

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

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2010 JAN 13 PM 6:08

TO: Office of the Agency Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: January 26, 2010

RE: **A Resolution Authorizing The Agency Administrator To Apply For, Accept, And Appropriate Grant Funds From The California Cultural And Historical Endowment Program Under State Of California Clean Water, Clean Air, Safe Neighborhood Parks, And Coastal Protection Act Of 2002, For The Historic Fox Theater Renovation In An Amount Not To Exceed One Million Dollars (\$1,000,000)**

SUMMARY

A resolution has been prepared for the Redevelopment Agency ("Agency") Board to authorize the Agency Administrator, or his designee, to apply for, accept and appropriate grant funds from the California Cultural and Historical Endowment ("CCHE") grant program in an amount not to exceed one million dollars (\$1,000,000) for the Fox Theater.

The CCHE grant funds those projects that promote the understanding of California culture and history through the preservation of existing historical parks, monuments, museums and other facilities. This is the fourth round of funding by CCHE. The Agency applied for and received a total of \$3,951,750 in grants for the Fox Theater in the first and third rounds of funding.

The Agency previously adopted Resolution No. 2008-0079 C.M.S., to apply for and accept additional CCHE grant funding which staff anticipated would become available; however, a new resolution is needed to provide more specific language required by CCHE.

FISCAL IMPACT

Approval of the proposed resolution will have no adverse impact on the City or Agency.

The proposed resolution will authorize the Agency Administrator to apply for, accept and appropriate State grant funds in the amount of up to One Million dollars (\$1,000,000) to the Central District Grants Fund (9215), Capital Improvement Project – Economic Development Organization (94800), Fox Theater Master Plan Project (P131120) for capital improvements of the Fox Theater. The grant requires a sixty-percent match from the Agency. The match will be provided through funds already approved by the Agency.

Item: _____
Community & Economic Development Committee
January 26, 2010

BACKGROUND

The Agency has previously applied for and received two CCHE grants to aid in the renovation of the Fox Theater. In 2007 it was successful in receiving a first round grant in the amount of \$2,887,500 and in 2008 it received a third round grant in the amount of \$1,064,250.

Recently, approximately \$4 million in “residual funding” has become available from funds which were initially reserved for or awarded to other CCHE applicants who were unable to spend their funds.

This “fourth” round of funding requires a *new* Agency resolution as part of the grant application which is due February 10, 2010. The Agency will apply for the maximum amount, \$1,000,000, for this round of funding.

PROJECT DESCRIPTION

Grant Funding Source Overview

CCHE is currently working with a funding source of voter-approved bonds from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002, more commonly known as Proposition 40. The purpose of the CCHE grant program is to preserve, document and interpret those periods of California history that illustrate the rapid cultural, social, and economic changes that took place. Under CCHE’s program, grant funds have been awarded in three funding cycles to government entities and non-profit organizations through a competitive grant application process.

Use of Grant Funds

CCHE grant funds are used to promote cultural understanding and access to historic structures. If awarded, this grant would be used for final tenant improvements to the restaurant space, and could also be used for the renovation of the original lobby and lobby doors, stencil painting, detailed historic painting in the mezzanine lobby, brick and terra cotta surfaces, and other final finishes.

The Fox Theater is a City of Oakland Landmark listed on the National Register of Historic Places. Any restoration, alteration or modification to the building must follow the Secretary of the Interior’s Standards for Rehabilitation.

KEY ISSUES AND IMPACTS

There is one major Council concern that should be addressed – project eligibility/priority. With grant applications, two questions arise: (1) what other projects qualify, and (2) which projects should be submitted. In the case of the CCHE grant, each entity applying is required to set priorities among its projects. But since the City and Agency are considered separate entities, and the Agency is only submitting the Fox application, this does not apply. While the Agency has in the past owned several major historic buildings – Preservation Park, Old Oakland, the Plaza Building, the Rotunda Building, etc. – the Fox Theater is the last one remaining in Agency ownership and in need of renovation. The Council may still be concerned that the Fox Project will be in competition with other City projects. When the Fox Project was submitted for Round 1 of funding, it competed against the Oakland Museum of California; both projects were approved and received funding.

SUSTAINABLE OPPORTUNITIES

Economic: The proposed projects will aid in generating jobs for the local economy through utilizing local businesses whenever possible for contract work. The Fox Project provides educational opportunities for approximately 500 students.

Environmental: The Uptown area will be greatly improved by eliminating a major blighting influence on the neighborhood, restoring a significant historic building to landmark status, and helping to create a positive investment environment in the area. The Project will also aid in natural resources conservation through the selection of appropriate materials and equipment in the design and construction process.

Social Equity: The Agency will be providing tangible benefit to the Uptown by investing in facilities to support active educational and recreational opportunities and programming for youth and the community.

DISABILITY AND SENIOR CITIZEN ACCESS

The proposed Project is designed to be in compliance with the Americans with Disabilities Act (ADA) and Older Americans Act, and other applicable laws to enhance accessibility for people with disabilities and senior citizens. The accessibility program coordinator will be requested to participate in project review at all stages of the design process.

RECOMMENDATIONS AND RATIONALE

It is recommended that Redevelopment Agency approve the resolution authorizing the grant application for the Fox Theater renovation. The Project has been evaluated against the grant requirements, project readiness, ability of the Project to meet the needs of the community, and additional funding requirements, and it appears to be a strong contender for additional CCHE

Grant funds. Completion of the Project will meet Council's Goal No. 4 to Support Youth by providing an expanded charter school and strengthening community and educational programs for children and youth. The Project will also support Council's Goal No. 6 to Maintain and Enhance Oakland's Physical Assets. Council's Goal No.7, to Inspire Creativity and Civic Engagement, is supported as the Agency collaborates with community-based organizations to enhance community programs and participation.

Once the Agency authorizes the grant application, staff will proceed with preparing the grant applications. Because the application deadline for the proposed grant is February 10, 2010, staff is requesting that the Agency make its decision as soon as possible.

ACTION REQUESTED OF THE REDEVELOPMENT AGENCY

Staff recommends that the Redevelopment Agency approve the resolution authorizing the Agency Administrator to apply for, accept and appropriate grant funds from the California Cultural Historical Endowment Program under State of California Proposition 40, for the historic Fox Theater renovation in an amount of up to \$1,000,000.

Respectfully submitted,

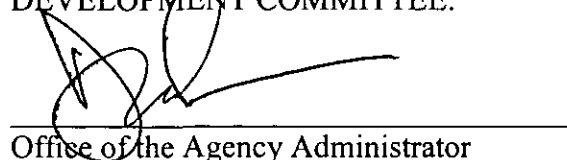


Walter S. Cohen, Director
Community and Economic Development Agency

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

Prepared by: Jeffrey Chew
Redevelopment Agency

APPROVED AND FORWARDED
TO THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE:


Office of the Agency Administrator

Item: _____
Community & Economic Development Committee
January 26, 2010

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2010 JAN 13 PM 6:09

APPROVED AS TO FORM AND LEGALITY

AGENCY COUNSEL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING THE AGENCY ADMINISTRATOR TO APPLY FOR, ACCEPT, AND APPROPRIATE GRANT FUNDS FROM THE CALIFORNIA CULTURAL AND HISTORICAL ENDOWMENT PROGRAM UNDER STATE OF CALIFORNIA CLEAN WATER, CLEAN AIR, SAFE NEIGHBORHOOD PARKS, AND COASTAL PROTECTION ACT OF 2002, FOR THE HISTORIC FOX THEATER RENOVATION IN AN AMOUNT NOT TO EXCEED ONE MILLION DOLLARS (\$1,000,000)

WHEREAS, the people of the State of California have enacted the California Clean Water, Clean Air, Safe Neighborhood Parks, And Coastal Protection Act Of 2002, which provides funds to the State of California for the California Cultural and Historical Endowment (CCHE) Grant Program, and

WHEREAS, the California Cultural and Historical Endowment (CCHE) has been delegated the responsibility for the administration of the Grant Program setting up necessary procedures, and

WHEREAS, these procedures require the Grant Applicant to certify by resolution the approval of an application before submission of the application to the California Cultural and Historical Endowment (CCHE), and

WHEREAS, if the Grant Applicant is awarded a grant, the Grant Applicant will enter into a Grant Agreement with the California Cultural and Historical Endowment (CCHE) for the renovation of the historic Fox Oakland Theater Project (the "Project"), and

WHEREAS, the Agency hereby finds and determines on the basis of substantial evidence in the record that the Initial Study and Mitigated Negative Declaration fully

analyzes the potential environmental effects of the project and incorporates mitigation measures to substantially lessen or avoid any potentially significant impacts in accordance with CEQA. None of the circumstances necessitating preparation of additional environmental review as specified in CEQA and the CEQA Guidelines, including without limitation Public Resources Code Section 21166 and CEQA Guidelines Section 15162, are present in that (1) there are no substantial changes proposed in the project or the circumstances under which the project is undertaken that would require major revisions of the Initial Study/Mitigated Negative Declaration due to the involvement of new environmental effects or a substantial increase in the severity of previously identified significant effects; and (2) there is no "new information of substantial importance" as described in CEQA Guidelines Section 15162(a)(3); now, therefore, be it

RESOLVED: That the Oakland Redevelopment Agency approves the filing on its behalf of a CCHE Grant Application for the above Project to be funded from the California Clean Water , Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002; and be it

FURTHER RESOLVED: That the Agency certifies that it, as the Grant Applicant, has or will have sufficient funds to operate and maintain the Project, and where applicable, to complete the Project; and be it

FURTHER RESOLVED: That the Agency certifies that it, as the Grant Applicant, has reviewed, understands, and agrees to the General Provisions of the CCHE Grant Application Agreement; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines that this action complies with CEQA because this action on the part of the Agency does not necessitate preparation of a subsequent or supplemental EIR Section 15162 (subsequent EIRs and negative declarations); and be it

FURTHER RESOLVED: That the Agency Administrator or his designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action; and be it

FURTHER RESOLVED: That the Agency Administrator, or his authorized representative, as agent to conduct all negotiations, execute and submit all documents including, but not limited to, Applications, Agreements, payment requests and other items, which may be necessary for the completion of the Project provided that such agreements shall be reviewed and approved by the Office of the City Attorney and shall be filed with the Office of the City Clerk; and be it

FURTHER RESOLVED: That if the Application is approved, the Agency Administrator is authorized to accept and appropriate funds in the amount of one million dollars (\$1,000,000) to the Central District Grants Fund (9215), Capital Improvement Project – Economic Development Organization (94800), Fox Theater Master Plan Project (P131120) ; and be it

FURTHER RESOLVED: That all documents related to this transaction shall be reviewed and approved by Agency Counsel prior to execution, and copies will be placed on file with the Agency Secretary; and be it

FURTHER RESOLVED: That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the Agency's decision is based are respectively: (a) the Community & Economic Development Agency, Projects Division, 250 Frank H. Ogawa Plaza, 5th Floor, Oakland CA; (b) the Community & Economic Development Agency, Planning Division, 250 Frank H. Ogawa Plaza, 3rd Floor, Oakland CA; and (c) the Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland, CA.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Redevelopment
Agency of the City of Oakland