

OAKLAND CITY COUNCIL
RESOLUTION NO. _____ C.M.S.

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO
NEGOTIATE AND ENTER INTO AN EXCLUSIVE NEGOTIATION
AGREEMENT WITH THE UNITY COUNCIL OR ITS AFFILIATE, FOR A
TERM OF TWENTY-FOUR MONTHS, WITH ONE SIX-MONTH
ADMINISTRATIVE EXTENSION, FOR THE POTENTIAL LEASE
DISPOSITION AND DEVELOPMENT OF AN AFFORDABLE HOUSING
PROJECT ON THE PROPERTIES LOCATED AT 3550, 3566, 3600 AND
3614 FOOTHILL BOULEVARD, SUBJECT TO THE COMPLETION OF A
CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION**

WHEREAS, the City of Oakland (City) owns a 12,000 square foot property located at 3550 Foothill Boulevard (Assessor Parcel Number or "APN" 32-2115-038-01), a 6,541 square foot property located at 3566 Foothill Boulevard (APN 32-2115-037-01), a 10,625 square foot property located at 3600 Foothill Boulevard (APN 32-2084-051) and a 4,998 square foot property located at 3614 Foothill (APN 32-2084-050) for approximately 0.78-acres of land combined (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 4, 2020, 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, the City received one notice from a potential developer during the 60-day respond period, which led to the 90-day SLA negotiating period; and

WHEREAS, City staff concluded after the 90-day SLA negotiating period that the proposal submitted was not feasible and would not meet the State's SLA requirements by providing a permanent affordable housing development on the Property; and

WHEREAS, on December 31, 2024, the City released a Request For Proposals (RFP) for an affordable housing development project to a list of affordable housing developers which included the developers identified on the State HCD SLA list; and

WHEREAS, the City received proposals from two potential developers during the response period, which led to an evaluation of the proposals and interviews for both potential developers during the selection process; and

WHEREAS, as a result of the selection process, the City selected the affordable housing proposal submitted by The Unity Council (Developer) featuring 82 affordable family units ranging between 1, 2 and 3 bedrooms for income levels at or below 60% AMI; and

WHEREAS, the City and the Developer desire to enter into a period of preliminary study and exclusive negotiations for the proposed 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 option of six (6) months; and

WHEREAS, the City shall require the Developer to pay a nonrefundable exclusive negotiation payment of \$25,000 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 \$6,250 for a six-month administrative extension should the option be exercised; 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 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 \$25,000 to be paid five (5) business days after execution of the ENA and (b) a nonrefundable payment of \$6,250 for one administrative extension should the option be exercised; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator to accept, deposit, and appropriate the nonrefundable exclusive negotiation payment of \$25,000 and the \$6,250 extension option payment into City Entity (1), Central City East TA Bond Series

2006A-T (Taxable) Fund (5643), Central City East Redevelopment Organization (85246), Other Income/Other Revenue Account (48727), Project to be determined / established, and Central City East Program (SC18), for future allocation; and be it

FURTHER RESOLVED: That the ENA and any amendments 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 amendments and 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 - BROWN, FIFE, GALLO, HOUSTON, RAMACHANDRAN, UNGER, WANG, AND
PRESIDENT JENKINS

NOES –

ABSENT –

ABSTENTION –

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