

CITY OF OAKLAND
AGENDA REPORT

07/10/06 11:50
2006/12/12 11:50

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community & Economic Development Agency
DATE: December 12, 2006
RE: **Resolutions to 1) Authorize A Subgrant in the amount of \$120,000 to East Bay Habitat for Humanity from the Brownfield Cleanup Revolving Loan Fund (“BCRLF”) For Environmental Cleanup of a Site on Edes Avenue for Development of 26 Single Family Affordable Homes, 2) Authorize A BCRLF Loan to Brush Street Partners in the amount of \$150,000 for Environmental Cleanup at 7th and Brush Streets, 3) Accept and Appropriate Supplemental Funding from the Environmental Protection Agency (“EPA”) in the Amount of \$385,000 for the City of Oakland BCRLF Program, and 4) Apply for, Accept, and Appropriate Future Supplemental Funding from EPA for the BCRLF Program Without Returning to the City Council; and 5) Authorizing the City Administrator or Designee to award BCRLF Loans and Grants for amounts up to \$200,000 to Eligible Entities Without Returning to the City Council.**

SUMMARY

This report requests that City Council adopt resolutions authorizing the City Administrator to provide a Subgrant in the amount of \$120,000 to Habitat for Humanity East Bay from the City’s Brownfield Cleanup Revolving Loan Fund (“BCRLF”); approval of a BCRLF loan in the amount of \$150,000 to Brush Street Partners for remediation of a site at 785 Brush Street; and authorization to accept supplemental funding in the amount of \$385,000 from the Environmental Protection Agency (“EPA”) for the BCRLF program. Staff requests that Council also adopt resolutions authorizing the City Administrator to apply for, receive and accept supplemental funding in the future and appropriates such funds to this same program.

FISCAL IMPACT

The City received \$500,000 in BCRLF funds from the EPA in FY 2000-01 for a revolving loan program. The City is authorized to review and approve eligible applications and make loans, with oversight of the terms of such loans by the EPA Region 9 office. The City undertook a “transition” of the program to the new guidelines set by the EPA in the past year. Under the new “transition” guidelines, the City may also provide grants to nonprofits for the remediation of brownfields sites in addition to continuing to make loans to eligible applicants.

The proposed subgrant of \$120,000 to Habitat for Humanity East Bay (“EB Habitat”) will be used for environmental remediation work at the Edes Avenue site, which is being developed for 26 affordable homeownership units. The funds will be allocated from Environmental Protection Agency Fund (2125), Business Development Org: (88559), and EPA-Brownfield Cleanup

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Project (G183830). Habitat has already spent over \$425,000 for remediation of the Edes Avenue project site, a blighted and vacant industrial property near Sobrante Park. Habitat received a temporary Department of Toxic Control Substances (DTSC) "CLEAN" loan for site remediation while awaiting approval of this BCRLF grant. A 20% cost share is required for all new grants or loans under the BCRLF new program guidelines. The cost share may be met in-kind, by labor (city staff time), materials, or services. In the case of the proposed Habitat grant, the cost share will be met and exceeded by the \$375,000 provided through City funds. EB Habitat's Edes Avenue Homes first phase was awarded funding from the City/Agency 2003 Affordable Rental and Ownership Housing competition (the "NOFA"). Per Redevelopment Agency Resolution No. 2004-10 C.M.S., dated February 17, 2004, \$1,700,000 in new funds was awarded, and was consolidated with \$375,000 in Site Acquisition loan funds previously provided, for a new loan of \$2,075,000.

The proposed \$150,000 loan to Brush Street Partners for remediation at 785 Brush St will be allocated from Environmental Protection Agency Fund (2125), Business Development Org: (88559), and EPA-Brownfield Cleanup Project (G183830). The 20% cost share for the loan to Brush Street Partners has been met through \$18,500 in programmed City match funds required for the applicant's CALReUSE loan for this site, as well as staff time (in-kind) provided for the BCRLF loan administration from the above referenced fund, per City Resolution No. 76843 C.M.S.

Staff also proposes that the Council accept and appropriate the Supplemental EPA Funding in the amount of \$385,000. These funds will be deposited in Environmental Protection Agency Fund (2125), Business Development Org: (88559), and EPA-Brownfield Cleanup Project (G183830). A match is not required for receipt of the Supplemental Funding.

BACKGROUND

The City of Oakland received \$500,000 in BCRLF funding in FY 2000-2001. (See Attachment A for a summary of BCRLF activities to date). The City's proposal to the EPA was to focus on the Oakland Industrial Corridor, citing the City's success in the redevelopment of former brownfields including the Just Desserts, Federal Express, and Jack London Cinemas sites. The goal of the program is to build on successful assessment, cleanup and redevelopment programs, remediate and initiate reuse of large vacant and contaminated sites, and provide a process for community input and self-determination.

In January of 2005, the City approved a BCRLF loan to the Redevelopment Agency in the amount of \$200,000 for the remediation of Willow Park in West Oakland. Following this loan, the City applied to EPA to "transition" the existing program to new program guidelines, which allow subgrants in addition to loans. The "transition" application was approved in July 2006. City staff also applied for additional funding for the BCRLF program and an additional \$385,000 was approved by EPA in April 2006.

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KEY ISSUES AND IMPACTS

Habitat for Humanity East Bay

The Edes Avenue site is a former industrial site on the edge of the Sobrante neighborhood in East Oakland. The site had been used as a gardening and nursery outlet in 1952, and was later converted into a truck dismantling and salvaging yard until 1996. The site was used off and on for other salvage activities, and was purchased by Habitat in August 2002. Approximately 22.2 tons of oil-stained soil was removed from the site in 1995 as part of a cleanup operation overseen by the Alameda County Environmental Health Department (ACEH). Vehicles, equipment and all remaining structures were removed from the site by July 2002. A Phase I Environmental Site Assessment revealed the presence of hydrocarbons (diesel and motor oil), heavy metals (including lead, arsenic and chromium), pesticides, and PCBs. Habitat obtained an environmental assessment grant from the California Center for Land Recycling. The cleanup costs were high due to the extent of the contamination. Carrying the full financial burden of the cleanup would significantly raise the sale costs of the 26 units, which are affordable to families earning 60% or less of the area median income. Therefore staff recommends giving Habitat a Subgrant rather than a loan. The results of the clean up and redevelopment of the site will be 26 "sweat equity" affordable two-story wood frame homes, with yards and a children's play area. Habitat plans to continue the work within this neighborhood on other clean up and revitalization efforts.

BCRLF Loan of \$150,000 to Brush Street Partners

The loan request in the amount of \$150,000 is for a site at the corner of Seventh and Brush (785 Brush Street) in West Oakland, which has undergone environmental remediation using the City's CALReUSE loan program. The applicant received the second CALReUSE loan made by the City through its Strategic Partnership with the California Pollution Control Financing Authority. The CALReUSE program provides loans for the environmental assessment of properties which might otherwise not be undertaken in the private marketplace due the presence of contamination. This new loan will pay for the Alameda County Environmental Health-approved action including removal of contaminants from the area known as the "frog pond". The subject site housed a number of activities in its past which have caused considerable soil contamination. Brush Street Partners went through three years of assessment and monitoring and has now received an approved work plan for remediation of the site by Alameda County Environmental Health. This site is an important gateway between West Oakland and Downtown and the community will benefit from its remediation and subsequent development.

Appropriation of BCRLF Supplemental Funds

The BCRLF program was introduced by the EPA in the year 2000 to provide financing for environmental cleanup of contaminated sites. Land redevelopment is often deterred by the lack

of available financing for this activity. The EPA introduced this program to allow cities to steer funding to appropriate and worthy sites which otherwise may be left undeveloped or contaminated. The City applied for and received supplemental funding from the EPA in the amount of \$385,000 in spring 2006. The City's BCRLF program allows both loans and or subgrants to nonprofits, and loans to the private sector. The City's BCRLF funds will not provide all the financing needed for any single applicant but it will provide substantial means by which applicants can obtain enough funding to clean up and develop their site. The completion of environmental assessment, including the acceptance from the appropriate regulatory agency of a Remediation Action Plan (RAP) or its equivalent, is a requirement and the applicant/owner of the property must have "innocent landowner status". The site cannot be a Section 107 Comprehensive Environmental Response Compensation and Liability Act (CERCLA (i.e. superfund) site. The BCRLF program is being marketed through the new City of Oakland Brownfield Resource Guide as well as through marketing flyers and announcements at community meetings. The City of Oakland will continue working with nonprofits and eligible developers and property owners on approvals for its existing funds

SUSTAINABLE OPPORTUNITIES

Economic: The BCRLF funds provide an opportunity for the reuse of existing sites that have not been easily redeveloped due to the actual presence of contamination. The cleanup of these sites provides opportunities for new housing, employment, commercial revitalization and industrial reuse.

Environmental: The proposed grant funds will cleanup a heavily contaminated site that was a former industrial site but which is adjacent to a residential area. The proposed loan will remediate a contaminated site and revitalize an important intersection of West Oakland through the cleanup and subsequent development for commercial use.

Social Equity: The BCRLF grant will assist Habitat to offer affordable homeownership opportunities for families residing in an area which is 57 percent African American and 34 percent Hispanic, and which has a high unemployment rate, 75 percent higher than the City rate. The loan will revitalize an important gateway to West Oakland from the Downtown.

DISABILITY AND SENIOR CITIZEN ACCESS

There are no immediate issues pertaining to the benefits and impacts for the disability and senior citizen communities and compliance with the Americans with Disabilities Act (ADA) and the Older Americans Act, and other applicable laws.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that Council approve the resolutions to

- 1) Authorize a Subgrant in the amount of \$120,000 to East Bay Habitat for Humanity from the EPA-funded Brownfield Cleanup Revolving Loan Fund (BCRLF) for the environmental clean up of a site on Edes Avenue for development of single family, affordable homes;
- 2) Authorize the City Administrator to enter into a loan agreement with Brush Street Partners in the amount of \$150,000 for environmental cleanup at 785 Brush Street;
- 3) Accept and appropriate supplemental funding from the EPA in the amount of \$385,000 for the City of Oakland BCRLF program; and
- 4) Authorize the City Administrator to apply for and receive, and to appropriate future supplemental funding from EPA for the BCRLF without returning to Council; and
- 5) Authorizing the City Administrator or Designee to award BCRLF loans and grants for amounts up to \$200,000 to eligible entities without returning to the City Council.

Respectfully submitted,



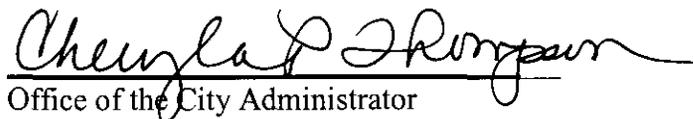
Daniel Vanderprien

Director of Redevelopment, Economic
Development, Housing & Community
Development

Prepared by:

Margot Lederer Prado, AICP,
Industrial & Brownfields Specialist
Business Development Services

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC
DEVELOPMENT AGENCY:



Office of the City Administrator

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CED Committee
December 12, 2006

ATTACHMENT A: BROWNFIELDS CLEANUP REVOLVING LOAN FUND
CED COMMITTEE OF 12.12.06 Chronological Recap of City's BCRLF Activities:

Year 2000 \$500,000 BCRLF funding approved by EPA
Year 2003 Habitat applies for grant funding under EPA proposed new guidelines
Year 2003 Habitat conducts its remediation totaling \$475,000 using Department of
Toxic Control Substances (CLEAN) funds as interim loan funds
Year 2005 City approves \$200,000 loan to ORA for Willow Park cleanup/ soil
remediation
Year 2005 City applies to EPA for "Transition" to new Guidelines
Year 2005 Staff administrative expenses charged for Willow Park cleanup (PWA)
and for staff training (attendance at EPA National Conference), activities
eligible through EPA program guidelines
Year 2006 City receives approval for "Transition" to new guidelines for existing
\$300,000
Year 2006 City applies/ & receives Supplemental Funding in the amount of \$385,000
Year 2006 Request to City Council to approve a subgrant of \$120,000 for EB Habitat
Year 2006 Request to City Council to approve a loan for \$150,000 for 785 Brush St

Prior Balance of BCRLF December 12, 2006: \$287,402.

Proposed loans and grants : \$270,000

Remaining Balance of original funds available for CEDA administration; \$7,402

Funds available for PWA Environmental Services technical oversight: \$10,000

Year 2006 City receives new funding in the amount of \$385,000

New Balance: \$385,000

Cleanup Revolving Loan Fund

Oakland Brownfields Cleanup Revolving Loan Fund (BCRLF)



BCRLF Loan Fund for the remediation of Brownfields within the City of Oakland, to regenerate blighted or economically distressed sections of the city, encourage job creation and to enhance tax revenues within redevelopment districts.

Full application questionnaire available by request.

Funds are limited and subject to existing BCRLF reserves.

Grant requests from eligible non-profit groups for the cleanup of sites targeted for affordable housing and other community benefits are invited.

Loan Criteria and Loan Application Process

- Allowable uses: removal, mitigation, prevention of further release or threat of a release of a hazardous substance, pollutant or contaminant
- Subject property must be in Oakland
- Applicant must own the land or have an executed prospective purchaser agreement and have an entitled or planning review in process for the execution of a new development or facility.
- Proposed development project must be legally described as a Brownfields and have the presence of a toxic substance to be removed.
- The project must provide a significant economic and social benefit to the community.

Eligible sites

- Brownfields within the City of Oakland redevelopment districts
- Must have a committed developer with an entitled development project, who would otherwise be unable to feasibly develop the site without public cleanup assistance
- *Grant applicants must be a local non profit working in the City of Oakland to develop affordable housing or other community benefit project at the subject site.*

For information or to obtain a loan application and accompanying financial questionnaire, contact the City Brownfields Administrative Manager at 238-3741

Loan funds made available through a grant from the U.S. Environmental Protection Agency, helping to return vacant or under-utilized Brownfields into active development.



Community & Economic
Development Agency

250 Frank Ogawa Plaza,
3rd Floor
Oakland, CA 94612

510.238.3741



DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING A \$120,000 SUBGRANT TO EAST BAY HABITAT FOR HUMANITY FROM THE CITY'S BROWNFIELD CLEANUP REVOLVING LOAN FUND FOR ENVIRONMENTAL CLEANUP OF A SITE ON EDES AVENUE FOR DEVELOPMENT OF 26 SINGLE FAMILY AFFORDABLE HOMES

WHEREAS, The City of Oakland (the "City") received funds from the United States Environmental Protection Agency (the "EPA") that have been used to establish and administer the Brownfields Cleanup Revolving Loan Fund ("BCRLF") from which the City is authorized to make subgrants to entities to undertake remediation and mitigation of hazardous substances on brownfields; and

WHEREAS, The Redevelopment Agency of the City of Oakland (the "Agency") has authorized funding and has entered agreements with Habitat for development of twenty-six affordable homeownership units at 10900 Edes Avenue in the City of Oakland (the "Property"), which is depicted on the Map and described in the Legal Description which are attached hereto as **Exhibit "A"** and **Exhibit "B"**, respectively, and incorporated herein by this reference; and

WHEREAS, the Agency has provided Habitat a \$375,000 property acquisition loan and subsequently through the City/Agency 2003 Affordable Rental and Ownership Housing competition, awarded a \$1,700,000 affordable housing development loan for total financing of \$2,075.00 for affordable homeownership housing units; and

WHEREAS, certain hazardous substances have been identified in the soil at the Property, and a plan to remediate has been developed; and

WHEREAS, on April 21, 2003 the State of California Department of Toxic Substances Control ("DTSC") approved the Final Removal Action Workplan ("RAW") for the remediation of hazardous materials on the Property for the protection of public health and safety and the environment, and created a Community Profile and Participation Plan as part of the RAW; and

WHEREAS, Habitat carried out the removal plan with interim loan funds obtained from the State of California DTSC Cleanup Loans and Environmental Assistance to Neighborhoods (CLEAN) Program and performed the remediation work in 2004/05; and

WHEREAS, in 2002, the CITY agreed to approve a BCRLF grant to Habitat for cleanup

at the Property, however funding was delayed pending EPA's approval of the City's BCRLF Transition Application under the new EPA program guidelines, allowing for sub-grants in addition to loans to eligible non-profit organizations; and

WHEREAS, in July 2006, the EPA approved the City's application allowing subgrants to eligible non-profits for remediation of brownfields and requiring a 20% match; and

WHEREAS, Habitat is eligible to receive subgrants under the BCRLF Transition program because it is a nonprofit entity and the Property to be remediated is not listed, nor proposed to be listed, on the EPA's National Priorities List; and

WHEREAS, the City will meet the 20% match requirement with \$375,000 provided by the City to Habitat for acquisition of the Property; and

WHEREAS, the City Administrator will delegate to the Community & Economic Development Agency authority to act on behalf of the City to implement the loan program and to satisfy the requirements of the EPA Cooperative Agreement; and

WHEREAS, the City Council agrees to grant Habitat one hundred and twenty thousand dollars (\$120,000.00) in BCRLF Funds for the Mitigation Project on the Property; and

WHEREAS, the requirements of the California Environmental Quality Act ("CEQA"), the CEQA guidelines as prescribed by the Secretary of Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; now therefore be it

RESOLVED: That the City Administrator is hereby authorized to execute a subgrant in the amount of \$120,000 to Habitat for Humanity East Bay for payoff of its CLEAN program loan, so long as Habitat has carried out the Mitigation Project in accordance with the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) 104(k); Uniform Administrative Requirements for Grants and Cooperative Agreements to States and Local Governments (40 CFR Part 31); and all other applicable provisions of federal, state or local laws; and be it

FURTHER RESOLVED: That the subgrant funds will be allocated from Environmental Protection Agency Fund (2125), Business Development Org: (88559), and EPA-Brownfield Cleanup Project (G183830); and be it

FURTHER RESOLVED: That the subgrant must be drawn down within a period of one (1) year from the date the Agreement is executed; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or her designee to negotiate terms, execute, modify, amend and extend agreements, allocate revenue, make expenditures and take all other actions necessary to carry out the basic purposes of this resolution; and be it

FURTHER RESOLVED: That the City Council has independently reviewed and considered this environmental determination and the City Council finds and determines, based on the information in the staff report accompanying this resolution, that this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Sections 15301 (existing facilities) and 15304 (minor alterations to land) of the CEQA guidelines; and be it

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

FURTHER RESOLVED: That the execution of any documents legally committing the City to fund these projects shall be expressly conditioned upon compliance with the requirements of NEPA, as certified by the City Administrator or her designee; and be it

FURTHER RESOLVED: That all documents shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
 PRESIDENT DE LA FUENTE

NOES-

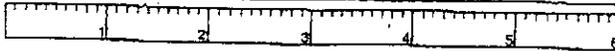
ABSENT-

ABSTENTION-

ATTEST: _____
 LATONDA SIMMONS
 City Clerk and Clerk of the Council
 of the City of Oakland, California

This map may or may not be a survey of the land depicted hereon. First American expressly disclaims any liability of loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

1-800-345-7334



SCALE IN 1/10 OF AN INCH

ASSESSOR'S MAP 45

Code Area No. 17-032

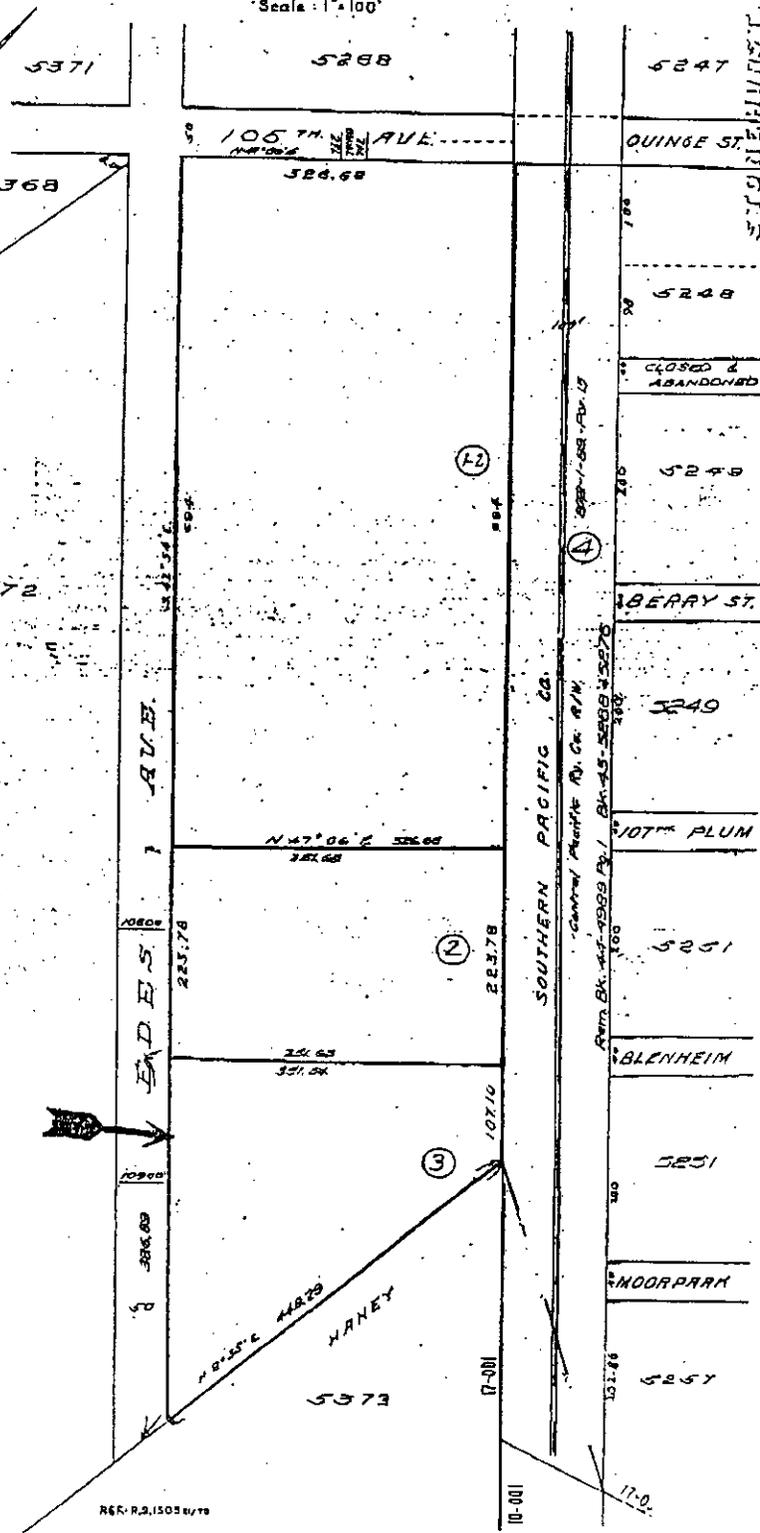
DIAGRAM OF LANDS IN PARTITION

JOHN P. WALKER VS CARMEN PERALTA SCHWARTZ, ET AL. (Sua Gen. No. 13000)

Scale: 1" = 100'

3-14-2004
4-15-2004
4-30-2004

5283



LOT A
5373

EXHIBIT A

ASSESSOR'S MAP 45

Code Area No.
17-032

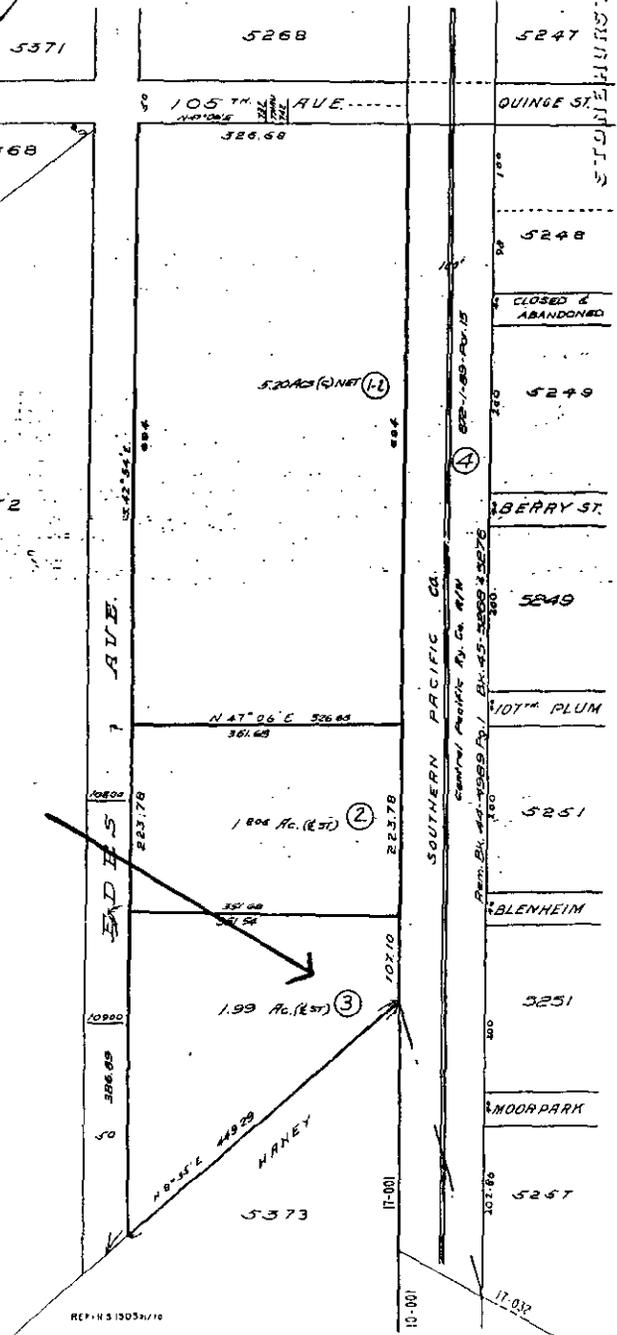
DIAGRAM OF LANDS IN PARTITION

JOHN P. WALKER VS CARMEN PERALTA SCHWARTZ, ET AL. (Sup Ct No 13066)
(Part Lot No 12)

Scale: 1" = 100'

5-14-80 R/W
4-19-83 ST
4-20-88 VL

5263



LOT 4
5372

Order Number: 159937ALA

Page Number: 5

LEGAL DESCRIPTION

Real property in the City of Oakland, County of Alameda, State of California, described as follows:

Portion of Lot 1, and a portion of the road 50 feet wide adjoining said lot on the Southwest, as said lot and road, 50 feet wide, are shown on that certain "Diagram of Lands in partition John P. Walker, vs. Carmen Peralta Schwartz, et al", accompanying the papers in Case 13006 in the Superior Court of the State of California, in and for the County of Alameda, described as follows:

Beginning at a point in a direct production Southeasterly of the center line of Edes Avenue, distant thereon South 42°54' East 942.78 feet from the point of intersection of said production with the center line of 105th, formerly South Bartlett Avenue, Map entitled "Map of the Cunha and Walker Property", filed August 12, 1909, Map Book 24, Page 90, Alameda County Records; thence along said production of the center line of Edes Avenue, South 42°54' East 386.89 feet to the direct production Southerly of the Eastern line of herein mentioned Lot 1; thence leaving said production of the center line of Edes Avenue, North 8°35' East along said line of Lot 1 and the Southerly production thereof, 449.29 feet to the Southwestern line of the 100 foot right of way of the Central Pacific Railway; thence along said right of way line, North 42°54' West 107.10 feet; thence leaving said right of way line, South 47°06' West 351.54 feet to the point of beginning.

APN: 045 -5263-003



DEPUTY CITY ATTORNEY

2006 NOV 30 PM 6:51

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

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A LOAN AGREEMENT WITH BRUSH STREET PARTNERS FOR \$150,000 FROM THE CITY'S BROWNFIELD CLEANUP REVOLVING LOAN FUND FOR ENVIRONMENTAL CLEANUP AT 7TH AND BRUSH STREETS

WHEREAS, the City of Oakland ("City") has received funds from the United States Environmental Protection Agency (the "EPA") that have been used to establish and administer the Brownfields Cleanup Revolving Loan Fund ("BCRLF") from which the City is authorized to make loans to entities willing to undertake remediation and mitigation of hazardous substances on brownfields; and

WHEREAS, the CITY has made a loan to Brush Street Partners ("Borrower") from the State-funded Cal ReUSE environmental site assessment program for environmental assessment of real property at 785 Brush Street in the City of Oakland, California (the "Property"), which is depicted on the Map and described in the Legal Description attached hereto as **Exhibit A** and **Exhibit B**, respectively, incorporated herein by this reference; and

WHEREAS, certain hazardous substances were identified in the soil of the Property, a remediation plan was developed for specific portions of that property, and the removal actions associated with such substances has been approved by the Alameda County Environmental Health Agency ("ACEH"); and

WHEREAS, the Property is not listed, nor proposed to be listed, on the EPA's National Priorities List, as required for BCRLF loan eligibility; and

WHEREAS, the City confirmed that EPA's public participation requirements were met through meetings with the West Oakland Redevelopment Project Area Committee, and establishment of a local information repository at the West Oakland Public Library; and

WHEREAS, the EPA requires a 20% match for loans made with its funds, and such match was met with \$18,500 in CalReUSE funds in addition to technical and administrative assistance provided pursuant to City Resolution No. 76843 C.M.S.; and

WHEREAS, the City Administrator will delegate authority to the Community & Economic Development Agency to act on behalf of the City to implement the BCRLF loan program and to satisfy the requirements of the EPA Cooperative Agreement; and

WHEREAS, the City Council authorizes a loan to the Borrower in the amount of One Hundred and Fifty Thousand Dollars (\$150,000.00) of Brownfields Cleanup Revolving Loan Funds to be used to implement the Mitigation Project on the Property; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”), the CEQA guidelines as prescribed by the Secretary of Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied, and the requirements of the National Environmental Protection Act (“NEPA”) must be addressed prior to funding of loans and grants; now therefore be it

RESOLVED: that the City Administrator is authorized to negotiate and execute a loan agreement in the amount of \$150,000 with Borrower, and be it

FURTHER RESOLVED, that the loan funds will be allocated from Environmental Protection Agency Fund (2125), Business Development Org: (88559), and EPA-Brownfield Cleanup Project (G183830)

FURTHER RESOLVED: that the term of the loan shall be a period of five (5) years from the date the loan agreement is executed, and said agreement shall include incentives for early repayment; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or her designee to negotiate terms, execute, modify, amend and extend agreements, allocate revenue, make expenditures and take all other actions necessary to carry out the basic purposes of this resolution; and be it

FURTHER RESOLVED: That the City Council has independently reviewed and considered this environmental determination and the City Council finds and determines, based on the information in the staff report accompanying this resolution, that this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Sections 15301 (existing facilities) and 15304 (minor alterations to land) of the CEQA guidelines; and be it

FURTHER RESOLVED: That the City Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for these projects; and be it

FURTHER RESOLVED: That the execution of any documents legally committing the City to fund this loan shall be expressly conditioned upon compliance with the requirements of NEPA, as certified by the City Administrator or her designee; and be it

FURTHER RESOLVED: That all documents shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
 PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
 LATONDA SIMMONS
 City Clerk and Clerk of the Council
 of the City of Oakland, California

ASSESSOR'S MAP I

Code Area Nos. IT-014

223

Scale: 1" = 50'

OAKLAND (KELLERSBERGER'S) (Bk. 7 Pg. 3)

IMPORTANT: This plat is not a survey, it is merely furnished as a convenience to locate the land in relation to adjoining streets and other lands, and not to guarantee dimensions, distances, bearings or acreage.

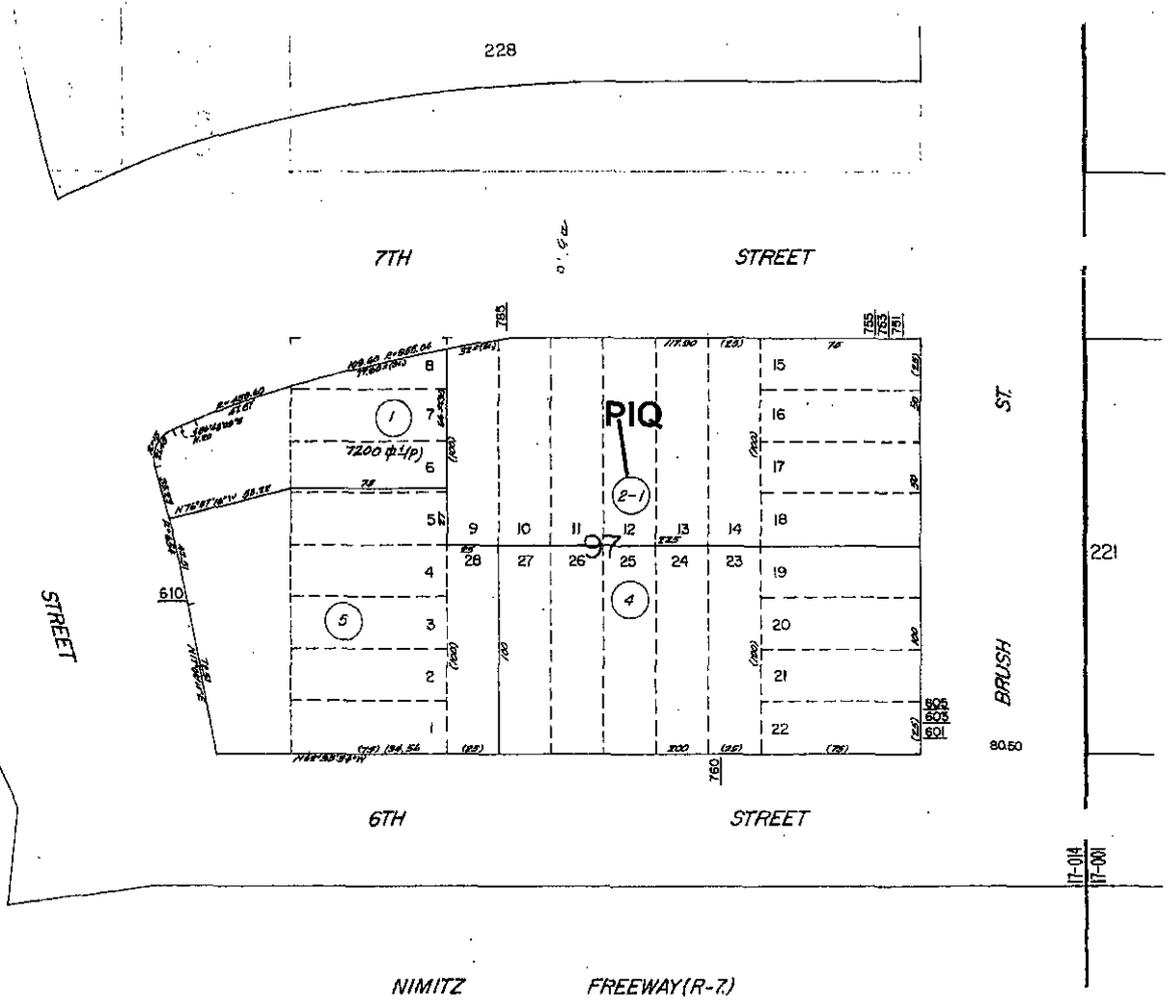
Drawn by: GTR/HAS. Revised: 1-68 R.M. 5-21-69 R.M. 5-30-84 P.B.

MARKET STREET

7TH ST.

BK. 4

STREET



221

BRUSH ST. 80.50

IT-014 IT-001

NIMITZ FREEWAY (R-7)

Formerly: BK. 97 10-67

A.C.M.

Reference:

EXHIBIT A



Chicago Title Company

1 Kaiser Plaza, Suite 745 • Oakland, CA 94612
510 451-8888 • FAX 510 465-0738

PRELIMINARY REPORT

Title Officer: Mike Quinones
Escrow Officer: Chad Wilson
Escrow No.: 06-**58200656**-CW

Title No.: 06-**58200656**-MQ
Locate No.: CACTI7701-7701-5582-0058200656

TO: BBI Construction

ATTN: Tom Mccoy

SHORT TERM RATE: No

PROPERTY ADDRESS: 785 7th Street, Oakland, California

EFFECTIVE DATE: September 19, 2006, 07:30 A.M.

The form of Policy or Policies of title insurance contemplated by this report is:

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Brush Street Group, subject to Item No. 7.
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

MQ\MH 10/05/2006

EXHIBIT B

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 9, 10, 11, 12, 13, 14, 15, 16, 17 AND 18, BLOCK 97, KELLERSBERGER'S MAP OF OAKLAND, FILED September 2, 1853, MAP BOOK 7, PAGE 3, ALAMEDA COUNTY RECORDS.

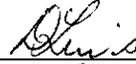
EXCEPTING THEREFROM, THAT PORTION OF LOTS 9 AND 10 CONVEYED BY CENTRAL PACIFIC RAILWAY COMPANY, A CORPORATION, AND SOUTHERN PACIFIC COMPANY, A CORPORATION, TO CITY OF OAKLAND, BY DEED DATED July 19, 1915, RECORDED September 16, 1915, BOOK 2372 OF DEEDS, PAGE 238, ALAMEDA COUNTY RECORDS.

APN: 001-0223-002-01

OFFICE OF THE CITY CLERK
CITY OF OAKLAND

2006 NOV 30 PM 6:51

APPROVED AS TO FORM AND LEGALITY:



DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING ACCEPTANCE AND APPROPRIATING A GRANT OF \$385,000 FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY FOR THE CITY'S BROWNFIELD CLEANUP REVOLVING LOAN FUND ("BCRLF"); APPROPRIATING ANY FUTURE GRANTS FROM EPA FOR THE BCRLF; AND AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO AWARD BCRLF LOANS AND GRANTS FOR AMOUNTS UP TO \$200,000 TO ELIGIBLE ENTITIES WITHOUT RETURNING TO THE CITY COUNCIL

WHEREAS, the City of Oakland ((the "City") entered into a Cooperative Agreement in 2000 with the United States Environmental Protection Agency (the "EPA") to establish and administer the Brownfields Cleanup Revolving Loan Fund("BCRLF") from which the CITY is authorized to make loans and subgrants to entities willing to undertake remediation and mitigation of hazardous substances on brownfields; and

WHEREAS, the City applied for and received Supplemental Funding for loans and subgrants in the amount of \$385,000.00 from the. EPA in April 2006; and

WHEREAS, the City may apply for additional EPA funds for the BCRLF in the future and desires to have any such funds it receives appropriated and deposited in the proper City accounts; and

WHEREAS, the requirements of the California Environmental Quality Act ("CEQA"), the CEQA guidelines as prescribed by the Secretary of Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied, and the requirements of the National Environmental Protection Act ("NEPA") must be addressed prior to funding of loans and grants; now, therefore, be it

RESOLVED: That the City Administrator is authorized to accept the grant funds in the amount of \$385,000 from EPA, and these funds are hereby appropriated to the BCRLF program; and be it

FURTHER RESOLVED: That these funds will be deposited in Environmental Protection Agency Fund (2125), Business Development Org: (88559), and EPA-Brownfield Cleanup Project (G183830); and be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to accept and review applications, and award grants and loans in accord with the BCRLF guidelines, for an amount up to \$200,000 per award, without returning to Council; and be it

FURTHER RESOLVED: That City will require that all loan and grant recipients must carry out their Mitigation Projects in accordance with the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) 104(k); Uniform Administrative Requirements for Grants and Cooperative Agreements to States and Local Governments (40 CFR Part 31); and all other applicable provisions of Federal, State and local law; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or her designee to negotiate terms, execute, modify, amend and extend agreements, allocate revenue, make expenditures and take all other actions necessary to carry out the basic purposes of this resolution; and be it

FURTHER RESOLVED: That the City Council has independently reviewed and considered this environmental determination and the City Council finds and determines, based on the information in the staff report accompanying this resolution, that this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Sections 15301 (existing facilities) and 15304 (minor alterations to land) of the CEQA guidelines; and be it

FURTHER RESOLVED: That the City Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for these projects; and be it

FURTHER RESOLVED: That the execution of any documents legally committing the City to fund these projects shall be expressly conditioned upon compliance with the requirements of NEPA, as certified by the City Administrator or her designee; and be it

FURTHER RESOLVED: That all documents shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution, and copies will be placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California