


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT WITH EAGLE ENVIRONMENTAL CONSTRUCTION & DEVELOPMENT OR ITS AFFILIATE, FOR A TERM OF TWENTY-FOUR MONTHS, WITH ONE SIX-MONTH ADMINISTRATIVE EXTENSION, FOR THE POTENTIAL SALE OR LEASE DISPOSITION OF THE PROPERTY LOCATED ON BARCELONA STREET ADJACENT TO THE OAK KNOLL PROJECT IN THE OAKLAND HILLS EAST OF I-580 NEAR THE OAKLAND ZOO; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

WHEREAS, the City of Oakland (“City”) owns a 4.17-acre parcel of land located on Barcelona Street and adjacent to the Oak Knoll development project designated as Parcel A on Parcel Map 8730 filed for record on October 3, 2005 in Book 284 of Maps at Pages 63-65, inclusive, Alameda County record (“Property”); and

WHEREAS, on July 21, 2020, the City Council adopted Resolution No. 88233 C.M.S. declaring the Property to be surplus land under the California Surplus Land Act (Government Code sections 54220 et seq.) (“SLA”) and authorized the City Administrator to commence actions to comply with the SLA for the development of the Property; and

WHEREAS, on December 17, 2021 the City sent a Notice of Availability to all entities that the SLA requires to be notified, including the Oakland Unified School District, Alameda County, and housing sponsors on the list generated by the California Housing and Community Development Department (“State HCD”); and

WHEREAS, Eagle Environment Construction & Development, a California corporation (“Developer”), submitted a proposal within the City’s 60-day noticing period to develop a workforce affordable housing development on the Property; and

WHEREAS, City staff concluded after the 90-day SLA negotiating period that the proposal submitted by the Developer met the State’s SLA requirements by providing a 100 percent

affordable development, is offering the City fair market value for the Property, and best addresses the direction of City Council to develop the site for affordable housing; and

WHEREAS, State HCD formally reviewed and evaluated the City’s documentation for compliance with the SLA process and pursuant to a letter dated June 14, 2022, officially determined the City has fully complied with the SLA requirements for disposition of the Property; and

WHEREAS, the City and the Developer desire to enter into a period of preliminary study and exclusive negotiations for the proposed sale or lease disposition and development of the Property pursuant to the Developer’s proposal, with the understanding that this does not constitute a binding commitment on part of the City for any project or developer for the Property; and

WHEREAS, the City and Developer desire to negotiate an Exclusive Negotiation Agreement (“ENA”) for an initial term of twenty-four (24) months, with one administrative extension of six (6) months; and

WHEREAS, the City shall require the Developer to pay a nonrefundable exclusive negotiation payment of \$50,000 for such exclusive negotiations and keeping the Property off the market; and

WHEREAS, the City shall also require the Developer to pay a nonrefundable extension payment of \$12,500 for the six-month administrative extension; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Administrator to negotiate and enter into an ENA with the Developer or its affiliate approved by the City Administrator, for the purposes of developing a project proposal for City Council review and approval, undertaking the necessary environmental review process, and negotiating the terms and conditions of a either a Disposition and Development Agreement or a Lease Disposition and Development Agreement and Ground Lease; and be it

FURTHER RESOLVED: That the initial ENA period will be for twenty-four (24) months from the date of this Resolution, with the option for the City Administrator, in his or her sole and absolute discretion, to extend such period for an additional six (6) months; and be it

FURTHER RESOLVED: That the City shall require from the Developer (a) a nonrefundable exclusive negotiation payment of \$50,000 to be paid five (5) business days after execution of the ENA and (b) a nonrefundable payment of \$12,500 for one administrative extension; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator to accept, deposit, and appropriate the nonrefundable exclusive negotiation payment of \$50,000 and the \$12,500 extension payment into Entity (1), Miscellaneous Projects Fund (5999), Central City East Organization (85246), Other Income/Other Revenue Account (48727), Project to be determined, and Central City East Program (SC18), for future allocation, and appropriation; and be it

FURTHER RESOLVED: That the ENA shall be reviewed and approved as to form and legality by the City Attorney’s Office prior to execution; and be it

FURTHER RESOLVED: That the City Council finds and determines any proposed disposition of the Property will require further discretionary actions of the City Council, and the City retains full discretion, following conclusion of the negotiation period set forth in ENA to proceed with disposition of its interest in the Property in compliance with the California Environmental Quality Act (“CEQA”); and be it

FURTHER RESOLVED: That the City Council, after independent review and consideration, finds this action will not result in a direct or indirect physical change in the environment and does not in-and-of-itself constitute a “project” pursuant to CEQA Guidelines Section 15378; and be it

FURTHER RESOLVED: That the City Administrator is further authorized to negotiate and enter into agreements and take whatever action is necessary with respect to the ENA and the Property consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California