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**CITY OF OAKLAND  
REDEVELOPMENT AGENCY  
SUPPLEMENTAL AGENDA REPORT**

TO: Office of the City Administrator / Agency Administrator  
ATTN: Dan Lindheim  
FROM: Community and Economic Development Agency  
DATE: March 31, 2009

RE: **A SUPPLEMENTAL REPORT ON:**

**Two Agency and Two City Resolutions Regarding Redevelopment Activities in the Uptown Activity Area of the Central District Redevelopment Project Area:**

**An Agency Resolution Authorizing an Amendment to the Disposition and Development Agreement between the Redevelopment Agency and FC Uptown Parcel 4 LLC, for the Development of a Mixed-use Project at 1911 Telegraph Avenue, commonly Known as the Uptown Project (Phase 2), to: (A) Extend the Date to Purchase the Property by 36 Months; and (B) Place an Amount of up to \$70,000 from the Sales Proceeds in Escrow to Reimburse FC Uptown Parcel 4 LLC for certain Hazardous Materials Abatement Costs to be incurred in Developing the Project**

**An Agency Resolution Authorizing an Amendment to the Lease Disposition and Development Agreement between the Redevelopment Agency, the City of Oakland and Uptown Housing Partners, LP, for the Development of a Mixed-use Project in the Central District Redevelopment Project Area, commonly Known as the Uptown Project (Phase 1), to: (A) Reduce the Agency's Contribution toward Hazardous Materials Abatement by up to \$252,000, from \$4,085,600 to \$3,833,600, Resulting from Remediation Cost Savings; and (B) Reallocate up to \$182,000 of the Remediation Cost Savings toward the Construction of the Public Park in the Uptown Project (Phase 1)**

**A City Resolution Approving an Amendment to the Disposition and Development Agreement between the Redevelopment Agency and FC Uptown Parcel 4 LLC, for the Development of a Mixed-use Project at 1911 Telegraph Avenue, commonly Known as the Uptown Project (Phase 2), to: (A) Extend the Date to Purchase the Property by 36 Months; and (B) Place an Amount of up to \$70,000 from the Sales Proceeds in Escrow to Reimburse FC Uptown Parcel 4 LLC for certain Hazardous Materials Abatement Costs to be incurred in Developing the Project**

**A City Resolution Authorizing an Amendment to the Lease Disposition and Development Agreement between the City of Oakland, the Redevelopment Agency and Uptown Housing Partners LP for the Development of a Mixed-use**

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**Project in the Central District Redevelopment Project Area, commonly Known as the Uptown Project (Phase 1), to: (A) Reduce the Agency's Contribution toward Hazardous Materials Abatement by up to \$252,000, from \$4,085,600 to \$3,833,600, Resulting from Remediation Cost Savings; and (B) Reallocate up to \$182,000 of the Remediation Cost Savings toward the Construction of the Public Park in the Uptown Project (Phase 1)**

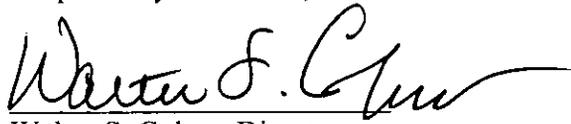
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The purpose of this supplemental report is to present a summary of the changes to be included in the proposed amendments to the following agreements:

- A Disposition and Development Agreement (DDA) between the Agency and FC Uptown Parcel 4, LLC (FC Uptown) for the sale of Agency-owned property located at 1911 Telegraph Avenue (the "Property") and development of a mixed-use residential project, the Uptown Project (Phase 2); and
- A Lease Disposition and Development Agreement (LDDA) between the Redevelopment Agency (Agency), the City of Oakland (City) and Uptown Housing Partners LLC (UHP), for the development of the Uptown Project (Phase 1)

The proposed changes have been outlined in a comparative format in Attachment A.

Respectfully submitted,



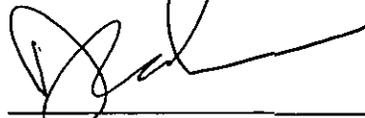
Walter S. Cohen, Director  
Community and Economic Development Agency

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

Prepared by:  
Jens Hillmer  
Urban Economic Coordinator

Attachment

APPROVED AND FORWARDED  
TO THE CITY COUNCIL /  
REDEVELOPMENT AGENCY



**OFFICE OF THE CITY ADMINISTRATOR/  
AGENCY ADMINISTRATOR**

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## ATTACHMENT A

### Proposed Amendments to the Terms of the Parcel 4 Disposition and Development Agreement

DDA Terms	Existing DDA	Proposed 1st Amendment
<p><b>Schedule of Performance:</b>  <b>Close of Escrow</b>            Agency shall deliver the site to the developer, and developer shall accept the delivery of the site under the sale.</p>	<p>July 31, 2008</p>	<p>July 31, 2011</p>
<p><b>Agency payment for installation of toxic vapor barrier beneath new building</b></p>	<p><u>The existing DDA does not include a provision for Agency payment toward installation of a toxic vapor barrier.</u></p> <p>Payment for the installation of a toxic vapor barrier was covered by the Agency's contribution toward Hazardous Materials Abatement of up to \$4,085,600 per the terms of the LDDA, as described below.</p>	<p>At Close of Escrow, Agency shall hold back \$70,000 from sales proceeds of \$6.9 million for placement in escrow toward the cost of installing a toxic vapor barrier.</p>

### Proposed Amendments to the Terms of the Lease Disposition and Development Agreement

LDDA Terms	Existing LDDA	Proposed 1 <sup>st</sup> Amendment
<p><b>Section 2.6</b>            Remediation of Hazardous Materials</p>	<p>Agency Contribution toward Hazardous Materials Abatement shall be up to \$4,085,600.</p>	<p>Reduce Agency Contribution toward Hazardous Materials Abatement by up to \$252,000 for a total amount of \$3,833,600 due to remediation cost savings.</p>
<p><b>Section 9.2</b>            Park Design and Construction Costs</p>	<p>City shall pay to developer up to \$1,000,000 toward the cost of designing and constructing a public park.</p>	<p>Agency and City shall pay to developer up to \$1,182,000 toward the cost of park construction.</p> <p><b>Note:</b> The additional \$182,000 will be reallocated from the Agency's \$252,000 remediation cost savings.</p>