

CITY OF OAKLAND

Agenda Report

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2011 SEP 15 PM 1:07

TO: Office of the City Administrator
ATTN: Deanna J. Santana
FROM: Community and Economic Development Agency
DATE: September 27, 2011
RE: A Report And A Resolution Granting 1625 Clay LLC A Conditional And Revocable Permit to Allow A Existing Basement For A Building Located At 1625 Clay Street To Encroach Under The Public Sidewalk Along Clay Street and 17th Street

SUMMARY

A resolution has been prepared granting the property owner, 1625 Clay LLC a California limited company and owner of an office building located at 1625 Clay Street, a conditional and revocable permit (ENMJ 11055) to allow the existing basement to encroach approximately fourteen (14) feet under the public sidewalk along Clay Street and 17th Street.

FISCAL IMPACT

Staff costs for processing the proposed encroachment permit are covered by fees set by the Master Fee Schedule and have been paid by the property owner and were deposited in the special revenue Development Service Fund (2415), Engineering Services organization (88432), Encroachment Permits account (42314), Engineering and Architectural Plan Approval (PS30). The standard conditions of the encroachment permit require the property owner to maintain liability and property damage insurance and to include the City as a named insured.

KEY ISSUES AND IMPACTS

The owner has applied for a Parcel Map (PM09915) to convert the eight (8) story office building to thirty-three (33) commercial condominiums. The required boundary survey confirmed that the existing basement extends approximately fourteen (14) feet under the Clay Street and 17th Street sidewalks. Oakland Municipal Code Section 12.08.030 requires that permanent encroachments receive approval of the City Council. The basement has not interfered with the public's use of the right-of-way or buried utilities since the building was constructed in 1922. The City Council has previously approved similar existing encroachments throughout Oakland.

SUSTAINABLE OPPORTUNITIES

Economic

The condominium conversion will provide ownership opportunities for businesses which will support and encourage long-term tenancies in Oakland.

Item No. _____
Public Works Committee
September 27, 2011

Environmental

Land use approvals and construction permits for real property and building improvements require that the permittee comply with City ordinances and regional Best Management Practices for reducing nuisance noise, fugitive dust, construction debris disposal, and pollutant runoff

Social Equity

The project will assist the economic revitalization of the downtown commercial district by increasing office occupancy rates and business tax license fees, which are deposited in the General Purpose Fund 1010 for unrestricted use.

DISABILITY AND SENIOR CITIZEN ACCESS

Future construction permits for the sidewalk repairs and office space remodeling will conform to State and City requirements for handicapped accessibility.

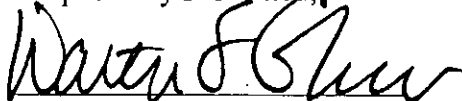
RECOMMENDATIONS

Staff recommends that the Committee forward this report to the City Council for adoption of the encroachment permit resolution.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt the resolution granting 1625 Clay LLC a conditional and revocable permit to allow an existing basement for a building located at 1625 Clay Street to encroach under the public sidewalk along Clay Street and 17th Street.

Respectfully submitted,



WALTER S. COHEN, Director

Community and Economic Development Agency

Prepared by:

Raymond M. Derania
Deputy Director - City Engineer
Building Services Division

**APPROVED AND FORWARDED TO
THE PUBLIC WORKS COMMITTEE**

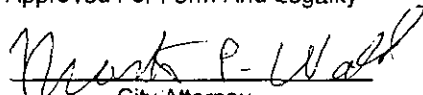

Office Of The City Administrator

Item No. _____
Public Works Committee
September 27, 2011

FILED
OFFICE OF THE CITY CLERK
OAKLAND
Introduced By
2011 SEP 15 PM 1:07

Councilmember

Approved For Form And Legality



City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

**RESOLUTION GRANTING 1625 CLAY LLC A REVOCABLE AND
CONDITIONAL PERMIT FOR A BUILDING LOCATED AT 1625 CLAY
STREET TO ALLOW AN EXISTING BASEMENT TO ENCROACH UNDER
THE PUBLIC SIDEWALK ALONG CLAY STREET AND 17th STREET**

WHEREAS, 1625 Clay LLC (Permittee), a California limited liability company (no. 199633910033) and owner of the property described in a grant deed, recorded December 10, 1996, Series No. 96314125, by the Alameda County Clerk-Recorder, and identified by the Alameda County Assessor as APN 003-0063-017-00, and identified by the City of Oakland as 1625 Clay Street, and more particularly described in *Exhibit A* attached hereto, has made an application to the City Engineer of the City of Oakland for a conditional and revocable permit (ENMJ 11055) to allow the encroachment of an existing basement under the public sidewalk adjoining the building frontage along Clay Street and 17th Street; and

WHEREAS, the owner has also filed an application with City Engineer for ministerial approval of a parcel map (PM09915) to convert said eight (8) story building to commercial condominium ownership of thirty-three (33) office spaces; and

WHEREAS, pursuant to Oakland Municipal Code section 16.24.100, the owner employed a qualified licensed land surveyor to perform a boundary survey of said property; and

WHEREAS, said boundary survey confirmed that the existing basement for said office building encroaches approximately fourteen (14) feet under the public sidewalk along Clay Street and 17th Street; and

WHEREAS, said building basement has continuously occupied the area of the encroachment and supported said public sidewalk since its construction circa 1922; and

WHEREAS, the limits of the encroachment are delineated in *Exhibit B* attached hereto; and

WHEREAS, the encroachment and its location have not interfered with the use by the public of the roadway or sidewalk or buried utilities for approximately one-hundred (100) years; and

WHEREAS, the requirements of the California Environmental Quality Act (CEQA), the Guidelines as prescribed by the Secretary of Resources, and the provisions of the Statement of Objectives, Criteria and Procedures for Implementation of the California Environmental Quality

Act: City of Oakland, have been satisfied, and that in accordance with Section 15332 (Class 32: Infill Projects) and Section 15301 (minor alteration to existing structure) of the California Code of Regulations this project is categorically exempt from the provisions of the California Environmental Quality Act; now, therefore, be it

RESOLVED: That the encroachment, as conditioned herein, does comply with the California Environmental Quality Act; and be it

FURTHER RESOLVED: That the encroachment, as conditioned herein and delineated in *Exhibit B*, is hereby granted to 1625 Clay LLC for a revocable permit to allow an existing basement for a building located at 1625 Clay Street to encroach under the public sidewalk along Clay Street and 17th Street; and be it

FURTHER RESOLVED: That the encroachment is hereby conditioned by the following special requirements:

1. the Permittee (1625 Clay LLC) is responsible for the relocation of all existing public utilities including but not limited to fire alarm cable, master signal cable, street lighting and intersection signal cable, as required; and
2. after notice to the Permittee, this permh shall be revocable at the sole discretion of the Council of the City of Oakland, expressed by resolution of said Council; and
3. the Permittee, by the acceptance of this conditional and revocable permit, hereby disclaims any right, title, or interest in or to any portion of the public right-of-way area, underlying the encroachments or the air space above and agrees that said temporary use of the area does not constitute an abandonment on the part of the City of Oakland of any of its rights for street purposes and otherwise; and
4. the Permittee shall maintain in force and effect at all times that the encroachments occupy the public right-of-way, valid and sufficient Commercial General Liability insurance in an amount not less than \$2,000,000.00 for each occurrence with a property damage sub-limit in the amount not less than \$1,000,000.00 for each occurrence, including contractual liability and naming as additional insured the City of Oakland, its directors, officers, agents, representatives, employees, and volunteers against any and all claims arising out of the existence of said encroachments in said right-of-way area, and that a certificate of such insurance and subsequent notices of the renewal thereof, shall be filed with the City Engineer of the City of Oakland and that such certificate shall state that said insurance coverage shall not be canceled, materially changed, or be permitted to lapse without thirty (30) days' written notice to the City Engineer; and the Permittee also agrees that the City of Oakland may review the type and amount of insurance required at any time and may require the Permittee to increase the amount of and/or change the type of insurance coverage required. In addition, the insurance amounts stated above shall be automatically adjusted upwards cumulatively consistent with the Consumer Price Index (CPI) in the Bay Area every five (5) years; and

- 5a. the Permittee, by the acceptance of this conditional permit agrees and promises to defend (with counsel acceptable to the City), hold harmless, and indemnify the City of Oakland, the Oakland City Council and its respective officials, officers, employees, agents, representatives, and volunteers (collectively called "City") from any and all liability, claims, demands, lawsuits, actions, causes of action proceeding and judgments for injury and/or damages of any kind and nature whatsoever (including legal costs, attorneys' fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs) (collectively called "Action") arising out of, related to or caused by the existence, installation or maintenance of the encroachments into the public right-of-way and regardless of responsibility for negligence. The City may elect, in its sole and absolute discretion, to participate in the defense of said Action and the Permittee shall reimburse the City for its reasonable legal costs and attorneys' fees; and
- 5b. within ten (10) calendar days of the filing of any Action as specified in subsection a) above, the Permittee shall execute a Joint Defense Letter Agreement with the City, acceptable to the Office of the City Attorney, which memorializes the above obligations. These obligations and the Joint Defense Letter of Agreement shall survive termination, extinguishment or invalidation of this Permit. Failure to timely execute the Letter Agreement does not relieve the Permittee of any of the obligations contained in this condition or other requirements or conditions of approval that may be imposed by the City; and
6. the Permittee shall make no changes to the encroachments hereby allowed either structurally, with regard to dimension, or with respect to use, without the prior written consent of the City Engineer and understands that the City of Oakland may impose reasonable fees and considerations for processing permits required for such proposed changes. The Permittee also understands that the City of Oakland is not obligated to grant any changes requested by the Permittee; and
7. the Permittee, by the acceptance of this conditional permit shall be solely and fully responsible for the repair or replacement of any portion or all of the improvements in the event that the improvements shall have failed or have been damaged to the extent of creating a menace or of becoming a hazard to the safety of the general public; and that the Permittee shall be solely liable for the expenses connected therewith; and
8. upon the termination of the permission herein granted, the Permittee shall immediately remove the encroachments from within the public right-of-way, restore the premises to its original condition, and shall repair any resulting damage to the satisfaction of the City Engineer; and
9. the Permittee shall file with the City of Oakland for recordation, a disclaimer and agreement that Permittee accepts and shall comply with and shall be bound by each and all of the terms, conditions and provisions of this resolution; and that the disclaimer and agreement shall be subject to the approval of the City Engineer; and
10. the plans and exact location of the encroachments hereby granted are subject to the review and approval of the City Engineer and that the Permittee shall obtain all necessary permits prior to commencing said work; and that the encroachment shall be located as set forth in **Exhibit B**;

and the Permittee acknowledges that the City of Oakland makes no representations or warranties as to the conditions beneath the encroachments; and that by accepting this conditional revocable permit, the Permittee agrees that it will use the encroachment area at its own risk, is responsible for the proper coordination of its activities with all other permittees, underground utilities, contractors, or workmen operating within the encroachment area and for the its own safety and any of its personnel in connection with its entry under this conditional revocable permit; and

11. the Permittee acknowledges that the City of Oakland is unaware of the existence of any hazardous substances beneath the encroachment areas, and hereby waives and fully releases and forever discharges the City of Oakland and its officers, directors, employees, agents, and volunteers from any and all claims, demands, liabilities, damages, actions, causes of action, penalties, fines, liens, judgments, costs, or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise out of or in any way connected with the physical condition, or required remediation of the excavation area or any law or regulation applicable thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), the Clean Water Act (33 U.S.C. Section 466 et seq.), the Safe Drinking Water Act (14 U.S.C. Sections 1401-1450), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.), the Toxic Substance Control Act (15 U.S.C. Sections 2601-2629), the California Hazardous Waste Control Law (California Health and Safety Code Sections 25100 et seq.), the Porter-Cologne Water Quality Control Act (California Health and Safety Code Section 13000 et seq.), the Hazardous Substance Account Act (California Health and Safety Code Section 25300 et seq.), and the Safe Drinking Water and Toxic Enforcement Act (California Health and Safety Code Section 25249.5 et seq.); and
12. the Permittee further acknowledges that it understands and agrees that it hereby expressly waives all rights and benefits which it now has or in the future may have, under and by virtue of the terms of California Civil Code Section 1542, which reads as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR"; and
13. the Permittee recognizes that by waiving the provisions of Civil Code Section 1542, it will not be able to make any claims for damages that may exist, and to which, if known, would materially affect its decision to execute this encroachment agreement, regardless of whether Permittee's lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause; and
14. the hereinabove conditions shall be binding upon the Permittee and the successive owners and assigns thereof; and be it

FURTHER RESOLVED: That the Council of the City of Oakland, at its sole discretion and at a future date not yet determined, may impose additional and continuing fees as prescribed in the Master Fee Schedule, for use and occupancy of the public right-of-way; and be it

FURTHER RESOLVED: That this resolution shall take effect when all the conditions hereinabove set forth have been complied with to the satisfaction of the City Engineer and shall become null and void upon the failure of the Permittee to comply with the conditions hereinabove set forth after notice and failure to cure such conditions in a reasonable manner; and be it

FURTHER RESOLVED: That the City Engineer is hereby authorized to file a certified copy of this resolution for recordation by the Alameda County Clerk-Recorder as an encumbrance of the title of the property identified above.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2011

PASSED BY THE FOLLOWING VOTE:

**AYES - BRUNNER, BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL,
SCHAAF, AND PRESIDENT REID**

NOES -

ABSENT -

ABSTENTION -

**ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California**

EXHIBIT A

Description of the Private Property Abutting the Encroachment

Address 1625 Clay Street

Parcel no. 003 -0063-017-00

Judgment no. 1996-314125

Recorded December 10, 1996

PARCEL A:

PARCEL ONE:

COMMENCING AT A POINT ON THE WESTERN LINE OF CLAY STREET, DISTANT THEREON 100 FEET NORTHERLY FROM THE POINT OF INTERSECTION THEREOF WITH THE NORTHERN LINE OF 16TH STREET; AND RUNNING THENCE NORTHERLY ALONG SAID LINE OF CLAY STREET 50 FEET TO THE SOUTHERN LINE OF 17TH STREET; THENCE WESTERLY ALONG SAID SOUTHERN LINE OF 17TH STREET 100 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 50 FEET AND THENCE AT A RIGHT ANGLE EASTERLY 100 FEET TO THE POINT OF COMMENCEMENT.

BEING A PORTION OF BLOCK 270, BOARDMAN'S MAP OF OAKLAND, ALAMEDA COUNTY RECORDS.

PARCEL TWO:

BEGINNING AT A POINT ON THE SOUTHERN LINE OF 17TH STREET, DISTANT THEREON WESTERLY 100 FEET FROM THE POINT OF INTERSECTION THEREOF WITH THE WESTERN LINE OF CLAY STREET, AS SAID STREETS ARE SHOWN ON THE MAP HEREINAFTER REFERRED TO; RUNNING THENCE WESTERLY ALONG SAID LINE OF 17TH STREET, 50 FEET; THENCE AT RIGHT ANGLES SOUTHERLY 50 FEET; AND THENCE AT RIGHT ANGLES EASTERLY 50 FEET; AND THENCE AT A RIGHT ANGLE NORTHERLY 50 FEET TO THE POINT OF BEGINNING ON SAID SOUTHERN LINE OF 17TH STREET.

BEING A PORTION OF BLOCK 270, WHITCHER'S MAP OF THE CITY OF OAKLAND, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM:

ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, MINERALS AND NATURALLY CREATED HOT WATER AND STEAM IN AND UNDER SAID PARCELS OF LAND HEREINBEFORE DESCRIBED AND DESIGNATED PARCEL ONE AND PARCEL TWO AND LYING BELOW A PLANE WHICH IS 500 FEET BELOW THE SURFACE OF THE GROUND; PROVIDED, HOWEVER, THAT ANY EXPLORATION FOR OR REMOVAL OF ANY SUCH OIL, GAS, OTHER HYDROCARBON SUBSTANCES, MINERALS, AND NATURALLY CREATED HOT WATER AND STEAM SHALL BE BY MEANS OF SLANT DRILLING OR TUNNELLING FROM LANDS ADJACENT TO SAID PARCELS OF LAND DESIGNATED PARCEL ONE AND PARCEL TWO OR OTHER METHODS NOT REQUIRING OPERATIONS ON THE SURFACE OF SAID PARCELS OF LAND DESIGNATED PARCEL ONE AND PARCEL TWO AND SHALL BE PERFORMED SO AS NOT TO ENDANGER SAID SURFACE OR ANY STRUCTURE WHICH SHALL BE ERECTED OR CONSTRUCTED THEREON, AS RESERVED BY PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AS RESERVED BY PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, IN DEED RECORDED FEBRUARY 28, 1979, SERIES NO. 79-36893;

THE MINERAL RIGHTS RESERVED THEREUNDER WERE SUBSEQUENTLY RELINQUISHED BY THAT CERTAIN MINERAL RIGHTS QUITCLAIM DEED EXECUTED BY PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION AND RECORDED NOVEMBER 7, 1990, SERIES NO. 90295255, OFFICIAL RECORDS.

EXHIBIT A

Description of the Private Property Abutting the Encroachment

PARCEL B:

BEING LOT 16, AS SHOWN ON MAP SHOWING LOCATION OF 17TH STREET BETWEEN GROVE STREET AND SAN PABLO ROAD, FILED FEBRUARY 17, 1869, MAP BOOK 7, PAGE 27, AND LOT 4 OF BLOCK 270 AND A PORTION OF UNDIVIDED PORTION OF BLOCK 270, AS SHOWN ON MAP OF GASSERLY TRACT, FILED JULY 23, 1869, MAP BOOK 6, PAGE 10, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERN LINE OF 17TH STREET WITH THE EASTERN LINE OF JEFFERSON STREET, AS SAID STREETS ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP SHOWING THE LOCATION OF 17TH STREET BETWEEN GROVE STREET AND SAN PABLO ROAD, AS DEDICATED TO THE CITY OF OAKLAND BY GEORGE C. POTTER, WILLIAM SHERMAN AND C.C. BUTLER", FILED FEBRUARY 17, 1869, MAP BOOK 7, PAGE 27, ALAMEDA COUNTY RECORDS; RUNNING THENCE ALONG SAID SOUTHERLY LINE OF 17TH STREET EASTERLY 150 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 50 FEET; THENCE AT A RIGHT ANGLE WESTERLY 150 FEET TO SAID EASTERLY LINE OF JEFFERSON STREET; THENCE ALONG SAID LAST NAMED LINE NORTHERLY 50 FEET TO THE POINT OF BEGINNING.

APN: 003-0063-017 (Affects Parcel A) and 003-0063-011-01 (Affects Parcel B)

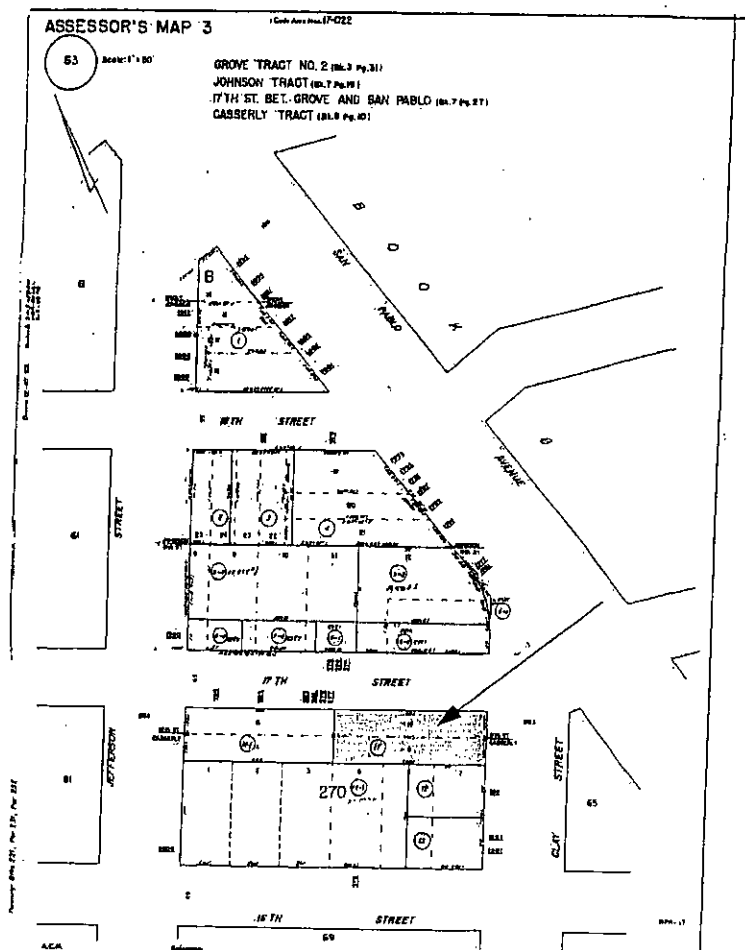


EXHIBIT B

Limits Of The Encroachment In The Public Right-Of-Way

address 1625 Clay Street

parcel no. 003-0063-017-00

