

**CITY OF OAKLAND  
COUNCIL/ AGENCY AGENDA REPORT**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2005 JUN 16 PM 9:15

TO: Office of the City Administrator/Agency Administrator  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: June 28, 2005

**RE: RESOLUTION ADOPTING FIVE-YEAR IMPLEMENTATION PLAN FOR  
THE OAKLAND ARMY BASE REDEVELOPMENT PROJECT AREA**

**SUMMARY**

In July 2000, the Redevelopment Agency (Agency) adopted as a companion document to the Oakland Army Base (OARB) Redevelopment Plan adoption a Five-Year Implementation Plan for the OARB Redevelopment Project for years 2000 to 2005. Per California Redevelopment Law, the Agency is required to produce Implementation Plans every five years over the life of the Redevelopment Plan. This report summarizes the proposed 2005-2010 Five-Year Implementation Plan for the OARB Redevelopment Project (see Attachment A) and requests Agency approval of a Resolution adopting the new Implementation Plan.

The 2000-2005 Implementation Plan was based upon the OARB property development agreements between the Redevelopment Agency and the Port of Oakland in effect at that time. Specifically, the Agency was expected to develop OARB areas east of Maritime Street, with the west of Maritime Street area expected for Port-oriented development. Since that time, the Agency and Port have switched OARB development areas: the Port's OARB footprint is now predominantly east of Maritime and the Agency's is predominantly west of Maritime. Although each entity is currently refining the development program for their new respective areas, it is likely that both will retain their initial development premises: namely, that the Agency's OARB footprint will be developed for an economic development project that generates employment and contributes to the City's tax base, and that the Port's OARB footprint will be developed with uses that support the existing and future needs of its maritime operations. Because of these ongoing development evaluations, it is not possible to identify specific projects in the Implementation Plan. Thus the 2005-2010 Implementation Plan highlights general capital improvements that are supportive of any economic development and port-oriented venture. As each entity's development plans are finalized, the 2005-2010 Implementation Plan can be amended to identify any specific improvement or activity desired within the next five years. Further, each expenditure will necessarily require approval by the Agency hence many opportunities exist to modify the amount of funds and activities currently listed in the proposed Implementation Plan.

The adoption of the attached Resolution is necessary to satisfy a State redevelopment law requirement that the Agency must adopt Implementation Plans for each redevelopment project area every five years. The Plan may be amended at any time.

Item \_\_\_\_\_  
CED Committee  
June 28, 2005

The FY 2005-2010 projected budget for the OARB Redevelopment Project Area is as follows:

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

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

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

**FISCAL IMPACT**

Proposed expenditure for FY 2005-2010 for the Implementation Plan is consistent with the Agency's proposed FY 2005-07 Budget. For the last three of the five years proposed (FY 2005-2010), the schedule reflects projections only and is contingent upon specific Agency authorizations at a later date. The assumed rate of revenue growth is based upon a percentage growth in total assessed value of all taxable properties within the area, over the 2004 assessed valuation

There will be no adverse impact on the General Fund or to the funds of the Redevelopment Agency. The adoption of the Implementation Plan does not initiate allocation or reallocation of funds. However, future expenditures must be consistent with the Implementation Plan or the Plan must be amended to match the proposed expenditure prior to approval of the expenditure.

**BACKGROUND**

The initial OARB Implementation Plan was adopted in 2000; at that time, the Army Base-- though no longer an active military installation--was under Federal ownership and in the process of being conveyed to the Oakland Base Reuse Authority (OBRA) to facilitate the Agency's redevelopment of the property for civilian purposes. It was believed that the OBRA would receive title to the Base shortly after 2000 and that development would immediately commence.

However, due to issues relating to a) completion of the Environmental Impact Statement (EIS) that was required by the Department of the Army to convey the Base; b) the need to amend the San Francisco Bay Conservation and Development (BCDC) plans as they related to development of the Base; c) a subsequent reconfiguration of the Agency and Port boundaries within the Base; d) completion of the Environmental Impact Report (EIR) that the OBRA needed to receive title to the Base from the Army; and other related issues, the Base was not conveyed to OBRA until August 2003.

In 1999, OBRA began operation of a leasing program under a Master Lease with the Department of the Army that prohibited demolition of the Base's existing facilities (and in turn, construction of new facilities under the Redevelopment Program) until the Base was transferred to OBRA. Although the transfer occurred in August 2003, agreements between the OBRA, Agency and Port of Oakland that stipulated that OBRA would maintain responsibility for the Base until August 2006, are resulting in the continuation of the leasing program until 2006. Through these various actions, the redevelopment schedule envisioned in the Implementation Plan has been delayed. Hence no major redevelopment activity has occurred since adoption of the Redevelopment Project in 2000; much of the activity to date has consisted of leasing portions of the Base to third-party tenants of OBRA and/or the Port of Oakland.

### **Oakland Army Base Implementation Plan Description**

The proposed 2005-2010 OARB Implementation Plan (see Attachment B) conceptually describes the anticipated development program for the three subareas of the approximately 1800-acre OARB Redevelopment Project Area: (1) the "*OARB Subarea*" which consists of the former Army Base property; (2) the "*Maritime Subarea*" which consists of the Port of Oakland's maritime area west and south of the Base, including the existing marine terminal facilities and related infrastructure along the Outer and Inner Harbors channels, as well as the former U.S. Fleet Industrial Supply Center Oakland (FISCO) property; and (3) the "*16<sup>th</sup> and Wood Subarea*" which consists of industrial property and property recently rezoned to residential use, generally bounded by the realigned I-880 Freeway, and Pine and Wood Streets between 7<sup>th</sup> and 26<sup>th</sup> Streets.

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

- a. The mitigation of the economic and social degradation that is faced by the City of Oakland due to the closure of the OARB by the Federal Base Closure Commission
- b. Implementation of the adopted OARB Reuse Plan, as such Plan may be amended or modified from time to time
- c. The elimination of physical and economic blighting influences in the Project Area
- d. The subdivision of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area
- e. The replanning, redesign, and development of portions of the Project Area which are improperly utilized
- f. The strengthening of the economic base of the community by the construction and installation of infrastructure and other needed site improvements to stimulate new development, employment, and social and economic growth

- g. The expansion, improvement, and preservation of the City’s supply of housing available to low- and moderate-income persons and families
- h. Other goals and purposes of redevelopment as set forth in the Community Redevelopment Law.

In January 1994, Assembly Bill 1290 (Isenberg) came into effect, dramatically changing redevelopment law in California. Among such changes was a requirement for redevelopment agencies to develop and adopt Implementation Plans for all new redevelopment project areas at their creation and every five years thereafter over the life of the Redevelopment Plan.

The law requires that the content of the Implementation Plan include:

1. Specific goals and objectives of the Agency for the project area over the next five years;
2. Specific programs, including potential projects and estimated expenditures;
3. An explanation of how these goals, objectives, programs, and expenditures will eliminate blight; and
4. An explanation of how these goals, objectives, programs, and expenditures will fulfill redevelopment law low- and moderate-income housing requirements.

The law also provides for public review of the Five-Year Implementation Plans during the plan’s third year of life as a means to evaluate the progress of the redevelopment projects.

### **Redevelopment Projects and Programs**

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

#### **1. OARB Subarea**

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

##### **◆ Demolition/Deconstruction**

Existing buildings on the Base will be removed to allow for the development of finished land for sale or lease to developers/builders. Demolition, deconstruction, and relocation of existing buildings are anticipated. In addition, demolition and removal of damaged and/or obsolete utility systems and rail infrastructure also will be required.

◆ Utilities

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

◆ Site Preparation, Remediation and Entitlements

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

◆ Road Improvements

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

◆ Public Access and Open Space Improvements

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

◆ OARB Real Estate Activities

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

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

## 2. Maritime Subarea

Development of new rail, shipping, terminals, and ancillary maritime support facilities are planned by the Port of Oakland. Rationalization and modernization of the rail and roadway infrastructure are required to facilitate and accommodate new maritime terminal development

and to enhance the Port's overall competitive position. The Port of Oakland plans to make the following capital improvements for the maritime-related subareas of the Project Area:

◆ Joint Intermodal Terminal

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

◆ Railyard Improvements

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

◆ New Roadways and Intersections

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

◆ Roadway and Rail Improvements: Maritime Expansion Area of OARB

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

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

Improvements are needed in this part of the Project Area to remove impediments to development and enhance potential for revitalization in accordance with recently adopted General Plan and zoning changes for this subarea. In support of the Agency's approval of a major residential mixed-use project within this subarea, a number of transportation and related improvements have been identified for improving access and circulation, and for enhancing potential for new development and revitalization:

◆ Demolition/Renovation/Site Work

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

◆ Historic Preservation

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

◆ Affordable Housing

The Wood Street area contains the only residentially zoned property in the OARB redevelopment plan area. The recent approval of the Wood Street Residential Project anticipates Agency participation in funding affordable rental and ownership housing within that project.

◆ Transportation and Related Improvements

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

In addition to these sub-area activities, the Implementation Plan also identifies Project Area-wide improvements to reduce blight and support the provisions of California Redevelopment Law relating to housing matters. In summary, they include public transportation-related improvements; a rehabilitation program to fund the renovation and rehabilitation of deteriorating properties within the Project Area; and Low- and Moderate-Income Housing Fund projects stipulated by law.

## **KEY ISSUES AND IMPACTS**

In addition to the OARB and Maritime subareas boundary amendments, the “16<sup>th</sup> and Wood” subarea has also experienced change since adoption of the 2000 OARB Implementation Plan. A major portion of that subarea is now earmarked for residential, not industrial/commercial uses as originally envisioned. However, the 2000 Implementation Plan’s basic focus on using redevelopment funds on backbone infrastructure projects and related capital improvements is still applicable and is reflected in the proposed 2005-2010 Implementation Plan. Thus the key issue for the new Plan is the need to reflect the development timetable now anticipated for the

Redevelopment Project Area. The following changes are proposed for the OARB Implementation Plan:

- New description of FY 2005-2010 expenditures, outlining how funding levels will be allocated to address specific projects and goals.
- Additional detail regarding the projection and use of tax increment revenue for FY 2005-2010 for mandated transfers, set-asides and debt payments.

Additionally, per California Redevelopment Law, the Implementation Plan contains a detailed housing component addressing the Agency's housing responsibilities. Each housing component contains information regarding housing requirements for each project area, including a complete description of: 1) applicable housing production requirements; 2) applicable provisions regarding the Low and Moderate Income Housing Fund; 3) housing goals and objectives of the implementation plan; 4) estimated Low and Moderate Income Housing Fund revenues and expenditures; 5) anticipated housing program activities; and 6) allocation of housing funds over the previous implementation period.

- Development of the very-low and moderate income housing units in the Wood Street Station project is governed by the City of Oakland's Conditions of Approval (COA) for the development. Under COA number 100, development of the affordable units is contingent on the Redevelopment Agency providing sufficient subsidy to maintain affordability of the designated units. The cost of these subsidies is currently estimated to exceed \$30 million, which greatly exceeds the amount of money expected to be available in the Project Area's Low and Moderate Income Housing Fund over the next five years. To address this financial gap, the Agency will consider several alternatives, including issuing a bond backed by the Low and Moderate Income Housing Fund revenues or utilizing funds from Low and Moderate Income Housing Funds generated from other project areas in Oakland.
- Consistent with the Conditions of Approval, if, after good faith negotiations, the owner of the "Affordable Housing Parcel" has not entered into a purchase agreement for the parcel with a nonprofit housing developer within the one-year period specified in the Conditions of Approval, or if the Agency and the nonprofit housing developer have not entered into a Funding Agreement within the one-year period, then the Agency intends to exercise its option to purchase the parcel, for the purpose of providing housing at an affordable price to households at or below 50% of AMI, and deed restrict the parcel as affordable housing for households at or below 50% of AMI.
- The Conditions of Approval also grant to the Agency the option to purchase for-sale housing units in the project and to record sale price restrictions to maintain affordability to households with incomes up to 100 percent of area median income for a period of at least 45 years.
- In the event the Agency is unable to provide such financing, or determines that such financing is infeasible or impracticable, some or all of the housing production obligation will be met by aggregating the Oakland Army Base Project Area requirements with new or substantially rehabilitated units other project areas, consistent with the provisions of



subparagraph (2)(A)(v) of Section 33413(b). It is the Agency's intent to give priority to the development of very low income units within the project area.

The OARB Five-Year Implementation Plan is based on the Oakland Redevelopment Agency FY 2005-07 Proposed Budget. The types of expenditures were identified and expenditure amounts were estimated in this Budget, but no specific projects were identified. Specific projects and funding allocations will be made through the Redevelopment Agency's standard budget process in 2005, for FY2005-07, and again in 2007, for FY2007-09.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** The adoption of the 2005-2010 OARB Implementation Plan will have an economic benefit to the Redevelopment Area, as the Plan outlines how tax increment funds will be used to support various economic development, capital improvement projects, and housing programs that sustain the economic viability of each project area.

**Environmental:** The Agency will make an effort to ensure that any development project completed as part of the Implementation Plan will adhere to the City's sustainable development guidelines, which include criteria for green building technologies, site selection and preparation, water, energy, indoor environmental quality and human factors, materials selection with recycled content or health considerations, and waste and recycling procedures.

**Social Equity:** Social equity is ensured through active public involvement in the various projects and programs budgeted for the Implementation Plan, and delineation of affordable housing set-aside funds for the Project Area. In addition, developers of Redevelopment Project will in some cases be subject to the Agency's employment and contracting programs including local construction employment, local and small local business participation goals, and living wage.

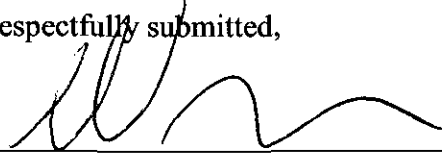
## **DISABILITY AND SENIOR CITIZEN ACCESS**

Any projects and programs, and new construction undertaken in the Project Area will be required to comply with applicable City, State, and Federal disabled access requirements. CEDA Building Services will address such standards during plan check and building inspection.

**ACTION REQUESTED OF THE COUNCIL AND AGENCY MEMBERS**

It is recommended that the Agency approve the Resolution adopting the 2005-2010 Five-Year Implementation Plan for the Oakland Army Base Redevelopment Project Area.

Respectfully submitted,



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Dan Vanderprie, Director of  
Redevelopment, Economic Development,  
and Housing and Community Development

Prepared by: Aliza Gallo, Elois Thornton,  
Patrick Lane, and Jeff Levin – OBRA and  
ORA Staff.

APPROVED FOR FORWARDING TO  
THE COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE



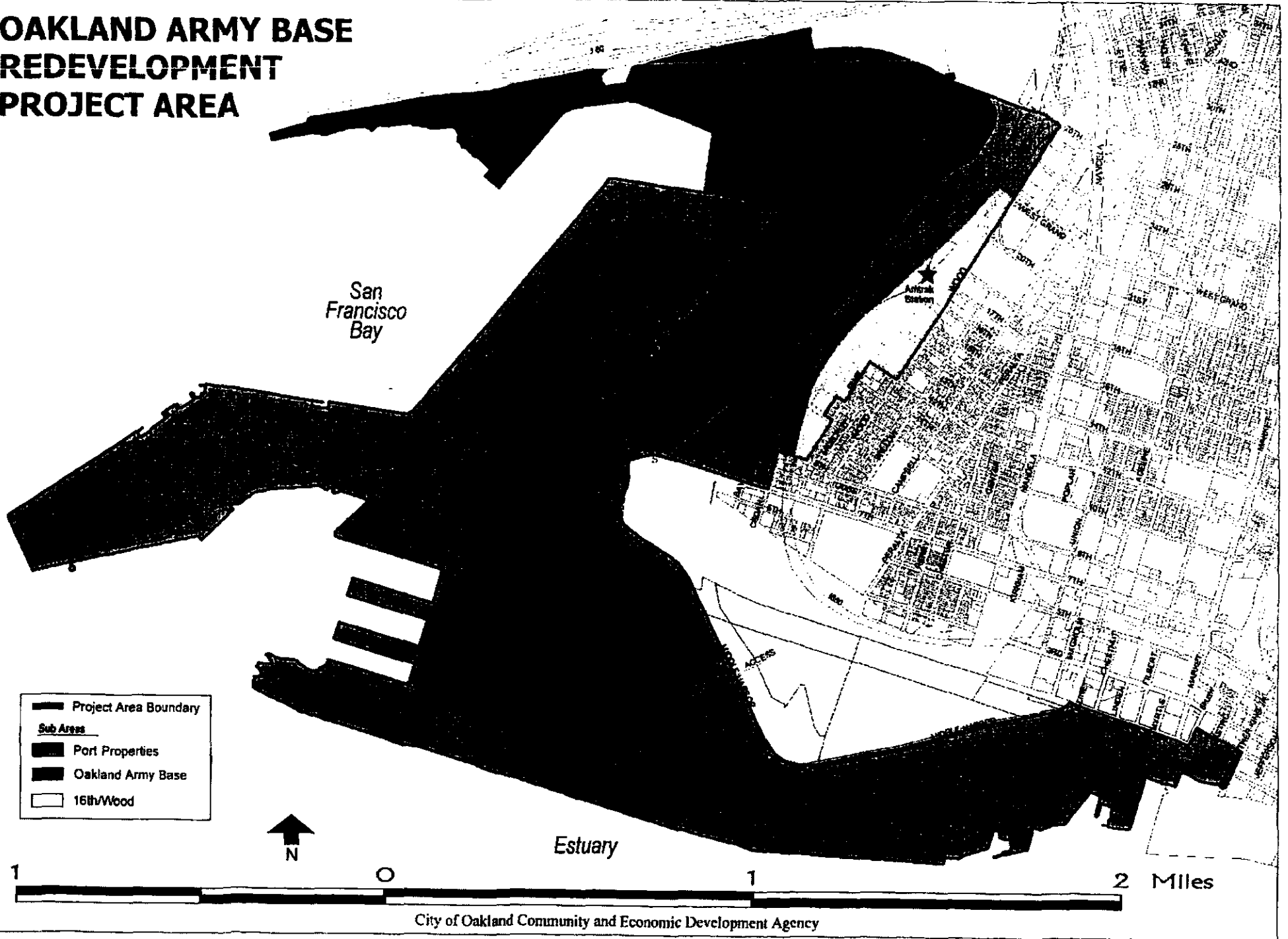
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**OFFICE OF THE CITY ADMINISTRATOR/  
AGENCY ADMINISTRATOR**

Attachments:

- A. Oakland Army Base Redevelopment Project Area Map
- B. 2005-2010 Oakland Army Base Five-Year Implementation Plan

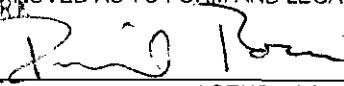
# OAKLAND ARMY BASE REDEVELOPMENT PROJECT AREA



OFFICE OF THE CITY CLERK  
OAKLAND

APPROVED AS TO FORM AND LEGALITY:

2005 JUN 16 PM 9:16

  
AGENCY COUNSEL

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

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

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

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

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

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

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

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

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

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2005

**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

## ATTACHMENT B

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

## I. BACKGROUND AND INTRODUCTION

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

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

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

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

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

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

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

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

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

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

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

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

1. OARB Subarea

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

◆ Demolition/Deconstruction

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



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

- ◆ Utilities

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

- ◆ Site Preparation, Remediation and Entitlements

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

- ◆ Road Improvements

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

- ◆ Public Access and Open Space Improvements

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

- ◆ OARB Real Estate Activities

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

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

## 2. Maritime Subarea

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

### ◆ Joint Intermodal Terminal

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

### ◆ Railyard Improvements

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

### ◆ New Roadways and Intersections

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

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

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

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

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

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

◆ Demolition/Renovation/Site Work

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

◆ Historic Preservation

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

◆ Affordable Housing

The Wood Street area contains the only residentially zoned property in the OARB redevelopment plan area. The recent approval of the Wood Street Residential Project anticipates Agency participation in funding affordable rental and ownership housing within that project.

◆ Transportation and Related Improvements

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

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

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

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

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

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

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

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

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

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

Source: Oakland Redevelopment Agency; Hausrath Economics Group.

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

**A. Implementation Plan Requirements**

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

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

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

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

**Definition of Affordable Housing Cost**

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

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

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

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

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

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

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low- and moderate-income, and must be occupied by these persons and families (Section 33413(b)(1)). At least 50 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low- or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low-income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low- and moderate-income housing stock caused by agency



activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan.

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

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate, low-, and very low-income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

## **3. Additional Requirements:**

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.
- Estimates of housing units that will be produced in the project area for each of the various income categories.

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

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

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the OARB Project Area are discussed below.

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

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

## **b. Housing Production Obligation**

The Agency is required to comply with the housing unit production requirement of Section 33413(b) for the OARB Project Area. Subparagraph (1) of the Section requires that 30 percent of all housing units developed by the Agency be affordable to low- or moderate persons. The Agency does not plan to develop housing in the next five years, rather the Agency will assist in private sector affordable housing development. Thus, the Agency is not anticipated to incur any obligations under this provision of the CRL.

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

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

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

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

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

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

### **3. Estimated Number of Units Required for Housing Production Obligation**

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

### **4. How the Housing Production Obligation Will be Met**

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

<b>Project</b>	<b>Total Units</b>	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Unrestricted</b>
Wood Street Residential, Rental	94	94	0	0	0
Wood Street Residential, Ownership	1463	0	0	140	1323
<b>TOTALS</b>	1547	94	0	140	1323

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

Development of the very-low, low and moderate income housing units in the Wood Street project will be governed by the City of Oakland's Conditions of Approval (COA) recently approved for the development, which impose certain affordable housing requirements on the developer. Under COA number 100, the developer is required to set aside a 1.5 acre parcel for sale to a nonprofit housing developer and development of at least 94 rental units affordable to very low income households. Such units would need to remain affordable to very low income households for at least 55 years through recorded restrictions. Development of these affordable units will be contingent on the Redevelopment Agency providing sufficient subsidy to ensure affordability of the designated units. In addition, COA number 100 requires the developer to reserve at least 12.65% of all ownership units in the project, but no fewer than 9% of total units – a total of 140 units at full build-out – for purchase by low and moderate income homebuyers. Along with a developer commitment of \$2.5 million in mortgage assistance, the Agency or City would be responsible for providing any additional mortgage assistance funding needed to make these units affordable for purchase by low and moderate income homebuyers. Such units will be subject to 45-year resale controls.

The cost of these projected Agency subsidies is currently estimated to exceed \$30 million, which greatly exceeds the amount of money expected to be available in the Project Area's Low and Moderate Income Housing Fund over the next five years. To address this financial gap, the Agency will consider several alternatives, including issuing a bond backed by the Low and Moderate Income Housing Fund revenues or utilizing funds from Low and Moderate Income Housing Funds generated from other project areas in Oakland.

In the event that the required number of units necessary to meet the Agency's housing production requirement generated by the Wood Street project or other development cannot be developed within the Project Area for whatever reason (e.g., if the Agency is unable to provide such financing, or determines that such financing is infeasible or impracticable), the housing production obligation may be met either by (1) aggregating the Oakland Army Base Project Area requirements with new or substantially rehabilitated units in other project areas, consistent with the provisions of subparagraph (2)(A)(v) of Section 33413(b), if the required findings are made, or (2) cause two units to be built outside of the Project Area for every unit that would

have otherwise been required within the Project Area, consistent with the provisions of subparagraph (2)(A)(ii) of Section 33413(b) .

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

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

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment from the OARB Project Area to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the OARB Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

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

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

**1) Very Low- and Low-Income Housing Expenditures**

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency’s minimum required allocation for very low- and low-income expenditures, and maximum moderate-income housing expenditures are:

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

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

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

**2) Age Restricted Housing Expenditures**

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

<b>Age Category</b>	<b>Percentage of Funds</b>
Senior	10.5% Maximum
Unrestricted	89.5%
Total	100%

The Agency will ensure that over the ten-year period from 2005 through 2015, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the OARB Project Area are for projects that exclusively serve seniors.

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

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered

amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

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

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

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

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

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

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

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

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

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

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

**a. Production**

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

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

**b. Rehabilitation**

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

**c. Affordability Assistance**

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very low- to moderate-income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

**d. Preservation of Existing Affordable Housing**

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

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

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in

any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the OARB Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

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

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



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

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

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

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

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

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

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

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

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

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100

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

(1) Agency Funding includes all funding provided from Low- and Moderate-Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

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

**Housing Units Newly Constructed in Redevelopment Project Areas,  
Assisted With Locally-Controlled Government Assistance and  
No Redevelopment Agency Financing, 1999 – 2004**

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

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