OFFICE OF THE CHERE DEVELOPMENT AGENCY OAKLAND THE CITY OF OAKLAND 2011 DEC -1 PM 1:03 AGENDA REPORT

- TO: Office of the City/Agency Administrator
- ATTN: Deanna J. Santana

Address at ...

- FROM: Community and Economic Development Agency
- DATE: December 13, 2011
- RE: City and Agency Resolutions Authorizing the Agency/City Administrator to Negotiate and Enter Into a 360-Day Exclusive Negotiating Agreement with California Waste Solutions and Custom Alloy Scrap Sales, Inc. for the Development of Two Recycling Facilities on Approximately 20 Acres of the North Gateway Area of the Former Oakland Army Base

## SUMMARY

Staff requests authorization to negotiate and enter into an Exclusive Negotiating Agreement (ENA) with California Waste Solutions (CWS) and Custom Alloy Scrap Sales (CASS), two West Oakland recycling firms.

In June 2011, CWS and CASS submitted a joint proposal to purchase and develop at least 20 acres of the North Gateway, which would include the 16.5-acre Subaru Lot and a portion of the Baldwin Yard. The purchase would enable the two firms to relocate their operations out of West Oakland. In July 2011, staff presented the proposal to the Agency Board in Closed Session and was directed to negotiate an ENA with CWS and CASS and report back to the Board on the terms of the ENA. A draft of the ENA is attached to this report as *Attachment A*. The basis for negotiating the purchase and sale of land in the North Gateway will be on substantially the same terms proposed by CWS and CASS. Their have offered \$557,000 per acre for a total offer of \$11,195,700. Issues to be resolved during the ENA period include negotiation of the Community Benefits that will apply to their development, the actual acreage available for development, coordinadon with the master planning efforts for the Army Base, financial terms, and delivery schedules.

# FISCAL IMPACT

The ENA imposes minimal fiscal impact on the Agency. Redevelopment staffing costs could be absorbed using existing staff resources, but the negotiations may require consultant services or staff time from CEDA's Planning division and/or the Public Works Agency. The ENA would require CWS and CASS to cover these costs through project expense payments.

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## BACKGROUND

Relocating CWS and CASS out of West Oakland has been a long-term effort for both the recyclers and the West Oakland community. There are approximately 12 recycling and salvage operations in West Oakland. CWS and CASS are the two largest recyclers and the community has been pressing the Agency to relocate them to the Army Base. CWS and CASS are also interested in relocating. Their operations are currently spread inefficiently over an assortment of parcels. CWS and CASS are unable to consolidate their operations or expand in their present locations. Moreover, they have had to curtail their acdvities in response to complaints from the growing residential community around them. CWS and CASS want to remain in Oakland, but they need be where their businesses can function effectively.

In February 2009, these two tirms submitted their first letter of interest to purchase property at the Army Base. They proposed purchasing the 16.5-acre Subaru Lot to relocate their operations out of West Oakland. Initially, CWS and CASS believed the Subaru Lot could accommodate their two operations. After considering all their space needs, however, they realized the Subaru Lot by itself would be insufficient for the both of them.

In mid June 2009, CASS and CWS met with Port of Oakland staff to discuss the potential of leasing Parcel 15A, a 2.5-acre Port owned parcel adjacent to the Subaru Lot. The land is subject to Tidelands Trust restrictions, which limits the property's uses to maritime related activities. Port staff subsequently determined that recycling is not a trust consistent use, and concluded that the Port could not provide the recyclers with a long-term lease for the property.

Unable to find a site suitable for co-location, the recyclers tried working independently on their respective relocation efforts. In July 2009, CWS submitted a second letter to the Agency and requested 14.5 acres on the Army Base. At approximately the same time CASS stated its need for 10 acres. From an efficiency and cost perspective, CASS wanted 10 contiguous acres, but would accept dividing the 10 acres into two parcels with a separate storage yard on the smaller parcel. The total acreage CWS and CASS requested was more land than the Agency had available. Of the Agency's 170 acres of Army Base property, 118 acres were allocated for master development, 15 acres for truck parking and services, and almost 17 acres for open space, leaving only 20 acres unaccounted for. Staff continued to meet with the recyclers to explore alternative locations, but was unable to identify any feasible alternatives.

By 2011, CWS and CASS decided to compromise on the amount of land they would each need and try again to co-locate in the North Gateway. They met with staff on January 27, 2011 to discuss the potential. Staff told the recyclers that the Agency was considering issuing a Request for Proposals (RFP) for the North Gateway. The timeframe for the RFP's release depended on the master planning process being underway. Since the Agency had just entered into an ENA (the "Developer's ENA") with AMB Property Corporation/California Capital Group (the "Developer") for the master development of the Army Base, the process was in its beginning stages. Staff told the recyclers they were free, however, to submit an unsolicited offer which

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could be the basis for direct negotiations. To be considered, the offer would have to provide a sketch site plan indicating buildings, parking, and circulation, and propose a specific price based on stated assumptions about acreage and uses.

On June 28, 2011, CWS and CASS submitted a joint proposal to purchase and develop approximately 20 acres of land in the North Gateway. In addition, CASS proposed to lease 1.1 acres of land under the freeway for parking. CWS and CASS offered \$557,000 per acre, an amount comparable to the Agency's cost per acre for the Subaru Lot. CWS and CASS also proposed to provide a deposit of 10 percent of the proposed purchase price as security during the negotiation period. It should be noted that another owner/user, PCC Logistics, also submitted an offer at almost the same and that its offer and deposit terms were considerably lower than the CWS/CASS proposal. Staff brought both proposals before the Agency Board and was directed to bring back the terms of an ENA with CWS/CASS.

# **KEY** ISSUES AND IMPACTS

Removing incompatible recycling operations from West Oakland would remove a source of diesel emissions, noise, and traffic congestion, and would improve the quality of life for West Oakland residents. Moreover the sites vacated by CWS and CASS could be redeveloped to meet the demand for neighborhood-serving retail, new jobs, and increased tax revenue. However, unless CWS and CASS can relocate to another location within the City, Oakland faces a zero sum game. West Oakland may benefit, but the City loses.

CWS and CASS currently employ almost 200 people. The recyclers estimate that approximately half of their employees live in Oakland. Recycling is a growing industry that addresses Oakland's priorities for sustainable development and green collar jobs. The recyclers estimate that their move to the Army Base would enable them to create another 183 jobs. Recycling also generates business for the Port and has the potential to generate substantially more. CWS and CASS currendy ship a total of approximately 730 containers per month through the Port. They expect that number to increase to over 1,200 containers per month with the proposed site, proximity to the Port, and expansion of their recycling services. Being able to ship overseas more efficiently and at lower cost would help boost overseas sales. The North Gateway's access to rail would enable the recyclers to increase the tonnage of materials they can bring in and sell without increasing the amount of truck traffic in West Oakland.

The balance of the Army Base is being developed into a new trade and logistics hub. The operations of CWS and CASS would be highly compatible with the new development. Equally important is the East Bay Municipal Utility District's (EBMUD's) consideration of recycling uses as compatible with its wastewater treatment plant. EBMUD's cooperation is needed to make the CWS and CASS proposal work. Wake Avenue has to be reahgned and EBMUD's main entry shifted to tit both recyclers on the site.

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# PROJECT

CWS and CASS propose to build two new state of the art recycling facilities. Each facility would include over 200,000 square feet of building area containing receiving, processing, maintenance, storage, office, and staff areas. CASS's facility would also include a remelter for processing aluminum. The rest of the site would be used for parking and circulation.

# SUSTAINABLE OPPORTUNITIES

*Economic:* Relocating CWS and CASS out of West Oakland would open up large areas of West Oakland for higher uses, such as retail and research and development flex offices, which would help capture retail sales in Oakland, generate tax revenue, and create career path jobs for Oakland residents. At the same time, CWS, CASS, and the Port would benefit from the recyclers move to the Army Base, where CWS and CASS will be able to expand and increase their

*Environmental:* Relocating CWS and CASS closer to Port would reduce the impact of truck traffic on West Oakland residents.

*Social Equity:* The property vacated by CWS and CASS could be redeveloped with uses more compatible with the neighborhoods and which would better address the community's need for basic services such as local grocery stores, pharmacies, and retail services.

# DISABILITY AND SENIOR CITIZEN ACCESS

Any projects and programs implemented through the ENA will be required to comply with applicable City, State, and Federal disabled access requirements.

# **RECOMMENDATION AND RATIONALE**

Staff recommends that the City Council/Agency Board authorize the City/Agency Administrator to negotiate and execute an ENA with CWS and CASS. The proposed project would fultill Agency goals for the Oakland Army Base and West Oakland Project Areas, including support for Port activities and emerging green businesses, creation of quality jobs accessible to Oakland residents, and generation of revenues, and improving the quality of life for West Oakland residents.

Because of the existing California Supreme Court stay against most redevelopment agency actions, the Agency could not actually execute the ENA until the City's Attorney's Office, acting as Agency Counsel, advises that the Agency can execute the ENA. The stay does not apply to the City. Accordingly, the City could execute the ENA upon Council authorization.

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# ACTION REQUESTED OF THE CITY COUNCIL/AGENCY BOARD

Staff requests that the City/Agency Administrator be authorized to negotiate and enter into a 360-Day Exclusive Negotiating Agreement with California Waste Solutions and Custom Alloy Scrap Sales, Inc. for the development of two recycling facilities on approximately 20 acres of the North Gateway Area of the former Oakland Army Base.

Respectfully submitted,

Fred Blackwell, Assistant City Administrator Community and Economic Development Agency

Reviewed by: Gregory D. Hunter, Deputy Director Community and Economic Development Agency

Prepared by: Hui Wang, Urban Economic Analyst Redevelopment

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

Office of the City/Agency Administrator

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# ATTACHMENT A

# EXCLUSIVE NEGOTIATING AGREEMENT North Gateway Recyclers Project

This Exclusive Negotiating Agreement ("Agreement"), is made and entered into this day of \_\_\_\_\_\_, 2012, by and between the REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND, a community redevelopment agency organized and existing under the California Community Redevelopment Law ('Agency"), and CALIFORNIA WASTE SOLUTIONS, INC. ("CWS") and CASS, INC ("CASS"), two California corporations ("Developer") (together, Agency and Developer are referred to as the "Parties"), pursuant to Agency Resolution No. \_\_\_\_\_\_, 2011.

## RECITALS

A. The Agency currently owns land in the former Oakland Army Base ("OAB") and wishes to develop a portion of the OAB known as the North Gateway Area, which portion consists of approximately 20 acres (the "Property") as shown in Exhibit A.

B. On June 28, 2011, CWS and CASS submitted a joint proposal, as described in Exhibit B and attached hereto (the Developer's Proposal"), to develop the Property with two separate recycling facilities to enable CWS and CASS to relocate their current operations out of West Oakland.

C. CWS and CASS (the Developers) will work together to develop a site plan of the Property while separating responsibilities for the development of their individual projects within the Property, based on the separate requirements of their recycling operations, including related office space, related parking and other related improvements and uses (the "Project").

D. The Parties recognize and acknowledge that several issues regarding the development of the Project have not been resolved to the satisfaction of one or both of the Parties, including, but not limited to, the specific location and configuration of Wake Avenue, rail access, utilities, and coordination with the master developer on the overall development of the Oakland Army Base.

E. The Parties acknowledge that the purpose of this Agreement is to allow Agency and Developer to resolve the issues above and to negotiate the terms for the possible acquisition, disposition, and development of the Property to be documented in a disposition and development agreement (the "DDA").

F. The Parties intend that the terms of the DDA will include terms that are generally consistent with the Developer's Proposal and, will, subject to further negotiations address, without limitation, the following: (1) the Developers' responsibility for conducting their due diligence of the site to determine the suitability and conditions of the site, including any necessary environmental remediation, required for permit approvals for the Project, on the terms

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to be described in more detail in the DDA; (2) the degree to which the Developer will be subject to a Community Benefits Agreement, which is being negotiated by the Agency with labor and community groups; and (3) the Developer's responsibility for paying a fair share of any required off-site traffic improvements and/or mitigations, as determined by the 2011 environmental analysis for the Oakland Army Base.

NOW, THEREFORE, the Parties agree as follows:

#### **I** NEGOTIATIONS

#### 1.1 <u>Purpose of Agreement</u>

The Parties contemplate that Agency will convey the Property to Developer for the construction of the Project if the Parties agree on a DDA that is approved by the Agency Governing Board in its sole and absolute discretion.

With respect to the subject matter of this Agreement, the lead negotiator for the Agency will be Pat Cashman, and the lead negotiators for the Developer will be Edward Kangeter IV and David Duong.

#### 1.2 <u>Good Faith Negotiations</u>

During the Negotiation Period (defined in Section 1.4), the Parties will negotiate in good faith and use their best efforts to agree on: (1) the scope of the Developer's development obhgations; (2) any public finance responsibilities of the Agency; (3) the terms and conditions under which the Agency will convey the Property to Developer for development; (4) the process for financing and carrying out all necessary on- and off-site preparations for the Project, including the installation of utilities, environmental remediation, orderly transition of existing tenants, and/or other site preparation; (4) the process for securing the Agency's approval of construction documents; (5) the process for Developer to obtain necessary government approvals; (6) the schedules for the performance of the Developer's development obligations and the other elements to be included in the DDA; and (6) the form of a DDA which the Agency staff can recommend to the Agency Governing Board and to the City Council of the City of Oakland ("City").

The Parties contemplate that the negotiations regarding a DDA will commence after execution of this Agreement by all Parties and will continue while Developer submits required information to Agency, and while the Parties undertake preliminary planning and analysis of Developer's proposals.

Subject to Sections 2.2 and 7.2 hereof, if the terms of a mutually satisfactory DDA have not been negotiated by Developer and Agency staff during the Negotiation Perlod, or if Agency's governing body declines to authorize a DDA for any reason, in its sole and absolute discretion, then, without further action, this Agreement shall automatically terminate and no Party shall have further rights or obligations with respect to this Agreement.

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# 1.3 Exclusive Negotiations

The Agency shall not solicit proposals from third parties or negotiate with third parties for the development of the Property prior to the termination of this Agreement or execution of a DDA, whichever occurs tirst. Notwithstanding anything in this Agreement, the Agency shall have the right to rent, lease, license, or use all or any portion of the Property for uses that would not have a materially adverse effect on Developer's rights under this Agreement, as determined by Agency in its reasonable judgment. Developer acknowledges that the existing leases on the North Gateway portion of the former Oakland Army Base, on which the Property is located, do not violate its exclusive rights under this Agreement. The list of existing leases on the North Gateway is attached hereto as Exhibit C. If the Parties enter into a DDA to develop the Project, Agency will deliver to Developer the Property free of tenants pursuant to the terms of the DDA.

# 1.4 Length of Negotiation Period

Unless extended by written mutual agreement after formal approval of the Agency's Governing Body, or unless terminated earlier pursuant to the termination provisions of this Agreement, the period for negotiations between the Parties under this Agreement ("Negotiation Period") will be for three hundred sixty (360) calendar days from the effective date of the Agency Board resolution authorizing execution of this Agreement (the "Effective Date"). The Agency will endeavor to provide Developer with a draft DDA within one hundred and twenty (120) calendar days of the Negotiation Period.

The Agency Administrator or her designee may extend the Negotiation Period in writing for an additional period or periods not to exceed a total of ninety (90) calendar days. Any extension shall be granted in the Agency Administrator's sole and absolute discretion.

# 2 DEPOSIT AND PROJECT EXPENSE PAYMENT

# 2.1 Amount of Deposit and Project Expense Payment

In consideration for Agency entering into this Agreement, Developer shall make a Good Faith Deposit of One Million, One Hundred and Nineteen Thousand, Five Hundred and Seventy Dollars (\$1,119,570) with Agency. The Good Faith Deposit due within ten (10) business days of the date of this Agreement. In addition the Developer will deposit \$\_\_\_\_\_\_ as a Project Expense Payment ("PEP") due within five (5) business days of the date of this Agreement for purposes of reimbursing Agency for third party expenses as set out in Section 2.3.

The PEP is non-refundable to Developer except as provided in Section 2.3b. A budget for PEP expenses provided by Agency is attached hereto as Exhibit D. The PEP budget may be amended by the Agency from time to time so long as such amendments are reasonable and do not cause the budget to exceed the total amount of PEP authorized by this Agreement.

# 2.2 <u>Good Faith Deposit</u>

The Good Faith Deposit shall be retained by Agency without any obligation to pay interest thereon. Payment of the Good Faith Deposit shall be made by wire transfer in favor of

the Agency, in form and content reasonably satisfactory to Agency and drawn by an institution reasonably satisfactory to Agency.

The Good Faith Deposit shall not be applied to any predevelopment expenses for this Agreement. If the Parties enter into a DDA, or Developer negotiates in good faith but fails to reach agreement with Agency, or Agency otherwise declines to enter into a DDA, Agency shall return the Good Faith Deposit to Developer.

If Developer fails to negotiate in good faith or fails to fulfill the conditions or meet the obligations set forth in this Agreement as reasonably determined by the Agency, Agency may exercise its option to retain the Good Faith Deposit as hquidated damages as set out in Section 7.2. Developer understands that by entering into this Agreement, Agency is precluded from negotiating with other developers for the development of the Property pursuant to Section 1.3 and therefore suffers a detriment by limiting competition for developing the Property, and because of the loss of time in getting the Property developed should Agency and Developer not execute a DDA.

# 2.3 <u>Project Expense Payment</u>

(a) The PEP shall be cash, in the form of a check or wire transfer from Developer to Agency, in form and content reasonably satisfactory to Agency and drawn by an institution reasonably satisfactory to Agency.

The PEP shall be used to pay Agency's actual third-party expenses related to reviewing and assessing Developer's plans for the Project and negotiating a DDA. Allowable activities include, but are not limited to, planning and environmental review, project management; legal fees; cost estimating; preparation of the California Health and Safety Code 33433 Report if such a report is required as a matter of law as determined by Agency's counsel, and other studies and documents required under California Redevelopment law; and any other reasonable project-related third-party costs as may be required by Agency in its sole and absolute discretion.

(b) Upon Developer's written request (but not more frequently than every sixty (60) days, the Agency will provide a report to Developer on expenditures from the PEP made by the Agency. Such reports will be on a cash basis and will cover expenditures made through the period ending sixty (60) days before Agency issues each report. Agency shall issue its final report on the PEP expenditures within sixty (60) days after the date on which Developer and Agency execute a DDA or the date on which this Agreement is terminated if the Developer and the Agency do not execute a DDA, and any unexpended portion of the PEP will be refunded at that time.

# 3 SCHEDULE OF PERFORMANCE

# 3.1 Activities and Time Periods

The Parties will use their best efforts to perform the activities described in Exhibit E during the Negotiation Period and within the time periods set forth in Exhibit E.

# 3.2 <u>Monthly Reports and Meetings</u>

Developer shall provide Agency with written progress reports on all matters pertaining to the Project by the 5<sup>th</sup> day of each month following the effective date of this Agreement. The monthly progress reports shall include, but not be limited to, updates on any material alterations to the proposed Project schedule and design. At Agency's written request, a representative of Developer shall meet with the Agency in person or by conference call on a monthly basis on a date to be determined by the Agency each month following the effective date of this Agreement or more frequently as the Agency determines is necessary.

# 4 APPROVAL OF DEVELOPER SUBMISSIONS

Within fifteen (15) calendar days after the Agency receives any information or documents required to be submitted by Developer pursuant to Section 3 of this Agreement, the Agency shall inform Developer of its acceptance or rejection of the submission. The Agency may approve those portions of a submission that are satisfactory and reject those portions that are not, or may approve all or a portion of a submission subject to conditions requiring further submissions for Agency review and approval. The Agency's rejections of a submission or any portion thereof may not be unreasonable, nor may the Agency's rejection of a schematic design or drawing be materially inconsistent with the Agency's prior approval of a conceptual design. If the Agency rejects all or any part of a submission, the Agency shall provide to Developer written notice of the reasons for such rejection within said fifteen (15) days. Developer shall then have tifteen (15) business days to correct or supplement its submission to respond to the Agency's rejection.

# 5 EFFECT OF NEGOTIATIONS

Developer understands and acknowledges that any DDA resulting from the negotiations arising from this Agreement shall become effective only if and only after such DDA has been considered and approved by the governing body of the Agency (and the City, if necessary) in its sole and absolute discretion at a public hearing called for that purpose pursuant to the Cahfomia Community Redevelopment Law, and only if such DDA has been executed by the Agency Administrator. Developer understands that the Agency Administrator and Agency's governing body retain the sole and absolute discretion to approve or not approve the Project or any alternative project proposed by Developer. If the terms of a mutually satisfactory DDA have not been negotiated by Developer and staff during the Negotiation Period, or if Agency's governing body declines to authorize a DDA for any reason in its sole and absolute discretion, then, without further action, this Agreement shall automatically terminate and no Party shall have further rights or obligations to the others.

# **6 RESPONSIBILITIES OF THE PARTIES; FULL COOPERATION**

#### 6.1 Full Cooperation

The Parties understand and agree that in order to meet the requirements and intent of this

Agreement, the Parties must, and do, pledge full cooperation. Such cooperation shall include, but not be limited to, meeting as frequently as reasonably necessary and providing diligent and timely responses to inquiries and requests for information.

# 6.2 <u>Cooperation for Permits and Governmental Approvals</u>

Developer will be solely responsible for applying for and obtaining all necessary approvals from the City and any other governmental agencies for the implementation of the proposed development as contemplated by the Parties. Agency will work in good faith to support Developer's efforts to obtain government approvals for the Project. Developer understands that although the Agency and City of Oakland may have some or all of the same members of their governing bodies, they are two separate legal entities, with separate jurisdictions and procedures.

# 6.3 <u>Cooperation for Planning of Oakland Army Base</u>

Developer acknowledges that infrastructure required for the Project must be planned and designed as a part of the overall development of the Oakland Army Base. Therefore Developer will work in good faith with Agency and the OAB master developer to coordinate the planning of the Project with other concepts that are being planned for the Oakland Army Base. In particular, Developer will work in good faith to resolve issues that direcdy or indirectly affect the planning for the proposed development of adjacent portions of the Oakland Army Base as quickly as possible.

# 7 DEFAULT AND REMEDIES

# 7.1 <u>Default and Notice of Default</u>

Any Party's failure to timely perform according to the terms and conditions of this Agreement shall be considered a material breach of this Agreement The non-defaulting Party shall give written notice of default to the defaulting Parties, specifying the nature of the default and the required action to cure the default. The non-defaulting Party may exercise the remedies set forth in this Section 7, if the default remains uncured fifteen (15) business days after receipt by the defaulting Party of such notice.

# 7.2 <u>Agency's Remedies</u>

If Developer fails to cure any default during the cure period described above, this Agreement may be terminated upon written notice of termination from Agency, and thereafter no Party shall have any fürther rights or obligations thereunder, except for Agency's right to retain the Good Faith Deposit as liquidated damages as more particularly described herein.

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IN ADDITION TO, AND NOT IN LIEU OR IN LIMITATION OF. THE REMEDIES SET FORTH IN SECTION 7 OR ELSEWHERE IN THIS AGREEMENT. IN THE EVENT OF ANY DEVELOPER DEFAULT, AGENCY SHALL BE ENTITLED TO RETAIN AS PARTIAL LIQUIDATED DAMAGES THE AMOUNT SET FORTH HEREIN.

DEVELOPER AND AGENCY AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES SUFFERED BY AGENCY AS A RESULT OF ANY DEVELOPER DEFAULT UNDER THE TERMS OF THIS AGREEMENT, AND THAT, UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION 7.2 REPRESENT A REASONABLE ESTIMATE OF CERTAIN DAMAGES WHICH AGENCY WILL INCUR AS A RESULT OF SUCH DEVELOPER DEFAULT, WHICH DAMAGES INCLUDE COSTS OF NEGOTIATING AND DRAFTING THIS AGREEMENT, COSTS OF SATISFYING CONDITIONS TO ENTERING INTO THIS AGREEMENT, COSTS OF SEEKING ANOTHER DEVELOPER UPON A DEVELOPER DEFAULT, OPPORTUNITY COSTS IN KEEPING THE PROPERTY OUT OF THE MARKETPLACE, AND OTHER COSTS INCURRED IN CONNECTION WITH THIS AGREEMENT; PROVIDED, HOWEVER THAT THIS PROVISION SHALL NOT LIMIT OR IMPAIR AGENCY'S RIGHT TO RECOVER ATTORNEYS' FEES AND COSTS INCURRED BY AGENCY PURSUANT TO SECTION 22, NOR WAIVE NOR AFFECT DEVELOPER'S INDEMNITY OBLIGATIONS AND AGENCY'S RIGHTS TO THOSE INDEMNITY OBLIGATIONS UNDER THIS AGREEMENT. DEVELOPER AND AGENCY HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE DETRIMENT THAT AGENCY WOULD SUFFER IN THE EVENT OF A DEVELOPER DEFAULT IS THE AMOUNT OF THE GOOD FAITH DEPOSIT. NOTHING CONTAINED IN THIS SECTION 7.2 SHALL IN ANY MANNER LIMIT THE OBLIGATIONS OF DEVELOPER UNDER ANY INDEMNIFICATION OR HOLD HARMLESS PROVISIONS OF THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED AS PARTIAL LIQUIDATED DAMAGES TO AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

Developer's Initials: \_\_\_\_\_ Agency's Initials \_\_\_\_\_

7.3 Discretion to Extend Time for Performance and Nonwaiver of Default

Notwithstanding the above, if the Agency Administrator determines that it is in the Agency's best interests, she may extend the time for Developer's performance of any of the terms and conditions of this Agreement, provided that such extension must be in writing.. Any extension shall be granted in the Agency Administrator's sole and absolute discretion and in no event shall this provision be construed as conveying any right or entitlement to any other or further extension. The failure of Agency to give notice of a default or to forbear and not enforce a default will not be construed as a waiver of the right of Agency to enforce a similar default in the future. Under no circumstances may an extension go beyond the Negotiation Period.

7.4 <u>Developer's Remedies</u>

a) If Agency has breached its obligations to negotiate in good faith or to negotiate exclusively with Developer, and Developer is not otherwise in default, Developer may elect either to terminate this Agreement, or to seek specific performance of the exclusive negotiating and good faith obligations of this Agreement. Developer shall not be entitled to recover any damages of any kind or character from Agency.

b) For purpose of this Section 7.4, "negotiate in good faith" shall mean to (1) meet and confer with Developer regularly and frequently for the purpose of discussing and seeking agreement on all material elements of the transaction, and (2) respond to Developer's proposals in a reasonable amount of time with reasons for any rejections if such proposals are rejected. Failure of Developer and Agency staff to reach agreement on the terms of a DDA shall not, in of itself, constitute a failure of the Agency to negotiate in good faith. Failure or refusal of the Agency governing board to approve a DDA negotiated by Agency staff and Developer shall not constitute a failure of the Agency to negotiate in good faith.

c) Developer's remedy of specific performance shall mean only that if Agency breaches its duty of negotiating in good faith or negotiating exclusively with Developer that Developer may seek an appropriate order requiring Agency to negotiate in good faith or to cease negotiating with a third party, which will allow Developer to have its full 360 days of good faith, exclusive negotiations as provided for in this Agreement. The 360 days for which a court may order negotiations shall be calculated by subtracting any days that Agency negotiated exclusively and in good faith, but shall not count any time that Agency was in breach and during which Developer seeks judicial recourse for the breach.

# 7.5 No Liability for Damages

Except as expressly provided above and in Sections 7.2 and 12 of this Agreement, no Party shall have any liability to the other for damages for any default or termination of this Agreement.

# 8 LIMITATIONS

Nothing in this Agreement acts as any form of project approval or entitlement by the Agency or the City. This Agreement does not obligate Agency to transfer the Property to Developer or any other person. This Agreement does not obligate the Agency or the City to approve the Project or any other project. Developer acknowledges and agrees that no Agency commitment to move forward with the Project can be made other than by a resolution of Agency's and City's governing bodies after a public hearing and subject to the requirements of the Cahfomia Community Redevelopment Law, CEQA, and other applicable law, and adoption of any such resolution shall be at Agency's and City's sole and absolute discretion. Any costs incurred by Developer, Developer's members or partners, or other members of Developer's project development team to comply with its obligations under this Agreement or to negotiate the DDA shall be the sole responsibility of Developer, and in no event shall the Agency have any responsibility to pay for or reimburse Developer for any of said costs.

# 9 NON-DISCRIMINATION

Developer agrees that there shall be no discrimination against, or segregation of, any

person, or group of persons, on account of sex, race, color, age, marital status, religion, disability, creed, national origin, ancestry, sexual orientation, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-Related Conditions (ARCS) in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, buyers, lessees, subtenants, sublessees or vendees of the Property or in Developer's employment of any individual or selection of any subcontractor for work relating to this Agreement.

#### **10 NO ASSIGNMENT**

This Agreement is personal to Developer and is not assignable to any other person or entity without the prior written consent of Agency which may be given or refused in its sole and absolute discretion. Any attempt to assign this Agreement or any part of the Agreement without the prior written consent of Agency shall constitute a material breach of this Agreement and shall be void and of no force and effect.

#### 11 RIGHT OF ENTRY

#### 11.1 <u>Right of Entry</u>

Developer and its agents, contractors and representatives may, with prior written notice to Agency, enter upon the Property during the Negotiation Period to conduct investigations, tests, topographical surveys, appraisals, and studies, including geotechnical studies, soils tests and environmental site assessments. Developer shall not unreasonably interfere with any tenant or user on the Property, or alter the Property except as needed to conduct the testing and other activities thereon as authorized by this Agreement, and Developer agrees upon completion of any testing or other activity under this Agreement to remove all debris, litter, equipment, and other materials placed on the Property by Developer and its agents, and to restore the Property as much as reasonably possible to its original condition. Agency has the right to approve any specific testing or other activities proposed by Developer, including, but not limited to, the nature and scope of any testing performed. Agency's right to approve such testing or other activities is in its sole and absolute discretion. Developer will provide the Agency with copies of any and all reports prepared as a result of Developer's testing or other activities on the Property.

#### · 11.2 Notice Required for Entry

Prior to entry onto the Property, Developer must give Agency's Real Estate Manager Frank Fanelli (510-238-6354, <u>ffanelli@oaklandnet.com</u>) at least three (3) business days notice. The notice must state the purpose of the entry, the date and time of the entry, the length of time of the entry, and the nature and scope of any testing or other activities, if any, Developer wishes to perform. Agency reserves the right to adjust the date and time of the entry, or to put reasonable conditions on the entry; however, Agency may not unreasonably deny Developer's entry, but may deny or restrict the Developer's ability to test or conduct other specific activities on the Property of an invasive or destructive nature, provided appropriate reasons for denial or restriction are stated in a reply notice to Developer.

## 11.3 <u>Government Approvals and Permits</u>

Notwithstanding any other provision in this Agreement, this right of entry shall not relieve Developer from the necessity of obtaining any applicable governmental approvals or permits that may be necessary to perform such tests or conduct other activities on the Property.

# 12 INSURANCE AND IDEMNIFICATION

#### 12.1 General Indemnification

Each of the Parties hereby covenants, on behalf of itself and its successors and assigns, to indemnify, defend (with legal counsel reasonably satisfactory to the indemnified Party), save and hold harmless the other Party and the respective agents, officers, officials, employees and other representatives of the indemnified Party from all claims, demands, liabilities, actions or causes of actions, including, without limitation, reasonable attorneys' fees and litigation costs, arising out of or resulting from, or in connection with the negligence or willful misconduct of the indemnifying Party with respect to this Agreement, including, but not limited to, the indemnifying Party's actions or lack of actions with respect to the Property, the negotiation and execution of this Agreement, or the negotiation and execution of a DDA for the Project.

#### 12.2 Right of Entry Indemnitication

Developer and its assigns and successors shall further indemnify, protect, defend (with legal counsel reasonably satisfactory to Agency) save, and hold Agency and City, and its agents, officers, officials, employees and other representatives, harmless from any and all claims, demands, damages, losses, actions, liabilities, causes of action or judgments, including reasonable attorney's fees, which Agency may incur or be required to pay by reason of entry onto the Property and activities thereon by Developer or Developer's agents, employees, contractors or consultants, including, without limitation, any damages, injury or death to any person or property suffered by any person, tirm or corporation, and damage or injury to the Property, except to the extent the same are attributable to the sole negligence or willful misconduct of Agency or any person or entity acting on Agency's behalf or under its authority. Notwithstanding any other provision of this Agreement, Developer shall have no liability to Agency or by reason of, nor shall Developer have any duty to indemnify, defend or hold any person harmless from or against, any claim, demand, damage, loss, action, liability, cause of action or judgment, including without limitation, any claim for diminution in value of the Property or for environment remediation or clean-up costs, arising out of or in connection with the mere fact of having discovered and/or reported any adverse physical condition, title condition or other condition or defect with respect to the Property.

#### 12.3 Insurance

For the duration of this Agreement, Developer is required to maintain general liability insurance policies with coverage of at least two million dollars (\$2,000,000) in a form and coverage satisfactory to Agency. Agency and City must be named as additional insureds on such

pohcies and Developer shall cause certificates or such insurance policies to be delivered to the Agency. The protection afforded by such insurance shall not be limited by the liquidated damage provisions of this Agreement.

# 12.4 Materials and Reports

The Parties acknowledge that each of them may themselves or through their consultants or contractors perform certain tests of soils and geologic conditions and may perform surveys and other functions on the Property pursuant to which reports, memoranda and other documents ("written materials") may be prepared. To the extent that such written materials are made available to any other Party (and by that Party to other third parties), the Parties acknowledge (i) that they do not warrant the accuracy or reliability of such written materials (ii) that such written materials are made available for information purposes only, and (iii) that each Party shall have no liability either to the other Party or to other third parties arising out of their reliance on such written materials.

# **13. PUBLIC RECORDS**

Developer understands and acknowledges that Agency is subject to the City of Oakland Sunshine Ordinance and the California Public Records Act, and will therefore make information regarding the Property, the Project, Developer and this Agreement available to the public upon request as required by said laws.

# 14 REAL ESTATE COMMISSION

Agency and City will not be liable for any real estate commissions of brokerage fees of any part retained by Developer which may arise herefrom. Developer represents that it has engaged no broker, agent or finder in connection with this transaction and Developer agrees to indemnify, protect and hold Agency and City harmless from any claim by any other broker, agent or finder retained, or claimed to have been retained, by Developer. Notwithstanding the above, and subject to the foregoing indemnity and hold harmless provisions, Developer may retain and shall be solely responsible for any fess and expenses of one or more real estate agent or brokers in connection with finding tenants for the Project facilities.

# **15 CONFLICT OF INTERESTS**

No member, official or employee of Agency shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

# 16 WARRANTY AGAINST PAYMENT OF CONSIDERATION FOR AGREEMENTS

Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. The Parties understand and agree that the Parties have retained or may be assisted by legal counsel and consultants in connection with this Agreement, and that such is not a violation of this Section 16. The Parties agree that each Party shall be responsible for its own professional fees incurred in conjunction with this Agreement and the negotiating of any related agreements except as provided for in Section 2 through the PEP.

#### 17 NONLIABILITY OF OFFICIALS, OFFICERS, MEMBERS AND EMPLOYEES

No member, official, officer, employee or agent of the Agency or City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to Developer or to its successor, or on any obligations under the terms of this Agreement. No member, officer, or employee of Developer shall be personally liable to the Agency or City, or any successor in interest, in the event of any default or breach by Developer or for any amount which may become due to the Agency or City, or to their successors or on any obligations under the terms of this Agreement.

#### **18** CITY OF OAKLAND CAMPAIGN CONTRIBUTION LIMITS

This Agreement is subject to the City of Oakland Campaign Reform Act of Chapter 3.12 of the Oakland Municipal Code and its implementing regulations because it requires Agency governing body approval. The City of Oakland Campaign Reform Act prohibits contractors that are doing business or seeking to do business with the Redevelopment Agency of the City of Oakland from making campaign contributions to Oakland candidates between commencement of negotiations and either 180 days after completion of, or termination of, contract negotiations. Contractor must sign and date an Acknowledgment of Campaign Contribution Limits Form attached hereto and incorporated herein as Exhibit F.

#### **19 INFORMATION**

Upon Developer's written request, Agency will promptly furnish Developer material information within its possession or control concerning the Property, and to the extent relevant to the Project, adjoining parcels, including without limitation, copies of all topographical surveys, environmental reports, engineering studies, soil-bearing test data, and any similar reports and studies with respect to the Property. Agency is not required to conduct or cause to be conducted any surveys, tests or studies, or to gather such information other than those within Agency's possession and control at the execution of this Agreement. Agency may not make any warranty or representations with respect to any such documents.

#### 20 NOTICES

All notices under this Agreement shall be sufficiently given if delivered or mailed by registered or certified mail, postage prepaid, addressed to:

# DEVELOPER:

Cahfomia Waste Solutions, Inc.

# DRAFT

1820 10<sup>th</sup> Street Oakland, CA 94607 ATTN: David Duong Phone: (510) 832-1111 Fax: (510) 268-9032

CASS, Inc. 2730 Peralta Street Oakland, CA 94607 Attn: Edward Kangeter IV Phone: (510) 893-6576 Fax: (510) 893-2012

Copy to:

Phone: Fax:

# AGENCY:

City of Oakland Community and Economic Development Agency One Frank H. Ogawa Plaza, Third Floor Oakland, CA 94612 Attn: Fred Blackwell, Assistant City Administrator] Phone: (510) 238-3671 Fax: (510) Copy to:

Community and Economic Development Agency 250 Frank H. Ogawa Plaza, Suite 5313 Oakland, CA 94612 Attn: Pat Cashman Phone: (510) 238-6281 Fax: (510) 238-3691

Redevelopment Agency Counsel c/o Oakland City Attomey's Office One Frank H. Ogawa Plaza, 6<sup>th</sup> Floor Oakland, CA 94612 Attn: Dianne M. Millner Phone: (510) 238-6839 Fax: (510) 238-6500

If mailed, the written notice shall be deemed received and shall be effective three (3) business days after deposit in the United States mail in the State of Cahfomia or upon actual receipt by the addressee if earlier.

#### 21 GOVERNING LAW

This Agreement shall be construed in accordance with the laws of the State of Cahfomia, except for those provisions preempted by federal law. The Parties agree to comply with all applicable federal, state, and local laws in all actions associated with fultilling the requirements and intent of this Agreement.

#### 22 ATTORNEYS' FEES

In the event that any Party commences litigation to enforce the terms of this Agreement, the prevailing Party in such litigation shall be entitled to recover its costs and fees incurred in such action, including reasonable attomeys' fees.

#### 23 COUNTERPARTS

This Agreement may be signed in multiple counterparts which, when signed by all Parties, will constitute a binding agreement.

#### **24** TIME OF THE ESSENCE

Time is of the essence in this Agreement. Any Party's failure to timely perform according to the terms and conditions of this Agreement shall be considered a material breach of this Agreement and ground for Default.

#### 25 AUTHORITY

١,

The person or persons signing this Agreement on behalf of Developer affirms that they are authorized to execute on Developer's behalf

# 26 SEVERABILITY

If any provision of this Agreement is held to be invalid or unenforceable, such holding shall not affect or impair the validity or enforceability of the other provisions hereof which can be given effect without the invalid or unenforceable provision, and the Parties shall promptly in good faith amend this Agreement to include a valid and enforceable provision which accomplishes the legal and economic purposes of the provision so held to be invalid or unenforceable.

## 27 NO THIRD PARTY BENEFICIARIES

Except as may be explicitly set forth in this Agreement, there shall be no third party beneficiaries of this Agreement.

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IN WITNESS WHEREOF, this Exclusive Negotiating Agreement has been executed by the Parties as of the date first written above.

#### SIGNATURES ON FOLLOWING PAGE

# AGENCY:

The REDEVELOPMENT AGENCY OF CITY OF OAKLAND, a community redevelopment agency organized and existing under the California Community Redevelopment Law

By:

Agency Administrator

Approved as to form and legality:

By: \_\_\_\_\_Agency Counsel

# **DEVELOPER:**

CALIFORNIA WASTE SOLUTIONS, INC., a California corporation

Its:	
By:	
Its:	
CASS	5, INC., a Califomia corporation
By:	
Its:	
Its:	<u> </u>

FILED OFFICE OF THE CITY CLERP OAKLAND

Approved as to form and legality A Mild Jam

Agency Counsel

2011 DEC -1 PM 1:03

# REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. \_\_\_\_\_C.M.S.

RESOLUTION AUTHORIZING THE AGENCY ADMINISTRATOR TO NEGOTIATE AND ENTER INTO A 360-DAY EXCLUSIVE NEGOTIATING AGREEMENT WITH CALIFORNIA WASTE SOLUTIONS AND CUSTOM ALLOY SCRAP SALES, INC. FOR THE DEVELOPMENT OF TWO RECYCLING FACILITIES ON APPROXIMATELY 20 ACRES OF THE NORTH GATEWAY AREA OF THE FORMER OAKLAND ARMY BASE

WHEREAS, the Redevelopment Agency of the City of Oakland ("Agency") owns approximately 165 acres of real property located in the former Oakland Army Base, which includes the 28-acre North Gateway Area; and

WHEREAS, one of the proposed actions in the Redevelopment Plan for the Oakland Army Base Redevelopment Project, as amended and restated June 7, 2005, is the redevelopment of land by private enterprise; and

WHEREAS, on June 28, 2011, Cahfomia Waste Solutions, Inc. (CWS) and Custom Alloy Scrap Sales, Inc. (CASS), two recycling tirms located in West Oakland, submitted to the Agency a joint proposal to purchase at least 20 acres in the North Gateway Area at \$557,000 per acre for a total purchase price of \$11,195,700; and

WHEREAS, CWS and CASS intend to build two new recycling facilities in the North Gateway and relocate their operations out of West Oakland; and

WHEREAS, the relocation of CWS and CASS out of West Oakland would reduce truck traffic and remove a land use conflict from the community; and

WHEREAS, the relocation of CWS and CASS to the Army Base would enable the two firms to remain in Oakland, develop more efficient operations, increase productivity, increase sales, and contribute to the Port of Oakland business; and

WHEREAS, on July 8, 2011, PCC Logistics submitted to the Agency a proposal to purchase between 16.5 to 23 acres of land in the North Gateway at a lower purchase price per acre than proposed by CWS and CASS; and

WHEREAS, staff presented the two proposals to the Agency Board on July 19, 2011 and was directed to negotiate the terms of an Exclusive Negotiating Agreement (ENA) with CWS and CASS; now, therefore be it

**RESOLVED**, that the Agency Administrator is authorized to negotiate and enter into an ENA with CWS and CASS for the purposes of negotiating the terms and conditions for the possible development of two recycling facilities on approximately 20 acres of the North Gateway Area in the former Oakland Army Base; and be it

**FURTHER RESOLVED**, that the term of the ENA will be three hundred and sixty (360) days from the effective date of this Resolution, with the option to extend said period by an additional ninety (90) days with the approval of the Agency Administrator in her sole and absolute discretion; and be it

FURTHER RESOLVED, that the Agency has independently reviewed and considered the environmental determination, and the Agency tinds and determines that this action complies with CEQA because this action on the part of the Agency is exempt from CEQA pursuant to Section 15262 (feasibility and planning studies). Section 15306 (information collection) and Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it

**FURTHER RESOLVED**, that the Agency Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action; and be it

FURTHER RESOLVED, that the Exclusive Negotiating Agreement shall be reviewed and approved as to form and legality by Agency Counsel prior to execution; and be it

**FURTHER RESOLVED**, that the Agency Administrator is further authorized to take whatever action is necessary with the respect to the Exclusive Negotiating Agreement and the project consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT-

ABSTENTION -

ATTEST:

LATONDA SIMMONS Secretary of the Redevelopment Agency of the City of Oakland, California

Approved as to form and legality

WM Mllm

# FILED OAKLAND CITY COUNCIL

City Attorney

OFFICE OF THE CITY CLERN OAKLASOLUTION NO.\_\_\_\_\_

1

C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND ENTER INTO A 360-DAY EXCLUSIVE NEGOTIATING AGREEMENT WITH CALIFORNIA WASTE SOLUTIONS AND CUSTOM ALLOY SCRAP SALES, INC. FOR THE DEVELOPMENT OF TWO RECYCLING FACILITIES ON APPROXIMATELY 20 ACRES OF THE NORTH GATEWAY AREA OF THE FORMER OAKLAND ARMY BASE

WHEREAS, the Redevelopment Agency of the City of Oakland ("Agency") owns approximately 165 acres of real property located in the former Oakland Army Base, which includes the 28-acre North Gateway Area; and

WHEREAS, the City may assume ownership of the Agency's portion of the former Oakland Army Base, including the assumption of assets and liabilities associated with the redevelopment of the property; and

WHEREAS, on March 3, 2011, the City Council approved Resolution No. 83256 C.M.S authorizing a funding agreement with the Agency to provide for agency funding of City improvements and other redevelopment projects and programs; and

WHEREAS, one of the proposed actions in the Redevelopment Plan for the Oakland Army Base Redevelopment Project, as amended and restated June 7, 2005, is the redevelopment of land by private enterprise; and

WHEREAS, on June 28, 2011, Cahfomia Waste Solutions, Inc. (CWS) and Custom Alloy Scrap Sales, Inc. (CASS), two recycling firms located in West Oakland, submitted to the Agency a joint proposal to purchase at least 20 acres in the North Gateway Area at \$557,000 per acre for a total purchase price of \$11,195,700; and

WHEREAS, CWS and CASS intend to build two new recycling facilities in the North Gateway and relocate their operations out of West Oakland; and

WHEREAS, the relocation of CWS and CASS out of West Oakland would reduce truck traffic and remove a land use conflict from the community; and

WHEREAS, the relocation of CWS and CASS to the Army Base would enable the two tirms to remain in Oakland, develop more efficient operations, increase productivity, increase sales, and contribute to the Port of Oakland business; and

WHEREAS, on July 8, 2011, PCC Logistics submitted to the Agency a proposal to purchase between 16.5 to 23 acres of land in the North Gateway at a lower purchase price per acre than proposed by CWS and CASS; and

WHEREAS, staff presented the two proposals to the City Council/Agency Board on July

19, 2011 and was directed to negotiate the terms of an Exclusive Negotiating Agreement (ENA) with CWS and CASS; now, therefore be it

**RESOLVED**, that the City Administrator is authorized to negotiate and enter into an ENA with CWS and CASS for the purposes of negotiating the terms and conditions for the possible development of two recycling facilities on approximately 20 acres of the North Gateway Area in the former Oakland Army Base; and be it

**FURTHER RESOLVED**, that the term of the ENA will be three hundred and sixty (360) days from the effective date of this **R**esolution, with the option to extend said period by an additional ninety (90) days with the approval of the Agency Administrator in her sole and absolute discretion; and be it

FURTHER RESOLVED, that the City Council has independently reviewed and considered the environmental determination, and the City Council tinds and determines that this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Section 15262 (feasibility and planning studies). Section 15306 (information collection) and Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it

**FURTHER RESOLVED**, that the City Administrator or her designee shall cause to be tiled with the County of Alameda a Notice of Exemption for this action; and be it

**FURTHER RESOLVED**, that the Exclusive Negotiating Agreement shall be reviewed and approved as to form and legality by City Attorney prior to execution; and be it

**FURTHER RESOLVED**, that the City Administrator is turther authorized to take whatever action is necessary with the respect to the Exclusive Negotiating Agreement and the project consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_\_,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, 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