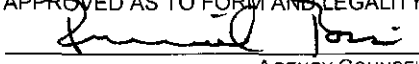


FILED  
OFFICE OF CITY CLERK  
2006 SEP 28 PM 3:34

APPROVED AS TO FORM AND LEGALITY  
  
AGENCY COUNSEL

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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A RESOLUTION APPROVING AND RECOMMENDING ADOPTION OF THE SECOND AMENDMENT TO THE OAK KNOLL REDEVELOPMENT PLAN TO (1) MERGE THE OAK KNOLL REDEVELOPMENT PROJECT AREA WITH THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA FOR FISCAL PURPOSES, (2) MERGE THE AFFORDABLE HOUSING PRODUCTION REQUIREMENTS FOR THE TWO PROJECT AREAS SUBJECT TO LIMITATIONS AND CONDITIONS, (3) RAISE THE LIMITS ON RECEIPT OF TAX INCREMENT REVENUES AND BONDED INDEBTEDNESS, (4) REPLACE THE LAND USE MAP WITH THE CURRENT GENERAL PLAN LAND USE MAP, (5) EXPAND THE LIST OF AUTHORIZED PUBLIC IMPROVEMENTS, AND (6) MAKE OTHER TEXT CHANGES

**WHEREAS**, the City Council of the City of Oakland adopted the Redevelopment Plan for the Oak Knoll Redevelopment Project (the "Oak Knoll Redevelopment Plan") on July 14, 1998, pursuant to the California Community Redevelopment Law (California Health and Safety Code Sections 33000, et seq.); and

**WHEREAS**, the City Council adopted the Redevelopment Plan for the Central City East Redevelopment Project (the "Central City East Redevelopment Plan") on July 29, 2003, pursuant to the California Community Redevelopment Law; and

**WHEREAS**, Sections 33485 through 33489 of the California Health and Safety Code authorize a legislative body through plan amendment to merge redevelopment project areas; and

**WHEREAS**, the Redevelopment Agency has prepared a proposed Second Amendment to the Oak Knoll Redevelopment Plan (the "Second Amendment" or the "Amendment"), which would merge (1) merge the Central City East Redevelopment

Project Area with the Oak Knoll Redevelopment Project Area for fiscal purposes, (2) merge the affordable housing production requirements for the two Project Areas, in that the Agency would be authorized to allocate surplus affordable housing units produced in the Central City East Project Area to meet the Oak Knoll affordable housing production requirements under certain conditions and subject to certain limitations, (3) raise the limitation on the number of tax increment dollars that may be allocated to the Agency from \$87 million to \$1.5 billion, (4) raise the limitation on the amount of bonded indebtedness that may be outstanding from \$21.5 million to \$400 million, (5) replace the redevelopment land use map now attached to the Plan with the land use map set forth in the General Plan, (6) replace the list of authorized public improvements with an expanded list consistent with the Central City East Plan, and (7) make other text changes; and

**WHEREAS**, the City of Oakland, as the Lead Agency for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"), prepared and certified an Environmental Impact Report for the Oak Knoll Redevelopment Project (the "EIR") in connection with the adoption of the Oak Knoll Redevelopment Project, in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

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

**WHEREAS**, the Agency has submitted to the City Council a Report of the Agency on the proposed amendments to the Central City East Redevelopment Plan and Oak Knoll Redevelopment Plan (the "Report to Council") pursuant to Section 33352 of the *Community Redevelopment Law*, which includes, among other things, a description of the remaining blight in the Central City East and Oak Knoll Project Areas, the projects that are planned to eradicate the remaining blight, and the relationship of the cost of those projects to the amount of increase in the tax increment limit for Oak Knoll; and

**WHEREAS**, the Planning Commission has submitted to the Council its report and recommendations for approval of the Amendment and its certification that the Amendment conforms to the General Plan of the City of Oakland; and

**WHEREAS**, the Agency and the Council held a joint public hearing on October 31, 2006, on adoption of the Amendment; and

**WHEREAS**, a notice of said hearing was duly and regularly published in a newspaper of general circulation in the City of Oakland, once a week for four successive weeks prior to the date of said hearing; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by first-class mail to property owners, residents, and businesses in the Oak Knoll Redevelopment Project Area; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Oak Knoll Redevelopment Project Area; and

**WHEREAS**, the Agency has notified the California Department of Housing and Community Development of its intention to merge the Oak Knoll Redevelopment Project Area with the Central City East Redevelopment Project Area at least 30 days prior to the adoption of this Resolution; and

**WHEREAS**, it is necessary and desirable that the Amendment and the merger be adopted for the reasons set forth in the Report to Council; now, therefore, be it

**RESOLVED**: That the Agency hereby approves and recommends adoption of the Second Amendment to the Oak Knoll Redevelopment Plan merging the Oak Knoll Redevelopment Project Area with the Central City East Redevelopment Project Area and making the other Plan changes; and be it further

**RESOLVED**: That the Agency finds that the limited merger of the affordable housing production requirements of the Oak Knoll Project Area with the Central City East Project Area as set forth in the Amendment is necessary and desirable in order to provide needed flexibility to comply with the affordable housing production requirements of the two Project Areas, and that such limited merger will not cause or exacerbate racial, ethnic, or economic segregation in the Oak Knoll Project Area; and be it further

**RESOLVED**: That the Agency finds that the other amendments to the Oak Knoll Redevelopment Plan as set forth in the Amendment are necessary and desirable in order to update the Plan and make it consistent with the terms of the General Plan and the Central City East Redevelopment Plan; and be it further

**RESOLVED**: That the Agency Secretary is directed to transmit a copy of this Resolution to the City Council for its consideration in adoption of the Second Amendment; and be it further

**RESOLVED**: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the report accompanying this Resolution, that this action complies with CEQA because the Amendment is exempt from CEQA pursuant to Section 15061(b)(3) (general rule), Section 15301 (alterations to existing facilities), and Section 15378(b)(4) (government fiscal activities) of the CEQA Guidelines; and be it further.

**RESOLVED**: That the Agency further finds and determines on the basis of substantial evidence in the record that none of the circumstances necessitating preparation of additional CEQA review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the Oak Knoll Redevelopment Project or the circumstances under which the Project is

undertaken that would require major revisions of the EIR due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects, and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3).

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

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

NOES-

ABSENT-

ABSTENTION-

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

OFFICE OF THE CITY CLERK  
2000 SEP 20 PM 3:34

APPROVED AS TO FORM AND LEGALITY  
  
DEPUTY CITY ATTORNEY

**OAKLAND CITY COUNCIL**  
**ORDINANCE NO. \_\_\_\_\_ C.M.S.**

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**AN ORDINANCE ADOPTING THE SECOND AMENDMENT TO THE OAK KNOLL REDEVELOPMENT PLAN TO (1) MERGE THE OAK KNOLL REDEVELOPMENT PROJECT AREA WITH THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA FOR FISCAL PURPOSES, (2) MERGE THE AFFORDABLE HOUSING PRODUCTION REQUIREMENTS FOR THE TWO PROJECT AREAS SUBJECT TO LIMITATIONS AND CONDITIONS, (3) RAISE THE LIMITS ON RECEIPT OF TAX INCREMENT REVENUES AND BONDED INDEBTEDNESS, (4) REPLACE THE LAND USE MAP WITH THE CURRENT GENERAL PLAN LAND USE MAP, (5) EXPAND THE LIST OF AUTHORIZED PUBLIC IMPROVEMENTS, AND (6) MAKE OTHER TEXT CHANGES**

**WHEREAS**, the City Council adopted the Redevelopment Plan for the Oak Knoll Redevelopment Project (the "Oak Knoll Redevelopment Plan") on July 14, 1998, pursuant to the California Community Redevelopment Law (California Health and Safety Code Sections 33000, et seq.); and

**WHEREAS**, the City Council adopted amendments to the General Plan for the City of Oakland conforming the General Plan to the Reuse Plan for the Oak Knoll Redevelopment Project Area; and

**WHEREAS**, the City Council adopted the Redevelopment Plan for the Central City East Redevelopment Project (the "Central City East Redevelopment Plan") on July 29, 2003, pursuant to the California Community Redevelopment Law; and

**WHEREAS**, Sections 33485 through 33489 of the California Health and Safety Code authorize a legislative body through plan amendment to merge redevelopment project areas; and

**WHEREAS**, Section 33354.6 of the California Health and Safety Code authorizes a legislative body to adopt a plan amendment to increase the limitation on the amount of

tax increment revenues allocated to an agency, and Section 33450 of the California Health and Safety Code authorizes other forms of plan amendments; and

**WHEREAS**, the Redevelopment Agency has submitted to the Council a proposed Second Amendment to the Oak Knoll Redevelopment Plan (the "Second Amendment" or the "Amendment"), attached to this Ordinance as Attachment A, which would (1) merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area for fiscal purposes, (2) merge the affordable housing production requirements for the two Project Areas, in that the Agency would be authorized to allocate surplus affordable housing units produced in the Central City East Project Area to meet the Oak Knoll affordable housing production requirements under certain conditions and subject to certain limitations, (3) raise the limitation on the number of tax increment dollars that may be allocated to the Agency from \$87 million to \$1.5 billion, (4) raise the limitation on the amount of bonded indebtedness that may be outstanding from \$21.5 million to \$400 million, (5) replace the redevelopment land use map now attached to the Plan with the land use map set forth in the General Plan, (6) replace the list of authorized public improvements with an expanded list consistent with the Central City East Plan, and (7) make other text changes; and

**WHEREAS**, the City of Oakland, as the Lead Agency for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"), prepared and certified an Environmental Impact Report for the Oak Knoll Redevelopment Project (the "EIR") in connection with the adoption of the Oak Knoll Redevelopment Project, in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

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

**WHEREAS**, the City Council has received from the Agency a Report of the Agency on the proposed amendments to the Central City East Redevelopment Plan and Oak Knoll Redevelopment Plan (the "Report to Council") pursuant to Section 33352 of the Community Redevelopment Law, which includes, among other things, a description of the remaining blight in the Central City East and Oak Knoll Project Areas, the projects that are planned to eradicate the remaining blight, and the relationship of the cost of those projects to the amount of increase in the tax increment limit for Oak Knoll; and

**WHEREAS**, the Planning Commission has submitted to the Council its report and recommendations for approval of the Amendment and its certification that the Amendment conforms to the General Plan of the City of Oakland; and

**WHEREAS**, the Council and the Agency held a joint public hearing on October 31, 2006, on adoption of the Amendment; and

**WHEREAS**, a notice of said hearing was duly and regularly published in a newspaper of general circulation in the City of Oakland, once a week for four successive weeks prior to the date of said hearing; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by first-class mail to property owners, residents, and businesses in the Oak Knoll Redevelopment Project Area; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Oak Knoll Redevelopment Project Area; and

**WHEREAS**, the Agency has notified the California Department of Housing and Community Development of its intention to merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area at least 30 days prior to the adoption of this Ordinance; and

**WHEREAS**, the Council has considered the report and recommendations of the Planning Commission, the Report to Council from the Agency on the Amendment and its economic feasibility, and the environmental analysis, has provided an opportunity for all persons to be heard, and has received and considered all evidence and testimony presented for or against any and all aspects of the Amendment; and

**WHEREAS**, it is necessary and desirable that the Amendment and the merger be adopted for the reasons set forth in the Report to Council accompanying this Ordinance; now, therefore

The Council of the City of Oakland does ordain as follows:

**SECTION 1.** The Second Amendment to the Redevelopment Plan for the Oak Knoll Project attached to this Ordinance as Attachment A is hereby approved and adopted as an amendment to the Redevelopment Plan for the Oak Knoll Redevelopment Project.

**SECTION 2.** The City Council finds that it is necessary and desirable to amend the Redevelopment Plan and merge the Oak Knoll Redevelopment Project Area with the Central City East Redevelopment Project Area for fiscal purposes for the reasons set forth herein and in the Report to Council accompanying this Ordinance. The merger will result in substantial benefit to the public and contribute to the economic revitalization of blighted areas in Oakland through the increased economic vitality of such areas and through increased and improved housing opportunities in such areas. The carrying out of the merger will promote the public peace, health, safety and welfare of the City of Oakland and effectuate the purposes and policies of the Community Redevelopment Law.

**SECTION 3.** The City Council finds that the limited merger of the affordable housing production requirements of the Oak Knoll Project Area with the Central City East Project Area as set forth in the Amendment is necessary and desirable in order to provide

needed flexibility to comply with the affordable housing production requirements of the two Project Areas. The City Council further finds that such limited merger will not cause or exacerbate racial, ethnic, or economic segregation in the Oak Knoll Project Area.

**SECTION 4.** The City Council finds that both (1) significant blight remains within the Central City East Redevelopment Project Area, as demonstrated in the Report to Council, and (2) the remaining blight in Central City East cannot be eliminated without the fiscal merger of Oak Knoll with Central City East, the establishment of additional debt in the Oak Knoll Redevelopment Project, and the increase in the limitation on the number of dollars to be allocated to the Agency from Oak Knoll and the increase in the limitation on bonded indebtedness for Oak Knoll, for the reasons set forth herein and in the Report to Council accompanying this Ordinance.

**SECTION 5.** The City Council finds that the text changes in the Amendment and the substitution of the Redevelopment Land Use Map are necessary and desirable to conform the Oak Knoll Redevelopment Plan to the development standards set forth in the General Plan and its implementing regulations.

**SECTION 6.** The City Council finds that the expansion of the list of authorized public improvements in the Amendment is necessary and desirable in order to update the Plan, make it consistent with the categories of public improvements authorized under the Central City East Redevelopment Plan, and meet the redevelopment goals and objectives of the Plan.

**SECTION 7.** The City Council finds that the Amendment conforms to the General Plan of the City of Oakland. This finding is based on the finding of the Planning Commission that the Amendment conforms to the General Plan of the City of Oakland.

**SECTION 8.** Pursuant to California Health and Safety Code Section 33492.20(a)(2), the City Council finds that the Oak Knoll Redevelopment Plan as amended is consistent with the General Plan of the City of Oakland, including the Housing Element which substantially complies with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

**SECTION 9.** The City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information provided in the report accompanying this Ordinance, that this action complies with CEQA because the Amendment is exempt from CEQA pursuant to Section 15061(b)(3) (general rule), Section 15301 (alterations to existing facilities), and Section 15378(b)(4) (government fiscal activities) of the CEQA Guidelines.

**SECTION 10.** The City Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action.

**SECTION 11.** The City Council further finds and determines on the basis of substantial evidence in the record that none of the circumstances necessitating



preparation of additional CEQA review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the Oak Knoll Redevelopment Project or the circumstances under which the Project is undertaken that would require major revisions of the EIR due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects, and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3).

**SECTION 12.** *The Council is satisfied that all written objections received before or at the noticed public hearing, if any, have been responded to in writing. In addition, written findings have been adopted in response to each written objection of an affected property owner or taxing entity which has been filed with the City Clerk either before or at the noticed public hearing, and all objections are hereby overruled.*

**SECTION 13.** If any part of this Ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

**SECTION 14.** This Ordinance shall be in full force and effect immediately upon its passage as provided by Section 216 of the City Charter, if adopted by at least six members of Council, or upon the seventh day after final adoption if adopted by fewer votes.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

AYES-	BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT DE LA FUENTE
NOES-	_____
ABSENT-	_____
ABSTENTION-	_____

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council  
of the City of Oakland, California

**ORDINANCE ADOPTING SECOND AMENDMENT TO  
THE OAK KNOLL REDEVELOPMENT PLAN**

**Attachment A**

**SECOND AMENDMENT  
TO THE REDEVELOPMENT PLAN FOR THE  
OAK KNOLL REDEVELOPMENT PROJECT**

*(attached)*

**SECOND AMENDMENT  
TO THE REDEVELOPMENT PLAN FOR THE  
OAK KNOLL REDEVELOPMENT PROJECT**

**Adopted by Ordinance No. \_\_\_\_\_ C.M.S.  
effective \_\_\_\_\_, 2006**

**Prepared by the  
REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND**

## **SECOND AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE OAK KNOLL REDEVELOPMENT PROJECT**

### **I. INTRODUCTION**

A Redevelopment Plan for the Oak Knoll Redevelopment Project (the “Oak Knoll Redevelopment Plan”) was adopted by the Oakland City Council and the Redevelopment Agency of the City of Oakland on July 14, 1998, pursuant to the California Community Redevelopment Law (California Health and Safety Code Sections 33000, et seq.). A Redevelopment Plan for the Central City East Redevelopment Project (the “Central City East Redevelopment Plan”) was adopted by the Oakland City Council and the Redevelopment Agency of the City of Oakland on July 29, 2003.

Sections 33485 through 33489 of the California Health and Safety Code authorize a legislative body through plan amendment to merge redevelopment project areas. Sections 33354.6 and 33450 of the California Health and Safety Code authorize other forms of plan amendments.

### **II. AMENDMENT**

A. The Oak Knoll East Redevelopment Plan is hereby amended to add the following section:

#### **X. [§1000] MERGER**

Upon the effective date of the Ordinance adopting the Second Amendment to this Plan, and provided an ordinance becomes effective that amends the Redevelopment Plan for the Central City East Redevelopment Project to merge the Central City East Redevelopment Project Area with this Project Area, the Oak Knoll Project Area is hereby merged with the Central City East Project Area. The merged project area may be referred to as the “Central City East/Oak Knoll Project Area” or the “Central City East/Oak Knoll Redevelopment Project.” Any tax increment funds allocated to the Agency pursuant to Section 502 of this Plan that are attributable to the Oak Knoll Project Area as established prior to the Second Amendment to this Plan may be allocated to the entire Central City East/Oak Knoll Project Area for the purpose of paying the principal of, and interest on, indebtedness incurred by the Agency to finance or refinance, in whole or in part, the Central City East/Oak Knoll Redevelopment Project. Notwithstanding the merger, tax increment funds allocated to the Agency pursuant to Section 502 of the Central City East Redevelopment Plan that are attributable to the Central City East Project Area as established prior to the Second Amendment to Central City East Plan, may not be allocated to the Oak Knoll Redevelopment Project.

## Second Amendment to Oak Knoll Redevelopment Plan

Page 3

Notwithstanding the merger, all provisions of this Plan as amended, other than the allocation of tax increment funds, shall continue to govern the Oak Knoll Project Area as established prior to the Second Amendment to this Plan. The Redevelopment Plan for the Central City East Redevelopment Project shall have no application to this Project Area.

B. Section 331 of the Oak Knoll Redevelopment Plan, previously captioned Inclusionary Housing, is hereby amended to read as follows:

2. [§331] Project Area Housing Production

At least 30 percent of all new or substantially rehabilitated dwelling units developed by the Agency in the Project Area shall be available at affordable housing cost to persons and families of low or moderate income, with not less than 50 percent of these units made available at affordable housing cost to very low income households, as required by Section 33413 (in particular, subdivision (b) of that section) of the Community Redevelopment Law. At least 15 percent of all new or substantially rehabilitated dwelling units developed by public or private entities or persons other than the Agency in the Project Area shall be available at affordable housing cost to persons and families of low or moderate income, with not less than 40 percent of these units made available at affordable housing cost to very low income households, as required by Section 33413 (in particular, subdivision (b) of that section) of the Community Redevelopment Law. The requirements of this section shall apply in the aggregate, and not to each individual case of rehabilitation, development, or construction of dwelling units; however, the Agency in its discretion may impose inclusionary housing requirements on particular housing projects developed by public or private entities or persons other than the Agency in the Project Area, as needed in order for the Agency to comply with Section 33413 of the Community Redevelopment Law, this Plan, and the implementation plan adopted for the Project pursuant to Section 33490 of the Community Redevelopment Law.

Notwithstanding the above or anything else in the Plan to the contrary, the affordable housing production requirements as set forth above for the Oak Knoll Project Area are hereby merged with the affordable housing production requirements as set forth in the Central City East Redevelopment Plan, but only in the limited circumstances and subject to the conditions set forth in this paragraph. In general, the Agency shall ensure that the affordable housing production requirements set forth in Section 33413(b) of the Community Redevelopment Law are met separately for the Oak Knoll Project Area and for the Central City East Project Area every 10 years (the "compliance period") as set forth in the Community Redevelopment Law. However, if the number of new or substantially rehabilitated dwelling units actually developed in the Central City East Project

## Second Amendment to Oak Knoll Redevelopment Plan

### Page 4

Area during a compliance period and made available at an affordable housing cost to low or moderate income families and/or very low income households exceeds the minimum number required by the Central City East Redevelopment Plan for such income group, the surplus of affordable housing units may be allocated to the Oak Knoll Project Area for purposes of satisfying the affordable housing production requirements of this Oak Knoll Redevelopment Plan for the same income group. Any such allocation shall be subject to all of the following conditions:

- Any allocation of surplus affordable housing units to Oak Knoll must be approved by the governing body of the Agency by resolution.
- Only surplus affordable housing units developed within Central City East with no relationship to development at Oak Knoll may be allocated to Oak Knoll.
- The Agency must compensate Central City East redevelopment funds from Oak Knoll redevelopment funds for any allocation of surplus affordable housing units to Oak Knoll as set forth below. The amount of compensation for each unit shall be equal to the average Agency per-unit subsidy for developing affordable housing for the applicable income group, with such average calculated based on the average Agency subsidy provided through the Agency's most recent Notice of Funding Availability process or other affordable housing funding process at the time of the allocation. The compensation shall come from non-housing Oak Knoll tax increment funds. The compensation may be in the form of an Agency commitment to compensate Central City East redevelopment funds from present or future Oak Knoll funds. The Agency may also accept contributions from redevelopers in the Oak Knoll Project Area to fund such compensation. In no event may Oak Knoll Low and Moderate Income Housing Funds be used for such purposes. Any such funds shall be used exclusively within the Central City East Project Area.
- No affordable housing shall be constructed within the Central City East Project Area for the purpose of satisfying the affordable housing production requirements of the Oak Knoll Project Area.

C. The third full paragraph of Section 502 of the Oak Knoll Redevelopment Plan, Tax Increment Funds, is hereby amended to read as follows:

The portion of taxes divided and allocated to the Agency pursuant to subdivision 2 of this Section 502 shall not exceed a cumulative total of ONE AND ONE-HALF BILLION DOLLARS (\$1,500,000,000).

D. The sixth full paragraph of Section 502 of the Oak Knoll Redevelopment Plan, Tax Increment Funds, is hereby amended to read as follows:

## Second Amendment to Oak Knoll Redevelopment Plan

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The amount of bonded indebtedness to be repaid in whole or in part from the allocation of taxes described in subdivision 2 above which can be outstanding at any one time shall not exceed FOUR HUNDRED MILLION DOLLARS (\$400,000,000).

E. Section 100 of the Oak Knoll Redevelopment Plan, **INTRODUCTION**, is hereby amended to read as follows (additional text is underlined; deleted text is in ~~strikeout text~~):

### I. [§100] INTRODUCTION

This is the Redevelopment Plan (the “Plan”) for the Oak Knoll Redevelopment Project (the “Project”) in the City of Oakland (the “City”), County of Alameda, State of California; it consists of the text, the Legal Description of the Project Area Boundaries (Attachment No. 1), the Project Area Map (Attachment No. 2), the Redevelopment Land Use Map (Attachment No. 3), and the Proposed Public Improvements (Attachment No. 4). This Plan was prepared by The Redevelopment Agency of the City of Oakland (the “Agency”) pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et seq.), Chapter 4.5 of the Community Redevelopment Law (Health and Safety Code Section 33492 et seq.), the California Constitution, and all applicable local laws and ordinances.

In 1996 the Oakland Base Reuse Authority, created through a Joint Powers Agreement between the City of Oakland, the Agency, and the County of Alameda, completed and adopted the Final Reuse Plan for the Naval Medical Center, Oakland (commonly known as the Oak Knoll Naval Hospital) (the “Reuse Plan”). ~~The proposed redevelopment of the area within the boundaries of the Project (the “Project Area”) as described in this Plan conforms to the Reuse Plan. It is contemplated that the~~ The City of Oakland will prepare and adopt has prepared and adopted amendments to the General Plan for the City of Oakland (the “General Plan”) to conform the General Plan to the Reuse Plan pursuant to the intent of Health and Safety Code Sections 33331 and 33492.20(a)(2) and Government Code Section 67840 et seq. The proposed redevelopment of the area within the boundaries of the Project (the “Project Area”) as described in this Plan conforms to the General Plan.

This Plan is based upon a Preliminary Plan formulated and adopted by the Planning Commission of the City of Oakland (the “Planning Commission”) by Resolution No. 97-37 C.M.S., on June 24, 1997.

This Plan provides the Agency with powers, duties, and obligations to implement and further the program generally formulated in the Reuse General Plan and this Plan for the redevelopment, rehabilitation, and revitalization of the area within the Project Area. Because of the long-term nature of this Plan and the

## Second Amendment to Oak Knoll Redevelopment Plan

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need to retain in the Agency flexibility to respond to market and economic conditions, property owner and developer interests, and opportunities from time to time presented for redevelopment, this Plan does not present a precise plan or establish specific projects for the redevelopment, rehabilitation, and revitalization of any area within the Project Area, nor does this Plan present specific proposals in an attempt to solve or alleviate the concerns and problems of the community relating to the Project Area. Instead, this Plan presents a process and a basic framework within which specific plans will be presented, specific projects will be established, and specific solutions will be proposed and by which tools are provided to the Agency to fashion, develop, and proceed with such specific plans, projects, and solutions.

The purposes of the Community Redevelopment Law will be attained through, and the major goals of this Plan are:

- A. The mitigation of the economic and social degradation that is faced by the community due to the closure of the Naval Medical Center by the federal Base Closure Commission, in accordance with the legislative intent expressed in Section 33492 of the Health and Safety Code.
- B. Implementation of the adopted ~~Final Reuse~~ General Plan.
- C. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work; obsolete, aged, dilapidated and deteriorated building types; substandard, faulty, inadequate or deteriorated infrastructure and utility lines; buildings that are too large or too small for modern use; inadequate parking facilities; incompatible and uneconomic land uses; noncompliance of land and buildings with modern subdivision, zoning and planning regulations; and buildings that do not meet current building, plumbing, mechanical or electrical code standards.
- 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 establishment of retail and other commercial functions in the Project Area.



## Second Amendment to Oak Knoll Redevelopment Plan

Page 7

- G. The strengthening of the economic base of the community by the construction and installation of needed site improvements to stimulate new residential, commercial, and light industrial uses, employment, and social and economic growth.
- H. The provision of adequate land for parking and open spaces.
- I. The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project.
- J. The expansion, improvement, and preservation of the community's supply of housing available to low- and moderate-income persons and families.

F. All references to "Reuse Plan" in Section 324 and Sections 402 through 418 of the Oak Knoll Redevelopment Plan are hereby replaced with "General Plan".

G. The first full paragraph of Section 501 of the Oak Knoll Redevelopment Plan, General Description of the Proposed Financing Method, is hereby amended to read as follows (additional text is underlined; deleted text is in ~~strikeout text~~):

The Agency is authorized to finance this Project with financial assistance from the City, the State of California, the federal government, interest income, Agency bonds, donations, loans from private financial institutions, the lease or sale of Agency-owned property, or any other available source, public or private. The Agency is further authorized to finance this Project utilizing tax increment funds provided for under Section 502 of this Plan; ~~provided that the Agency shall not expend any tax increment funds allocated to it from the Project Area for expenses related to carrying out the Project unless and until the City has amended its General Plan, as referenced in Section 100, and the findings set forth in Health and Safety Code Section 33492.20(a)(2) have been adopted.~~

H. The Redevelopment Land Use Map originally attached to the Oak Knoll Redevelopment Plan as Attachment No. 3 is hereby replaced with that Redevelopment Land Use Map attached to this Amendment as Exhibit A.

I. The list of Proposed Public Improvements originally attached to the Oak Knoll Redevelopment Plan as Attachment No. 4 is hereby replaced with that list of Public Improvements attached to this Amendment as Exhibit B.

**Second Amendment to Oak Knoll Redevelopment Plan**

**Page 8**

J. All other provisions of the Oak Knoll Redevelopment Plan not expressly modified or amended by the terms of this Second Amendment shall remain in full force and effect.




















**SECOND AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE  
OAK KNOLL REDEVELOPMENT PROJECT**

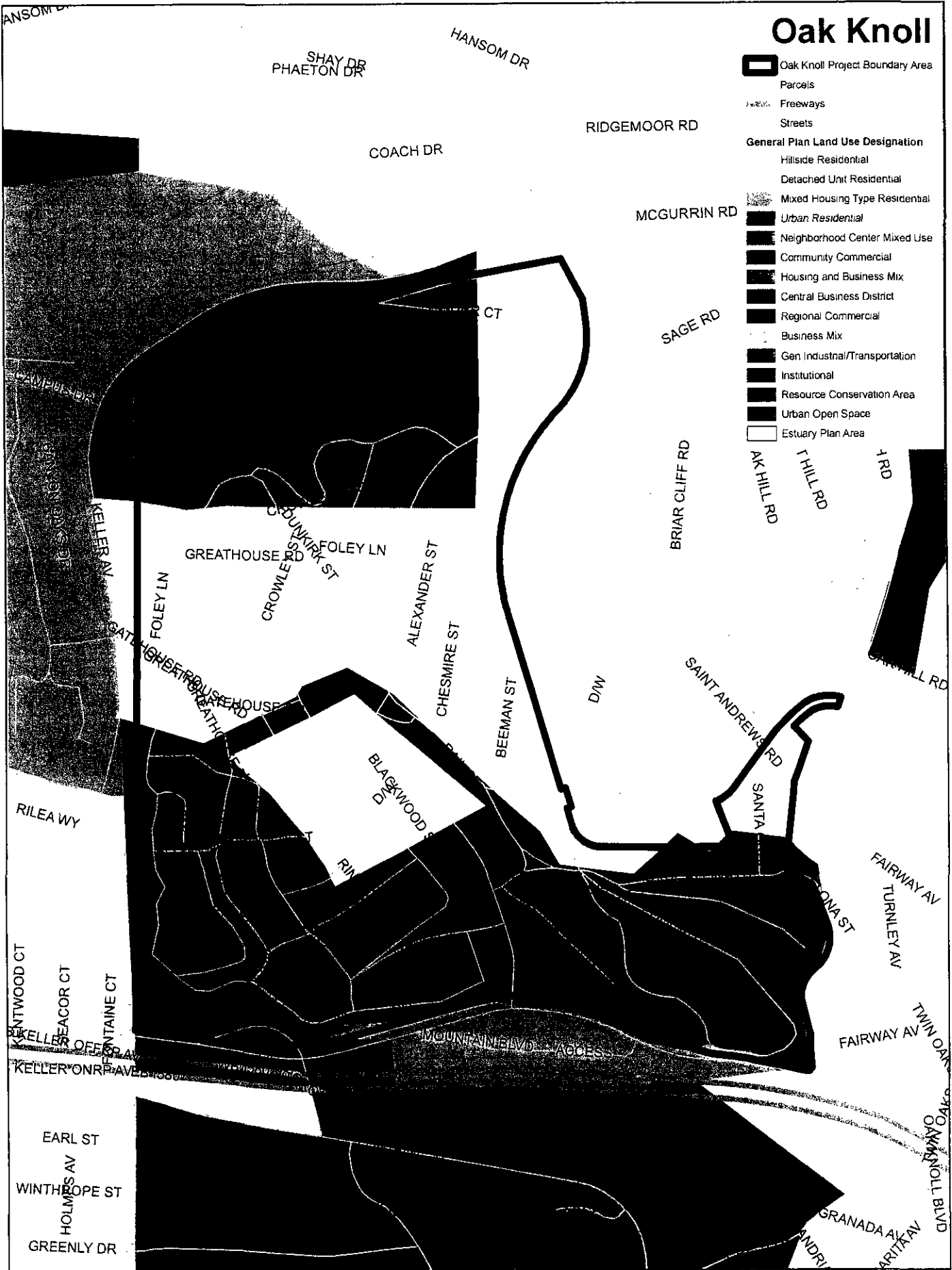
**Exhibit A**

**Redevelopment Land Use Map**

*(attached)*

# Oak Knoll

-  Oak Knoll Project Boundary Area
-  Parcels
-  Freeways
-  Streets
- General Plan Land Use Designation**
-  Hillside Residential
-  Detached Unit Residential
-  Mixed Housing Type Residential
-  Urban Residential
-  Neighborhood Center Mixed Use
-  Community Commercial
-  Housing and Business Mix
-  Central Business District
-  Regional Commercial
-  Business Mix
-  Gen Industrial/Transportation
-  Institutional
-  Resource Conservation Area
-  Urban Open Space
-  Estuary Plan Area



**SECOND AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE  
OAK KNOLL REDEVELOPMENT PROJECT**

**Exhibit B**

**PUBLIC IMPROVEMENTS**

*(attached)*

**OAK KNOLL  
REDEVELOPMENT PLAN**

**ATTACHMENT NO. 4**

**PUBLIC IMPROVEMENTS**

The Agency may acquire property and/or pay for, install, develop, construct, or rehabilitate the publicly-owned buildings, facilities, structures, or other improvements set forth in the attached list in connection with the Project:

- Streets and roadways
  - Roadway widening
  - Intersection improvements
  - Traffic signalization
  - Roadway resurfacing
  - Installation of overpasses and underpasses
  - Street signage
  - Traffic calming
- Streetscape
  - Sidewalks
  - Curbs and gutters
  - Street medians
  - Street lighting
  - Street furniture
  - Landscaping
  - Street beautification
- Public transit and bicycle facilities
- Water, natural gas and electricity distribution systems
- Sanitary sewer systems
  - Wastewater treatment plant improvements
  - Upgrading and replacing deteriorated sewer pipes
- Storm drainage systems
  - Reconstruction of damaged catch basins and broken storm drain lines
  - Construction of concrete cross drains
- Telecommunications systems, including installation of fiber optic and other cabling

## **Second Amendment to Oak Knoll Redevelopment Plan**

### **Page 12**

- Undergrounding of overhead utility lines
- Parking facilities and improvements
- Parks, plazas, landscaped areas, pedestrian paths, playgrounds, recreational facilities, and open space
- Public housing and shelters
- Police, fire, emergency response, and other public safety facilities
- Public schools, colleges and universities, training centers, libraries, and community centers
- Public health facilities and human services facilities

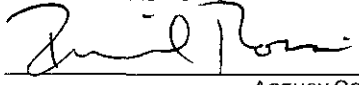
**AN ORDINANCE ADOPTING THE SECOND AMENDMENT TO THE OAK KNOLL REDEVELOPMENT PLAN TO (1) MERGE THE OAK KNOLL REDEVELOPMENT PROJECT AREA WITH THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA FOR FISCAL PURPOSES, (2) MERGE THE AFFORDABLE HOUSING PRODUCTION REQUIREMENTS FOR THE TWO PROJECT AREAS SUBJECT TO LIMITATIONS AND CONDITIONS, (3) RAISE THE LIMITS ON RECEIPT OF TAX INCREMENT REVENUES AND BONDED INDEBTEDNESS, (4) REPLACE THE LAND USE MAP WITH THE CURRENT GENERAL PLAN LAND USE MAP, (5) EXPAND THE LIST OF AUTHORIZED PUBLIC IMPROVEMENTS, AND (6) MAKE OTHER TEXT CHANGES**

## **NOTICE AND DIGEST**

This ordinance amends the Oak Knoll Redevelopment Plan to (1) merge the Oak Knoll Redevelopment Project Area with the Central City East Redevelopment Project Area for fiscal purposes pursuant to the California Community Redevelopment Law, (2) merge the affordable housing production requirements for the two Project Areas, subject to specified conditions and limitations, (3) raise the limitation on the number of tax increment dollars that may be allocated to the Agency from \$87 million to \$1.5 billion, (4) raise the limitation on the amount of bonded indebtedness that may be outstanding from \$21.5 million to \$400 million, (5) replace the redevelopment land use map now attached to the Plan with the land use map set forth in the General Plan, (6) expand the list of authorized public improvements, and (7) make other text changes related to Plan references to the "Reuse Plan." The ordinance also makes findings in support of this amendment.



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2006 SEP 29 PM 3:34

APPROVED AS TO FORM AND LEGALITY  
  
AGENCY COUNSEL

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. \_\_\_\_\_ C.M.S.

---

**A RESOLUTION APPROVING AND RECOMMENDING ADOPTION OF THE THIRD AMENDMENT TO THE CENTRAL CITY EAST REDEVELOPMENT PLAN TO (1) MERGE THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA WITH THE OAK KNOLL REDEVELOPMENT PROJECT AREA FOR FISCAL PURPOSES, AND (2) MERGE THE AFFORDABLE HOUSING PRODUCTION REQUIREMENTS FOR THE TWO PROJECT AREAS SUBJECT TO LIMITATIONS AND CONDITIONS**

**WHEREAS**, the City Council of the City of Oakland adopted the Redevelopment Plan for the Central City East Redevelopment Project (the "Central City East Redevelopment Plan") on July 29, 2003, pursuant to the California Community Redevelopment Law (California Health and Safety Code Sections 33000, et seq.); and

**WHEREAS**, the City Council adopted the Redevelopment Plan for the Oak Knoll Redevelopment Project (the "Oak Knoll Redevelopment Plan") on July 14, 1998, pursuant to the California Community Redevelopment Law; and

**WHEREAS**, both Plans include affordable housing production requirements as required under Section 33413(b) of the California Health and Safety Code; and

**WHEREAS**, Sections 33485 through 33489 of the California Health and Safety Code authorize a legislative body through plan amendment to merge redevelopment project areas; and

**WHEREAS**, the Redevelopment Agency has prepared a proposed Third Amendment to the Central City East Redevelopment Plan (the "Third Amendment" or the "Amendment"), attached to this Ordinance as Attachment A, which would (1) merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment

Project Area for fiscal purposes, and (2) merge the affordable housing production requirements for the two Project Areas, in that the Agency would be authorized to allocate surplus affordable housing units produced in the Central City East Project Area to meet the Oak Knoll affordable housing production requirements under certain conditions and subject to certain limitations; and

**WHEREAS**, the City of Oakland, as the Lead Agency for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"), prepared and certified an Environmental Impact Report for the Central City East Redevelopment Project (the "EIR") in connection with the adoption of the Central City East Redevelopment Project, in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

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

**WHEREAS**, the Agency has submitted to the City Council a Report of the Agency on the proposed merger amendments to the Central City East Redevelopment Plan and Oak Knoll Redevelopment Plan (the "Report to Council") pursuant to Section 33352 of the Community Redevelopment Law; and

**WHEREAS**, the Planning Commission has submitted to the Council its report and recommendations for approval of the Amendment and its certification that the Amendment conforms to the General Plan of the City of Oakland; and

**WHEREAS**, the Central City East Project Area Committee ("PAC") has reviewed and made recommendations on the proposed Amendment; and

**WHEREAS**, the Agency and the Council held a joint public hearing on October 31, 2006, on adoption of the Amendment; and

**WHEREAS**, a notice of said hearing was duly and regularly published in a newspaper of general circulation in the City of Oakland, once a week for four successive weeks prior to the date of said hearing; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by first-class mail to property owners, residents, and businesses in the Central City East Redevelopment Project Area; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Central City East Redevelopment Project Area; and

**WHEREAS**, the Agency has notified the California Department of Housing and Community Development of its intention to merge the Central City East Redevelopment

Project Area with the Oak Knoll Redevelopment Project Area at least 30 days prior to the adoption of this Resolution; and

**WHEREAS**, it is necessary and desirable that the Amendment and the merger be adopted for the reasons set forth in the Report to Council; now, therefore, be it

**RESOLVED**: That the Agency hereby approves and recommends adoption of the Third Amendment to the Central City East Redevelopment Plan merging the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area; and be it further

**RESOLVED**: That the Agency finds that the limited merger of the affordable housing production requirements of the Central City East Project Area with the Oak Knoll Project Area as set forth in the Amendment is necessary and desirable in order to provide needed flexibility to comply with the affordable housing production requirements of the two Project Areas; and be it further

**RESOLVED**: That the Agency further finds that such limited merger will not cause or exacerbate racial, ethnic, or economic segregation in the Central City East Project Area, since it would have no effect on the level of affordable housing production in Central City East; the limited merger would simply allow surplus affordable housing units that are actually developed in Central City East irrespective of the merger to be allocated to Oak Knoll, and would expressly prohibit the development of additional affordable housing in Central City East to meet Oak Knoll's affordable housing production requirements; and be it further

**RESOLVED**: That the Agency Secretary is directed to transmit a copy of this Resolution to the City Council for its consideration in adoption of the Third Amendment; and be it further

**RESOLVED**: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the report accompanying this Resolution, that this action complies with CEQA because the Amendment is exempt from CEQA pursuant to Section 15061(b)(3) (general rule), Section 15301 (alterations to existing facilities), and Section 15378(b)(4) (government fiscal activities) of the CEQA Guidelines; and be it further.

**RESOLVED:** That the Agency further finds and determines on the basis of substantial evidence in the record that none of the circumstances necessitating preparation of additional CEQA review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the Central City East Redevelopment Project or the circumstances under which the Project is undertaken that would require major revisions of the EIR due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects, and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3).

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

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

NOES-

ABSENT-

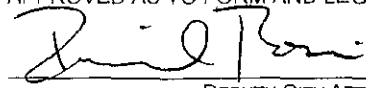
ABSTENTION-

ATTEST: \_\_\_\_\_

LATONDA SIMMONS

Secretary of the Redevelopment Agency  
of the City of Oakland

2006 SEP 20 PM 4:26

  
DEPUTY CITY ATTORNEY

## OAKLAND CITY COUNCIL

ORDINANCE NO. \_\_\_\_\_ C.M.S.

---

**AN ORDINANCE ADOPTING THE THIRD AMENDMENT TO THE CENTRAL CITY EAST REDEVELOPMENT PLAN TO (1) MERGE THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA WITH THE OAK KNOLL REDEVELOPMENT PROJECT AREA FOR FISCAL PURPOSES, AND (2) MERGE THE AFFORDABLE HOUSING PRODUCTION REQUIREMENTS FOR THE TWO PROJECT AREAS SUBJECT TO LIMITATIONS AND CONDITIONS**

**WHEREAS**, the City Council adopted the Redevelopment Plan for the Central City East Redevelopment Project (the "Central City East Redevelopment Plan") on July 29, 2003, pursuant to the California Community Redevelopment Law (California Health and Safety Code Sections 33000, et seq.); and

**WHEREAS**, the City Council adopted the Redevelopment Plan for the Oak Knoll Redevelopment Project (the "Oak Knoll Redevelopment Plan") on July 14, 1998, pursuant to the California Community Redevelopment Law; and

**WHEREAS**, both Plans include affordable housing production requirements as required under Section 33413(b) of the California Health and Safety Code; and

**WHEREAS**, Sections 33485 through 33489 of the California Health and Safety Code authorize a legislative body through plan amendment to merge redevelopment project areas; and

**WHEREAS**, the Redevelopment Agency has submitted to the Council a proposed Third Amendment to the Central City East Redevelopment Plan (the "Third Amendment" or the "Amendment"), attached to this Ordinance as Attachment A, which would (1) merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area for fiscal purposes, and (2) merge the affordable housing production requirements for the two Project Areas, in that the Agency would be authorized to allocate surplus affordable housing units produced in the Central City East Project Area to meet the Oak Knoll affordable housing production requirements under certain conditions and subject to certain limitations; and

**WHEREAS**, the City of Oakland, as the Lead Agency for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"),

prepared and certified an Environmental Impact Report for the Central City East Redevelopment Project (the "EIR") in connection with the adoption of the Central City East Redevelopment Project, in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

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

**WHEREAS**, the City Council has received from the Agency a Report of the Agency on the proposed amendments to the Central City East Redevelopment Plan and Oak Knoll Redevelopment Plan (the "Report to Council") pursuant to Section 33352 of the Community Redevelopment Law, which includes, among other things, a description of the remaining blight in the Central City East and Oak Knoll Project Areas, the projects that are planned to eradicate the remaining blight, and the relationship of the cost of those projects to the amount of increase in the tax increment limit for Oak Knoll; and

**WHEREAS**, the Planning Commission has submitted to the Council its report and recommendations for approval of the Amendment and its certification that the Amendment conforms to the General Plan of the City of Oakland; and

**WHEREAS**, the Council and the Agency held a joint public hearing on October 31, 2006, on adoption of the Amendment; and

**WHEREAS**, a notice of said hearing was duly and regularly published in a newspaper of general circulation in the City of Oakland, once a week for four successive weeks prior to the date of said hearing; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by first-class mail to property owners, residents, and businesses in the Central City East Redevelopment Project Area; and

**WHEREAS**, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Central City East Redevelopment Project Area; and

**WHEREAS**, the Agency has notified the California Department of Housing and Community Development of its intention to merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area at least 30 days prior to the adoption of this Ordinance; and

**WHEREAS**, the Central City East Project Area Committee ("PAC") has reviewed and made recommendations on the proposed Amendment; and

**WHEREAS**, the Council has considered the report and recommendations of the Planning Commission and the PAC, the Report to Council from the Agency on the Amendment and its economic feasibility, as well as the analysis and conclusions in the Report on remaining blight within the Central City East Project Area, and the

environmental analysis, has provided an opportunity for all persons to be heard, and has received and considered all evidence and testimony presented for or against any and all aspects of the Amendment; and

**WHEREAS**, it is necessary and desirable that the Amendment and the merger be adopted for the reasons set forth in the Report to Council accompanying this Ordinance; now, therefore

The Council of the City of Oakland does ordain as follows:

**SECTION 1.** The Third Amendment to the Redevelopment Plan for the Central City East Project attached to this Ordinance as Attachment A is hereby approved and adopted as an amendment to the Redevelopment Plan for the Central City East Redevelopment Project.

**SECTION 2.** The City Council finds that it is necessary and desirable to amend the Redevelopment Plan and merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area for fiscal purposes for the reasons set forth herein and in the Report to Council accompanying this Ordinance. The merger will result in substantial benefit to the public and contribute to the economic revitalization of blighted areas in Oakland through the increased economic vitality of such areas and through increased and improved housing opportunities in such areas. The carrying out of the merger will promote the public peace, health, safety and welfare of the City of Oakland and effectuate the purposes and policies of the Community Redevelopment Law.

**SECTION 3.** The City Council finds that the limited merger of the affordable housing production requirements of the Central City East Project Area with the Oak Knoll Project Area as set forth in the Amendment is necessary and desirable in order to provide needed flexibility to comply with the affordable housing production requirements of the two Project Areas. The City Council further finds that such limited merger will not cause or exacerbate racial, ethnic, or economic segregation in the Central City East Project Area, since it would have no effect on the level of affordable housing production in Central City East; the limited merger would simply allow surplus affordable housing units that are actually developed in Central City East irrespective of the merger to be allocated to Oak Knoll, and would expressly prohibit the development of additional affordable housing in Central City East to meet Oak Knoll's affordable housing production requirements.

**SECTION 4.** The City Council finds that the Amendment conforms to the General Plan of the City of Oakland. This finding is based on the finding of the Planning Commission that the Amendment conforms to the General Plan of the City of Oakland.

**SECTION 5.** The City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information provided in the report accompanying this Ordinance, that this action complies with CEQA because the Amendment is exempt from CEQA pursuant to Section 15061(b)(3) (general rule), Section 15301 (alterations to existing facilities), and Section 15378(b)(4) (government fiscal activities) of the CEQA Guidelines.

**SECTION 6.** The City Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action.

**SECTION 7.** The City Council further finds and determines on the basis of substantial evidence in the record that none of the circumstances necessitating preparation of additional CEQA review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the Central City East Redevelopment Project or the circumstances under which the Project is undertaken that would require major revisions of the EIR due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects, and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3).

**SECTION 8.** The Council is satisfied that all written objections received before or at the noticed public hearing, if any, have been responded to in writing. In addition, written findings have been adopted in response to each written objection of an affected property owner or taxing entity which has been filed with the City Clerk either before or at the noticed public hearing, and all objections are hereby overruled.

**SECTION 9.** If any part of this Ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

**SECTION 10.** This Ordinance shall be in full force and effect immediately upon its passage as provided by Section 216 of the City Charter, if adopted by at least six members of Council, or upon the seventh day after final adoption if adopted by fewer votes.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID,  
AND PRESIDENT DE LA FUENTE

NOES- \_\_\_\_\_

ABSENT- \_\_\_\_\_

ABSTENTION- \_\_\_\_\_

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council  
of the City of Oakland, California



**ORDINANCE ADOPTING THIRD AMENDMENT TO  
THE CENTRAL CITY EAST REDEVELOPMENT PLAN**

**Attachment A**

**THIRD AMENDMENT  
TO THE REDEVELOPMENT PLAN FOR THE  
CENTRAL CITY EAST REDEVELOPMENT PROJECT**

*(attached)*

**THIRD AMENDMENT**  
**TO THE REDEVELOPMENT PLAN FOR THE**  
**CENTRAL CITY EAST REDEVELOPMENT PROJECT**

Adopted by Ordinance No. \_\_\_\_\_ C.M.S.  
effective \_\_\_\_\_, 2006

Prepared by the  
**REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND**

## **THIRD AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE CENTRAL CITY EAST REDEVELOPMENT PROJECT**

### **I. INTRODUCTION**

A Redevelopment Plan for the Central City East Redevelopment Project (the "Central City East Redevelopment Plan") was adopted by the Oakland City Council and the Redevelopment Agency of the City of Oakland on July 29, 2003, pursuant to the California Community Redevelopment Law (California Health and Safety Code Sections 33000, et seq.). A Redevelopment Plan for the Oak Knoll Redevelopment Project (the "Oak Knoll Redevelopment Plan") was adopted by the Oakland City Council and the Redevelopment Agency of the City of Oakland on July 14, 1998.

Sections 33485 through 33489 of the California Health and Safety Code authorize a legislative body through plan amendment to merge redevelopment project areas.

### **II. AMENDMENT**

A. The Central City East Redevelopment Plan is hereby amended to add the following section:

#### **X. [§1000] MERGER**

Upon the effective date of the Ordinance adopting the Third Amendment to this Plan, and provided an ordinance becomes effective that amends the Redevelopment Plan for the Oak Knoll Redevelopment Project to merge the Oak Knoll Redevelopment Project Area with this Project Area, the Central City East Project Area is hereby merged with the Oak Knoll Project Area. The merged project area may be referred to as the "Central City East/Oak Knoll Project Area" or the "Central City East/Oak Knoll Redevelopment Project." Any tax increment funds allocated to the Agency pursuant to Section 502 of the Redevelopment Plan for the Oak Knoll Redevelopment Project that are attributable to the Oak Knoll Project Area as established prior to the Third Amendment to the Oak Knoll Redevelopment Plan may be allocated to the entire Central City East/Oak Knoll Project Area for the purpose of paying the principal of, and interest on, indebtedness incurred by the Agency to finance or refinance, in whole or in part, the Central City East/Oak Knoll Redevelopment Project. Notwithstanding the merger, tax increment funds allocated to the Agency pursuant to Section 502 of this Plan that are attributable to the Central City East Project Area as established prior to the Third Amendment to this Plan, may not be allocated to the Oak Knoll Redevelopment Project.

## Third Amendment to Central City East Redevelopment Plan

Page 3

Notwithstanding the merger, all provisions of this Plan shall continue to govern the Central City East Project Area as established prior to the Third Amendment to this Plan. The Redevelopment Plan for the Oak Knoll Redevelopment Project shall have no application to this Project Area.

B. Section 330 of the Central City East Redevelopment Plan, Project Area Housing Production, is hereby amended to read as follows (additional text is underlined):

2. [§330] Project Area Housing Production

At least 30 percent of all new or substantially rehabilitated dwelling units developed by the Agency in the Project Area shall be available at affordable housing cost to persons and families of low or moderate income, with not less than 50 percent of these units made available at affordable housing cost to very low income households, as required by Section 33413 (in particular, subdivision (b) of that section) of the Community Redevelopment Law. At least 15 percent of all new or substantially rehabilitated dwelling units developed by public or private entities or persons other than the Agency in the Project Area shall be available at affordable housing cost to persons and families of low or moderate income, with not less than 40 percent of these units made available at affordable housing cost to very low income households, as required by Section 33413 (in particular, subdivision (b) of that section) of the Community Redevelopment Law. The requirements of this section shall apply in the aggregate, and not to each individual case of rehabilitation, development, or construction of dwelling units; however, the Agency in its discretion may impose inclusionary housing requirements on particular housing projects developed by public or private entities or persons other than the Agency in the Project Area, as needed in order for the Agency to comply with Section 33413 of the Community Redevelopment Law, this Plan, and the implementation plan adopted for the Project pursuant to Section 33490 of the Community Redevelopment Law.

Notwithstanding the above or anything else in the Plan to the contrary, the affordable housing production requirements as set forth above for the Central City East Project Area are hereby merged with the affordable housing production requirements as set forth in the Oak Knoll Redevelopment Plan, but only in the limited circumstances and subject to the conditions set forth in this paragraph. In general, the Agency shall ensure that the affordable housing production requirements set forth in Section 33413(b) of the Community Redevelopment Law are met separately for the Central City East Project Area and for the Oak Knoll Project Area every 10 years (the "compliance period") as set forth in the Community Redevelopment Law. However, if the number of new or substantially rehabilitated dwelling units actually developed in the Central City East Project Area during a compliance period and made available at an affordable housing cost

### Third Amendment to Central City East Redevelopment Plan

Page 4

to low or moderate income families and/or very low income households exceeds the minimum number required by this Section for such income group, the surplus of affordable housing units may be allocated to the Oak Knoll Project Area for purposes of satisfying the affordable housing production requirements of the Oak Knoll Redevelopment Plan for the same income group. Any such allocation shall be subject to all of the following conditions:

- Any allocation of surplus affordable housing units to Oak Knoll must be approved by the governing body of the Agency by resolution.
- Only surplus affordable housing units developed within Central City East with no relationship to development at Oak Knoll may be allocated to Oak Knoll.
- The Agency must compensate Central City East redevelopment funds from Oak Knoll redevelopment funds for any allocation of surplus affordable housing units to Oak Knoll as set forth below. The amount of compensation for each unit shall be equal to the average Agency per-unit subsidy for developing affordable housing for the applicable income group, with such average calculated based on the average Agency subsidy provided through the Agency's most recent Notice of Funding Availability process or other affordable housing funding process at the time of the allocation. The compensation shall come from non-housing Oak Knoll tax increment funds. The compensation may be in the form of an Agency commitment to compensate Central City East redevelopment funds from present or future Oak Knoll funds. The Agency may also accept contributions from redevelopers in the Oak Knoll Project Area to fund such compensation. In no event may Oak Knoll Low and Moderate Income Housing Funds be used for such purposes. Any such funds shall be used exclusively within the Central City East Project Area.
- No affordable housing shall be constructed within the Central City East Project Area for the purpose of satisfying the affordable housing production requirements of the Oak Knoll Project Area.

C. All other provisions of the Central City East Redevelopment Plan not expressly modified or amended by the terms of this Third Amendment shall remain in full force and effect.




**AN ORDINANCE ADOPTING THE THIRD AMENDMENT TO THE CENTRAL CITY EAST REDEVELOPMENT PLAN TO (1) MERGE THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA WITH THE OAK KNOLL REDEVELOPMENT PROJECT AREA FOR FISCAL PURPOSES, AND (2) MERGE THE AFFORDABLE HOUSING PRODUCTION REQUIREMENTS FOR THE TWO PROJECT AREAS SUBJECT TO LIMITATIONS AND CONDITIONS**

## **NOTICE AND DIGEST**

This ordinance amends the Central City East Redevelopment Plan to merge the Central City East Redevelopment Project Area with the Oak Knoll Redevelopment Project Area for fiscal purposes and for affordable housing production requirement purposes pursuant to the California Community Redevelopment Law, and makes certain findings in support of such amendment.

2006 SEP 28 PM 3: 34

APPROVED AS TO FORM AND LEGALITY:

  
AGENCY COUNSEL

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. \_\_\_\_\_ C.M.S.

---

### A RESOLUTION ADOPTING THE 2006-07 to 2010-11 IMPLEMENTATION PLAN FOR THE OAK KNOLL 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 adopted a five-year Implementation Plan for the Oak Knoll Redevelopment Project for 1998-2003; but since the former Naval Medical Center property was retained by the Department of the Navy and not transferred until March 2006, and the Oak Knoll Redevelopment Plan could not be implemented, the Implementation Plan was not updated until now; and

WHEREAS, the Oak Knoll property has been conveyed by the Department of the Navy and redevelopment activity is now proposed for the 183-acre project area; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a proposed Implementation Plan for the Oak Knoll Redevelopment Project for fiscal years 2006-07 to 2010-11; 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 Oak Knoll 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; and

WHEREAS, the proposed Implementation Plan assumes that the merger of the Central City East and the Oak Knoll Redevelopment Projects for fiscal and

affordable housing production purposes, now pending before the Agency and City Council, will be adopted; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2006-07 to 2010-11 Implementation Plan for the Oak Knoll Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That if the pending merger amendments to the Oak Knoll Redevelopment Plan and the Central City East Redevelopment Plan are not adopted, the Agency Administrator shall prepare and submit a revised Implementation Plan to the Agency; 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, \_\_\_\_\_, 2006

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNINGHAN, NADEL, QUAN, REID, AND  
CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

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



**A RESOLUTION ADOPTING THE 2006-07 to 2010-11  
IMPLEMENTATION PLAN FOR THE OAK KNOLL  
REDEVELOPMENT PROJECT**

**ATTACHMENT A**

**2006-07 – 2010-11 IMPLEMENTATION PLAN FOR THE OAK KNOLL  
REDEVELOPMENT PROJECT**

*(attached)*



**2006-07 Through 2010-11**

**IMPLEMENTATION PLAN  
FOR THE  
OAK KNOLL  
REDEVELOPMENT PROJECT**

**PREPARED FOR THE  
REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND**

**September 2006**

# IMPLEMENTATION PLAN FOR THE OAK KNOLL REDEVELOPMENT PROJECT

## I. INTRODUCTION

The following is the five-year Implementation Plan for the Oak Knoll Redevelopment Project Area. The Implementation Plan period extends from fiscal years 2006-07 through 2010-11. The Implementation Plan was prepared by the Agency in compliance with Article 16.5 of the CRL.

This Implementation Plan is composed of two separate components: a Redevelopment Component and a Housing Component. The Redevelopment Component revisits the proposed goals and objectives of the Redevelopment Plan; defines the Agency's strategy to achieve these goals and objectives; presents the projects, programs and expenditures (other than those relating to low and moderate income housing) that have been developed as a means to achieve the goals and objectives; and describes how the goals and objectives, projects, programs and expenditures will eliminate blight within the Project Area. Article 16.5 also requires that an Implementation Plan explain how the components of the Implementation Plan will implement various CRL requirements regarding low and moderate income housing. Generally, the goals, activities, and expenditures included in the Redevelopment Component do not implement the housing requirements of the CRL. The activities that do implement these requirements are contained in the Housing Component. The Housing Component shows how the Agency will meet the statutory requirements for the set-aside and expenditure of tax increment for housing purposes.

This Implementation Plan is a policy statement rather than an unalterable course of action. It has been prepared to set priorities for redevelopment activities within the Project Area for the five-year period covered by this Plan. The Implementation Plan incorporates currently known financial constraints of the Agency in developing a program of activities to accomplish revitalization efforts for the Oak Knoll Redevelopment Project Area. However, new issues and opportunities may be encountered during the course of administering the Redevelopment Plan for the Project Area. Therefore, this Implementation Plan may be amended, if necessary, to effectuate its purposes.

The purpose of this Implementation Plan is to provide a clear and reasonable statement of the Agency's near-term intent regarding activities in the Project Area and to establish a nexus between Agency goals and objectives, program activities and the purpose of redevelopment, which is to eliminate blight and to develop and preserve affordable housing.

This Implementation Plan is for the period of Fiscal Years 2006-07 to 2010-11 and is based on the current status of the Oak Knoll property which is very different than when the 1998-2003 Implementation Plan was adopted. At that time, the Implementation Plan was based on the Final Base Reuse Plan, which was the guiding document for the reuse of the former military property. Several factors have required that the Agency amend the Oak Knoll Redevelopment Plan, by separate action, and update the Oak Knoll Implementation to reference the consistency of the Redevelopment Program with the General Plan versus the Reuse Plan which is no longer applicable since the base conversion process has been completed. Redevelopment law also requires that a redevelopment plan include a list of public improvements that could be funded by redevelopment funds. The existing list attached to the current Oak Knoll plan limits the Agency's ability to fund public improvements in the area and must be updated. The proposed new list will allow the Agency to fund a wider range of public improvements, and is consistent with the list of public improvements in other redevelopment plans recently adopted in Oakland. The proposed list does not commit the Agency to fund any particular public improvement projects.

## **II. REDEVELOPMENT (NON-HOUSING) COMPONENT**

### **A. PROJECT SETTING AND REUSE PLAN**

#### **1. Project Area Setting**

The Oak Knoll Redevelopment Project Area boundaries were selected to include all Federal lands subject to closure as part of the former Naval Medical Center Oakland ("NMCO"). The former NMCO lies in the southeastern portion of Oakland, east of the McArthur Freeway, (U.S. Interstate 580) between the Keller Avenue and Golf Links Road exits, approximately eight miles from downtown Oakland (). The Project Area consists of approximately 183 acres, of which approximately 135 acres are developed, maintained or landscaped, and includes buildings, roads, parking lots, and recreation facilities. Steep slopes characterize much of the site and many buildings are built in areas where the natural topography ranges from 10 percent to 30 percent slopes. The area surrounding the Project Area contains mostly single-family homes, condominiums and apartments with limited retail services along Mountain Boulevard and in the Ridgmont Plaza strip center.



## 2. Base Closure & Reuse Plan

On September 30, 1993, the 183-acre Navel Medical Center Oakland facility was recommended to be closed pursuant to the Defense Base Closure and Realignment ("BRAC") Act of 1990, (Public Law 101-510) Title XXXIX, and confirmed by Congress for closure in October 1993. NMCO had been in military ownership and use since 1942, providing medical services to military and civilian families until its closure on September 30, 1996.

The federal base conversion process requires that the local community prepare a Reuse Plan for the eventual civilian reuse of the military property. Through the Oakland Base Reuse Authority, the recognized local reuse authority, an extensive community outreach and input program was sponsored. The Final Reuse Plan (FRP), a required federal document, was approved by the Housing and Urban Development Department (HUD) and the Department of Defense (DOD) on September 10, 1997. The FRP identified four basic land uses for the NMCO. These include open space at the northeastern and western edges, a nine-hole golf course and single-family residential development (318 units) in the central portion and a driving range and other recreational components in the southern end. A mixed-use area containing multi-family development and several existing structures to be reused by non-profit/public benefit organizations were to be located between the open space at the western edge and the residential/golf course area. This area was also to contain private commercial office and possibly retail uses.

The Oak Knoll Redevelopment Project was adopted by the City Council on July 14, 1998, by Ordinance Number 12065 C.M.S. pursuant to special provisions of the California Community Redevelopment Law for military base closures (see Sections 33492 through 33492.20 of the Health and Safety Code). The site met the Blight requirements of CRL because of the unsafe aged buildings, inadequate or deteriorated infrastructure, incompatible and uneconomic land uses, non compliance of land and buildings that did not meet local building, plumbing, mechanical or electrical code standards. Additionally the land is not subdivided according to local regulations. These conditions were confirmed as a serious physical, social and economic burden on the City. It was determined that private enterprise could not act alone and that governmental action may necessary to correct the blighting conditions.

Also during this time, the City of Oakland adopted its updated General Plan and as a result, the General Plan superseded the Reuse Plan as of 1998.

Due to budget constraints and the potential costs associated with environment clean up and site clearance of the former military base, the Agency did not accept a transfer of

ownership from the Navy to the Agency through OBRA and no development or redevelopment has occurred on the former Base since Redevelopment Plan adoption in 1998. Instead, the Navy retained ownership of the former Base property and sold 167 acres of land directly to a private developer in a public auction in November 2005. The 167-acres were transferred to the new private owner in March 2006.

The Agency anticipates that the developer for the 167 acres will propose some changes to the proportion of square footage and/or land uses within the Project Area to make development economically feasible, given that it has been nine years (since September 1997) since the Reuse Plan was adopted. The Agency will work with the developer and other city agencies as necessary to ensure that the development that occurs is consistent with the goals and intent of the adopted General Plan, which will serve as the guiding document for the redevelopment of the property.

## **B. SUMMARY OF BLIGHTING CONDITIONS**

In February of 1942, the Secretary of the Navy purchased part of what was then the Oak Knoll Golf and County Club. By early spring of that year, the Navy had built its first buildings on the site, which included 25 redwood barracks-type buildings. The hospital was commissioned July 1, 1942. It had six ward buildings and 204 beds. By 1945, the hospital was caring for more than 6,000 patients and had a military and civilian staff of approximately 3,000. The Navy broke ground for a permanent hospital on December 7, 1965, which was completed in 1968. Until Base closure, the hospital facilities continued to function as an active medical center.

In addition to the hospital facilities, there is the original club house that was constructed prior to the Navy's purchase, recreation facilities and housing. There are four housing areas: one at the top of the hill in the eastern part of the site; one just east of the recreation fields in the southwest part of the site, one south of the hospital, and the fourth in the northwest corner of the site. There are single-family detached houses as well as multi-family and dormitory housing. The Base recreation facilities are generally located in the southwest corner of the site. Recreation facilities include lighted playing fields, tennis courts, basketball courts, a sheltered picnic area, a gymnasium, a bowling alley, and an indoor swimming pool. In total, there are approximately 89 structures and/or facilities on the site.

Most of the site's buildings were built before 1949 for war-related uses. Their state of disrepair varies widely. Because of their age and the Navy's lower design and construction standards, many possess seismic and code-related life-safety deficiencies as well as outdated physical work environments. None of the existing buildings, including the hospital, meet seismic safety standards. Repairs to the hospital alone to bring the structure into conformance with seismic safety standards were estimated as of 1996 to total \$30 million. At least 90 percent of the buildings were identified to have asbestos siding and all had some lead paint. As identified in the Report to the City Council prepared for the plan adoption, 61 percent the buildings were identified as deteriorated or dilapidated, 82 percent of the buildings contained characteristics of

defective design or physical construction, 41 percent were reported by the Navy to contain asbestos, and 27 percent of the buildings surveyed by the Navy required seismic upgrades before reuse.

Exacerbating these building and site conditions, the property has sat vacant since its 1996 closure and as a result, the blighting conditions and unsafe conditions have elevated. Since 1996, minimal on-site maintenance and security was provided; therefore, conditions have deteriorated.

### **C. GOALS AND OBJECTIVES**

The following are the goals and objectives as described in the 1998 Oak Knoll Redevelopment Plan:

- a. The mitigation of the economic and social degradation that is faced by the community due to the closure of the Naval Medical Center by the federal Base Closure Commission, in accordance with the legislative intent expressed in Section 33492 of the Health and Safety Code.
- b. Implementation of the Reuse Plan as finally adopted ("Final Reuse Plan").
- c. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work; obsolete, aged, dilapidated and deteriorated building types; substandard, faulty, inadequate or deteriorated infrastructure and utility lines; buildings that are too large or too small for modern use; inadequate parking facilities; incompatible and uneconomic land uses; non-compliance of land and buildings that do not meet current building, plumbing, mechanical or electrical code standards.
- 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 establishment of appropriate retail and/or other commercial functions in the Project Area as determined to be feasible.
- g. The strengthening of the economic base of the community through the construction and installation of needed site improvements to stimulate new residential, commercial, and recreational uses.
- h. The provision of adequate land for parking and open spaces.



- i. The establishment and implementation of performance criteria to assure high site design standards, environmental quality, and other design elements which provide unity and integrity between designated land uses within the Project Area.
- j. To provide for the expansion, improvement and preservation of the community's supply of housing available to low and moderate income persons and families within or outside the Project Area.

By separate action, the Redevelopment Agency is expected to adopt the following specific amendments to the Oak Knoll Redevelopment Plan:

- Increase in the tax increment limit from \$87 million to \$1.5 billion;
- Increase in the bonded indebtedness limit from \$21.5 million to \$400 million;
- Update the Oak Knoll Land Use Map to conform to the General Plan
- Expand the list of authorized public improvements for Oak Knoll
- 7. Change Text References in the Oak Knoll Plan to the "Reuse Plan" to the "General Plan," and Make other Text Changes.

This proposed Implementation Plan is consistent with the proposed Redevelopment Plan amendments. The programs and projects proposed in this Implementation Plan are intended to facilitate the achievement of the Goals and Objectives listed above and as revised by the Redevelopment Agency. The Agency proposes to focus its activities in the near-term on eliminating physical and economic blight conditions through the construction of public improvements and utilities, and assisting the private sector in demolition and removal of blighted buildings and improvements.

#### **D. SPECIFIC PROJECTS AND PROGRAMS AND RELATIONSHIP TO BLIGHT ELIMINATION**

The focus of the 2006-07 to 2010-11 Implementation Plan will be to assist in alleviating the blighting conditions in the Project Area and benefit the residents and businesses in the Project Area and adjacent communities. Five categories of programs have been developed with considerable community input, by the surrounding community. These categories were identified as important public improvements that would benefit the community surrounding the Project Area as well as the general Oakland community. These specific projects proposed for the five-year period are described below. The relationship between the goals and objectives, project and program and blight elimination is provided in

Table 1.

1. *Retail and Commercial Tenant Recruitment*

This program includes low interest or zero-interest participatory loans and grants to property owners and tenants to support and encourage the rehabilitation of deteriorated and obsolete structures. The Oak Knoll Project Area and the surrounding community seriously lack local serving commercial services. This program can assist in attracting a wider range of retail and commercial uses and assist the limited existing community businesses in the general area with needed capital to expand, replace equipment or modernize to serve a greater number of current and future residents.

2. *Historic Preservation*

This program will support the preservation and reuse of historic resources to the benefit of residents in the Project Area and the surrounding community. This program will include funds for the elimination of seismic and fire/life safety hazards, and rehabilitation and reuse of historic buildings for viable beneficial uses. One of the historic properties that will benefit from the availability of this program will be the Club Knoll building. Club Knoll is a 1928 community facility that has not been maintained and is in a state of disrepair. If restored, the facility can be utilized for a significant number of community activities.

3. *Community and Recreational Facilities*

This program will allow the development of new, converted or rehabilitated facilities such as parks, community centers, open space, and cultural facilities. This program will be similar to Community Facilities Program for the Central City East Project Area. Projects contemplated under this program will include extensive creek system restoration, restoring significant amounts of open space, enhancing more active recreational uses by the development of modern public recreation and youth sports facilities extensive public trails and parks, and the acquisition of additional open space. Rifle Range Creek which traverses the entire Project Area was significantly altered by the Navy development with portions placed in underground culverts and roadways built across the creek. In order to preserve and enhance the public opportunities to enjoy the natural attributes of the property, significant restoration work will be required. The site also presently contains over 50 acres of undeveloped open space because of the hilly terrain. Redevelopment assistance is required to assist in maximizing the possibilities of dedicated public recreational and open space opportunities.

4. *Infrastructure Improvement*

This program includes a variety of public works projects such as replacement and upgrading of utilities, traffic improvements, parking facilities, storm drainage and sanitary sewer improvements and upgrades, and flood control improvements. The program may also include street improvements (construction of streets, curbs, sidewalks, and gutters); streetscape improvements (street trees and landscaping, and street furniture (benches, trash receptacles); traffic measures (visual and safety improvements); and street lighting. Specific projects identified include traffic measures, and construction of utilities, roads, and other infrastructure. A major component of the Oak Knoll project area redevelopment will be significant building demolition, removal and replacement of the majority of the infrastructure and the development of a circulation system to serve any new development and address the surrounding traffic improvement requirements.

5. *Security Enhancements*

This program provides additional funding for security patrols along commercial corridors and in surrounding vacant areas to increase security and safety. Provide a safe residential environment to encourage community interaction, outdoor enjoyment, and alternative modes of transportation. While the Oak Knoll Project Area is located in an urbanized area of Oakland, significant amounts of the Project Area is surrounded by dense vegetation and open space, as well as older commercial areas leading to the Project Area have significant crime issues.

**Table 1: Relationship Between Goals & Objectives, Programs, and Blight Elimination**

Agency Goals	Agency Programs to Attain Goals and Eliminate Blight	Blighting Conditions						
		Unsafe/Unhealthy Blotgs.	Factors That Prevent/Substantially Hinder Economically Viable Use or Capacity of Buildings or Areas	Adjacent or Nearby Incompatible Uses	Buildings On Land That... Will Not Comply w/ Community ... Regulations	Properties served by Infrastructure That Does Not Meet Existing Adopted Utility or Community ... Standards	Buildings, That When Built, Did Not Conform to the Then Effective ... Codes adopted by the Community, ...	Land That Contains Materials or Facilities ... That Will Have to be Removed to Allow Development
Mitigation of the economic and social degradation faced by the community due to the closure of the NMC.	Retail/Com'l Tenant Recruitment Infrastructure Improvement Security Enhancements	X	X	X	X	X	X	X
Implementation of the Reuse Plan	Housing Programs Retail/Com'l Tenant Recruitment Historic Preservation Community/Recreational Facilities Infrastructure Improvement Security Enhancements	X	X	X	X	X	X	X
Elimination of blighting influences and correction of environmental deficiencies in the Project Area	Housing Programs Retail/Com'l Tenant Recruitment Historic Preservation Community/Recreational Facilities Infrastructure Improvement Security Enhancements	X	X	X	X	X	X	X
Subdivision of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation	Housing Programs Retail/Commercial Tenant Recruitment Infrastructure Improvement		X	X	X	X	X	X
Re-planning, redesign, and development of underutilized portions of the Project Area	Retail/Com'l Tenant Recruitment Historic Preservation Community/Recreational Facilities Infrastructure Improvement	X	X	X	X	X	X	X
Establishment of appropriate retail and/or other commercial functions as determined to be feasible	Retail/Com'l Tenant Recruitment Infrastructure Improvement Security Enhancements	X	X	X	X	X	X	X
Strengthening of the community economic base through the installation of site improvements to stimulate new residential, commercial and recreational uses	Infrastructure Improvement	X	X	X	X	X	X	X
Provision of adequate land for parking and open space	Community/ Recreational Facilities Infrastructure Improvement		X		X	X	X	X
Establishment and implementation of performance criteria for high design standard, environmental quality, and other design elements	Housing Programs Retail/Com'l Tenant Recruitment Historic Preservation Community/Recreational Facilities Infrastructure Improvement	X	X	X	X	X	X	X
Provide for expansion, improvement and preservation of affordable housing within and outside of the Project Area	Housing Programs Community/ Recreational Facilities Infrastructure Improvement	X	X	X	X	X	X	X

**E. EXPENDITURES DURING THE FIVE YEAR TERM OF THE IMPLEMENTATION PLAN**

The Oak Knoll Redevelopment Plan provides the Agency with the authority to finance the Project with financial assistance from any or all of the following sources: (1) City of Oakland; (2) State of California; (3) federal government; (4) tax increment funds in accordance with provisions of the existing CRL; (5) Agency bonds; (6) interest income; (7) loans from private financial institutions; (8) lease or sale of Agency-owned property; (9) donations; and (10) any other legally available public or private sources. For purposes of this Implementation Plan, the identified redevelopment programs are assumed to be funded solely from future tax increment revenues anticipated from the Project Area.

At this time, the Agency is assuming it will fund redevelopment activities with a combination of increment and bonding during the five-year period of this Implementation Plan. The CRL provides authority to the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intents of a redevelopment plan, and this method of financing is assumed in 2010-11. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other project costs.

Tax increment revenues and a \$28 million bond in year 2010-11 are the projected funding sources assumed to be available to fund the proposed redevelopment programs, administrative costs and loan repayments discussed herein. Summarized on Table 2 below are the tax increment dollars that are expected to be generated during the five years of the Implementation Plan.

**Table 2: Anticipated Tax Increment**

<u>Plan Year</u>		<u>Gross Tax Increment</u>	<u>Housing Set Aside</u>	<u>Tax Sharing</u>	<u>Net Tax Increment*</u>
1.	2006-07	\$1,188	\$297	-	891
2.	2007-08	\$,212	\$303	\$5	\$904
3.	2008-09	\$2,296	\$574	\$222	\$1,500
4.	2009-10	\$3,882	\$970	\$539	\$2,373
5.	2010-11	\$5,524	\$1,381	\$867	\$3,276
	Bond in Year 5				\$28,000
	<b>Total</b>	<b>\$ 14,102</b>	<b>\$3,525</b>	<b>\$1,633</b>	<b>\$36,944</b>

\*Net of administrative costs.

The Agency will utilize the projected \$36.9 million in non-housing tax increment for projects and improvements in and adjacent to the Project Area during the 5-Year Implementation Plan period and to purchase any needed surplus housing tax credits from the Central City East Plan Area. As indicated above, the Agency's affordable housing division administers the affordable housing set-aside for all redevelopment projects.

The expenditures planned for the five year period are shown on Table 3.

**Table 3: Projected Expenditures 2006/07 – 2010/11**

Project/Program	<u>Total Cost</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Creek Restoration and trails	4200	100	0	100	100	4,000
Retail Commercial Recruitment	1,000	0	0	0		1,000
Open Space Acquisition	850	0	0	0	850	0
Historic Restoration – Club Knoll	6,000	0	0	0	0	6,000
Traffic Measures	5,000	0	0	0		5,000
Enhanced Security	850	100	100	150	200	300
Convert Meadows to Recreation Facility	4,000	0	0	0	0	4,000
Infrastructure – Utilities, Roads, Other	2,000	0	204	0	0	1,796
Purchase of CCE Affordable Housing Credits	11,000	500	500	1,000	1,000	8,000
<b>Grand Totals</b>	<b>36,900</b>	<b>700</b>	<b>804</b>	<b>1,150</b>	<b>2,150</b>	<b>32,096</b>

### III. HOUSING COMPONENT

#### A. INTRODUCTION

This section of the Implementation Plan addresses the Agency's affordable housing production and expenditures. It has been prepared to meet the requirements of California Community Redevelopment Law (CRL) and to guide the Agency in its housing related activities over the next 10 years. Specifically, this section addresses the following sections of the California Health and Safety Code:

- Low and moderate income housing production requirements (Section 33413)
- Replacement housing requirements (Section 33413)
- Twenty percent (20%) housing fund requirements (Section 33334.2)
- Housing fund expenditure targeting requirements (Section 33334.4)

In 1991, the California State Legislature adopted Assembly Bill 315 (AB 315), which added Subsection 33413(b)(4) to the State Health and Safety Code. AB 315 requires each redevelopment agency to adopt a plan demonstrating how the Agency will comply with the affordable housing production requirements of the Code (the "Housing Production Plan"). The Housing Production Plan is often referred to as an AB 315 Plan.

In 1993, the Legislature adopted Assembly Bill 1290 (AB 1290), a comprehensive redevelopment reform bill. One of the key provisions is the requirement that each agency prepare and adopt an overall Implementation Plan. The Implementation Plan incorporates the AB 315 requirements for the housing portion of redevelopment activities and establishes a time frame and process for the Plan as a whole. AB 1290 also specifies additional requirements with respect to housing production compliance and expenditures of the Agency's Low- and Moderate-Income Housing Fund monies. As with existing law, AB 1290 also requires that the Plan be consistent with the City's Housing Element, which has its own time line for adoption and amendment.

In 2002, two new pieces of legislation, Assembly Bill 637 (AB 637) and Senate Bill 211 (SB 211) were added to the Community Redevelopment Law. AB 637 changes, among other matters, the Agency's affordable housing production, replacement housing, and Low- and Moderate-Income Housing Fund requirements. SB 211 establishes a simplified procedure to eliminate debt incurrence time limits for pre-1994 plans, allows amendments to redevelopment plans to extend plan effectiveness/tax increment receipt deadlines for pre-1994 plans, and requires that certain affordable housing obligations be met by the end of the redevelopment plans. Due to several inconsistencies created by these two pieces of new legislation in the Community



Redevelopment Law, a third piece, Senate Bill 701 (SB 701), was adopted in 2003 to “clean up” and clarify much of the confusion created by AB 637 and SB 211, and to make some additional changes to the Community Redevelopment Law.

This section, therefore, is the Agency’s Housing Production Plan for the Oak Knoll Project Area, and the Affordable Housing Component of the Implementation Plan. It is updated with the changes required by AB 637, SB 211 and SB 701. Pursuant to AB 315 and as amended by SB 637, the Agency is required to meet its housing production requirements during each specific 10-year period (from 2006/07 to 2015/16). Housing Fund targeting requirements must be completed within the same 10-year period.

The Agency must adopt an Implementation Plan with the Affordable Housing Component for 2006/07-2010/11. The Community Redevelopment Law (CRL) requires that the Implementation Plan be reviewed in a public hearing, and amended if necessary, between two and three years after adoption. A new Implementation Plan is required to be prepared and adopted every five years.

## **B. AFFORDABLE HOUSING PRODUCTION COMPLIANCE STATUS**

### **1. Housing Production Requirement**

The Housing Production requirements provided in Section 33413 of the California Health and Safety Code are only applicable to redevelopment project areas adopted or amended with added area after January 1, 1976, which is the case for the Oak Knoll Project Area, which was adopted in 1998.

It is proposed that the merger of the Oak Knoll and Central City East (CCE) Project Areas will occur concurrently with adoption of this new Implementation plan for Oak Knoll. Production requirements and compliance have therefore been evaluated on the basis of the entire Merged Project Area. An update to the CCE implementation Plan (“*Second Amended and Restated Central City East Implementation Plan*”) was recently approved on March 21, 2006 and is the source of information with respect to housing production in the Central City East area. The Central City East Project Area was adopted on July 29, 2003.

CRL requires that defined percentages of newly constructed and significantly rehabilitated housing within the Project Area be restricted to Low- and Moderate-Income households at an affordable housing cost. At least 15 percent of all new or substantially rehabilitated units in the Project Area that are not developed/significantly rehabilitated by the Agency must be affordable to and occupied by Low- and Moderate-Income households. Of the 15 percent requirement, 40 percent must be restricted to Very Low-Income households. These are the “Non-Agency Units Production Requirements”.

For units that are either directly developed or significantly rehabilitated by the Agency, at least 30 percent of these units must be restricted to Low- and Moderate-Income households, and not less than 50 percent of the requisite affordable units shall be available at affordable housing cost to and occupied by Very Low-Income households. This 30 percent inclusionary requirement applies to all units built or substantially rehabilitated by the Agency, regardless of the location of the units.

“Substantially rehabilitated” means rehabilitation in which the value of the rehabilitation constitutes 25 percent of the after-rehabilitation value of the dwelling unit(s). Originally, under AB 1290, the rehabilitated units to be included in this calculation consisted of all one- and two-unit complexes that have undergone substantial rehabilitation with Agency assistance, and all multi-family rented dwelling units with three or more units that are substantially rehabilitated, regardless of the funding source. As amended by SB 701 and AB 637, however, as of January 1, 2002, the multi-family units to be counted must be substantially rehabilitated and have received Agency assistance.

The definitions of Very Low-Income, Low-Income, and Moderate-Income are established by the U.S. Department of Housing and Urban Development, based on the area median income of a geographic area of the state, normally the county. Generally, Very Low-Income means persons and families whose incomes do not exceed the qualifying limits for Very Low-Income families as established pursuant to Section 8 of the United States Housing Act of 1936 (in most instances 50 percent of the area median income or below, as adjusted for family size). Low- to Moderate-Income means persons and families whose income does not exceed 120 percent of the area median income, adjusted for family size. Income levels meeting these definitions vary by household size. “Affordable housing cost” is defined in Sections 50052.5 and 50053 of the Health and Safety Code, and can vary depending on whether the housing is rental or owner-occupied.

In order for units to count toward meeting the Agency’s Housing Production Requirements, sale prices or rent for units must be restricted by Agency-imposed covenants or restrictions recorded against the units. These covenants and restrictions must remain in effect for the “longest feasible time,” but in any event not less than specified minimum time periods. AB 637 imposes new minimum duration periods of 55 years for rental units and 45 years for owner-occupied units. These minimum periods are required for affordable covenants recorded after January 1, 2002. For units constructed prior to January 1, 2002, the minimum period for affordability covenants is the remaining life of the redevelopment plan, but not less than 15 years for rental and 10 years for owner-occupied units.

## 2. Housing Counted Toward Meeting the Housing Production Requirement

Pursuant to CRL, units to be counted towards meeting the Housing Production Requirement include the following:

- a. New construction and substantially rehabilitated units located within the Project Area, with requisite recorded affordability covenants;
- b. Existing multi-family units on which affordability covenants have been purchased with Agency assistance so that the units will remain affordable for the requisite period. At least 50 percent or more of these purchased affordability covenants must be for Very Low-Income households. Units acquired through covenant purchase cannot constitute more than 50 percent of the units included to meet the Housing Production Requirement; and
- c. Covenanted units located outside the Project Area but within the City of Oakland, provided that only one unit for every two produced outside the Project Area may be counted towards the Housing Production Requirement.

Deed-restricted ownership units that have been sold and the affordability covenants released prior to the expiration of the requisite affordability period cannot be included in the Agency's compliant unit count, unless the housing funds are recaptured and used to assist another unit at the same income level within three years of sale and appropriate affordability covenants are placed on the new unit.

## 3. Oak Knoll Housing Production Requirements - Oak Knoll and Central City East Redevelopment Area Merger

Under the Merger of the Oak Knoll and Central City East Redevelopment Project Areas, it is proposed that some of the affordable housing production requirements for the two areas be merged under limited circumstances. Through extensive discussions, the interested parties have developed a proposal that will meet the affordable housing requirements for the Oak Knoll Project, assist the Central City East PAC in funding a less restrictive home ownership program and other programs in their Project Area and provide considerably more funding to the City-wide Low and Moderate Income Housing Fund through a greater allocation of the Oak Knoll housing funds (25% of tax increments) to the City-wide housing fund. If the housing production requirements of the two plans are merged, CCE could allocate or "sell" Oak Knoll the right to count a portion of any Central City East Project Area surplus affordable housing units to satisfy the Oak Knoll requirements. If credit for these affordable units were to be "sold" to the Oak Knoll plan area, then the Central City East plan area could receive a payment for the value of these units for expenditure with the Central City East plan area. The payment would not be linked to affordable housing and could be used by Central City East for any

redevelopment project, including a first-time buyers program or rental rehabilitation with fewer restrictions than if funded using Low and Moderate Income Housing money.

In order to allow CCE to benefit from the “sale” of surplus affordable housing, the two redevelopment plans need to be amended to merge affordable housing production requirements. Such a merger is proposed, with conditions that require 1) payment to CCE for use of surplus affordable housing credits and 2) provide that no affordable housing would be built in CCE to satisfy Oak Knoll requirements, thereby providing CCE with financial benefit and a protection against construction of more affordable housing to satisfy needs outside of its plan area. Any allocation of surplus housing units from CCE to Oak Knoll would have to be specifically approved by Agency resolution after first being brought to the CCE PAC for a recommendation.

If excess Central City East affordable units are allocated to Oak Knoll, the Agency must compensate Central City East redevelopment funds from Oak Knoll redevelopment funds for any allocation of surplus affordable housing units to Oak Knoll. The amount of compensation per allocated unit is negotiable but would likely be based on the average Agency per-unit subsidy for developing affordable housing based on the average Agency subsidy provided through the Agency’s most recent Notice of Funding Availability process or other affordable housing funding process at the time of the allocation, i.e. the subsidy replacement costs for affordable units. In the last Notice, the average Agency subsidy was \$160,000 per unit. The amendment requires that the compensation must come from non-housing Oak Knoll tax increment funds. The Agency may also accept contributions from redevelopers in the Oak Knoll Project Area to fund such compensation. Any such funds must be used exclusively within the Central City East Project Area.

The limited merger of the affordable housing production requirements will benefit both Project Areas by ensuring that the affordable housing production requirements are met; homeownership programs for the Central City East Redevelopment Area are expanded; and the production of more affordable housing units are provided citywide, since more of the Oak Knoll required housing funds will continue to go to the citywide pool.

Table 4 summarizes housing production activity within the Central City East and the Oak Knoll project areas during the initial implementation period. A detailed account of housing development is provided in Appendices A -1 and A – 2, and of substantial rehabilitations in Appendix B -1. All of the housing activity that has occurred to date has been within Central City East. The Oak Knoll property just recently transferred from the Navy to a private developer, so no new housing has been developed on the former base.

As shown on Table 4, a total of 285 Non-Agency units were built or significantly rehabilitated in Central City East from plan adoption in 2003/04 to 2005/06. Under the Housing Production

Requirements, long-term affordability covenants must be recorded on at least 43 units (15% of the total), of which 17 units (6%) must be affordable to Very- Low Income households. Of the 285 new or significantly rehabilitated units produced in the Central City East Project Area through 2005/06, 214 have the requisite Low to Moderate-Income affordability requirements and 117 units are covenanted for Very Low-Income households. This results in a surplus of 100 Very-Low Income units and 71 Low-Moderate Income units relative to the minimum requirements of California Redevelopment Law (CRL).

The Agency did not directly develop any new units during this period.

**Table 4: Current Housing Production Compliance Status**

Project Area Housing Production To 2006

• Total Units Completed		285 Units
• New Units Built including Affordable	230 Units	
• Units Substantially Rehabilitated	55 Units	

Project Area Affordable Housing Requirements to 2006

• Total Units Constructed or Rehabilitated (15%)		43 Units
• Very-Low Income Units Required (6%)	17 Units	
• Low-Moderate Income Units Required (9%)	26 Units	

Project Area Affordable Housing Production To 2006

• Total Affordable Units Completed		214 Units
• Very-Low Income Units Completed	117 Units	
• Low-Moderate Income Units Completed	97 Units	

Affordable Housing Surplus (Deficit)

• Total Units Surplus		171 Units
• Very-Low Income Units	100 Units	
• Low-Moderate Income Units Required	71Units	

4. Plan for Achieving Housing Production Requirements by 2015/2016

The CRL, as clarified in AB 1290, requires that agencies meet their affordability production requirements within 10 years. The Housing Production Plan and the AB 1290 Implementation Plan require agencies to delineate what they intend to do over each of the next five-year periods and generally over the 10-year period. The steps that the Agency will take to meet its Housing Production Requirements are described below.

One component of the Housing Production Plan is documentation of the specific projects and actions that will be undertaken to generate the required number of affordable units over the next 10-year period, as described below and in Section D: Housing Fund

Revenues and Expenditures. A second component of the Housing Production Plan is general policies and procedures that the City and Agency plan to pursue to increase and encourage the production of affordable housing in the Project Area over the next 10 years. General policies and procedures are described in terms of Oakland's Housing Element, in the last section of the Housing Production Plan.

Production of affordable housing over the next 10 years is estimated at 261 Very-Low Income units of a total of 425 Very-Low to Moderate-Income deed restricted units within the Oak Knoll / Central City East Merged Project Area. This includes 141 Very Low-income and 141 Low income deed restricted units in the Oak to Ninth Street project. In addition, five other affordable projects are anticipated to be constructed by non-profit developers with City and/or Agency assistance within Central City East. (See Appendix Tables A-1 and B-1). These projects are estimated to include a total of 120 Very-Low Income of a total of 143 Very-Low to Moderate Income units.

5. Anticipated Ten-Year Affordable Housing Production Compliance Status

a. Privately Built Units

The Agency expects 3,158 new housing units and 54 substantially rehabilitated units to be built in the Oak Knoll / Central City East Merged Project Area over the next 10 years. The majority of these units will be constructed as part of the Oak to Ninth Street (2,108 units) or Oak Knoll Projects (500-900 units). With the remainder anticipated to be produced through a combination of new projects and scattered infill.

The affordable housing production requirements associated with these units are 482 Very Low to Moderate income units, of which 193 must be Very Low-Income units. As noted previously in this Report, the Agency anticipates that 475 Very Low to Moderate-Income units to be produced in addition to the current 171 unit surplus, for a total of 646 units. Of this total, the Agency anticipates production of 261 Very Low-Income units in addition to the current 100 unit surplus, for a total of 361 units in the Merged Project Area over the next 10 years. As shown on Table 5, it is anticipated that the cumulative number of deed restricted units will exceed the minimum CRL requirements by 164 Very Low to Moderate-Income units and 168 Very Low-Income units. Affordable housing production requirements generated by the expected new units, and fulfillment of these requirements, are shown in detail in Table 5 and Appendices A -1 and B-1.

b. Agency Built or Significantly Rehabilitated Units

The Agency does not intend to build or significantly rehabilitate units in the Oak Knoll Project Area.

6. Affordable Housing Production Compliance over the Life of the Project Area

The 1994 amendment to AB 1290 (Bergeson, SB 732) requires that the Housing Production Plan address affordable housing compliance over the life of the Redevelopment Plan. The life of the Oak Knoll area is estimated to extend to 2037, or thirty years from the end of the fiscal year which the Agency is projected to collect the first \$100,000 in tax increment. The life of the Central City East area extends through 2034. Since the Oak Knoll area is anticipated to be built out during the current 10-year compliance period, additional housing construction after the current period is not anticipated.

TABLE 5

FUTURE HOUSING UNIT PRODUCTION COMPLIANCE STATUS (2006/07 - 2015/16), NON-AGENCY BUILT HOUSING  
 OAKLAND REDEVELOPMENT AGENCY - OAK KNOLL & CENTRAL CITY EAST MERGED PROJECT AREA  
 OAKLAND, CA

	<u>Total Built</u>	<u>Units w/Covenants</u>	
		<u>Very Low to Mod. Income</u>	<u>Very Low Income</u> <i>(Incl. in Very Low to Mod.)</i>
<b><u>Anticipated New Construction &amp; Substantial Rehab Units (2006/07 - 2015/16)</u></b>			
New Units Built <i>(from Appendix Table A-1.)</i>	3,158		
Units Substantially Rehabilitated <i>(from Appendix Table B-1.)</i>	54		
Total Units to be Built or Substantially Rehabilitated (2006/07 - 2015/16)	3,212		
<b><u>Inclusionary Requirements (2006/07 - 2015/16)</u></b>			
Percent Requirements		15%	(40% of 15%) 6%
<i>Inclusionary Unit Requirement (2006/07 - 2015/16)</i>		482	193
<b><u>Covenanted Units to be Built or Substantially Rehab. (2006/07 - 2015/16)</u></b>			
<u>Current Surplus 2006</u>		171	100
New Units Built <i>(from Appendix Table A-1.)</i>		422	208
Units Substantially Rehabilitated <i>(from Appendix Table B-1.)</i>		53	53
Total Covenanted Units to be Built or Substantially Rehab. (2006/07 - 2015/16)		646	361
<b>Subtotal Excess (Shortage) of Covenanted Units (2006/07 - 2015/16)</b>		<b>164</b>	<b>168</b>



The Central City East area is anticipated to experience continued housing construction through the life of the Plan from the Oak to Ninth project as well as continued demand for new housing and rehabilitation of older units throughout the project area.

In order to meet its Housing Production Requirements through the remaining life of the Redevelopment Plan, the Agency will continue to work with developers to obtain deed restrictions on units for Very Low- to Moderate-Income households and Very Low-Income households. The Agency will also continue to provide assistance for the development of new affordable housing complexes, and to support individual homeowners with rehabilitation loans. Through these efforts, the Agency intends to be in full compliance throughout the remaining life of the Plan.

While production requirements for Very Low-Income and Very Low to Moderate-Income units will be exceeded according to Agency expectations, in order to meet Housing Production Requirements over the life of the Redevelopment Plan, the Agency plans to utilize Oak Knoll housing funds to provide:

- Development assistance for construction of a portion of the affordable housing production requirement that is not approved to be satisfied by surplus affordable housing in the Central City East Area.
- Development assistance for production of affordable housing units throughout the City of Oakland;

Affordable housing projects funded from this pool will count towards production requirements to the extent that assisted projects are within the Oak Knoll / Central City East Merged Project area. Affordable units developed with Agency assistance outside of the project area would also be counted toward production requirements (one unit for every two produced outside a project area is counted). Through these efforts, the Agency intends to be in full compliance from the current Implementation Plan period until the Redevelopment Plan ends.

### **C. REPLACEMENT UNIT COMPLIANCE STATUS**

CRL requires that dwelling units housing persons and families of low or moderate income removed as a result of redevelopment action must be replaced by an equal number of units that have an equal or greater number of bedrooms as those removed. Post January 1, 2002, 100 percent of the replacement units must be affordable to households at the same or lower income levels as those displaced. Demolished units must be replaced within four years of being removed.

The Agency does not have any specific plans to remove units from the Oak Knoll area during the 2006/07-2010/11 Implementation Plan period as no such units currently exist.

Nevertheless, if any such plans develop, the Agency intends to follow CRL requirements for

replacing units. Specifically, at least 30 days prior to acquisition, disposition and development, or owner participation agreements that would lead to unit removals, the Agency would adopt a replacement housing plan. The replacement housing plan would include the general location of the replacement housing, an adequate means of financing the replacement housing, a finding that the replacement housing does not require voter approval pursuant to Article XXXIV of the California Constitution, the number of units planned, and a timetable for meeting replacement housing plan objectives.

The Agency will prepare relocation plans for any households that are displaced as a result of unit removals, and ensure that no Low- or Moderate-Income households are displaced unless suitable housing is available for them to move into. Any replacements will occur within four years.

#### **D. HOUSING FUND REVENUES AND EXPENDITURES**

The CRL requires a redevelopment agency to direct at least 20 percent of all gross tax increment revenues generated in its project area to a separate Low- and Moderate-Income Housing Fund. These funds must be used for the purpose of increasing, improving or preserving the supply of Low- and Moderate-Income units within the community. To meet these objectives, agencies may expend funds on land acquisition, building acquisition, construction of new units, on- and off-site improvements (subject to certain conditions and findings), rehabilitation of existing units, a portion of principal and interest payments on bonds, loans and subsidies to buyers or renters, and other programs that preserve or construct affordable housing.

*Additionally, Section 33334.4 of the Health and Safety Code states that each agency shall expend the moneys in its Housing Fund to assist housing for persons of Low- and Very Low-Income in at least the same proportion as the total number of housing units needed for those income groups within the community. Proportionality requirements by age apply as well.*

*What about the Agency requirement for 25% to be dedicated to affordable housing?*

This section summarizes the Oak Knoll Project Area's Housing Fund resources now available and expected to be available over the next 10 years, and how those resources will be utilized to meet the purposes summarized above.

The Agency plans to fund the following housing programs during the Implementation Plan:

- Development assistance for construction of a portion of the affordable housing production requirement that is not approved to be satisfied by surplus affordable housing in the Central City East Area.
- Development assistance for production of affordable housing units throughout the City of Oakland;

Details of the expenditures associated with these programs are provided below.

## Revenues and Expenditures

### 1. Housing Fund Expenditures, Adoption – 2005/06

The Agency's annual Low and Moderate Income Housing Fund expenditures during the first Implementation Plan period were as follows:

FY Year	Total Expenditures <sup>1</sup>
1998/99	\$0
1999/00	\$0
2000/01	\$0
2001/02	\$0
2002/03	\$0
2003/04	\$0
2004/05	\$ 1,600
2005/06	\$ 2,600

All housing set-aside funds from the Oak Knoll area, except funds required to assist any portion of the required affordable housing production requirement constructed at Oak Knoll will be deposited into Oakland's city-wide pool of housing set-aside funds. The \$4,200 in estimated funds deposited to date contributed to the on-going affordable housing programs which are implemented using these resources including development of new affordable units and rehabilitation of existing affordable units throughout the City.

### 2. Housing Fund Revenues, 2006/07 – 2010/11

The Oak Knoll Project Area's revenues consist primarily of property tax increment. The "tax increment" earned by the Agency is the property tax on the difference between the assessed value of properties within the Project Area at the time it was adopted and the current tax year assessed value. Pursuant to CRL, the City of Oakland Redevelopment Agency must deposit 20 percent of the Oak Knoll Area's annual gross tax increment into its Low and Moderate Income Housing Fund. Pursuant to a resolution adopted in December 2001, the Agency has elected to provide additional resources for affordable housing in excess of the requirements of the law by depositing 25 percent of gross tax increment into the Housing Fund.

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<sup>1</sup> 2004/05 and 2005/06 expenditures estimated based on project area assessed valuation. Amounts prior to 2004/05 were not tracked in a separate fund and are believed to be either zero or near zero.

As shown on Table 6, it is estimated that approximately \$297,000 of property tax increment from Oak Knoll will be deposited into the Low and Moderate Income Housing Fund in 2006/07. Annual Housing Fund increment is anticipated to increase to \$1,381,000 by FY 2010-11 as new housing units are reflected on the rolls. An \$8.6 million housing fund bond issue is projected for 2008-09 to finance costs associated with the 50-unit affordable component at Oak Knoll. Debt service on the bonds of \$711,000 per year begins in 2009-10.

### 3. Housing Fund Programs, Projects, and Expenditures 2006/07-2010/11

The Agency's anticipated annual Low and Moderate Income Housing Fund expenditures for the next five years are presented in Table 6. During the period, the Agency anticipates approximately \$10.7 million in net revenue after debt service. The balance of expenditures will be deposited into the city-wide housing fund pool where it will be used to construct and rehabilitate housing units throughout the City. The number of units that the Agency's funds are estimated to assist is approximately 64 units over the five year period, or an average of 13 units per year.

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**TABLE 6**  
**HOUSING FUND CASH FLOW PROJECTIONS 2006/07 - 2010/11**  
**OAKLAND REDEVELOPMENT AGENCY - OAK KNOLL PROJECT AREA**  
**OAKLAND, CA**

	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>5 Years</b>
<b><u>Beginning Balance</u></b>	\$0	\$222,753	\$453,389	\$0	\$0	\$676,143
<b><u>Agency Revenues</u></b>						
Set-Aside Revenues	\$297,004	\$303,060	\$574,021	\$970,384	\$1,381,124	\$3,525,593
Net Bond Proceeds (1)	\$0	\$0	\$8,609,726	\$0	\$0	\$8,609,726
Investment Earnings	\$0	\$4,455	\$9,068	\$0	\$0	\$13,523
(Less) Bond Debt Service	\$0	\$0	\$0	(\$710,781)	(\$710,781)	(\$1,421,562)
Net Current Agency Revenues	\$297,004	\$307,515	\$9,192,815	\$259,603	\$670,343	\$10,727,280
<b>Net Revenues Avail. for New Expenditures</b>	<b>\$297,004</b>	<b>\$530,268</b>	<b>\$9,646,204</b>	<b>\$259,604</b>	<b>\$670,343</b>	<b>\$11,403,423</b>
<b><u>Agency Expenditures</u></b>						
City-Wide Affordable Unit Production (2)	\$0	\$0	\$0	\$194,703	\$502,757	\$697,460
Oak Knoll 50-Unit Moderate Income Project	\$0	\$0	\$7,348,000	\$0	\$0	\$7,348,000
<i>Subtotal Agency Expenditures</i>	\$0	\$0	\$7,348,000	\$194,703	\$502,757	\$8,045,460
Administration (3)	\$74,251	\$76,879	\$2,298,204	\$64,901	\$167,586	\$2,681,820
<b>Total Agency Expenditures</b>	<b>\$74,251</b>	<b>\$76,879</b>	<b>\$9,646,204</b>	<b>\$259,604</b>	<b>\$670,343</b>	<b>\$10,727,280</b>
<b><u>Ending Balance</u></b>	<b>\$222,753</b>	<b>\$453,389</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$676,143</b>

Notes:

- (1) Assumes 6% interest, 12% cost of issuance and reserves, 30 year term, non-housing funds may also need to be pledged to provide sufficient coverage.
- (2) Assumes all funds in excess of amounts required for a 50-unit on-site affordable housing project will be paid into the City-wide redevelopment housing funds pool and will be used to produce new affordable housing units and rehabilitate existing units throughout the City.
- (3) Assumes administration costs total 25% of current revenues

**E. EXPENDITURES RELATIVE TO THE COMMUNITY'S NEED**

Under California Health and Safety Code Section 33334.4, the Agency must target its Low and Moderate Income Housing Fund expenditures in each project area to assist: (1) Low- and Very Low-Income households in proportion to the units needed to assist such households as determined by the regional fair share allocation; and (2) all persons regardless of age in at least the same proportion as the number of low income households with a member under age 65 to the community's total low income households, according to the most recent census. These "Housing Fund Targeting Requirements" must be satisfied for 10-year periods throughout the life of the Plan, with periods coinciding with the implementation of the project area's housing production requirements, or 2006/07 to 2015/16.

1. Proportionality by Income Levels

The income proportionality test requires that the Agency target set-aside expenditures to the relative percentage of unmet need for Very Low-, Low- and Moderate-Income units. According to ABAG's 1999-2006 Regional Housing Needs Determination, Oakland's share of the regional housing need is as follows:

- 2,238 Very Low-Income units;
- 969 Low-Income units; and
- 1,959 Moderate-Income units.

Consistent with this distribution of needed units, the Agency's minimum required allocation for Very Low- and Low-Income expenditures, and maximum Moderate-Income housing expenditures are as follows:

Very Low-Income	At least 43%
Low-Income	At least 19%
Moderate-Income	No more than 38%

The Agency is entitled to expend a disproportionate amount of 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.

In order to meet the income targeting standards, the Agency intends to allocate at least 43 percent of Low and Moderate Income Housing Fund expenditures to Very Low-Income households, 19 percent of funds to Low-Income households, and not more than 38 percent of funds to Moderate-Income households. These percentages translate to a total target appropriation of approximately \$26 million between 2006/07 and 2015/16, allocated by need as shown on Table 5 and as follows:

<b>Agency Housing Fund Expenditure Targets by Income Level</b>				
2006/07-2015/16	Very Low Income	Low Income	Moderate Income	Total
<i>Proportionate Target</i>	<i>At least 43%</i>	<i>At least 19%</i>	<i>No more than 38%</i>	
Target Appropriation of Housing Fund (% of Spending)	\$11.3 million (43%)	\$4.9 million (19%)	\$9.8 million (38%)	\$26 million

## 2. Proportionality by Age

The age restriction proportionality test requires that the maximum percentage of set-aside funds that an agency can allocate to senior housing is limited to the percentage of Very Low- to Low-Income households within the community that have a member 65 years of age or older, as reported by the most recent survey of the U.S. Census Bureau. According to Census 2000 SOCDs CHAS Data, the City's Very Low-Income and Low-Income household composition is as follows:

Very Low- to Low-Income Non-Elderly Households	77%
Very Low- to Low-Income Elderly Households	23%

The application of this requirement to the Agency's budget estimates for the Project Area translates into a targeted expenditure of \$20.1 million on non-age restricted housing for the period of 2006/07 to 2015/16. The Agency intends to expend at least this sum on non-age restricted housing. A projection of these amounts of Housing Funds based on target expenditures by age is shown on Table 7 and summarized below.

<b>Agency Housing Fund Expenditure Targets Age Needs</b>			
2006/07-2015/16	Non-Senior Housing	Senior Housing	Total
<i>Proportionate Target</i>	<i>At least 77%</i>	<i>No more than 23%</i>	
Target Appropriation of Housing Fund (% of Spending)	\$20.1 million (77%)	\$5.9 million (23%)	\$26 million

As shown, the Agency will meet the proportionality test requirements by need both for income level and age.

**TABLE 7  
 LOW AND MODERATE INCOME HOUSING FUND EXPENDITURE PLAN (2006/07 - 2015/16)  
 OAKLAND REDEVELOPMENT AGENCY - OAK KNOLL PROJECT AREA  
 OAKLAND, CA**

	<u>2006/07 - 2015/16</u>					
	<u>TOTAL</u>	<u>Very Low</u> <i>At Least 43%</i>	<u>Low</u> <i>At Least 19%</i>	<u>Moderate</u> <i>No More Than 38%</i>	<u>Non-Senior</u> <i>At Least 77%</i>	<u>Senior</u> <i>No More Than 23%</i>
<b>Revenues</b>						
Beginning Balance	\$0					
Set-Aside Revenues	\$14,342,004					
Net Bond Proceeds (1)	\$20,528,497					
Investment Earnings	\$13,523					
(Less) Bond Debt Service	(\$8,911,311)					
<b>Net Revenues Available for New Expenditures</b>	<b>\$25,972,713</b>					
<b>Target Housing Needs Appropriations</b>						
	<b>\$25,973,000</b>	<b>\$11,252,000</b>	<b>\$4,872,000</b>	<b>\$9,849,000</b>	<b>\$20,102,000</b>	<b>\$5,871,000</b>
<b>Discretionary Costs</b>						
Agency Affordable Housing Production Expenditures	\$19,479,535	\$8,389,765	\$3,632,566	\$7,457,203	\$15,102,058	\$4,377,477
Administration (5)	\$6,493,178	\$2,862,060	\$1,239,203	\$2,391,915	\$4,999,858	\$1,493,320
<b>Total Expenditures</b>	<b>\$25,972,713</b>	<b>\$11,251,826</b>	<b>\$4,871,769</b>	<b>\$9,849,118</b>	<b>\$20,101,916</b>	<b>\$5,870,797</b>

Notes:

(1) Assumes 6% interest, 12% cost of issuance and reserves, 30 year term, non-housing funds may also need to be pledged to provide sufficient coverage.

(2) Based on % of Fair Share Housing Needs (per ABAG 1999-2006 Regional Housing Needs Determination):

Very Low Income Units	2,238	43.3%
Low- Income Units	969	18.8%
Moderate-Income Units	1,959	37.9%
<b>Total</b>	<b>5,166</b>	<b>100%</b>

(3) Based on % of low-income population in non-elderly and elderly households (per 2000 Census - SOCDS CHAS Data: Housing Problems Output):

Non-elderly households	61,698	77.4%
Elderly households	18,019	22.6%
<b>Total</b>	<b>79,717</b>	<b>100.0%</b>

(4) Assumes all funds in excess of amounts required for a 50-unit on-site affordable housing project will be paid into the City-wide redevelopment housing funds pool and will be used to produce new affordable housing units and rehabilitate existing units throughout the City.

(5) Assumes administration costs total 25.0% of expenditures.



## F. CONSISTENCY WITH HOUSING ELEMENT

AB 1290 and AB 315 require that the Agency's affordable housing activities be consistent with the City's Housing Element. The following section describes some of the commitments set forth in Oakland's 2004 Housing Element which will enhance both the City's and the Agency's ability to increase the supply of affordable housing.

As detailed below, the Housing Element's goals include:

- Provide Adequate Sites Suitable for Housing for All Income Groups
- Promote the Development of Adequate Housing for Low and Moderate-Income Households
- Remove Constraints to the Availability and Affordability of Housing for All Income Groups
- Conserve and Improve Older Housing and Neighborhoods
- Preserve Affordable Rental Housing
- Promote Equal Housing Opportunity
- Promote Sustainable Development and Smart Growth
- Increase Public Access to Information through Technology

The Agency's programs and expenditures are entirely consistent with and supportive of the Housing Element's affordable housing goals. As discussed in sections B and D of this Plan, the Agency plans to spend \$26 million to preserve existing affordable housing units and create new affordable units at Oak Knoll and throughout the City of Oakland.

A detailed description of the Housing Element's goals and policies follows.

- **Goal 1: Provide Adequate Sites Suitable for Housing for All Income Groups**
  - Policy 1.1 Downtown Housing Program ("10K") - In an effort to revitalize Downtown Oakland, the City will actively work to attract 10,000 new residents to the downtown through the development of at least 6,000 new housing units.
  - Policy 1.2 Availability Of Land - Maintain an adequate supply of land to meet its regional housing share under the ABAG Regional Housing Needs Determination.
  - Policy 1.3 Appropriate Locations And Densities For Housing - Consistent with the General Plan Land Use and Transportation Element adopted in 1998, review and revise its residential development regulations with the intent of encouraging and sustaining a diverse mix of housing types and densities throughout the City for all income levels.
  - Policy 1.4 Secondary Units - Support the construction of secondary units in single-family zones and recognize these units as a source of affordable housing.

- Policy 1.5 Manufactured Housing - Provide for the inclusion of mobile homes and manufactured housing in appropriate locations.
  - Policy 1.6 Adaptive Reuse - Encourage the re-use of industrial and commercial buildings for joint living quarters and working spaces.
  - Policy 1.7 Regional Housing Needs - The City of Oakland will strive to meet its fair share of housing needed in the region.
- **Goal 2: Promote the Development of Adequate Housing for Low and Moderate-Income Households**
    - Policy 2.1 Affordable Housing Development Programs - Provide financing for the development of affordable housing for low- and moderate-income households. The City's financing programs will promote a mix of housing types, including homeownership, multifamily rental housing, and housing for seniors and persons with special needs.
    - Policy 2.2 Affordable Homeownership Opportunities - Develop and promote programs and mechanisms to expand opportunities for lower-income households to become homeowners.
    - Policy 2.3 Density Bonus Program - Develop and implement a program to permit projects to exceed the maximum allowable density if they include units set aside for occupancy by very low-, low-, and moderate-income households and/or seniors.
    - Policy 2.4 Inclusion Of Affordable Units In Market Rate Projects - Seek voluntary agreements with private developers of market rate housing to include units affordable to lower-income households, especially those projects involving Redevelopment Agency support or requiring major planning approvals.
    - Policy 2.5 Permanently Affordable Homeownership - Develop mechanisms for ensuring that assisted homeownership developments remain permanently affordable to lower-income households to promote a mix of incomes.
    - Policy 2.6 Seniors And Other Special Needs - Assist and promote the development of housing with appropriate supportive services for seniors and other persons with special needs.
    - Policy 2.7 Large Families - Encourage the development of affordable rental and ownership housing units that can accommodate large families.
    - Policy 2.8 Expand Local Funding Sources - Increase local funding to support affordable housing development and develop new sources of funding.
    - Policy 2.9 Rental Assistance - Increase the availability of rental assistance for very low-income households.
    - Policy 2.10 Continuum Of Care For The Homeless - Continue to implement the City's Continuum of Care Plan to prevent homelessness and to provide shelter, transitional housing, and permanent housing for homeless individuals and families.
    - Policy 2.11 Promote An Equitable Distribution Of Affordable Housing Throughout The Community - The City will undertake a number of efforts to distribute

assisted housing widely throughout the community and avoid the over-concentration of assisted housing in any particular neighborhood, in order to provide a more equitable distribution of households by income and by race and ethnicity.

- **Goal 3: Remove Constraints to the Availability and Affordability of Housing for All Income Groups**
  - Policy 3.1 Expedite And Simplify Permit Processes - Continue to implement permit processes that facilitate the provision of housing and annually review and revise permit approval processes.
  - Policy 3.2 Flexible Zoning Standards - Allow flexibility in the application of zoning, building, and other regulations.
  - Policy 3.3 Development Fees And Site Improvement Requirements - Reduce the cost of development through reasonable fees and improvement standards.
  - Policy 3.4 Intergovernmental Coordination - Promote intergovernmental coordination in review and approval of residential development proposals when more than one governmental agency has jurisdiction.
  - Policy 3.5 Reduce Land Costs - Reduce land costs for housing by providing funding for land-banking by developers.
  - Policy 3.6 Financing Costs - Reduce financing costs for affordable housing development.
  - Policy 3.7 Environmental Constraints - Explore programs and funding sources to assist with the remediation of soil contamination on sites that maybe redeveloped for housing.
  - Policy 3.8 Community Outreach And Education - Increase public acceptance and understanding of affordable development and issues through community outreach.
- **Goal 4: Conserve and Improve Older Housing and Neighborhoods**
  - Policy 4.1 Housing Rehabilitation Loan Programs - Provide a variety of loan programs to assist with the rehabilitation of owner-occupied and rental housing for very low and low-income households.
  - Policy 4.2 Blight Abatement - To improve housing and neighborhood conditions, the City will abate blighting conditions through a combination of code enforcement, financial assistance, and public investment.
  - Policy 4.3 Commercial District Revitalization - Continue to implement programs to revitalize commercial districts in low-income neighborhoods. Commercial revitalization will serve as a catalyst for investment in conserving and improving the housing stock in surrounding areas.
  - Policy 4.4 Housing Preservation - Encourage the relocation of structurally sound housing units scheduled for demolition to compatible neighborhoods when appropriate land can be found.

- **Goal 5: Preserve Affordable Rental Housing**
  - Policy 5.1 Preservation Of At-Risk Housing - Seek to preserve the affordability of subsidized rental housing for lower-income households that may be at-risk of converting to market rate housing.
  - Policy 5.2 Support For Assisted Projects With Capital Needs - Work with owners of assisted projects that have substantial needs for capital improvements to maintain the use of the properties as decent affordable housing.
  - Policy 5.3 Rent Adjustment Program - Continue to administer programs to protect existing tenants from unreasonable rent increases.
  - Policy 5.4 Preservation Of Single Room Occupancy Hotels - Seek mechanisms for protecting and improving the existing stock of residential hotels, which provide housing of last resort for extremely low-income households.
  - Policy 5.5 Limitations On Conversion Of Residential Property To Non-Residential Use - Continue to use regulatory controls to limit the loss of housing units due to their conversion to non-residential use.
  
- **Goal 6: Promote Equal Housing Opportunity**
  - Policy 6.1 Fair Housing Actions - Actively support efforts to provide education and counseling regarding housing discrimination, to investigate discrimination complaints, and to pursue enforcement when necessary.
  - Policy 6.2 Reasonable Accommodations - Provide reasonable accommodations to persons with disabilities in access to public facilities, programs, and services
  - Policy 6.3 Promote Regional Efforts To Expand Housing Choice - Encourage future regional housing allocations by ABAG to avoid over concentration of low-income housing in communities with high percentages of such housing.
  - Policy 6.4 Fair Lending - Work to promote fair lending practices throughout the City to ensure that low-income and minority residents have fair access to capital resources needed to acquire and maintain housing.
  
- **Goal 7: Promote Sustainable Development and Smart Growth**
  - Policy 7.1 Sustainable Residential Development Programs - Develop and promote programs to foster the incorporation of sustainable design principles, energy efficiency and Smart Growth principles into residential developments. Offer education and technical assistance regarding sustainable development to project applicants.
  - Policy 7.2 Energy Conservation - Encourage the incorporation of energy conservation design features in existing and future residential development.
  - Policy 7.3 Infill Development - Continue to direct development toward existing communities and encourage infill development at densities consistent with the surrounding communities.
  - Policy 7.4 Compact Building Design - Work with developers to construct new housing that reduces the footprint of new construction, preserves green spaces, and supports the use of public transit.

- Policy 7.5 Mixed Use Development - Encourage a mix of land uses in the same zoning district or on the same site in certain zoning districts.
- **Goal 8: Increase Public Access to Information through Technology**
  - Policy 8.1 Implement An Electronic Document Management System - As part of a comprehensive update to the City's Permit Tracking System, the City will increase public access to information on City policies, programs, regulations, permit processes, and the status of specific parcels through electronic means.
  - Policy 8.2 On-Line Access To Information - Expand the availability of information regarding meetings, hearings, programs, policies and housing-related issues through development and improvement of its web site.
  - Policy 8.3 Geographic Information System - Update the City's Geographic Information System (GIS) to provide more accurate and user-friendly access to information about parcels and neighborhoods.

APPENDIX TABLE A-1.

**NEW CONSTRUCTION IN PROJECT AREA - NON-AGENCY BUILT**

OAKLAND REDEVELOPMENT AGENCY - OAK KNOLL & CENTRAL CITY EAST MERGED PROJECT AREA  
OAKLAND, CA

Completion Date	Project Name	Affordable/ Mkt. Rate/Mix (list one) (for general background - not required)	Rental/ Ownership/Mix (list one)	Senior/Non- Senior/Mix (list one)	Number of New Units Built				
					Total All Units	Units With Covenants			Above Mod.
					Very Low	Low Mod.			
<b>I. ADOPTION TO 2005/06</b>									
<u>Oak Knoll</u>									
	None								
<u>Central City East (2)</u>									
2003 - 2005	Scattered site infill	Market Rate		Non-Senior	29				29
2003 - 2005	9451 MacArthur	Market Rate		Non-Senior	19				19
2003 - 2005	9884 MacArthur	Market Rate		Non-Senior	6				6
2003 - 2005	1539 28th Ave	Market Rate		Non-Senior	4				4
2003 - 2005	2951 68th Ave	Market Rate		Non-Senior	4				4
2003 - 2005	2524 108th Ave	Market Rate		Non-Senior	3				3
2003 - 2005	8770 MacArthur Blvd	Market Rate		Non-Senior	3				3
2003	Foothill Commons 6900 Foothill	Affordable		Non-Senior	65	45	19		1
2004	Eastmont Court 6850 Foothill Blvd	Affordable		Non-Senior	19	18			1
2005	Palm Villa	Affordable		Non-Senior	78			78	
<b>Total Adoption - 2005/06</b>					<b>230</b>	<b>63</b>	<b>19</b>	<b>78</b>	<b>70</b>
<b>II. 2006/07 to 2015/16</b>									
<u>Oak Knoll (1)</u>									
2009	Oak Knoll	Mkt Rate	Ownership	Non-Senior	89				89
2010	Oak Knoll	Mkt Rate	Ownership	Non-Senior	89				89
2010	Oak Knoll	Affordable			50		50		0
2011	Oak Knoll	Mkt Rate	Ownership	Non-Senior	89				89
2012	Oak Knoll	Mkt Rate	Ownership	Non-Senior	89				89
2013	Oak Knoll	Mkt Rate	Ownership	Non-Senior	89				89
2014	Oak Knoll	Mkt Rate	Ownership	Non-Senior	89				89
<b>Subtotal Oak Knoll</b>					<b>584</b>			<b>50</b>	<b>534</b>
<u>Central City East (2)</u>									
2007	Toler Heights - 98th & MacArthur	Mkt Rate		Non-Senior	6				6
2013	Oak to Ninth - Oak St & 9th St (3)	Mix		Non-Senior	2,108				
2011	Oak to Ninth Phase I	Affordable		Non-Senior	150	75	75		
2015	Oak to Ninth Phase II	Affordable		Non-Senior	132	66	66		
NA / in predev.	Orchards on Foothill - 2719 Foothill	Affordable		Senior	64	63			1
NA / in predev.	10211 Byron Ave (4)	Mix		Non-Senior	50		13		37
NA / in predev.	Horizon Tnhms - 98th & MacArthur	Affordable		Non-Senior	14	4		10	
2006-2013	Future scattered site infill	Market Rate		Non-Senior	50				50
<b>Subtotal Central City East</b>					<b>2,574</b>	<b>208</b>	<b>154</b>	<b>10</b>	<b>94</b>
<b>Total 2006/07 - 2015/16</b>					<b>3,158</b>	<b>208</b>	<b>154</b>	<b>60</b>	<b>628</b>
<b>Total Adoption - 2015/16</b>					<b>3,388</b>	<b>271</b>	<b>173</b>	<b>138</b>	<b>698</b>

(1) It is anticipated that Oak Knoll will consist of 584 (prior project studied under EIR) to 900 (approximate general plan limit) total units. It is assumed that some affordable housing will be included on site. A 50 unit affordable component is assumed for analysis purposes. It is anticipated that non-housing funds will be transferred to the CCE area from Oak Knoll to mitigate the cost of any units not provided on site to meet the balance of Oak Knoll production requirements.

(2) Per the Second Amended and Restated Central City East Implementation Plan approved March 21, 2006.

(3) Per the Central City East Implementation Plan, includes only the portion of the Oak to Ninth project completed through 2012/13. The project is estimated to include a total of 2,800 units. Affordability mix is subject to change.

(4) Affordability mix is subject to change.

APPENDIX TABLE B-1.

**SIGNIFICANTLY REHABILITATED UNITS IN PROJECT AREA**

OAKLAND REDEVELOPMENT AGENCY - OAK KNOLL & CENTRAL CITY EAST MERGED PROJECT AREA  
OAKLAND, CA

Completion Date	Project	Affordable/ Mkt. Rate/Mix <i>(list one)</i> <i>(for general background - not required)</i>	Rental/ Ownership/Mix <i>(list one)</i> <i>(list one)</i>	Senior/Non- Senior/Mix <i>(list one)</i>	Number of Units Rehabilitated				
					Total All Units	Very Low	Low	Mod. Mod.	Above Mod.
<b>I. ADOPTION TO 2005/06</b>									
<u>Oak Knoll</u>									
	None								
<u>Central City East (1)</u>									
2003	Casa Velasco 3430 Foothill Blvd	Affordable		Senior	20	20			
2004	Oak Park Apts 2618 E. 16th St.	Affordable		Non-Senior	35	34			1
<b>Total Adoption - 2005/06</b>					<b>55</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>II. 2006/07 to 2015/16</b>									
<u>Oak Knoll</u>									
	None								
<u>Central City East (1)</u>									
	Foothill Plaza 6311 Foothill Blvd	Affordable		Non-Senior	54	53			1
<b>Total 2006/07 - 2015/16</b>					<b>54</b>	<b>53</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Total Adoption - 2015/16</b>					<b>109</b>	<b>107</b>	<b>0</b>	<b>0</b>	<b>2</b>

(1) Per the Second Amended and Restated Central City East Implementation Plan approved March 21, 2006.