unrestricted	89.5% minimum

The Agency will ensure that over the ten-year period from July 2005 through June 2015 not more than 10.5 percent of its expenditures on affordable housing projects are for projects serving seniors.

**e. Transfer of Housing Funds to Other Providers**

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Housing Fund contained "excess surplus." Excess surplus means any unexpended and unencumbered amount in a Project Area's Housing Fund that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Project Area life.

**3. Housing Goals and Objectives of the Implementation Plan**

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this proposed Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production requirement, if applicable, must be met every 10 years, while the proportionality tests must be achieved over the next 10 years, and then again through the end of the Project Area life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the term of the Project Area, to comply with the applicable requirements.

**4. Estimated Housing Fund Revenues and Expenditures**

The following table presents the projected future deposits into the Housing Fund. As shown below, \$5,349,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimate Housing Set-Aside Revenue  
2005-2010**

<b>Plan Year</b>	<b>Fiscal Year</b>	<b>Housing Set Aside</b>
1	2005-06	\$784,000
2	2006-07	\$823,000
3	2007-08	\$863,000
4	2008-09	\$1,156,000
5	2009-10	\$1,723,000
Total		\$5,349,000

## **5. Anticipated Housing Program Activities**

The Agency may assist in a variety of programs to provide, improve, and preserve affordable housing such as the following:

### **a. Production:**

The Agency can make loans and grants from the Low and Moderate Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

### **b. Rehabilitation**

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rental properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by CRL.

### **c. Affordability Assistance:**

The Agency may provide direct subsidies to lower the cost of ownership housing or may establish first-time homebuyer programs to assist very-low to moderate income families with mortgage assistance for the purchase of a home. The former would involve the use of long-term restrictions on sales prices to ensure continuing affordability to low and moderate income households. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

### **d. Preservation of Existing Affordable Housing**

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion

to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

## **6. Allocation of Housing Funds over Previous Implementation Period**

While Agency funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds may be used both inside and outside the project area. In addition, the City of Oakland also provides assistance for the development, improvement and preservation of affordable housing.

The tables on the following pages provide information for the period 1999-2004 regarding:

- the amounts of Low and Moderate Income Housing Fund moneys utilized to assist units affordable to, and occupied by, extremely low-income households, very low-income households, and low-income households, including units available to families with children; and
- the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of low-, very low-, or extremely low-income for at least 55 years for rental housing or 45 years for homeownership housing.

**Redevelopment Agency Assisted Housing Activities Completed or Underway, July 2000 – June 2005**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/MacArthur	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Senior Housing	Senior	Underway	None	39	53		1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Coliseum Gardens Phase III	Families	TBD	Coliseum	39	90			\$ 3,000,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison and Fourteenth	Families	Underway	Central District	TBD	TBD			\$ 4,522,915

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	2004	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/MacArthur	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000
San Pablo Gateway	Homeownership	2000	Broadway/MacArthur		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 2000.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.



**Housing Units Newly Constructed in Redevelopment Project Areas,  
Assisted With Locally-Controlled Government Assistance and  
No Redevelopment Agency Financing, July 2000 – June 2005**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			

(1) TBD = "to be determined" – specific affordability levels have not yet been established.

**Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
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2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Galaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
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Palm Villa	Homeownership	2003	None		78			\$ 6,725,000
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

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**Housing Units Newly Constructed in Redevelopment Project Areas,  
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Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acorn		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur/San Pablo				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.