

# **AGENDA REPORT**

TO: Jestin D. Johnson

City Administrator

FROM: Josh Rowan

Director, OakDOT

**SUBJECT:** Issuance of An Unconditional

Certificate Of Completion for Brooklyn

Basin Phase Two Public

Improvements

**DATE:** May14, 2025

City Administrator Approval

ostin Johnson (Jun 9, 2025 22:22 PDT)

Date: Jun 9, 2025

# **RECOMMENDATION**

**City Staff Recommends That the City Council Adopt the Following:** 

A Resolution Accepting Public Infrastructure Improvements, Directing The Filing Of An Unconditional Certificate Of Completion (UCC) For The Brooklyn Basin Phase Two Improvements Per The Subdivision Improvement Agreement (SIA) For Deferred Construction Of Public Infrastructure Improvements, And Making California Environmental Quality Act (CEQA) Findings.

#### **EXECUTIVE SUMMARY**

The Phase Two (Phase 2) improvements for the Brooklyn Basin project as required in the Subdivision Improvement Agreement (SIA) between the City of Oakland (City) and Zarsion OHP-1, LLC (Developer) have been completed, inspected, and determined to meet City Standards. The Developer has petitioned the City to issue an Unconditional Certificate of Completion (UCC) for the completed work.

Approval of the proposed Resolution authorizes the City Engineer to accept the completed public improvements in the right-of-way, issue a UCC in accordance with the requirements provided in the SIA, and file the UCC with the Alameda County Recorder's Office. At the Developer's expense, a maintenance bond, or approved securities, are required by the SIA for the two-year maintenance period that will begin upon the permit's final date, which is the date upon which the City Engineer executes and files the UCC. The Developer has submitted to the City a Maintenance Bond of \$372,535.25, equal to one-quarter of the original Performance Bond (\$1,490,141.00), for the City to retain for this two-year maintenance period.

# **BACKGROUND / LEGISLATIVE HISTORY**

The Brooklyn Basin project site is comprised of approximately 64 acres of waterfront property bounded by Embarcadero Road, Fallon Street, Tenth Avenue and the Estuary. The project

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includes up to 3,100 residential units, 465 affordable housing units, and up to 200,000 square feet of ground-floor commercial space. The completed project will have approximately 31 acres of parks and public open space, two renovated marinas, shoreline improvements, new roads, and other infrastructure improvements, and an existing wetlands restoration area.

On March 29, 2017, the City Council adopted Resolution No. 86684 C.M.S. conditionally approving a Final Map for Tract Number 8395 for the Brooklyn Basin Phase 2, a four lot subdivision located at 845 Embarcadero, and adopted Resolution No. 86685 C.M.S. authorizing the City Administrator to enter into a Subdivision Improvement Agreement (SIA) for deferred construction of public infrastructure improvements, including streets, street lights, sanitary sewer, storm drains, curbs, gutters, and sidewalks.

On April 18, 2017, the Developer and the City, entered into a SIA for Deferred Construction of Public Infrastructure Improvements recorded in the Official Records of Alameda County as Series No. 2017121182 (Agreement) for Brooklyn Basin Embarcadero Phase Two related to Tract Map No. 8395, filed July 19, 2017 in Book 349 of Maps, pages 4 through 8, inclusive, Alameda County Records.

On September 13, 2017, and in accordance with the SIA, the Developer obtained Public Infrastructure permit PX1600019 for the construction of the Phase 2 improvements and provided surety in the form of a Performance Bond in the amount of \$1,490,141.00 and Labor and Materials Bond in the amount of \$745,070.50.

On December 26, 2019, the Developer had completed approximately eighty percent (80%) of the work associated with the subject permit and in accordance with the SIA. At that time, the City authorized the partial release of the Faithful Performance and Labor and Material Bond by 80%, retaining 20%, in the amount of \$298,029.20 for Performance Bond and \$149,014.10 for Labor and Materials Bond, for deferred improvements.

The Developer has now completed all of the public improvements associated with the subject permit and in accordance with the SIA, has provided the City with surety in the form of a Maintenance Bond in the amount of \$372,535.25 for the two-year maintenance period required by the SIA.

# **ANALYSIS AND POLICY ALTERNATIVES**

Adoption of this proposed resolution furthers the Citywide priorities of Housing, Economic, and Cultural Security, because the acceptance of infrastructure will free up funds needed for the Developer to continue the overall Brooklyn Basin Project. Upon completion, the project will add up to 3,700 residential units and up to 200,000 square feet of retail space. Brooklyn Basin Phase Two has also contributed to the City of Oakland Public Works sanitary sewer fund for sewer maintenance and rehabilitation and has constructed new sanitary sewer and storm drain infrastructure to be adopted by the City, which contributes to the city-wide goal for vibrant, sustainable infrastructure.

Upon adoption of these proposed resolutions and in accordance with the requirements stated in the Agreement, the City Engineer will issue the UCC to the Developer after receiving the required maintenance bond, or approved securities, and record the UCC with the Alameda

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County Clerk-Recorder Office. In accordance with the SIA, upon filing of the UCC, the previously submitted Performance, Labor, and Material Sureties will be released. This course of action is recommended because staff has determined the Developer has completed the work.

Declining to adopt this proposed resolution will require the Developer to tie up funds that will otherwise be used for further Brooklyn Basin phases, resulting in added delays and costs for the overall development.

#### **FISCAL IMPACT**

Staff cost for processing the UCC are covered by fees set by the Master Fee Schedule and have been paid by the Developer.

#### **PUBLIC OUTREACH / INTEREST**

Adjoining property owners were notified of the project at the time when the Tentative Subdivision Map was approved and later during the construction of public improvements.

# COORDINATION

This report was coordinated with the Department of Planning and Building, Budget Bureau, and the Office of the City Attorney.

#### SUSTAINABLE OPPORTUNITIES

**Economic**: The Brooklyn Basin project, previously the Oak to Ninth project, was approved by the City Council on July 18, 2006. The entire project site includes up to 3,100 residential units including 465 affordable units, commercial space, and approximately 31 acres of parks, public open space and two renovated marinas. The improvements provide economic vitality and opportunity along the Oakland waterfront.

**Environmental**: Land use approval and construction permits for public infrastructures and private improvements comply with City ordinances and best management practices for noise, fugitive dust, construction debris and disposal, and storm water pollutant prevention.

**Race & Equity**: Adoption of the proposed resolution will have no direct impacts or opportunities related to race and equity.

## CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

This action is exempt from the California Environmental Quality Act (CEQA) and the CEQA Guidelines because the City's acceptance of the completed improvements is a ministerial action that is exempt from the requirements of CEQA pursuant to Public Resources Code section 21080(b)(1) and CEQA Guidelines section 15268. In addition, this action complies with CEQA

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because the improvements in question were approved as part of the entitlements for the Brooklyn Basin Project, which was analyzed under the 2009 Brooklyn Basin (formerly "Oak to Ninth Avenue Project") Environmental Impact Report (2009 EIR) and this action implements the previously approved entitlements that were analyzed under the 2009 EIR. As such, there are no circumstances pursuant to CEQA Guidelines sections 15162 or 15164 that would necessitate further environmental review.

## **ACTION REQUESTED OF THE CITY COUNCIL**

City Staff Recommends That The City Council Adopt The Following:

A Resolution Accepting Public Infrastructure Improvements, Directing The Filing Of An Unconditional Certificate Of Completion (UCC) For The Brooklyn Basin Phase Two Improvements Per The Agreement For Deferred Construction Of Public Infrastructure Improvements, And Making California Environmental Quality Act (CEQA) Findings.

For questions regarding this report, please contact Tadd Tsui, Assistant Engineer II, at ttsui@oaklandca.gov.

Respectfully submitted,



**JOSH ROWAN** 

Director, Oakland Department of Transportation

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