REDEVELOPMENT AGENCY FILED AND THE CITY OF OAKLAND O

TO: Office of the City/Agency Administrator

ATTN: Dan Lindheim

FROM: Community and Economic Development Agency

DATE: December 1, 2009

RE: An Ordinance Adopting the Eighth Amendment to the Coliseum

Redevelopment Plan Extending the Time Limit for Eminent Domain Authority for an Additional Twelve Years and Setting a Bonded Indebtedness Limit

An Agency Resolution Approving And Recommending Adoption Of The Eighth Amendment To The Coliseum Redevelopment Plan Extending The Time Limit For Eminent Domain Authority For An Additional Twelve Years And Setting A

Bonded Indebtedness Limit

SUMMARY

A resolution and an ordinance have been prepared recommending that the City Council and the Redevelopment Agency approve an amendment to the Coliseum Redevelopment Plan to extend the time limit for eminent domain authority for an additional twelve years, and to include a bonded indebtedness limit in the Plan. On July 25, 2007, the Agency's authority to use eminent domain to acquire property within the Coliseum Redevelopment Project Area expired. Staff recommends that the Council and Agency extend the authority to use the potential tool of eminent domain for twelve years. In addition, staff also recommends approval of a technical item, the insertion of a bonded indebtedness limit of \$300 million into the Plan.

In order for the Redevelopment Agency to extend the authority to use eminent domain, California redevelopment law requires that the Agency find that significant blight remains within the Project Area, and that this blight cannot be eliminated without the use of eminent domain. The Agency approved and hired Hausrath Economics Group (HEG) in 2008 to conduct a blight study, which was completed in 2009. The blight study is included with this report as *Attachment A*. HEG has prepared a sufficient and thorough study to confirm the existence of physical and economic blight in the Coliseum Area Redevelopment Project Area, and has confirmed that the tool of eminent domain would potentially be useful in the redevelopment effort to eliminate blight in the Project Area.

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FISCAL IMPACT

The approval of the amendment does not directly affect the fiscal condition of the Coliseum Area Redevelopment Project and Plan. Having the option of using eminent domain may authorize property negotiations that result in more effective property acquisitions, which save money and consummate a transaction which otherwise would not occur. From an overall revenue standpoint, the use of eminent domain may indirectly further the elimination of blight and spur the generation of sales and property tax revenue as well as employment, when Agency intervention supports feasible projects that are jump-started by more strategic and economic use of land and property resources. The insertion of a \$300 million bonded indebtedness limit into the Plan also will not have any fiscal impact, since the Agency actually has been observing this limit since the Plan was adopted.

BACKGROUND

The Coliseum Area Redevelopment Project was established in 1995 and amended to add territory in 1997. The area is diverse in land uses and is one of the largest in the State of California. The Redevelopment Agency had the power of eminent domain in the Coliseum Project Area for twelve years up to July 25, 2007, when eminent domain authority expired. The Agency has never used its power of eminent domain in the Coliseum Redevelopment Project Area. Under the Coliseum Redevelopment Plan, the Agency is not authorized to use eminent domain to acquire property on which any person legally resides. This limitation would continue under the proposed extension.

KEY ISSUES AND IMPACTS

In order to extend the Agency's eminent domain authority in the Coliseum Project Area for non-residentially occupied properties, the Agency commissioned a blight study by HEG to verify blight conditions as required under the California Community Redevelopment Law (CRL). Under the CRL, a plan amendment to extend eminent domain authority requires that two findings be made: first, that significant blight remains within the project area, and second that this blight cannot be eliminated without the use of eminent domain.

HEG designed the report to focus on the land uses and blight measures most relevant to the project area and to the potential use of eminent domain. The overall evaluation of existing conditions in the Coliseum Redevelopment Area indicates that significant physical and economic blight exists in nearly all of the standard categories for physical and economic blight recognized under redevelopment law. The HEG report confirms that significant blight remains within the Coliseum Redevelopment Project Area, and particularly that non-residential land uses continue to meet all of the tests for blight identified in the CRL.

To summarize, the Coliseum Redevelopment Project Area includes significant levels of physical blight as set forth in Section 33031(a) of the CRL:

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- Buildings that are unsafe or unhealthy.
- Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots.
- Adjacent or incompatible uses.
- Existence of subdivided lots in multiple ownership that are irregular or inadequate.

In addition, the Coliseum Area also includes significant levels of economic blight as set forth in Section 33031(b) of the CRL:

- Depreciated or stagnant property values which exceed the levels of property value depreciation for the City as a whole.
- Impaired property values, due to the highest concentration of contaminated properties in the City.
- Underutilized property.
- Serious lack of commercial facilities such as banks, grocery and drug stores and pharmacies.
- Excess of bars, liquor stores or other problem businesses.
- A high crime rate three times higher than the City of Oakland as a whole.

Lastly, the Coliseum Area Redevelopment Project includes substantial levels of inadequate public improvements as set forth in Section 33030(c) of the CRL, which means that there are:

- Inadequate public improvements.
- Inadequate water or sewer utilities.

According to the HEG study, the capacity to acquire non-residentially occupied property is a useful redevelopment tool and is sometimes the only tool that could be expected to achieve results in a number of situations. Where multiple ownerships impede the progress of a large-scale project that has substantial neighborhood benefit, eminent domain could be used to assemble a parcel large enough to make the development feasible. Another scenario is where eminent domain could be the tool of last resort to remove nuisance and blight conditions caused by disinterested or neglectful owners. Agency acquisition of contaminated parcels may be necessary to facilitate investment in complex and costly clean-up processes. Where an obsolete group of properties inhibits upgraded infrastructure or other public improvements of area-wide benefit, eminent domain could provide the key to enabling development to meet contemporary development standards.

In each of these cases, eminent domain could provide the catalyst to spur reinvestment. Eminent domain is most likely to be used when existing owners have no incentive or interest, or lack the means, to participate in a project where the returns to the property owners do not appear to outweigh the required commitment and or risks of participation. In those cases, eminent domain provides the Agency with a way to acquire a property interest upon payment of just compensation to the owner and thereby gain control over property disposition to advance the objectives of the Coliseum Redevelopment Plan.

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The Coliseum Redevelopment Project has no specific plan to use eminent domain in the Coliseum area. However, given the scale of the area and the broad and extensive level of blight remaining, eminent domain can be used to address a number of blighting conditions in the project area. Eminent domain is likely to be used when owners have no incentive or interest to participate and where the returns to the property owners do not appear to outweigh the required commitment and or risks of participation. The instances where eminent domain might be used include:

- Small or irregular parcels could be acquired and reassembled to create a site with improved development potential. This approach could be useful along transportation corridors such as International Boulevard and at transit station areas to facilitate higher density, mixed-use infill development.
- Private property or right-of-way could be acquired and developed to public roadway standards. This could improve traffic operations, alleviate congestion, enhance circulation, and modernize public improvements, thereby improving business conditions and public safety.
- Toxic sites could be acquired to enhance the likelihood of remediation, improving prospects for redevelopment of the contaminated site and its neighboring properties.
- Deteriorated, dilapidated, abandoned, obsolete, or underutilized properties could be acquired to remove nuisance conditions and/or improve incompatible uses before making the property available to the private market for re-investment and/or redevelopment. Business relocation could be required.
- Property occupied by problem businesses (excess of bars and liquor stores that are nuisances and/or magnets for criminal activity) could be acquired to accelerate removal of blighting conditions before returning the property to the private market for reuse and/or redevelopment. This would also enhance public safety for nearby residents and businesses and improve business prospects for neighboring businesses.
- Foreclosed, unoccupied properties that are badly neglected could be acquired to remove blighting conditions, before making the property available for resale, possibly for affordable home ownership.
- Blighted property could be acquired to complete the Bay Trail or other public open space systems in the project area. This could remove blighting influences (debris, dumping, for example) and substitute improved open space/recreation, that would enhance public safety and health and also improve the investment and development prospects for neighboring property.

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As noted in the HEG report in the examples above, eminent domain could be used to address blighting conditions and facilitate new investment and redevelopment. In so doing, eminent domain can serve as a catalyst to tackle problems that cannot otherwise be resolved, thereby improving conditions in the area and stimulating private investment.

POLICY DESCRIPTION

The proposed Eighth Amendment to the Coliseum Area Redevelopment Plan extends the eminent domain authority for twelve years from the date of expiration, i.e., until July 25, 2019. The proposed amendment also inserts a \$300 million limit in the Redevelopment Plan on the amount of total tax increment bonded indebtedness for the Coliseum Project that may be outstanding at any one time. The CRL requires that the Plan include such a limit. The limit was inadvertently not included in the Coliseum Plan when it was originally adopted, although the fiscal analysis presented to Council when the Plan was adopted did reference the \$300 million limit, and the Agency has been observing this limit in its bond issuances to date. The insertion of the limit into the Plan is a technical formality that will not have any practical effect on the Agency.

SUSTAINABLE OPPORTUNITIES

The proposed Eighth Amendment to the Coliseum Redevelopment Plan ensures that the Agency will administer and continue to engage redevelopment resources for projects and programs that are developed to eliminate physical and economic blight in the Coliseum Area Project.

Economic: The proposed plan amendment will continue the redevelopment effort with a broader array of property acquisition tools. The use of the eminent domain as a potential property acquisition tool may assist the Agency in generating business tax, sales tax, and other revenues for the City by those firms who work on the project.

Environmental: Environmental factors and opportunities will be considered and incorporated to the extent feasible in the projects of the Coliseum Area. The consultants and contractors will be encouraged to achieve LEED-rated projects where feasible in the facility design and in the construction by maximizing recycled materials, waste reduction, and energy conservation opportunities.

Social Equity: Coliseum Area projects can and will provide new social opportunities and services to the community including recreational and library facilities for all ages and abilities and will provide programs and venues for building community cohesiveness and pride.

DISABILITY AND SENIOR CITIZEN ACCESS

The Eighth Amendment to the Coliseum Redevelopment Plan continues and incorporates compliance to the physical access requirements of the American with Disabilities Act ("ADA") by encouraging and providing equal access to the facilities in the Coliseum Redevelopment area.

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RECOMMENDATION AND RATIONALE

Staff recommends that the Council and Agency approve the resolution and the ordinance for the Eighth Amendment to the Coliseum Area Redevelopment Project Plan, to extend the authority for eminent domain from 2007-2019 and to set a debt issuance limitation for the reasons set forth in this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council and the Agency approve the attached Agency resolution and City ordinance authorizing an amendment to the Coliseum Redevelopment Plan to extend the authority to use eminent domain for twelve years from 2007 to 2019, and to set a debt issuance limit of \$300 million in the Redevelopment Plan for the Coliseum Area Redevelopment Project.

Respectfully submitted,	
Words.	Au
Walter S. Cohen, Directo	or
Community and Econom	ic Development Agency

Reviewed by: Larry Gallegos, Redevelopment Area Manager

Prepared by: Jay Musante, Project Manager, Redevelopment Division

Attachment A: Blight Analysis to Support Amendment to the Coliseum Area Redevelopment Plan prepared by the Hausrath Economic Group, Urban Economists of Oakland and 3D Visions - October 2009

APPROVED AND FORWARDED TO THE COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:

Office of the City/Agency Administrator

Item: CED Committee December 1, 2009



BLIGHT ANALYSIS TO SUPPORT AMENDMENT TO THE COLISEUM AREA REDEVELOPMENT PLAN

Prepared for the

REDEVELOPMENT AGENCY OF THE

CITY OF OAKLAND

Prepared by

HAUSRATH ECONOMICS GROUP URBAN ECONOMISTS

with **3D VISIONS**

October 2009

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CHAPTER I INTRODUCTION

PURPOSE

The Redevelopment Agency of the City of Oakland (the Agency) seeks to amend the Coliseum Area Redevelopment Plan (adopted in 1995) to extend eminent domain authority for another 12 years. Under the *California Community Redevelopment Law* (CRL) [§33333.2(a)(4) and 33333.4(g)(2)], such an extension requires findings, based on substantial evidence:

- "That significant blight remains within the project area; and
- That this blight cannot be eliminated without the use of eminent domain."

Proposition 99, passed by the California voters in June 2008, prohibits the use of eminent domain powers to acquire owner-occupied residences. Furthermore, in the Coliseum Redevelopment Plan, eminent domain is only proposed as an option to be available for use in limited circumstances to acquire non-residential property. Under the Coliseum Redevelopment Plan, the Agency cannot use eminent domain to acquire property on which any person legally resides. This report evaluates the condition of non-residential property and vacant residential property in the Coliseum Redevelopment Project Area, providing a blight analysis to determine whether blight remains and focusing on blight conditions amenable to improvement by means of eminent domain.

APPROACH

The proposed amendment to the Coliseum Redevelopment Plan has a limited scope, as described above. Because the Coliseum project area is so large—about nine square miles in area, consisting of more than 10,000 parcels, three-quarters of which are in residential use—the approach to the Blight Analysis was targeted to make the most efficient use of resources. The Blight Analysis:

- Focuses on the land uses and blight measures that are most relevant to the project area and to the potential use of eminent domain;
- Relies on existing secondary data sources as much as possible; and
- Targets field work to selected blight measures and specific land use types.

The Blight Analysis begins with an updated evaluation of land use conditions in the Coliseum Redevelopment Area, including description of each of the six subareas: the San

¹ Redevelopment Agency of the City of Oakland, *Redevelopment Plan for the Coliseum Area*Redevelopment Project, Adopted June 23, 1995, amended up to May 25, 2007, Section III.D. Property Acquisition.

Antonio/Fruitvale, Estuary, Central East Oakland, Central East Oakland/Elmhurst, Elmhurst, and Airport subareas. The analysis then provides an overview of the relevant sections of redevelopment law, reviewing the physical and economic conditions established in the law as evidence of blight.

The central element of the targeted approach to this Blight Analysis was a comprehensive field survey of non-residential properties and multi-family residential properties of five units or more throughout the project area. Because the field survey did not have to examine the predominantly single family residential neighborhoods in the Coliseum Redevelopment Project Area, the survey could be comprehensive with respect to non-residential parcels. This enhances the reliability and conclusiveness of the blight findings. Analysis of secondary data sources supplements the field survey results.

The resultant report provides sufficient documentation of findings that significant blight continues to impede investment and development of property in the Coliseum Redevelopment Area. These findings justify the extension of the option of eminent domain authority for another 12 years, in order to provide the Redevelopment Agency with a full range of tools to address redevelopment needs in the project area.

CHAPTER II REDEVELOPMENT AREA DESCRIPTION AS CONTEXT

This chapter describes the Coliseum Redevelopment Project Area (project area) in terms of location, key access routes, development history, and land use characteristics. The land use description focuses on the large Redevelopment Area overall and on subareas within it. The chapter provides context for the analysis of blight presented in Chapter III that was undertaken to determine if significant blight remains within the area for purposes of amending the existing Redevelopment Plan.

LOCATION

The Coliseum Redevelopment Area is located in the southern part of the City of Oakland, near the center of the Bay Area region. The area lies to the southeast of downtown Oakland and southeast of the eastern terminus of the San Francisco-Oakland Bay Bridge. The area is located along the major regional I-880 freeway corridor. See map in Figure 1.

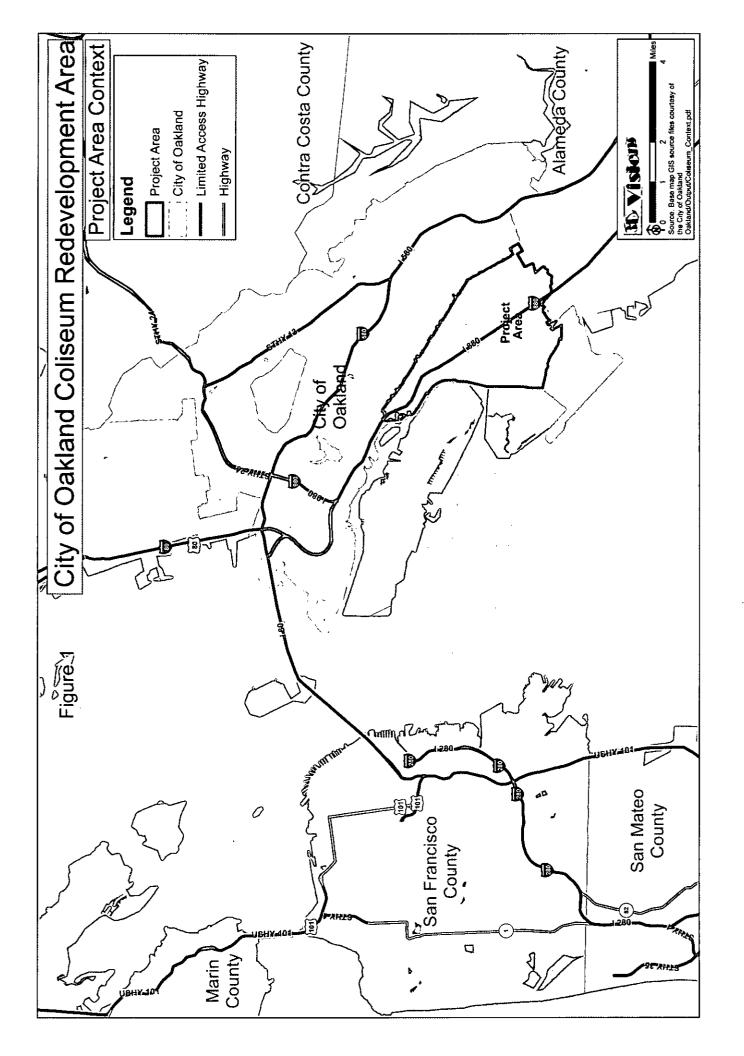
The Redevelopment Area is approximately bounded on the west by the Oakland Estuary and Oakland International Airport, on the east by International Boulevard, on the south by the Oakland/San Leandro border, and on the north by approximately 21st Avenue. The Coliseum Redevelopment Area is adjacent to the Central City East Redevelopment Area on its eastern and northern boundaries. Together, these two redevelopment areas include a large part of East Oakland.

ACCESS CHARACTERISTICS

Regional access to the Coliseum Redevelopment Area is primarily via the I-880 freeway, which bisects the area generally from north to south and provides access to the Bay Bridge and San Francisco, I-80, and East Bay cities to the north, as well as to other East Bay cities to the south and to San José.

International Blvd. is the project area's primary local access route as well as its main local-serving public transit corridor. International Blvd. runs roughly northwest to southeast along the redevelopment area's northeastern boundary. Other important northwest-southeast arterials include San Leandro Street, which travels through industrial areas closely parallel to the railroad and BART rights-of-way, and Doolittle Drive, which runs between Alameda and San Leandro and is a key access route for the Oakland Airport. The area is also served by several major north-south arterials, including Fruitvale Avenue, High Street, Seminary Avenue, Hegenberger Road, and 98th Avenue. These streets provide access to neighborhoods and I-580 to the north and east of International Blvd. and to I-880 and the Oakland International Airport to the south and west.

The Coliseum Redevelopment Area is also accessible by public transit, with multiple AC Transit bus lines traversing the area, the majority of these operating along International Blvd., and



BART access at the Fruitvale and Coliseum BART stations. The area also includes the recently developed Coliseum Intercity Rail Platform, linking BART and Amtrak services, including Capitol Corridor rail service from San José to Auburn.

DEVELOPMENT HISTORY

The earliest development occurred in the San Antonio and Fruitvale districts at the northern end of the project area. Much of the existing street pattern in those areas was established prior to the area being annexed to Oakland in 1872. Industrial development in the area occurred early-on, to take advantage of waterfront transportation opportunities. The San Antonio and Fruitvale districts were a major fruit growing and canning center during that period. Further to the east, much of the flatland areas were in agricultural use for cattle, fruit, and vegetables.

In 1877, rail service was established through Oakland, running through East Oakland. By around 1916, major industrial plants were being developed in the area, including the General Motors assembly plant (since redeveloped) and the large General Electric facility along the railroad tracks and extending to the east, around 55th to 57th Avenues (still remaining today).

Rapid housing construction began in the 1920s, much of it to provide housing for factory and cannery workers. In lower Fruitvale and other parts of the area, the intermixing of residential areas with industry stems from the 19th century, while incompatibilities between the uses became more pronounced with growth and change. More housing was developed in East Oakland during World War II for blue collar, wartime production workers.

After World War II, both industrial activity and housing production declined, and many long-time residents were left without jobs and/or in deteriorating housing. The area has since struggled to maintain industry and commercial activities and to rehabilitate an aging housing stock.

The area has attracted a diverse population of residents which contributes to the strong ethnic character of residential and commercial areas, as is evident along International Boulevard. Many industrial activities remain in the area, often in old facilities served by outdated infrastructure. Throughout, many buildings from the original developments remain, scattered among early 20th century, World War II era, and post-World War II development. Overall, the result is a diverse assemblage of land uses and building types.

EXISTING LAND USES

Land Use in the Project Area Overall

The Coliseum Redevelopment Area is an established, urbanized area. The area is one of the largest redevelopment areas in California, covering 5,700 gross acres of land. The area contains a diverse mix of land uses in relatively close proximity.

Excluding most city streets and freeways, the project area covers approximately 4,444 acres and is subdivided into 10,083 individual parcels. Project area land use patterns are shown on the map in Figure 2 and summarized in Table 1.² Industrial and warehouse uses occupy the largest portion of the area's parcel acreage with 21 percent, while residential uses make up 19 percent and government-owned land/utilities comprise 18 percent. Other significant land uses include the Oakland Airport North Field, comprising 14 percent of land area, and commercial and auto-related/parking uses together with 11.5 percent.

TABLE 1
EXISTING LAND USE IN COLISEUM REDEVELOPMENT AREA

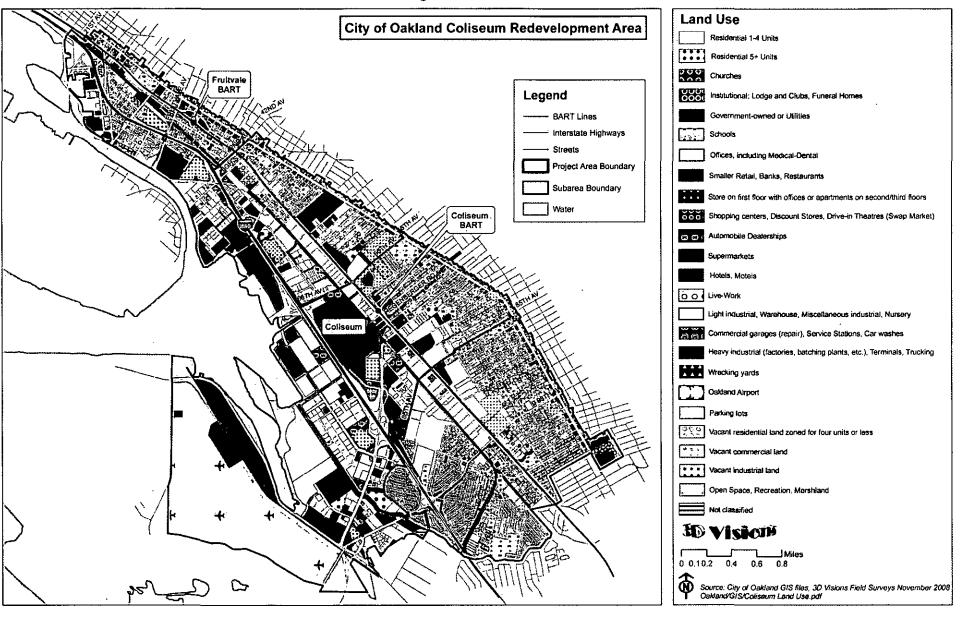
	Parcel C	ount	Parcel Squar	age	
Land Use	#	%	Sq. Ft.	Acres	%
Residential 1-4 Units	7,014	69.6%	31,674,943	727.2	16.4%
Residential 5+ Units	226	2.2%	4,613,986	105.9	2.4%
Institutional	104	1.0%	5,547,186	127.3	2.9%
Commercial	581	5.8%	15,885,283	364.7	8.2%
Auto/Parking	233	2.3%	6,399,891	146.9	3.3%
Live-Work	20	0.2%	748.977	17.2	0.4%
Industrial/Warehouse	812	8.1%	40,969,814	940.5	21.2%
Airport	4	0.0%	27,311,923	627.0	14.1%
Government-owned/Utilities	521	5.2%	34,874,072	800.6	18.0%
Vacant Land/Lots	522	5.2%	6,758,903	155.2	3.5%
Open Space, Recreation, Marshland	28	0.3%	18,609,893	427.2	9.6%
Not classified	18	0.2%	182,045	4.2	0.1%
TOTAL for Parcels	10,083	100%	193,576,915	4,443.9	100%
Unassigned Areas (most city streets and freeways)			54,540,844	1,252.1	
TOTAL for Parcels and Unassigned Areas			248,117,760	5,696.0	

² The existing land use pattern in the project area is described by data from the Alameda County Assessor's Office (as available from the City of Oakland, Community and Economic Development Agency). The Assessor's data is parcel-based and provides information on the number of parcels of land and the square feet of parcel land area devoted to uses of various types (residential, industrial, commercial, etc.). The data do not include the square feet of building space that is located on the land in the area.

The County Assessor's Office is the recognized source of comprehensive, parcel-based property data. Data are collected and recorded using a standardized methodology, for the primary purpose of property tax assessment. The data used for this analysis were the best available at the time.

As summarized and described in this Chapter, the land use data identify overall characteristics and patterns of land use, and overall acreages of property developed for urban uses. For the purposes of this report, the significance of the land use information presented is in the overall patterns that are identified for the project area. The tables and the maps, in particular, are not intended to focus on the specifics of individual parcels and properties, but on the overall patterns. It is recognized that the County Assessor's data files include some incomplete records. Further, there will be some changes in the uses of individual properties over time. However, the effects of those factors do not limit the applicability and usefulness of the data for the purposes intended for this report.

Figure 2



Non-Residential Land Uses

Industrial Land Uses

Industrial land uses have continued to be important in the project area. Historically, industrial locations in the area were valued because of the railroad and waterfront access they provided. Today, the area's freeway access via I-880 has become very important, as has its proximity to the major business and population centers in the central Bay Area as well as proximity to Oakland's seaport and airport air cargo facilities. Industrial land uses account for 941 acres, or 21 percent, to total parcel acreage in the project area. There are a mix of industrial business operations including those in transportation-related, manufacturing, warehouse and distribution, and construction industries. They provide good-paying blue-collar employment opportunities for residents.

While there is growing demand for industrial locations in the area, many of the existing facilities are old and the infrastructure is badly outdated for modern industrial operations. There also are old, functionally obsolete facilities remaining and sites with toxic contamination. The future of industrial uses in the area will be important for Oakland, as the Coliseum Redevelopment Area includes all of the City's privately-owned land designated for General Industrial/Transportation Use in the Oakland General Plan.

Commercial and Auto/Parking Land Uses

Commercial uses account for 365 acres, or eight percent of parcel acreage; while auto/parking uses occupy 147 acres, or three percent of the parcel land. Many of the area's commercial and auto-related parcels are located along International Boulevard or nearby, such as along East 12th Street. Small-scale commercial activities on these streets typically include local-serving retail, service, and auto-related uses. International Boulevard, formerly East 14th Street, was the original commercial corridor in the area. It developed as a streetcar route and the major travel corridor before the freeway. However, much of the development along International Boulevard is now old. As times changed, what was once a long, continuous strip of commercial activity was no longer viable, and high vacancies occurred. Demand is returning to support smaller nodes of commercial activity, leaving large stretches of the corridor in need of reuse and redevelopment.

Other commercial activities are located in the area between Oakland Airport, I-880, and the Oakland/Alameda County Coliseum complex, many of them on or in the vicinity of Hegenberger Road. There are lodging places, restaurants, a few larger retailers, and office uses in the area as well as many auto-related and parking uses and two auto dealerships. Older commercial properties with vacancies also remain in the area, particularly east of the freeway. There also are some large commercial uses adjacent to I-880, including the Fruitvale Station shopping center at 29th Avenue and I-880, Home Depot near High Street and I-880, and the Wal-Mart Store at Hegenberger and I-880.

Government-Owned Land/Utilities

Relatively large amounts of land in the project area are classified as government-owned or devoted to utilities (801 acres, accounting for 18 percent of the parcel land area). This category includes the Coliseum itself, the railroad right-of-way, and BART facilities and rights-of-way, state property, AC Transit property (bus yard), the City of Oakland corporation yard, other property owned by the City of Oakland and Port of Oakland, and facilities owned by Pacific Gas and Electric and East Bay Municipal Utilities District.

Other Uses

Institutional uses including schools, churches, lodges/clubs, and funeral homes account for about three percent of the land area, occupying 127 acres. There also are live-work and work-live uses in the area, occupying at least 17 acres. About 14 percent of project area land (627 acres) is included within the Oakland Airport North Field area (not all airport land is within the Coliseum Redevelopment Area). There also is land (427 acres) in open space and recreational use and in marshland areas along San Leandro Bay.

The land use data also identify about 155 acres of vacant lots/parcels, accounting for 3.5 percent of parcel acreage. The majority are identified as vacant industrial land. However, the field work and analysis done for this effort indicate that most of the vacant industrial land is *in use* for storage, stacking containers, parking, and various temporary uses, even though the land does not contain substantial building improvements.

Employment and Employment Density

Employment in the Coliseum Redevelopment Area was estimated at 51,300 jobs in 2005.³ Compared to the land area devoted to industrial, commercial, auto-related, and live-work uses along with some of the land in the institutional and government-owned/utilities categories, an overall average employment density of 29 employees per acre can be calculated.⁴

Residential Land Uses

Residential uses account for 833 acres, or 19 percent of parcel acreage in the project area. They occupy 71 percent of the parcels in the area, however, reflecting the relatively small size of residential parcels/lots compared to those occupied by other uses. There are large residential neighborhoods in the numbered avenues immediately south and west (waterfront side) of International Blvd. and another significant residential area called Brookfield Village near the intersection of 98th Street and Edes Avenue. Nearly all residential parcels (97 percent) have one to four units (the large majority are single family units), with the remainder having five or more

³ Hausrath Economics Group.

⁴ The estimated average employment density per acre is only approximate as it is unclear how much of the land in the institutional, parking, and government-owned/utilities categories is in use by activities with employment. For purposes of the density calculation, one-half the acreage in institutional use and one-third the acreage in the government-owned/utilities category are included.

units. The population of the Coliseum Redevelopment Area is estimated to be 53,800⁵, with an average population density of 65 persons per residential acre.

Distribution of Land Uses Within the Project Area

The land use map in Figure 2 identifies the overall distribution of land uses throughout the project area. As shown, residential land uses occur throughout, with most found south of Seminary Ave., between International Blvd. and San Leandro Street, and another large pocket found near 98th Avenue and I-880, in the neighborhood called Brookfield Village. Industrial land use is found through the full length of the project area as well, mostly concentrated along the railroad right-of-way and the Estuary waterfront, with a concentration of light industrial uses on Edgewater Drive near the Oakland Airport. Small-scale commercial and auto-related uses are found along International Blvd., with some larger commercial uses adjacent to I-880. Significant amounts of auto-related uses are also found in the vicinity of the Oakland Airport, consisting mostly of car rental agencies and airport parking companies. Government-owned and utilities parcels include the railroad and BART rights-of-way, which run the length of the project area, large utility-owned parcels along the waterfront near 66th Avenue, and airport related uses near the Oakland Airport North Field.

Subareas Within the Project Area

There are six subareas identified in the Coliseum Redevelopment Area: the San Antonio/Fruitvale, Estuary, Central East Oakland, Central East Oakland/Elmhurst, Elmhurst, and Airport subareas. The subareas are identified on the map in Figure 3. The land use characteristics of these subareas are summarized below, with text, a land use map, and a table presented for each subarea, beginning at the northern end of the project area and moving south.

⁵ Population for the Coliseum Redevelopment Area is estimated by Hausrath Economics Group for 2007 and is based on data from the U.S. Census American Community Survey. It includes all Census blocks bordering to the north and east of International Blvd. and assumes population in these Census blocks to have the same growth rate from 2000 to 2007 as their corresponding, larger block groups.

Figure 3



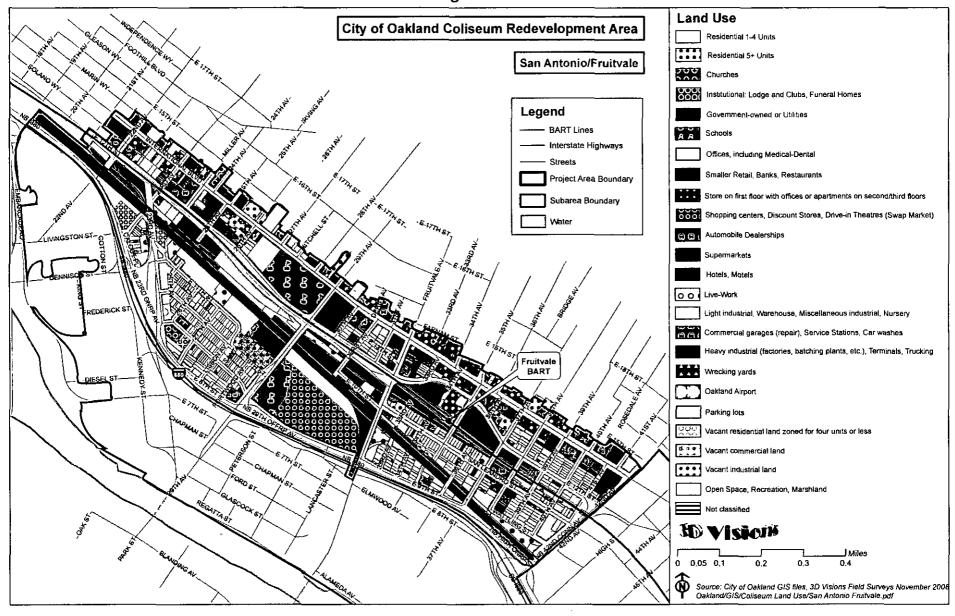
San Antonio/Fruitvale Subarea

The San Antonio/Fruitvale subarea includes 901 parcels on 229 acres of land. (There are an additional 100 acres of public streets and freeways.) The distribution of land uses for this subarea is summarized in Table 2 and illustrated in Figure 4. Commercial land uses and government/utilities are the largest users of land in this subarea, each with 23 percent of parcel acres (or 52 acres for each use). Commercial uses are concentrated along International Blvd., with another significant use being the Fruitvale Station shopping center at 29th Avenue and I-880. Government-owned/utility uses include the railroad and BART rights-of-way and the Fruitvale BART station and parking lot. Industrial land comprises 18 percent of parcel acres, much of this land used by warehouses and light industrial uses located near the railroad right-of-way. Finally, residential uses comprise 16 percent of parcel acres as well as 46 percent of all parcels, scattered in small pockets throughout the subarea. The largest of these is an area south of East 11th Street and west of 29th Avenue and another area immediately south and east of the Fruitvale BART station. There also are large parcels devoted to schools in the area.

TABLE 2
EXISTING LAND USE IN SAN ANTONIO/FRUITVALE SUBAREA

Land Use	Parcel C	ount	Parcel Squa	eage	
	#	%	Sq. Ft.	Acres	<u>%</u>
Residential 1-4 Units	336	37.3%	1,261,833	29.0	12.7%
Residential 5+ Units	82	9.1%	330,826	7.6	3.3%
Institutional	10	1.1%	679,345	15.6	6.8%
Commercial	165	18.3%	2,264,294	52.0	22.7%
Auto/Parking	49	5.4%	517,916	11.9	5.2%
Live-Work	4	0.4%	226,248	5.2	2.3%
Industrial/Warehouse	91	10.1%	1,818,790	41.8	18.2%
Airport	-	0.0%	-	_	0.0%
Government-owned/Utilities	77	8.5%	2,242,387	51.5	22.5%
Vacant Land/Lots	85	9.4%	618,198	14.2	6.2%
Open Space, Recreation, Marshland	1	0.1%	4,777	0.1	0.0%
Not classified	1	0.1%	4,323	0.1	0.0%
TOTAL	901	100%	9,968,937	228.9	100%

Figure 4



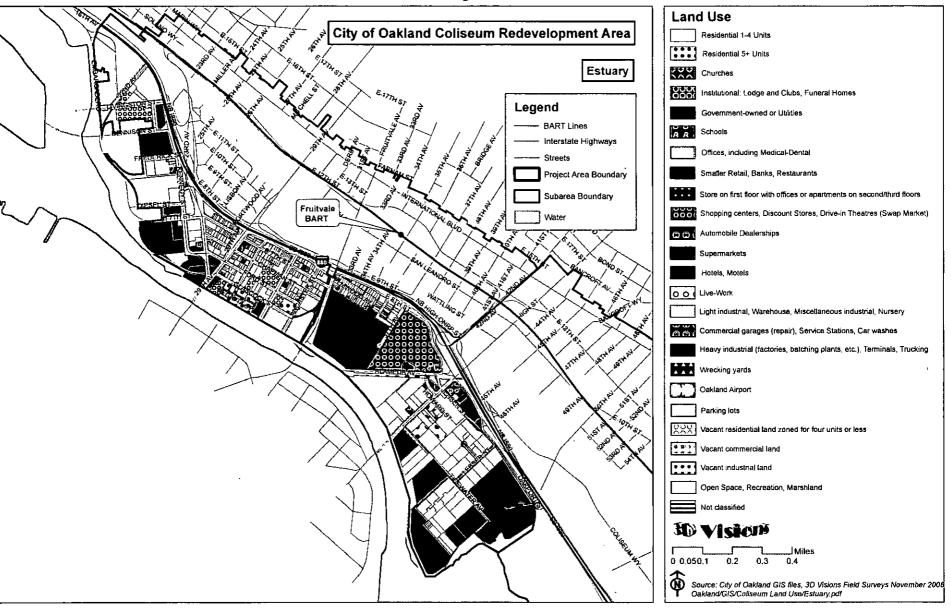
Estuary Subarea

The Estuary subarea consists of 435 parcels on 293 acres of land. (There are an additional 92 acres of public streets and freeways.) Land use characteristics for this subarea are summarized in Table 3 and illustrated in Figure 5. The Estuary subarea is primarily an industrial area, with 56 percent of parcel acres, or 154 acres, in industrial uses. Unlike other subareas, this includes a substantial portion of heavy industrial land, which comprises one-third of industrial uses in the area. In this area, heavy industrial includes such uses as the ConAgra flour milling facility, the Owens-Brockway glass container manufacturing facility, and construction-related vards with aggregate and sand/gravel products. At the northern end, there are light industrial uses in converted warehouses. At the southern end, there are many construction-related businesses. In the central, Kennedy Tract area, there are arts-related and other smaller industrial businesses as well as larger warehouse uses. Another 18 percent of parcel acres in this subarea are categorized as government/utilities. These uses are mostly comprised of a Pacific Gas and Electric facility located at the far southeastern corner of the subarea. About 10 percent, or 29 acres, are in commercial use, including the Home Depot on the large site off I-880 near 42nd Avenue, and office and other commercial uses at the northern end near Embarcadero Cove. A small share of land, about six percent or 18 acres, is devoted to residential uses, located in the central Kennedy Tract area and nearby. Most is older housing interspersed with older industrial uses.

TABLE 3
EXISTING LAND USE IN ESTUARY SUBAREA

	Parcel C	ount	Parcel Square Feet & Acreage		
Land Use	#	%	Sq. Ft.	Acres	%
Residential 1-4 Units	142	32.6%	543,632	12.5	4.3%
Residential 5+ Units	` 11	2.5%	236,772	5.4	1.9%
Institutional	1	0.2%	9,944	0.2	0.1%
Commercial	11	2.5%	1,256,850	28.9	9.9%
Auto/Parking	15	3.4%	219,756	5.0	1.7%
Live-Work	9	2.1%	205,645	4.7	1.6%
Industrial/Warehouse	157	36.1%	7,138,920	163.9	56.0%
Airport	0	0.0%	-	-	0.0%
Government-owned/Utilities	27	6.2%	2,240,632	51.4	17.6%
Vacant Land/Lots	60	13.8%	818,444	18.8	6.4%
Open Space, Recreation, Marshland	1	0.2%	73,007	1.7	0.6%
Not classified	1	0.2%	6,863	0.2	0.1%
TOTAL	435	100%	12,750,466	292.7	100%

Figure 5



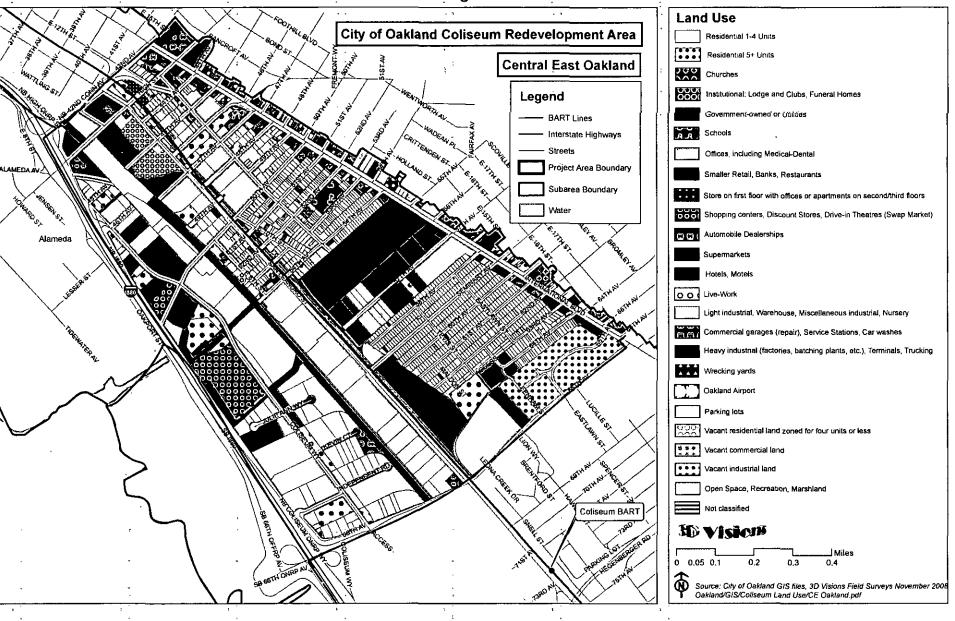
Central East Oakland Subarea

The Central East Oakland subarea includes 1,382 parcels on 501 acres of land. (There are an additional 125 acres of public streets and freeways.) The distribution of land uses for this subarea is summarized in Table 4 and illustrated in Figure 6. The area is predominantly industrial, with industrial land uses occupying 230 acres, or 46 percent of parcel acreage. Light industrial and warehouse uses make up 80 percent of all industrial land uses, and are concentrated in the area between San Leandro Street and I-880. A significant cluster of old, heavy industrial property is located on International Blvd. north of 57^{th} Avenue. This includes the large General Electric plant facilities built around 1920, which are outdated and underutilized as is the site itself. The property has not been redeveloped, and has remained in its current state for many years. Residential parcels comprise 19 percent of parcel acres and 58 percent of all parcels. Residential uses are found mainly in two clusters: one area south of International Blvd., between 58th and 66th Avenues (including the Lockwood Gardens public housing complex at 65th Avenue and International Blvd.), and another, smaller area south of International Blvd, between 50th and 54th Avenues. Government-owned/utilities parcels make up another 15 percent of parcel acres and are comprised mostly of Southern Pacific and Union Pacific/BART rights-of-way and an AC Transit maintenance facility located at San Leandro Street and Seminary Avenue (recently purchased by the City/Agency). The large parcel shown as commercial along I-880 is the former drive-in theater site, now used for a flea market/swap meet.

TABLE 4
EXISTING LAND USE IN CENTRAL EAST OAKLAND SUBAREA

Land Use	Parcel C	ount	Parcel Squa	Parcel Square Feet & Acreage	
	#	%	Sq. Ft.	Acres	%
Residential 1-4 Units	792	57.3%	3,215,136	73.8	14.7%
Residential 5+ Units	7	0.5%	826,452	19.0	3.8%
Institutional	19	1.4%	290,242	6.7	1.3%
Commercial	107	7.7%	1,590,900	36.5	7.3%
Auto/Parking	66	4.8%	777,393	17.8	3.6%
Live-Work	5	0.4%	288,695	6.6	1.3%
Industrial/Warehouse	211	15.3%	10,008,843	229.8	45.9%
Airport		0.0%	-	_	0.0%
Government-owned/Utilities	79	5.7%	3,300,663	75.8	15.1%
Vacant Land/Lots	96	6.9%	1,503,160	34.5	6.9%
Open Space, Recreation, Marshland	-	0.0%	-	-	0.0%
Not classified	-	0.0%	-	-	0.0%
TOTAL	1,382	100%	21,801,484	500.5	100%

Figure 6



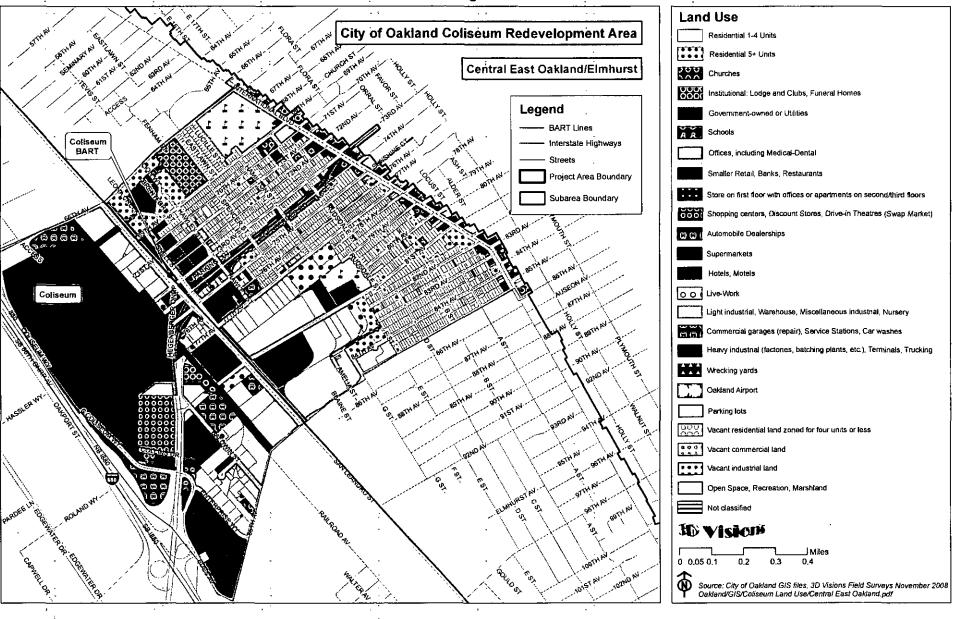
Central East Oakland/Elmhurst Subarea

The Central East Oakland/Elmhurst subarea has 1,759 parcels on 646 acres of land. (There are an additional 157 acres of public streets and freeways.) The distribution of land uses for this subarea is summarized in Table 5 and illustrated in Figure 7. With 205 acres, or 32 percent of parcel acres, the government/utilities category is the largest user of land in this subarea. This category is almost completely comprised of the Oakland-Alameda County Coliseum Complex, the Coliseum BART station and parking lot, and Southern Pacific and Union Pacific/BART rights-of-way. The rest of land area in this subarea is comprised mostly of residential, with 24 percent of parcel acres, and industrial land uses, with 20 percent of parcel acres. Residential neighborhoods are found southwest of International Blvd., stretching from the subarea's northern boundary at 66th Avenue to its southern boundary at 85th Avenue. Industrial uses are focused along the San Leandro Street and railroad rights-of-way, with the largest concentration located between 77th and 85th Avenues. Most of these industrial land uses are older warehouse and light industrial buildings. There also are 59 acres of commercial uses (about nine percent), most located on either side of Hegenberger east of I-880. The commercial uses include hotels/motels, auto-related uses, offices, and larger, older retail facilities (some of which are vacant).

TABLE 5
EXISTING LAND USE IN CENTRAL EAST OAKLAND/ELMHURST SUBAREA

Land Use	Parcel Co	ount	Parcel Square Feet & Acreage		
	#	%	Sq. Ft.	Acres	%
Residential 1-4 Units	1,288	73.2%	5,705,373	131.0	20.3%
Residential 5+ Units	53	3.0%	1,005,722	23.1	3.6%
Institutional	20	1.1%	1,863,647	42.8	6.6%
Commercial	90	5.1%	2,578,196	59.2	9.2%
Auto/Parking	34	1.9%	1,144,115	26.3	4.1%
Live-Work	0	0.0%	-	-	0.0%
Industrial/Warehouse	88	5.0%	5,741,471	131.8	20.4%
Airport	0	0.0%	-	-	0.0%
Government-owned/Utilities	91	5.2%	8,920,546	204.8	31.7%
Vacant Land/Lots	93	5.3%	1,033,733	23.7	3.7%
Open Space, Recreation, Marshland	2	0.1%	158,214	3.6	0.6%
Not classified	ō	0.0%	· -	-	0.0%
TOTAL	1,759	100%	28,151,018	646.3	100%

Figure 7



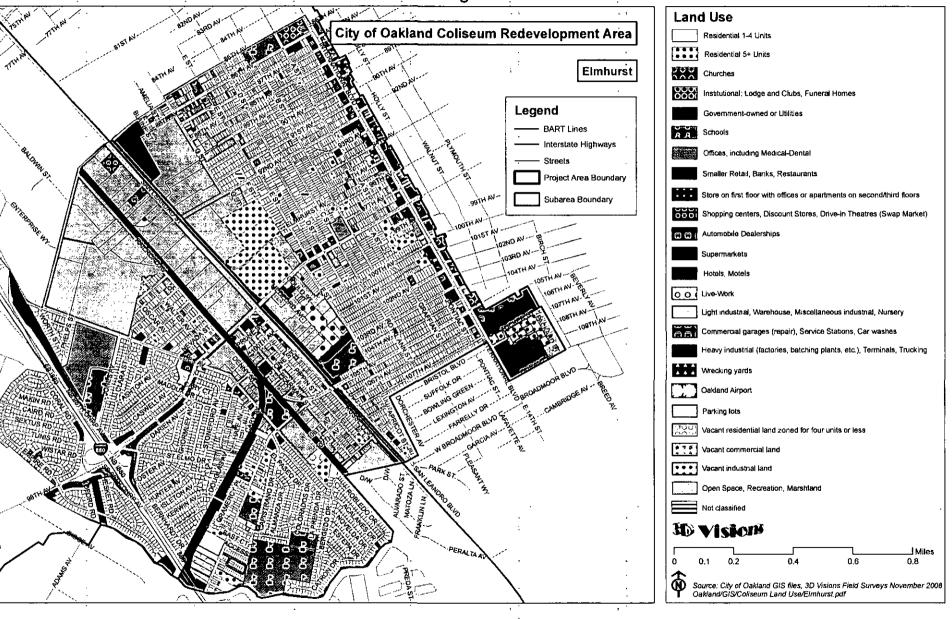
Elmhurst Subarea

The Elmhurst subarea has 5,331 parcels on 1,016 acres of land. (There are an additional 295 acres of public streets and freeways.) The distribution of land uses for this subarea is summarized in Table 6 and illustrated in Figure 8. The Elmhurst subarea is largely residential, with residential land uses accounting for 52 percent of parcel acres, or a total of 532 acres. The large number of parcels in this subarea reflect older single family detached housing on small lots throughout much of the area. There also are numerous school sites in the subarea. Residential land uses are located throughout the subarea, with the exception of a large swath of industrial land bisecting the subarea along San Leandro Street and the railroad right-of-way. The industrial land use in this subarea is substantial, with 23 percent of parcel acres. Nearly all of this industrial land is in older warehouse and light industrial uses. There also are some commercial uses in the area, located along International Blvd.

TABLE 6
EXISTING LAND USE IN ELMHURST SUBAREA

Land Use	Parcel Count		Parcel Square Feet & Acreage		
	#	%	Sq. <u>Ft.</u>	Acres	%
Residential 1-4 Units	4,456	83.6%	20,948,969	480.9	47.3%
Residential 5+ Units	74	1.4%	2,218,215	50.9	5.0%
Institutional	52	1.0%	2,497,945	57.3	5.6%
Commercial	137	2.6%	1,470,139	33.7	3.3%
Auto/Parking	48	0.9%	697,619	16.0	1.6%
Live-Work	2	0.0%	28,389	0.7	0.1%
Industrial/Warehouse	186	3.5%	10,272,207	235.8	23.2%
Airport	0	0.0%	-	-	0.0%
Government-owned/Utilities	194	3.6%	3,857,151	88.5	8.7%
Vacant Land/Lots	165	3.1%	1,408,726	32.3	3.2%
Open Space, Recreation, Marshland	8	0.2%	802,508	18.4	1.8%
Not classified	~ 9	0.2%	50,424	1.2	0.1%
TOTAL	5,331	100%	44,252,292	1,015.9	100%
_					

Figure 8



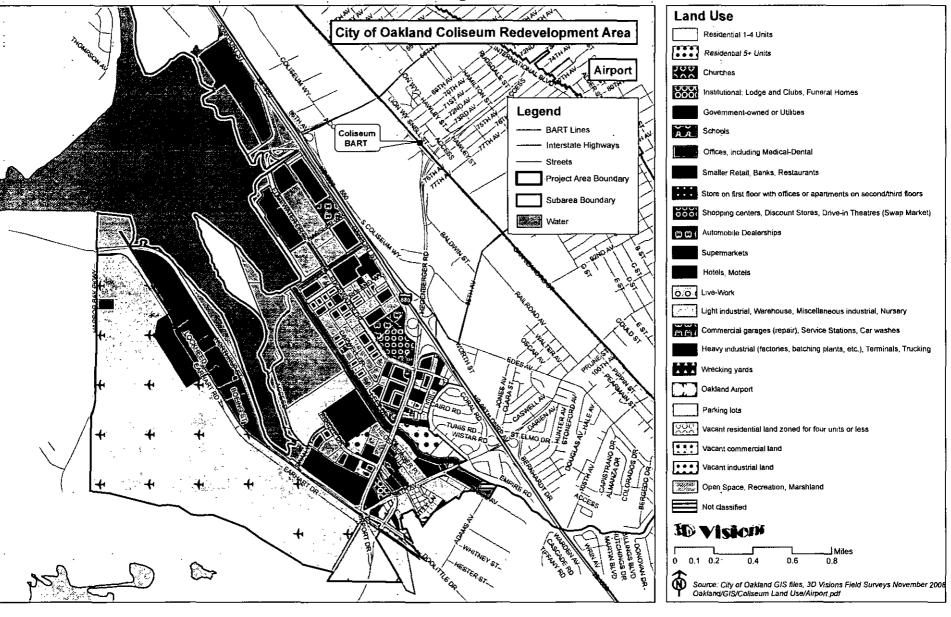
Airport Subarea

The Airport subarea has 276 parcels on 1,760 acres of land. (There are an additional 31 acres of public streets and freeways.) The distribution of land uses is summarized in Table 7 and illustrated in Figure 9. The Airport subarea includes the Oakland International Airport North Field and related uses, as well as an area of commercial and industrial uses along Hegenberger, Edgewater, and Oakport. North Field, which is the site of the original Oakland Airport, comprises 36 percent of parcel acres, while government-owned/utilities parcels account for another 19 percent. Government-owned parcels are primarily used for airport-related uses such as hangars and aircraft maintenance facilities, as well as leased office space. Open space and recreation uses, accounting for 23 percent of parcel acres, includes the Martin Luther King Regional Shoreline and other protected marshlands found along San Leandro Bay. In addition to airport-related uses, the subarea also contains a concentration of commercial (9 percent of parcel acres) and industrial uses (8 percent of parcel acres) centered around Hegenberger Road. Edgewater Drive, and Oakport Street. These include airport-related uses such as overnight parcel delivery companies (FedEx and UPS), hotels, and restaurants. Auto/parking uses, making up four percent of parcel acres, include car rental agencies, airport parking companies, and some auto dealerships. There also is the Wal-Mart Store at Hegenberger and I-880 which is the anchor to the Hegenberger Gateway Shopping Center.

TABLE 7
EXISTING LAND USE IN AIRPORT SUBAREA

Land Use	Parcel Count		Parcel Square Feet & Acreage		
	#	%	Sq. Ft.	Acres	%
Residential 1-4 Units	0	0.0%	-	_	0.0%
Residential 5+ Units	0	0.0%	-	-	0.0%
Institutional	2	0.7%	206,062	4.7	0.3%
Commercial	71	25.7%	6,724,904	154.4	8.8%
Auto/Parking	21	7.6%	3,043,092	69.9	4.0%
Live-Work	0	0.0%	-	_	0.0%
Industrial/Warehouse	79	28.6%	5,989,583	137.5	7.8%
Airport	4	1.4%	27,311,923	627.0	35.6%
Government-owned/Utilities	53	19.2%	14,312,692	328.6	18.7%
Vacant Land/Lots	23	8.3%	1,376,641	31.6	1.8%
Open Space, Recreation, Marshland	16	5.8%	17,571,387	403.4	22.9%
Not classified	7	2.5%	120,435	2.8	0.2%
TOTAL	276	100%	76,656,718	1,759.8	100%

Figure 9



CHAPTER III EXISTING CONDITIONS AND BLIGHT IN THE COLISEUM REDEVELOPMENT AREA

This chapter presents the analysis used to determine if significant blight remains within the Coliseum Redevelopment Project Area (project area), consistent with the definition of blight in the California *Community Redevelopment Law* (CRL). The chapter begins by identifying the definition of blight in the CRL. Then, it provides documentation and evaluation of existing physical, economic, and other conditions of the redevelopment area in relation to the definition of blight. Finally, a summary of the evaluation of blighting conditions in the project area is provided at the end of the chapter.

DEFINITION OF BLIGHT

Sections 33030 and 33031 of the CRL describe the standards for and the characteristics of blighted areas. The sections begin with the following declaration of State policy:

"33030.(a) It is found and declared that there exist in many communities blighted areas which constitute physical and economic liabilities, requiring redevelopment in the interest of the health, safety, and general welfare of the people of these communities and of the state."

The CRL defines a *blighted area* as one that meets the specific definitions of blight presented below.

Physical and Economic Blight

The definition of blight, established in Section 33030 (b)(2), requires that the project area be characterized by one or more conditions of physical blight <u>and</u> one or more conditions of economic blight. Those conditions are the following:

- "33031. (a) This subdivision describes physical conditions that cause blight:
- (1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.
- (2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. This condition may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.

- (3) Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.
- (4) The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.
- 33031. (b) This subdivision describes economic conditions that cause blight:
- (1) Depreciated or stagnant property values.
- (2) Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with Section 33459).
- (3) Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.
- (4) A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
- (5) Serious residential overcrowding that has resulted in significant public health or safety problems. As used in this paragraph, "overcrowding" means exceeding the standard referenced in Article 5 (commencing with Section 32) of Chapter 1 of Title 25 of the California Code of Regulations.
- (6) An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.
- (7) A high crime rate that constitutes a serious threat to the public safety and welfare."

Inadequate Public Improvements

Section 33030 (c) identifies that a blighted area that contains the conditions described above (physical and economic blight) may also be

"characterized by the existence of inadequate public improvements or inadequate water or sewer utilities."

SOURCES OF INFORMATION

Identifying and evaluating blighting conditions that continue to affect the Coliseum Redevelopment Area relies on analyses of a number of sources of data and information. As described in Chapter I, the blight analysis focuses on the types of blight that may be relevant to eminent domain powers. Both primary data (data generated through surveys and field work conducted for the purposes of this study) and secondary data (data obtained from reliable governmental and other resources) were used. The following list identifies the sources of data and information used and the primary data collection efforts undertaken for this Blight Analysis:

- Review of available documents and discussions with City of Oakland and Redevelopment Agency staff;
- Aerial photography and maps for the redevelopment area;
- ◆ Alameda County Assessor's data;
- Field survey of non-residential and larger multi-family residential properties, to assess conditions of physical and economic blight;
- U.S. Census, 2000, and U.S. Census American Community Survey, 2007;
- Oakland Cumulative Growth Scenario, City of Oakland and Hausrath Economics Group;
- City of Oakland records on unreinforced masonry buildings;
- State Water Resources Control Board Geo Tracker database of regulatory data about leaking underground fuel tanks (contains all of the information formerly found in the LUSTIS database);
- California Department of Toxic Substances Control EnviroStor database;
- Foreclosure data from the City of Oakland;
- ◆ California State Board of Equalization data on taxable sales;
- California Department of Alcoholic Beverage Control permit data;
- Demographics NOW lists of area businesses from the City of Oakland;
- ◆ City of Oakland Police Department crime statistics;
- ◆ City of Oakland Industrial District Strategy Report: Public Infrastructure
 Assessment and Recommendations, Woodland-81st Avenue / Melrose Coliseum /

Tidewater Industrial Zones (October 8, 2008), prepared for the Community and Economic Development Agency by BKF Engineers; and

◆ Envision Oakland, City of Oakland General Plan Land Use and Transportation Element; and Oakland Estuary Policy Plan.

The physical blight analysis included a field survey of non-residential properties and larger multi-family residential properties (buildings with five or more units) in the project area, conducted by 3D Visions, urban planners and specialists in physical blight surveying. Hausrath Economics Group (HEG), urban economists, participated in the analysis of physical conditions and prepared the report text. Both 3D Visions and HEG were involved in the analysis of data and information from various secondary sources. Appendix B, at the end of this report, provides background on the project area field survey undertaken for this Blight Analysis and a bibliography of data and information sources. The methodology for the field survey is summarized below.

Field Survey

The field survey was a key source of information for the blight analysis. Because the purpose of this study is to provide documentation enabling extension of the option to use eminent domain powers in the Coliseum Redevelopment Area, and eminent domain would not be used to acquire occupied residential property, the blight survey focused on the physical and economic conditions of non-residential property within the project area. Larger multi-family residential properties (parcels with five or more units indicated) were also evaluated. The Alameda County Assessor's parcel data base identified non-residential parcels and residential parcels of five or more units; all of those parcels were included in the field survey. The project area map in Figure 10 identifies the surveyed parcels. ⁶ Table 8 presents an overview of the count of parcels and land area surveyed, by subarea and land use.

The field survey investigated conditions for a total of 2,902 parcels representing approximately 3,700 acres of land in the Coliseum Project Area. Industrial/warehouse and commercial property accounted for 59 percent of surveyed parcels and 39 percent of surveyed land area. Government-owned and utility property and the parts of the Oakland Airport in the project area also constitute a large share of the land area of surveyed property (large parcels with 39 percent of the land area on 17 percent of the parcels).

⁶ The non-surveyed parcels shown on the map in Figure 10 are parcels classified by the Assessor as single-family residential or other residential with less than five units that were not evaluated for the purposes of this analysis.

Figure 10

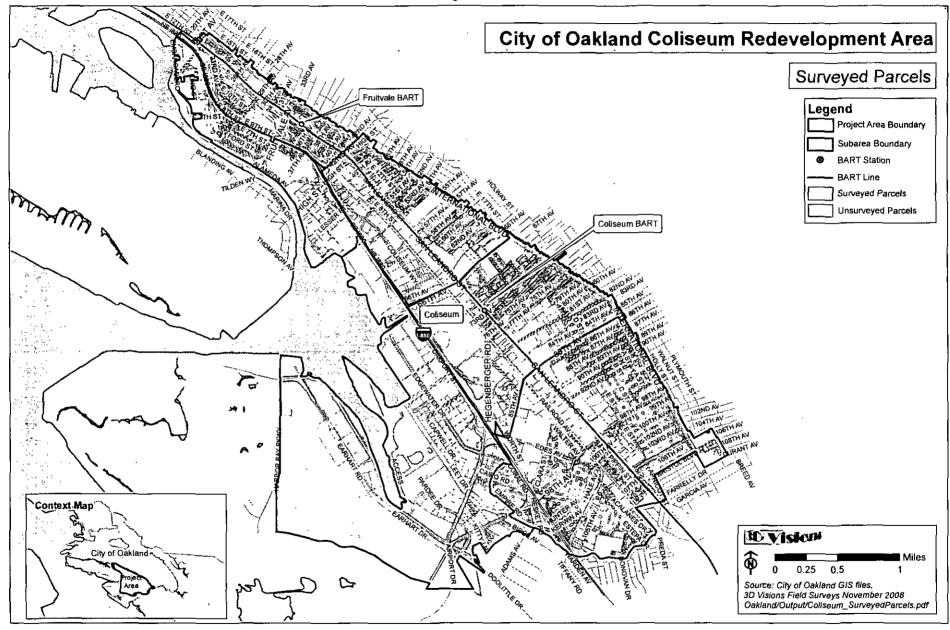


TABLE 8 COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS SURVEYED PARCELS

Number and Area of Surveyed Parcels by Subarea

	Par	cels	Land Area (sq. ft.)	
Subarea	Count	% of Total	Area	% of Total
San Antonio / Fruitvale	507	17%	8,610,098	5%
Estuary	295	10%	12,219,463	8%
Central East Oakland	570	20%	18,517,874	11%
Central East Oakland / Elmhurst	433	15%	22,356,152	14%
Elmhurst	822	28%	23,075,916	14%
Airport	275	9%	76,656,006	47%
Total	2,902	100%	161,435,509	100%

Number and Area of Surveyed Parcels by Land Use

	Par	cels	Land Area (sq. ft.)	
Land Use	Count	% of Total	Area	% of Total
Industrial/Warehouse, incl. vacant	1,030	35%	45,559,462	28%
Commercial, including vacant	683	24%	17,034,610	11%
Auto/Parking	231	8%	6,395,467	4%
Live-Work	20	1%	748,977	0%
Government-owned/Utilities	502	17%	34,812,870	22%
Airport	4	0%	27,311,923	17%
Institutional	99	3%	5,512,084	3%
Residential, including vacant	293	10%	5,302,155	3%
Open Space, Recreation, Marsh	28	1%	18,609,893	12%
Not classified	12	0%	148,067	0%
Total	2,902	100%	161,43 <u>5,</u> 509	100%_

Source: 3D Visions, Field Survey for Blight Analysis, and Hausrath Economics Group.

EXISTING CONDITIONS THAT CONTINUE TO EVIDENCE BLIGHT

Analyses of existing physical and economic conditions that provide evidence of blight under the CRL are documented and summarized in the rest of this chapter. The presentation is organized according to the physical and economic blighting conditions and other criteria set forth in the law and identified above. First, the relevant *physical conditions* that cause blight are addressed followed by consideration of *public improvement deficiencies*. Then, the relevant *economic conditions* that cause blight are analyzed.

Photographic documentation of existing conditions and blight is presented in Appendix A at the end of this report. Selected images are presented that represent predominant blighting characteristics that remain in the Coliseum Redevelopment Area.

Throughout this chapter, the focus of the analysis of existing conditions and blight is on the overall patterns of blight identified in the project area. The tables and maps of blighting conditions are provided to identify overall characteristics and patterns, and are not intended to focus on the specifics of individual parcels and properties. Further, the field survey and other data analyzed provide a snapshot of conditions in the project area, using the best available data and information at the time of the blight analysis. Over time, the conditions of individual properties can change. Some properties with evidence of blight may be improved, while other properties may develop new evidence of blight. The overall patterns identified by the survey data and analyses will continue to be applicable for a period of time into the future, even if conditions on some individual properties change.

Physical Conditions

Existing "physical conditions that cause blight" are defined in Section 33031 (a) of the CRL. They include the following:

(1) Buildings That Are Unsafe or Unhealthy.

Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.

(2) Conditions That Prevent or Hinder Viable Use or Capacity of Buildings or Lots.

Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. This condition may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.

(3) Incompatible Uses.

Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.

(4) Irregular Lots.

The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate

sizes, given present general plan and zoning standards and present market conditions.

Physical conditions in the project area that provide evidence of these types of blight are presented below, in the order identified above. The results of the analysis indicate that specific adverse physical conditions that meet all four of the categories of physical blight (identified above) are still present in the Coliseum Redevelopment Area. (For the area to qualify as blighted, the CRL only requires that one of the four categories of physical blight, along with one of the categories of economic blight, be present.) The adverse physical conditions identified are evidence that significant physical blight remains within the project area.

Buildings That Are Unsafe or Unhealthy

Dilapidation and Deterioration

The field survey of blighting conditions conducted specifically for this Blight Analysis assigned an overall building condition rating to each property. The survey team evaluated various aspects of building structure, including foundations, exterior walls, structural supports, roofs, paint, windows, doors, entries/porches, and stairs. The open land surrounding buildings and in vacant lots was also evaluated for signs of neglect and/or disinvestment: debris, litter, graffiti, inadequate loading, storage, and vehicle parking. Surveyed properties were rated as being "deteriorated" or "dilapidated" based on observed conditions. The ratings were as follows:

- Deteriorated properties exhibit signs of wear and substandard conditions. Wall paint may be faded, or repainting is needed. Security bars and single pane aluminum windows are common. Windows may need replacement or reglazing. Roofs may need resurfacing. The building may exhibit some substandard materials or poor construction. Side-yards and open lots are likely to have litter, weeds, or exposed dirt vulnerable to winds. The parcel may appear disorganized due to abundant outdoor storage or haphazardly parked cars, trucks, or shipping containers. Parking may occur on unpaved areas or in the front yard. There may be a need for health, safety, building, or zoning code inspections. There may also be visible mold or mildew. The composite count of defects generally shows from two to six flaws.
- ◆ Dilapidated properties exhibit more extreme versions of the above-noted conditions. Many of these properties appear underutilized or abandoned. Walls need repainting. Windows or doors may be boarded and may need replacement or re-glazing. Roofs are likely to need resurfacing or to be taken down to ceiling joists. Structural defects are common; the building may be leaning or not plumb. Adverse conditions, including dumping, graffiti, and exposed dirt and weeds are common for side yards, open storage, and unimproved lots. The composite count of defects generally shows four or more flaws.

A total of 486 properties in deteriorated or dilapidated conditions were observed in the field survey, representing 17 percent of the surveyed parcels. Another almost 1,200 parcels (40 percent of surveyed parcels) exhibit signs of deferred maintenance. These properties might eventually end up as deteriorated or dilapidated. It is interesting to note that another 10 percent were not rated because they could not be observed. Parcels and buildings could not be observed because of large fencing or other barriers obscuring the view of the property from the street. This in itself could be considered evidence of neglect, vacancy, underutilization, or public safety concerns.⁷

Deteriorated and dilapidated property is prevalent throughout the area, with the exception of the Airport subarea. More than 15 percent of surveyed parcels were categorized as deteriorated or dilapidated (16 percent – 26 percent, the latter high percentage in Central East Oakland) in all subareas except the Airport subarea. Because of relatively large parcel sizes in both the Estuary and Central East Oakland subareas, properties accounting for more than 20 percent of the land area were classified as deteriorated or dilapidated. Figure 11 maps the deteriorated and dilapidated properties identified in the field survey. Table 9 presents the counts of deteriorated and dilapidated property by subarea and land use.

Deteriorated and dilapidated conditions pertain primarily to industrial land uses. More than half (55 percent) of the land classified as deteriorated or dilapidated is in industrial/warehouse use. Many industrial facilities are older, as industrial development in the area dates back to the late 1800s and early 1900s. The other significant concentration of these conditions is on government-owned or utility property, accounting for 25 percent of the deteriorated or dilapidated property. Examples include BART, Caltrans, and rail rights-of way, and flood control drainage ditches.

Buildings Vulnerable to Seismic Damage

The City of Oakland Building Services Department database indicates that there are unreinforced masonry (URM) structures on 102 of the parcels surveyed, representing seven percent of the total surveyed parcels. Unreinforced masonry structures are of concern as they may suffer structural damage or collapse during a severe earthquake. Most of the URM structures are categorized in the field survey as in good condition or exhibiting signs of deferred maintenance.

As noted in the 1994 Blight Analysis prepared to document conditions justifying adoption of the Coliseum Redevelopment Plan, the project area has a disproportionate representation of unreinforced masonry buildings. Two indicators provide evidence that this continues to be true for the parcels that are the focus of this Blight Analysis. While surveyed parcels are three percent of the total parcels in the City of Oakland, the URM structures on those parcels are 14

⁷ The percentage of parcels showing deteriorated or dilapidated conditions would be greater than indicated in the text and tables if those parcels not able to be observed were excluded from the base of surveyed parcels.

I Miles Project Area Boundary City of Oakland Coliseum Redevelopment Area Deteriorated or Dilapidated Miles

0 0.3 0.6 1.2

Source: City of Oakland GIS files,
3D Visions Field Surveys November 2008
Oakland/Output/Coliseum_Deter_Dilap.pdf Subarea Boundary **BART Station** Deteriorated **BART Line** Dilapidated Legend Coliseum BART Fruitvale BART

Figure 11

TABLE 9
COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS
DETERIORATED AND DILAPIDATED PROPERTY/a/

Deteriorated and Dilapidated Parcels and Land Area by Subarea

					<u>Perce</u>	<u>nt of</u>
	<u>Par</u>	cels	Land Area (s	sq. ft.)	Surve	yed
		% of		% of		Land
Subarea	Count	Total	Area	Total	Parcels	<u>Area</u>
San Antonio / Fruitvale	86	18%	895,051	8%	17%	10%
Estuary	49	10%	2,795,691	25%	17%	23%
Central East Oakland	150	31%	3,873,415	34%	26%	21%
Central East Oakland / Elmhurst	69	14%	1,076,759	9%	16%	5%
Elmhurst	128	26%	1,838,776	16%	16%	8%
Airport	4	1%	876,231	8%	1%	1%
Total	486	100%	11,355,923	100%	17%	7%

Deteriorated and Dilapidated Parcels and Land Area by Land Use

					<u>Percer</u>	nt of
	Pare	<u>cels</u>	Land Area (s	q. ft.)	Surve	yed
		% of		% of		Land -
Land Use	Count	Total	Area	Total	Parcels	<u>Area</u>
Industrial/Warehouse, incl. vacant	201	41%	6,281,407	55%	20%	14%
Commercial, including vacant	134	28%	899,721	8%	20%	5%
Auto/Parking	39	8%	526,309	5%	17%	8%
Live-Work	7	1%	69,065	1%	35%	9%
Government-owned/Utilities	46	9%	2,889,222	25%	9%	8%
Airport	-	0%	-	0%	0%	0%
Institutional	7	1%	52,465	0%	7%	2%
Residential, including vacant	51	10%	564,726	5%	17%	11%
Open Space, Recreation, Marsh	1	0%	73,007	1%	4%	0%
Not classified	-	0%	-	0%	0%	0%
Total	486	100 <u>%</u>	11,355,923	100%	17%	7%

/a/ Parcels with one or more condition of deterioration or dilapidation.

Source: 3D Visions, Field Survey for Blight Analysis, and Hausrath Economics Group.

percent of all of the URM structures in the City. The concentration of URM structures in the study area is also indicated by the calculation that there are 3.51 URM structures per 100 parcels among the surveyed parcels, while, citywide, there are 0.65 URM structures per 100 parcels.

This characteristic of the building stock reflects the industrial land use history of the study area. When the land along the Estuary and rail lines was initially developed for manufacturing and warehousing uses, masonry construction was the standard. There are also a number of unreinforced masonry commercial structures along International Boulevard, evidence of the age and development history of that early commercial corridor that serves as one edge of the Coliseum Redevelopment Area.

Conditions That Prevent or Hinder Viable Use or Capacity of Buildings or Lots

Substandard Lot Conditions

Throughout the project area, numerous properties exhibit substandard design and/or inadequate size given modern standards and market conditions. Substandard lots include lots of inadequate size for present uses (use spills out into the right-of-way or encroaches on adjacent property), lots with poor drainage and standing water, lots with poor access or on-site circulation (access not wide enough, causing congestion and traffic circulation problems), and lots with substandard, inefficient site design (uses conflict, materials and equipment that should be warehoused are exposed in open storage). There are also many parcels with inadequate parking, where cars and trucks are parked haphazardly and illegally.

The field survey identified 630 parcels—22 percent of the survey parcels and 17 percent of the land area—where a variety of site conditions exist that are evidence of substandard property conditions leading to inefficiencies and underutilization. These site conditions deter investment for higher intensity business use. Figure 12 provides a map of substandard lot conditions.

Examples of substandard conditions noted in the field survey include: vehicles parked on the sidewalk, containers and large trucks parked on the street instead of in parking lots, dilapidated fencing, standing water, trailers and containers used as housing, cases of open storage where pallets appear to be stacked too high, containers stacked five-high, and large mounds of dirt, broken pavement, and old tires. Locations were also identified where, because secure on-site parking areas are not available or are inadequate, tractor/trailer trucks are parked in the public right-of-way.

These site conditions are found throughout the area. In the Central East Oakland subarea, one third of the surveyed parcels accounting for 36 percent of the land area evidenced one or more of these substandard lot conditions. In the Estuary subarea, one quarter of parcels representing 30 percent of the land area, exhibited substandard lot conditions. Table 10 shows the number of parcels and amount of land characterized by these substandard conditions.

⁸ City of Oakland Building Services Department data indicate a total of 717 unreinforced masonry structures in the City.

Figure 12

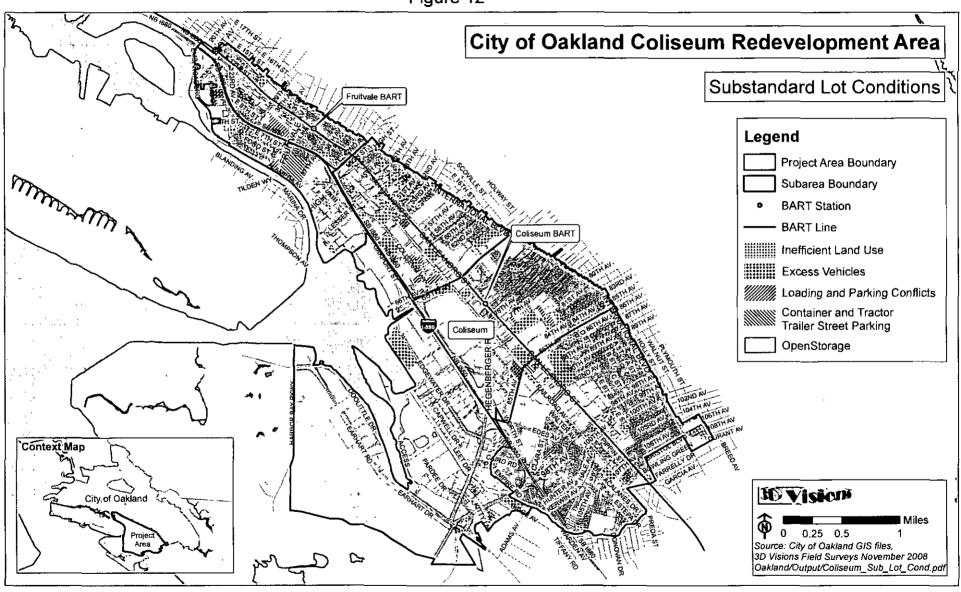


TABLE 10 COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS SUBSTANDARD LOT CONDITIONS/a/

Parcels and Land Area with Substandard Lot Conditions by Subarea

·	Paro	els	Land Area	(sq. ft.)	Perce Surve	 -
Subarea	Count	% of Total	Area	% of Total	Parcels	Land Area
San Antonio / Fruitvale	101	16%	2,211,861	8%	20%	26%
Estuary	76	12%	3,626,569	13%	26%	30%
Central East Oakland	189	30%	6,730,495	25%	33%	36%
Central East Oakland / Elmhurst	96	15%	3,767,855	14%	22%	17%
Elmhurst	143	23%	5,205,810	19%	17%	23%
Airport	25	4%	5,863,523	21%	9%	8%
Total	630	100%	27,406,112	100%	22%	17%

Parcels and Land Area with Substandard Lot Conditions by Land Use

					Perce	<u>-</u> _
	<u>Parc</u>		Land Area (Surve	
t and the	0	% of	A	% of	Descala	Land
Land Use	Count	Total	Area	Total	Parcels	Area
Industrial/Warehouse, incl. vacant	382	61%	16,481,308	60%	37%	36%
Commercial, including vacant	77	12%	2,131,196	8%	11%	13%
Auto/Parking	79	13%	1,360,128	5%	34%	21%
Live-Work	4	1%	43,712	0%	20%	6%
Government-owned/Utilities	28	4%	6,380,845	23%	6%	18%
Airport	-	0%	-	0%	0%	0%
Institutional	4	1%	55,023	0%	4%	1%
Residential, including vacant	55	9%	886,452	3%	19%	17%
Open Space, Recreation, Marsh	-	0%	-	0%	0%	0%
Not classified	1	0%	67,448	0%	8%	46%
Total	630	100%	27,406,112	100%	22%	17%

/a/ Parcels with one or more substandard condition.

Source: 3D Visions, Field Survey for Blight Analysis, and Hausrath Economics Group.

The problems are concentrated on industrial property, where substandard conditions were identified on almost 40 percent of the parcels and land area. Government-owned or utility property also contributes to these blighting conditions: almost 20 percent of the government and utility property surveyed (measured by land area) was associated with substandard lot conditions, representing one-quarter of the total study land area with these conditions.

Analysis of parcel sizes for non-residential parcels provides further evidence of substandard lot conditions that are an impediment to reinvestment. Although there are a number of very large industrial parcels in the study area, parcels that are too small for efficient use given current

production, transport, and delivery standards are also prevalent in the study area. When parcels are too small, current uses are not adequately accommodated on-site, resulting in spill-over and congestion. Furthermore, the small parcels do not meet the needs of new industrial and commercial users and therefore do not attract reinvestment. Along International Boulevard, where large-scale residential and mixed-use development is envisioned as a key to redevelopment and revitalization, the small size of existing parcels is a deterrent to new investment. Three quarters of the parcels with frontage on International Boulevard are less than 10,000 square feet in lot area.

Trash, Debris, and Other Adverse Conditions

An accumulation of trash, debris, and graffiti is evidence of underutilization, disinvestment, neglect, and, in the case of publicly-owned property, lack of adequate resources for proper maintenance. While these conditions indicate neglect of the properties where the conditions exist, they also have an adverse impact on the use and development potential of nearby property.

Half of the surveyed parcels exhibit some type of adverse condition. The most common conditions observed were: litter, debris, graffiti, weeds, and exposed dirt. Litter, debris, and dumping represent almost two-thirds (65 percent) of the adverse site conditions identified in the survey. It is also the case that these adverse conditions accumulate: 28 percent of the parcels had two or more such factors. Figure 13 maps the various types of adverse conditions identified during the field survey, and Figure 14 highlights where those conditions accumulate. Table 11 shows the field survey results for these adverse conditions by subarea and land use.

Trash, debris, and other adverse conditions are found throughout the study area, with higher than average incidence in Central East Oakland and Central East Oakland/Elmhurst subareas. Similarly, such conditions afflict all land uses. The incidence is particularly high for auto-related uses and vacant properties. There are numerous examples in the study area of vacant, unimproved lots where weeds, litter, and debris accumulate.

Incompatible Uses

Conflict between industrial and residential uses is marked in parts of the study area. Historic development patterns resulted in business activities (including many industrial operations) on large parcels along significant transportation corridors hemmed in by nearby worker housing. While the intermixing of residential uses with industry stems from the 19th century, incompatibilities between uses have become more pronounced with growth and change. Incompatibilities exist near the borders of the industrial areas that are concentrated along the rail line, San Leandro Street, and the freeway, and below the freeway in the Estuary subarea. Modern practice often creates a buffer between these uses, frequently with light industrial or some types of commercial uses.

Incompatible land use deters investment in both industrial and residential property, resulting in deferred maintenance and deterioration and reducing development potential and property values. From the perspective of the industrial business activity, residential and even active commercial

Figure 13



Figure 14

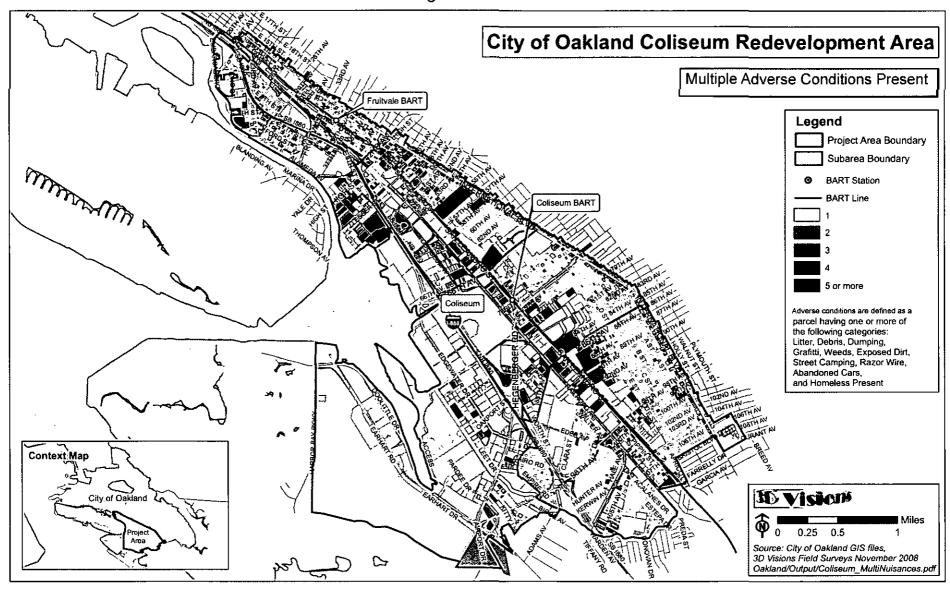


TABLE 11
COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS
TRASH, DEBRIS AND OTHER ADVERSE CONDITIONS/a/

Parcels and Land Area with Adverse Conditions by Subarea

					<u>Perce</u>	<u>nt of</u>
	<u>Parc</u>	els els	Land Area (sq. ft.)	Surve	<u>yed</u>
		% of		% of		Land
Subarea	Count	Total	Area	Total	<u>Parcels</u>	Area
San Antonio / Fruitvale	239	16%	4,062,909	8%	47%	47%
Estuary	139	10%	7,183,809	15%	47%	59%
Central East Oakland	355	24%	10,218,845	21%	62%	55%
Central East Oakland / Elmhurst	244	17%	11,228,009	23%	56%	50%
Elmhurst	428	29%	9,993,822	20%	52%	43%
Airport	58	4%	6,601,230	13%	21%	9%
Total	1,463	100%	49,288,624	100%	50%	31%

Parcels and Land Area with Adverse Conditions by Land Use

				•	Perce	nt of
	<u>Parc</u>	els:	Land Area (sq. ft.)	<u>Surve</u>	yed
		% of		% of		Land
Land Use	Count	Total	Area	Total	Parcels	<u>Area</u>
Industrial/Warehouse	419	29%	20,988,725	43%	52%	51%
Vacant Industrial/Warehouse	138	9%	2,108,978	4%	60%	45%
Commercial	242	17%	5,153,235	10%	42%	32%
Vacant Commercial	76	5%	679,386	1%	71%	58%
Auto/Parking	131	9%	2,551,369	5%	57%	40%
Live-Work	6	0%	158,521	0%	30%	21%
Government-owned/Utilities	281	19%	11,698,547	24%	56%	34%
Airport	2	0%	2,350,983	5%	50%	9%
Institutional	36	2%	1,901,863	4%	36%	35%
Residential	51	3%	822,346	2%	31%	18%
Vacant Residential	73	5%	448,791	1%	57%	60%
Open Space, Recreation, Marsh	6	0%	354,109	0%	21%	2%
Not classified	2	0%	71,771	0%	17%	48%
Total	1,463	100%	49,288,624	100%	50%	31%

/a/ Parcels with one or more adverse condition.

Source: 3D Visions, Field Survey for Blight Analysis, and Hausrath Economics Group.

uses nearby can create operational difficulties and increase costs. For example, truck travel to/from industrial uses can become more difficult and safety can become an issue, as can truck parking. Business development potential is reduced to the extent that operating conditions are affected/limited by land use conflicts. From the perspective of residential uses, truck and rail traffic generates noise, dust, public safety, and air quality impacts for nearby residents and adversely affects property values and investments in surrounding properties. Concern about exposure to toxic materials also affects the market potential of nearby housing.

Irregular Lots/Subdivided Lots

Parcels that are landlocked (i.e., they have no frontage on a public street) and parcels that are not rectangular are at a disadvantage with respect to usefulness and development potential. The field survey identified a total of 70 irregular parcels – flag-shaped parcels, narrow lots, "slivers" created by rail or other rights-of-way that interrupt the regular street grid, and land-locked parcels. There are notable concentrations of these conditions in the study area: in the Estuary subarea along Tidewater Avenue (not a public street) and south of Lesser, and a few cases associated with rail spurs off San Leandro Boulevard.

Public Improvement Deficiencies

Section 33030 (c) of the CRL states:

"A blighted area may also be characterized by the existence of inadequate public improvements or inadequate water or sewer utilities."

Evaluation of the existing conditions of public improvements in the project area identified a number of deficiencies that provide sufficient evidence of this type of blight. Table 12 presents the count of parcels and amount of land area where the field survey identified public improvement deficiencies. The map in Figure 15 illustrates the distribution of these deficiencies.

Altogether, 710 instances of substandard public improvements were identified in the field survey, affecting 370 parcels—about 13 percent of the parcels surveyed. The most common deficiencies were no sidewalks, curbs, or gutters—accounting for 72 percent of the conditions identified.

Public improvement deficiencies are generally found throughout the study area. The incidence is higher than average in the Estuary subarea (23 percent of parcels and almost 40 percent of land area), in Central East Oakland (18 percent of parcels and 25 percent of land area), in Central East Oakland/Elmhurst (11 percent of parcels and 35 percent of land area).

In terms of land use, about one-quarter of live/work parcels, industrial/warehouse parcels, and vacant or unimproved industrial parcels lack the necessary public improvements to satisfy contemporary business standards. These parcels are one-quarter to one-third of the land area for each of these uses.

Figure 15

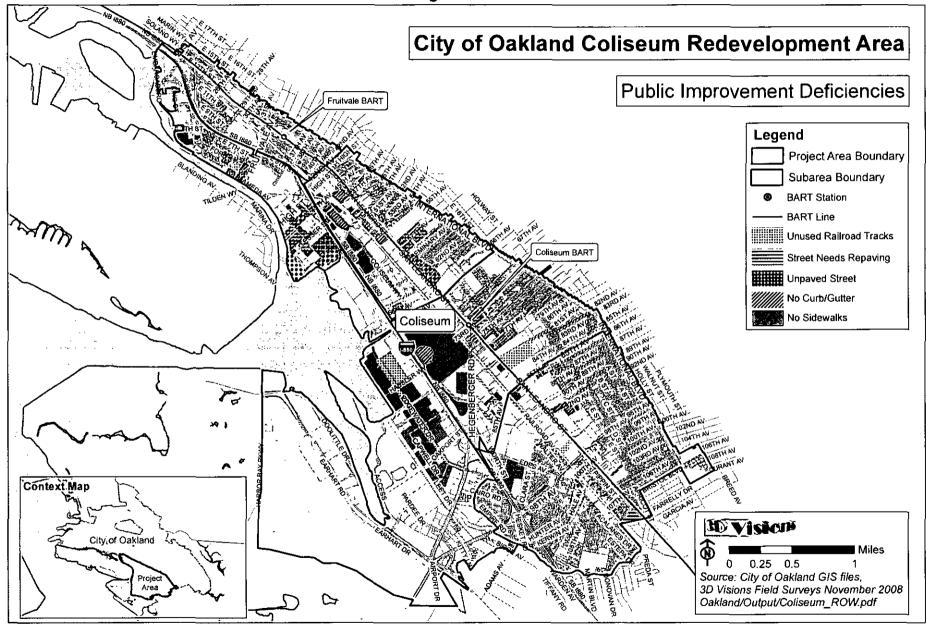


TABLE 12 COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS PUBLIC IMPROVEMENT DEFICIENCIES/a/

Parcels and Land Area with Public Improvement Deficiencies by Subarea

		•			Percer	t of
	Parce	<u>els</u>	Land Area (se	<u>q. ft.)</u>	<u>Surve</u>	<u>ved</u>
		% of		% of		Land
Subarea	Count	Total	<u> Area</u>	Total	<u>Parcels</u>	Area
San Antonio / Fruitvale	17	5%	346,756	1%	3%	4%
Estuary	67	18%	4,535,561	17%	23%	37%
Central East Oakland	104	28%	4,719,036	18%	18%	25%
Central East Oakland / Elmhurst	49	13%	7,883,813	30%	11%	35%
Elmhurst	80	22%	2,327,858	9%	10%	10%
Airport	53	14%	6,741,736	25%	19%	9%
Total	370	100%	26,554,761	100%	13%	16%

Parcels and Land Area with Public Improvement Deficiencies by Land Use

					Percer	nt of
	<u>Parce</u>		<u>Land Area (so</u>		Surve	<u>yed</u>
		% of		% of		Land
Land Use	Count	Total	<u> Area</u>	Total	Parcels	Area
Industrial/Warehouse	193	52%	9,981,217	38%	24%	24%
Vacant Industrial/Warehouse	52	14%	1,182,817	4%	23%	25%
Commercial	24	6%	2,675,125	10%	4%	17%
Vacant commercial	10	3%	224,017	1%	9%	19%
Auto/Parking	12	3%	532,113	2%	5%	8%
Live-Work	5	1%	265,216	1%	25%	35%
Government-owned/Utilities	55	15%	10,596,902	40%	11%	30%
Airport	-	0%	-	0%	0%	0%
Institutional	2	1%	53,414	0%	2%	1%
Residential	3	1%	64,895	0%	2%	1%
Vacant Residential	10	3%	74,366	0%	8%	10%
Open Space, Recreation, Marsh	2	1%	835,715	3%	7%	4%
Not classified	2	1%	68,965	0%	17%	47%
Total	370	100%	26,554,761	100%	13%	16%

/a/ Parcels with one or more deficiency.

Source: 3D Visions, Field Survey for Blight Analysis, and Hausrath Economics Group.

The survey results reinforce the findings of the October 2008 assessment of public infrastructure in the industrial districts that are located in the Coliseum Redevelopment Area. That report identified the following types of infrastructure deficiencies in three industrial districts, each of which is fully within the Coliseum Redevelopment Area:

- Circulation problems and traffic safety concerns because streets do not meet current transportation engineering standards to adequately serve the speed and mix of types of traffic prevalent in the industrial areas;
- Poor pedestrian access in areas well-served by BART;
- Deteriorating pavement;
- Streetlights damaged by truck traffic because outmoded light poles do not accommodate the height and width of trucks;
- Substandard street lighting;
- Lack of sidewalks, curbs, and gutters;
- Unused railroad tracks; and
- Immediate safety concerns at some at-grade railroad crossings that continue to serve local rail traffic.

Furthermore, consistent with the findings of the field survey, the infrastructure assessment also noted that excessive weeds, unwanted vegetation, and debris made parts of the industrial areas unattractive.

The assessment of the Tidewater Industrial District focused on the safety hazards and deterrents to investment created by substandard circulation and traffic operations. The genesis of the traffic conflicts and substandard conditions in this location appears to be the fact that Tidewater Avenue is not a public right of way and does not meet city roadway standards, although it handles a heavy volume of truck traffic while also serving as a staging area for businesses.

⁹ City of Oakland Industrial District Strategy Support: Public Infrastructure Assessment and Recommendations, Woodland-81st Avenue / Melrose-Coliseum / Tidewater Industrial Zones, prepared for the City of Oakland Community and Economic Development Agency, prepared by BKF Engineers, October 8, 2008.

Economic Conditions

The analysis of existing conditions focuses on those conditions defined in the CRL as being "economic conditions that cause blight." Those specific adverse economic conditions are defined in Section 33031 (b) of the CRL. The six conditions of relevance to this analysis include the following: ¹⁰

(1) Depreciated or Stagnant Property Values.

Depreciated or stagnant property values.

(2) Impaired Property Values.

Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with Section 33459).

(3) Underutilized Property.

Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.

(4) Lack of Necessary Commercial Facilities.

A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

(6) Problem Businesses.

An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.

(7) High Crime Rate

A high crime rate that constitutes a serious threat to the public safety and welfare.

Hausrath Economics Group (HEG), urban economists, led the investigation of economic conditions, completed most of the analysis, and prepared the report text. 3D Visions prepared analyses and maps of the field survey data as relevant to economic blight and collected the data on properties with hazardous materials. Throughout, project area data describing economic conditions are compared, where possible, to citywide, countywide, and/or other averages to provide a contextual measure for evaluating adverse economic conditions.

¹⁰ Conditions relating to residential overcrowding (#5) were not evaluated because they are not directly relevant to eminent domain powers (that do not apply to occupied residential properties).

The results of the analyses indicate that significant economic blight remains within the project area. Specific adverse economic conditions that meet six of the categories of economic blight are still present in the project area. (The CRL only requires that one of the categories of economic blight, along with one of the categories of physical blight, be present for an area to qualify as blighted.) The analysis, detailed below, determined that economic conditions in the Coliseum Area are consistently and significantly weaker than in the City and County overall.

Depreciated or Stagnant Property Values

The Community Redevelopment Law identifies "depreciated or stagnant property values" as an economic condition that causes blight (CRL Section 33031(b)(1)). When property values stagnate or decline, investment in a community is discouraged as potential investors seek better returns elsewhere. Moreover, as stagnant or decreasing property values make it more difficult to raise required capital, and expected returns on investments decrease, existing property owners and businesses have less incentive to make improvements to their properties/buildings. Deteriorating building conditions contribute further to the physical blight and negative image of a community, thereby further discouraging investment and retail activity.

This analysis addresses two indicators of depreciated or stagnant property values. First, it focuses on depreciated residential property values and foreclosures. For this indicator, residential properties in the project area are analyzed because of the significance of the findings and the high foreclosure rate in the area, which is resulting in large numbers of vacant properties that act as magnets for crime and create neighborhood blight. Although eminent domain powers do not apply to occupied residential properties, those powers could apply to vacant residential properties that are significant sources of blight. Second, the analysis identifies weak retail sales performance in the project area.

Depreciated Property Values

As an indicator of property values, this study examined average sales prices for single-family homes from 2001 through 2008. For this period, the Coliseum Redevelopment Area has consistently had substantially lower average sales prices than the rest of Oakland. In 2001, the average single-family home sales price of \$165,200 in the Coliseum Redevelopment Area was 54 percent lower than the average sales price of \$378,200 for the rest of Oakland. In 2008 the gap was even greater, with the average sales price of \$176,200 in the Coliseum Redevelopment Area 61 percent lower than the average sales price of \$478,600 for the rest of Oakland.

It should be pointed out that the Coliseum Redevelopment Area did enjoy a period of rapid appreciation in home values toward the end of the recent housing market bubble, with average sales prices reaching a peak of \$454,600 in 2006. In fact, average sale prices for single-family homes showed a percentage increase three times greater in the Coliseum Redevelopment Area than in the rest of Oakland from 2001 to 2006. However, from 2007 to 2008, as sales prices dropped citywide, the Project Area experienced much greater declines on a percentage basis than the rest of Oakland. As Table 13 shows, single-family sale prices in the Coliseum Redevelopment Area saw a 58 percent decline from 2007 to 2008, compared to a decline of 21 percent for the rest of Oakland. Thus, although the gap in average sales prices was made smaller

during the housing market boom, the gap has quickly widened again in the face of the current real estate downturn.

TABLE 13
SINGLE FAMILY HOME SALES PRICES IN
COLISEUM REDEVELOPMENT AREA AND REST OF OAKLAND

	Coliseum Redev Area	Rest of Oakland
Avg. Sales Prices:		
2001	\$165,198	\$378,173
2006	\$454,573	\$609,112
2007	\$420,014	\$608,937
2008 /a/	\$176,236	\$478,607
Change 2001-2008	6.7%	26.6%
Change 2001-2006	175.2%	61.1%
Change 2006-2008	-61.2%	-21.4%
Change 2007-2008	-58.0%	-21.4%

/a/ Data for 2008 only available for 1/1/08 through 11/30/08.

Source: HdL Coren & Cone; City of Oakland; Hausrath Economics Group

Foreclosures

A high foreclosure rate is a significant factor in the recent steep decline in housing sales prices in the Coliseum Redevelopment Area, and is another indicator of a housing market in distress. This study reviewed foreclosure data provided by the City of Oakland for January 2007 through February 2009. Designation as a "real estate owned," or REO, property during this time period was used as a measure of foreclosure. An REO is a property that has defaulted on its loan and been foreclosed on and is now owned by the lender. As shown in Table 14, from January 2007 through February 2009, 1,018 residential properties were designated as REO in the Coliseum Redevelopment Area, for a rate of 7.3 REO per hundred households during this period. Meanwhile, the rest of Oakland for the same period had 4,177 REO designations, for a rate of 2.9 foreclosures per hundred households. Thus, the Coliseum Redevelopment Area experienced a foreclosure rate two and a half times that of the rest of Oakland.

Foreclosed homes can contribute to neighborhood blight in many ways. Absentee owners (i.e., banks) often do not adequately manage and maintain the vacant properties, contributing to the

TABLE 14 FORECLOSURES IN COLISEUM REDEVELOPMENT AREA AND REST OF OAKLAND JANUARY 2007 THROUGH FEBRUARY 2009

	Coliseum Redev. Area	Rest of Oakland
Foreclosures /a/	1,018	4,177
Foreclosures per 100 households	7.3	2.9

[/]a/ Foreclosures are defined as properties that were designated as Real Estate Owned (REO), or bank-owned properties during this period, based on records obtained from the City of Oakland.

Source: City of Oakland; Hausrath Economics Group.

physical blight of a neighborhood. Foreclosed homes are also sometimes occupied by homeless people or attract drug use or other criminal activity. Moreover, a high concentration of foreclosed homes in an area, as signaled by conspicuous for-sale signs, can severely impact the property values of existing homes, further reinforcing the cycle of deferred maintenance and disinvestment.

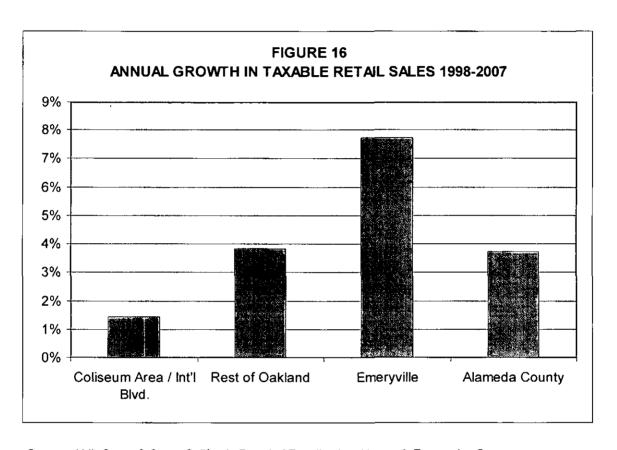
A recent article in the San Francisco Chronicle highlighted these problems specifically as they pertain to East Oakland ("Vacant Foreclosed Homes Spawn Blight, Crime", San Francisco Chronicle, 5/3/09). In the article, Derek Smitheram, an Oakland Police Officer with a beat in East Oakland, explains the problems he finds with foreclosed properties: "We've encountered trespassers, squatters and activities such as drug use and prostitution. There is a lot of gang graffiti and vandalism – stripping the properties of anything of value. Some become a dumping ground for litter. Some are used as a burglary clearinghouse – thieves will burglarize other homes in the neighborhood and store the stolen goods in the vacant foreclosure."

Weak Retail Sales

An examination of recent trends in retail sales offers evidence of the poor economic health and stagnant commercial activity currently affecting the Coliseum Redevelopment Area. Figure 16 summarizes growth rates in taxable retail sales for establishments along International Boulevard, the main retail corridor of the Coliseum Redevelopment Area, and in nearby commercial areas, to compared with growth rates in the rest of Oakland, in Emeryville, and in Alameda County, for the ten-year period from 1998 through 2007. While the Coliseum Redevelopment Area experienced slow growth in retail sales during this period, with an annual average growth rate of 1.4 percent, the rest of Oakland had a higher annual growth rate of 3.8 percent, Alameda County had 3.7 percent, and Emeryville had 7.7 percent.

¹¹ The taxable retail sales data collected are for establishments along the full length of International Boulevard plus data for establishments in the Fruitvale Station shopping center and in the Fruitvale BART transit village project.

Over time, stagnant or slowly growing retail sales and related business activity limit the ability of business owners to pay higher rents for retail space in the area, rents that could contribute to improved maintenance and encourage further investment in properties. New businesses may not be attracted to the area, and existing businesses may seek locations outside the area that are perceived as more desirable economically.



Source: HdL Coren & Cone; California Board of Equalization; Hausrath Economics Group

Impaired Property Values Due to Hazardous Wastes

The presence of hazardous materials and contaminated properties is strong evidence of economic blight. Remediation is costly, often exceeding the resources of property owners and acting as a significant disincentive for new development. Some properties with significant contamination or residual contamination issues have state-imposed deed restrictions limiting future property uses. Furthermore, the fear of contamination and uncertainty about remediation costs are also significant barriers to investment. The potential for soil or groundwater contamination to affect nearby properties and the influence of multiple sources of hazardous materials in an area limit the ability of individual property owners to fully address contamination problems.

A substantial number of the most important hazardous materials sites in the City of Oakland are located in the project area. This pattern reflects the project area's development history as a

convenient and lower-cost location for heavy industry and transportation facilities reliant on water, rail, highway, and—more recently—air as means of goods movement.

The State Water Resources Control Board (SWRCB) identifies and monitors clean-up of leaking underground fuel tanks. The SWRCB database finds 59 open cases of leaking underground tanks in Oakland; 45 of those cases (70 percent of the total) are in the Coliseum Redevelopment Area. Most of these sites are gas stations, auto and other vehicle repair businesses, and trucking facilities. There are also a number of large-scale heavy industry and transportation facilities on the SWRCB list.

The California Department of Toxic Substances Control (DTSC) is another source of location-specific information about hazardous materials. The DTSC database identifies sites of high priority or high potential risk—confirmed hazardous materials release sites where DTSC is involved in a lead or oversight capacity. A significant percentage of the total of such sites in Alameda County and the City of Oakland is found in the Coliseum Redevelopment Area. There are nine of these "state response" sites in the project area, representing one third of the high priority sites in the City of Oakland and one-quarter of such sites identified throughout Alameda County. Four of the project area sites have land use restrictions limiting future development potential as a consequence of the severity of the contamination or the types of clean-up actions conducted.

Underutilized Property

A number of indicators of disinvestment and abandonment are present in the project area. In total, 584 parcels had one or more of the following characteristics: vacant lot or building, boarded windows, boarded entry, underutilized property, or obsolete building. These parcels are about 20 percent of the survey parcels—one in five shows evidence of underutilization and disinvestment—and 10 percent of the land area of survey parcels.

Examples of disinvestment noted in the field survey include: fire damaged buildings; properties that appear abandoned; dilapidated roofing and fencing, broken windows, and other signs of an insecure property; stockpiles of topsoil; and unpaved lots used for parking and storage. In addition, there are a number of cases of extremely low intensity and low value land use (outdoor storage of containers and vending machines, for example), including a number of public uses such as rights-of-way, ditches, detention ponds, and transmission lines that, when not well-maintained, prevent or hinder investment in nearby property, thereby having a negative impact on area development potential. Table 15 presents the field survey results for properties evidencing signs of disinvestment, underutilization, vacancy, and abandonment.

Property with one or more of these conditions was identified throughout the project area. With the exception of the Airport subarea, at least 19 percent of the parcels in each subarea, accounting for about 10-20 percent of the land area in each subarea, suffer from signs of disinvestment and vacancy. These conditions are most prevalent in the Central East Oakland subarea, where 25 percent of the parcels representing 21 percent of the land area were categorized as underutilized, vacant, or abandoned.

TABLE 15 COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS DISINVESTMENT AND VACANCY/a/

Parcels and Land Area showing Disinvestment and Vacancy by Subarea

					Percer	t of
	<u>Parcels</u>		Land Area (sq. ft.)		Surveyed	
		% of		% of		Land
Subarea	Count	Total	Area	Total	<u>Parcels</u>	Area
San Antonio / Fruitvale	95	16%	847,767	5%	19%	10%
Estuary	57	10%	1,586,949	10%	19%	13%
Central East Oakland	140	24%	3,940,043	25%	25%	21%
Central East Oakland / Elmhurst	101	17%	2,585,764	17%	23%	12%
Elmhurst	174	30%	2,067,211	13%	21%	9%
Airport	17	3%	4,478,472	29%	6%	6%
Total	584	100%	15,506,207	100%	20%	10%

Parcels and Land Area showing Disinvestment and Vacancy by Land Use

					<u>Percer</u>	<u>nt of</u>
	<u>Parc</u>	els	<u>Land Area (se</u>	q. ft.)	<u>Surve</u>	yed
		% of		% of		Land
Land Use	Count	Total	Area	Total	Parcels	Area
Industrial/Warehouse, incl. vacant	215	37%	6,248,420	40%	21%	14%
Commercial, including vacant	143	24%	1,966,656	13%	21%	12%
Auto/Parking	43	7%	590,756	4%	19%	9%
Live-Work	3	1%	189,547	1%	15%	25%
Government-owned/Utilities	77	13%	3,186,522	21%	15%	9%
Airport	2	0%	2,350,983	15%	50%	9%
Institutional	10	2%	245,220	2%	10%	4%
Residential, including vacant	90	15%	655,096	4%	31%	12%
Open Space, Recreation, Marsh	1	0%	73,007	0%	4%	0%
Not classified .	-	0%	-	0%	0%	0%
Total	584	100%	15,50 <u>6,207</u>	100%	20%	10%

/a/ Parcels with one or more condition.

Source: 3D Visions, Field Survey for Blight Analysis, and Hausrath Economics Group.

These signs of underutilization and disinvestment are concentrated in industrial properties—40 percent of the parcels and land area with such characteristics are industrial in use. There are a number of junk yards and wrecking yards in the area. Many of the parcels in industrial use are essentially open lots without building improvements, and some of these parcels are used for open storage. Another 20 percent of the land area categorized as vacant or underutilized is government or utility-owned. In many cases, these are the properties where the adverse conditions of weeds, debris, and graffiti discussed above accumulate.

Lack of Necessary Commercial Facilities

As another economic condition that provides a finding for blight, the Community Redevelopment Law identifies "a serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions" (Section 33031(b)(4)).

Conveniently located commercial facilities such as grocery stores and banks are an important prerequisite for new businesses or homeowners to move into an area, and thus a shortage of such facilities is an impediment to further investment in the community. When there is a short supply of services such as grocery stores and banks in an area, residents and employees must travel outside their neighborhoods for their basic needs, making the area less convenient and less attractive as a place to live and work. In addition, lack of basic services in an area means that money is spent elsewhere, so that neighborhood businesses and the city lose revenues and jobs, resulting in further economic hardships. In general, a lack of essential commercial facilities is another indicator of an ailing economy and a community in distress.

The CRL specifically mentions "grocery stores, drug stores, and banks and other lending institutions" as essential commercial facilities, the absence of which is indicative of blight. The following sections discuss the availability of these facilities in the Coliseum Redevelopment Area. As described, supermarkets and banks in particular, are in short supply in the project area.

Supermarkets

The availability of supermarkets is an important factor in the overall quality of life in a community. Without a supermarket, residents and businesses are forced to purchase food and other essential items in smaller "corner-type" markets and convenience stores, where typically selection is limited, healthy food options are scarce, and prices are significantly higher. As shown in Table 16, the Coliseum Redevelopment Area has a much lower density of supermarkets when compared to Alameda County overall, with just 9.3 supermarkets per 100,000 residents compared to 23.8 supermarkets per 100,000 residents countywide. The ratio for the Coliseum Redevelopment Area becomes worse if one includes the larger population in Census block groups bordering the northeast of International Blvd., which is also served by these markets. There are only five supermarkets in the entire Coliseum Redevelopment Area, and these include specialty markets such as the Latino-serving Mi Tierra and Mi Pueblo and discounter Pak 'N Save. Major regional supermarkets such as Safeway are absent from the area. As Table 16 shows, the residents of the Coliseum Redevelopment Area appear to be served primarily by a relatively large concentration of smaller markets and convenience stores. Some of these have a particular ethnic orientation.

TABLE 16
SUPERMARKETS, DRUG STORES, AND BANKS
IN COLISEUM REDEVELOPMENT AREA, REST OF OAKLAND,
AND ALAMEDA COUNTY

	Coliseum	Rest of	Alameda	
	Area	Oakland	County	
Population	53,769	360,747	1,522,597	
Supermarkets Per 100,000 residents	5 7.4	N/A	363 23.8	
All other Food Stores	46	N/A	702	
Per 100,000 residents	85.6		46.1	
Banks /a/	9	84	N/A	
Per 100,000 residents	16.7	23.3		
Drug Stores Per 100,000 residents	6 11.2	45 12.5	153 10.0	

N/A = Not Available

/a/ Only bank branches and/or offices are counted, not stand-alone ATM's.

Source: City of Oakland / Demographics Now; HdL Coren & Cone; California Board of Equalization; AT&T Yellow Pages Listings; Hausrath Economics Group

Banks

The availability of banks and other lending institutions is another important factor for the health of a community. Without conveniently located banks, it becomes more of a challenge for local businesses to conduct financial affairs such as depositing checks and obtaining loans, and local residents are often forced to do their banking at check cashing centers or corner markets, both of which often charge high fees. As Table 16 shows, the Coliseum Redevelopment Area is relatively underserved by banks, with a ratio of 16.7 bank branches per 100,000 residents versus a ratio of 23.3 bank branches per 100,000 residents for the rest of Oakland, a difference of 28 percent. Again, the ratio for the Coliseum Redevelopment Area gets worse if one includes the population of the neighborhoods northeast of International Blvd. that are served by these banks. In addition, most branches are located around the Fruitvale BART station or the Fruitvale Station shopping center, with very few banks located through the rest of the area.

Drug Stores/Pharmacies

This study also examined the availability of drug stores and pharmacies. As shown in Table 16, the area appears to be relatively well served based on the numbers of such establishments. However, only one national chain drug store (Walgreen's) is located in the Coliseum Redevelopment Area. Most of the drug stores and pharmacies in the area are small establishments with a more limited selection of items. The Wal-Mart in the airport subarea also offers drug store items and includes a pharmacy, although it is located across the freeway from most of the residential neighborhoods.

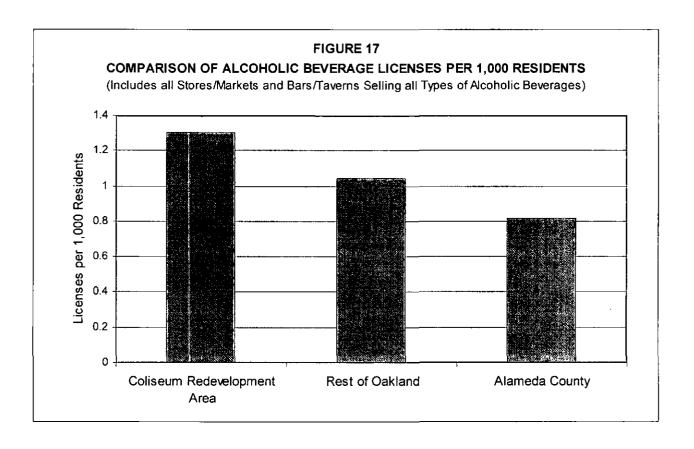
Problem Businesses: An Excess of Bars and Liquor Stores

The Community Redevelopment Law also includes in its list of economic conditions that cause blight "an excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems" (CRL Section 33031(b)(6)).

A high number of businesses that sell alcoholic beverages can contribute to excessive consumption of alcohol, which can in turn lead to a wide range of social problems, such as alcoholism and drug addiction. In particular, liquor stores are known to be places where young men loiter, and often attract public drunkenness and related disturbances, as well as criminal activity. A high number of businesses that sell alcoholic beverages negatively impacts the overall image of the community by signaling that the area is in distress and possibly not safe. Economic vitality is impacted as people are discouraged from patronizing existing businesses, while new, more desirable businesses are deterred from locating in the area.

An examination of alcoholic beverage permit data from the California Department of Alcoholic Beverage Control provides clear evidence that the Coliseum Redevelopment Area has a disproportionate amount of establishments that sell alcohol. The Coliseum Redevelopment Area has 70 alcoholic beverage permits, or 1.3 permits per thousand residents. Approximately 80 percent of these permits are for off-sale permits (authorizes consumption off the premises where sold), most of which are for smaller, corner-type establishments located on or near International Blvd. The remainder of the liquor permits are for bars, taverns, and nightclubs. As shown in Figure 17, the Project Area has considerably more liquor permits per thousand residents than either the rest of Oakland or all of Alameda County, with the rest of Oakland having 1.0 permits per thousand residents and Alameda County overall having 0.8 permits per thousand residents.

¹² The permits included in this analysis include all stores and markets that sell all types of alcoholic beverages, as well as bars and taverns. Restaurants have been excluded.



Source: California Department of Alcoholic Beverage Control; Hausrath Economics Group

High Crime Rate

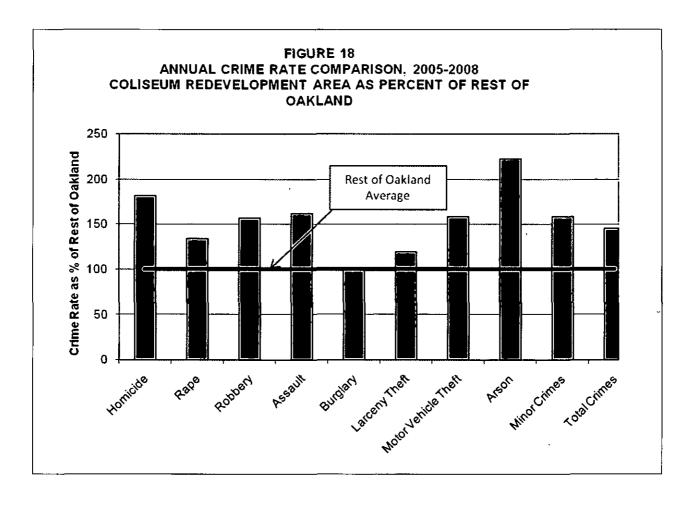
Among the economic conditions that can cause blight, and that can be used as a finding for the existence of blight, the California Community Redevelopment Law (CRL) includes "a high crime rate that constitutes a serious threat to the public safety and welfare" (Section 33031(b)(7)). A high crime rate, and even the perception of a high crime rate, adversely affects economic and socio-economic conditions in the community.

A high crime rate is potentially both a cause and an effect of a lack of investment in a community. Since safety concerns are an important factor in location decisions, a high crime rate discourages investment by deterring potential homebuyers, businesses, and investors/lenders. A high crime rate also pushes established homeowners and businesses with the means to relocate to other areas. Businesses suffer due to the costs associated with vandalism, burglary, and theft and because potential customers and clients are relatively more reluctant to do business in a high crime area.

As this lack of investment and economic inactivity become more entrenched, a high crime rate area may become increasingly characterized by lower property values, a high proportion of lower-income renters versus homeowners, poor upkeep of building stock, a high number of vacancies and abandoned properties, a shortage of essential community businesses such as banks and supermarkets, and social ills such as high rates of unemployment and drug and alcohol abuse. The fiscal impact on the city can also be significant, as the cost of policing and social programs grows, while at the same time, tax revenues decline or are stagnant. As a neighborhood becomes more economically depressed, it tends to further attract criminal activity and the cycle continues.

As documented in a recent article in the San Francisco Chronicle ("Armed Patrols Approved Last Year for Area Where Officers Were Killed," S.F. Chronicle March 26, 2009), crime tops the list of problems cited by Oakland merchants. Surveys by the Oakland Merchants Leadership Forum done in February 2008 and 2009 found that "crime and safety" was the number one issue affecting Oakland businesses. In particular, the article mentions that robberies have become so common on International Blvd. in the Fruitvale District that many merchants close their shops early. In the article, Oakland merchants are quoted as being frustrated with the crime situation in Oakland and how it affects their businesses. Many want to be able to hire armed private security guards, and are frustrated that City leaders are not doing enough to permit this to happen. Rosendo Gamez, owner of a check-cashing store in the Fruitvale District, says of the crime in his neighborhood, "it's hurting business and keeping customers away. People don't feel safe."

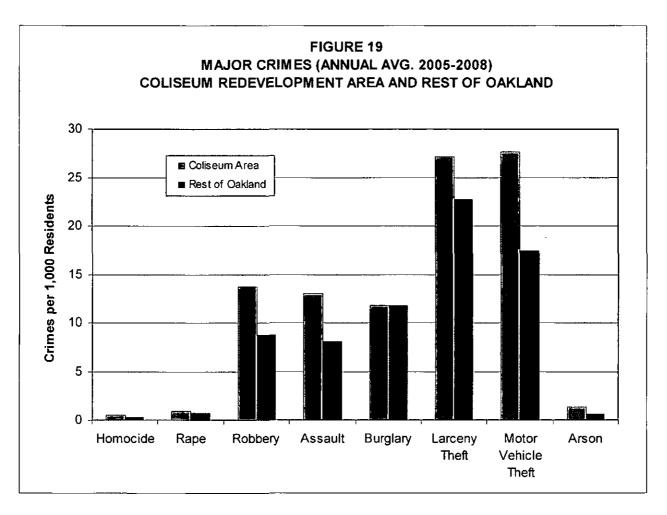
Oakland Police Department crime data for the three-year period from November 2005 through October 2008 show clear evidence that the Coliseum Redevelopment Area does suffer from a high crime rate. As shown in Figure 18, the overall crime rate in the Coliseum Redevelopment Area for all reported crimes is 146 percent of that for the rest of Oakland (all parts of Oakland outside the Coliseum Area). The difference is most pronounced for major crime categories, including Arson (223 percent), Homicide (181 percent), Assault (161 percent), and Robbery (157 percent). Crime categories across the board are significantly higher in the Coliseum Redevelopment Area when compared to the rest of Oakland. In addition, rates for minor crimes, which include drug- and sex-related offenses as well as white-collar crimes such as fraud and embezzlement, are higher in the Coliseum Redevelopment Area, at 158 percent of the rate for the rest of Oakland. These data are particularly striking when one considers that crime rates for major crimes in the city of Oakland are already significantly higher than national averages.



Note: Crime rates are an annual average for the three year period from 11/1/05 to 10/30/08; data represent reported crimes.

Source: City of Oakland Police Department; Hausrath Economics Group

Figure 19 shows a comparison of actual crime rates (expressed as annual averages of crimes per thousand residents for the period November 2005 – October 2008) for major crimes in the Coliseum Redevelopment Area and the rest of Oakland. Consistent with the comparisons shown in Figure 18, the Coliseum Redevelopment Area has significantly higher crime rates for all major crimes except for Burglary, which is about the same as the rate in the rest of the city. This could be explained by a significant portion of burglaries targeting more affluent areas of the city. Larceny Theft and Motor Vehicle Theft show the highest rates at 27 and 28 crimes per thousand residents respectively in the Coliseum Area, while Homicide is at 0.5 crimes per thousand and Rape is at 0.9 crimes per thousand residents.



Note: Crime rates are an annual average for the three year period from 11/1/05 to 10/30/08; data represent reported crimes.

Source: City of Oakland Police Department; Hausrath Economics Group

SUMMARY OF FINDINGS THAT SIGNIFICANT BLIGHT REMAINS

The evaluation of existing conditions in the Coliseum Redevelopment Area relative to the definition of blight in the CRL is summarized in Figure 20. The matrix confirms that significant blight remains within the Coliseum Redevelopment Area.

FIGURE 20 SUMMARY OF BLIGHT ANALYSIS FOR EMINENT DOMAIN EXTENSION COLISEUM REDEVELOPMENT AREA			
FEST 1: Physical Blight Section 33031(a) Physical Blight One of the following:			
(1) Buildings that are unsafe or unhealthy.	✓		
(2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots.	~		
or (3) Adjacent or nearby incompatible land uses.			
or (4) Existence of subdivided lots in multiple ownership that are irregular or inadequate.	*		
EST 2: Economic Blight Section 33031(b) ~ Economic Blight – <u>One</u> of the following:			
(1) Depreciated or stagnant property values	✓		
Or (2) Impaired property values due to hazardous wastes Or	✓		
(3) Underutilized property	✓		
Or (4) Serious lack of necessary commercial facilities	✓		
Or (5) Serious residential overcrowding	NA		
Or (6) Excess of bars, liquor stores, or other problem businesses	✓		
Or (7) A high crime rate	✓		
EST 3: Inadequate Public Improvements Section 33030(c) The following:			

CHAPTER IV NEED FOR EMINENT DOMAIN POWERS

The Redevelopment Agency of the City of Oakland has no specific plans to use eminent domain in the Coliseum Redevelopment Area. To retain the full range of public agency tools available to encourage and facilitate reinvestment in the area, however, the Agency intends to extend for another 12 years the *option* to use eminent domain authority to acquire non-residentially occupied property for redevelopment purposes. Under the Redevelopment Plan, the Agency is not authorized to use eminent domain to acquire property on which any person legally resides (City of Oakland, *Coliseum Redevelopment Plan*, amended through May 25, 2007, Section 309). The Agency intends to use eminent domain authority as a last resort—to tackle problems that cannot otherwise be resolved.

The ability to acquire non-residentially occupied property is a useful redevelopment tool and might be the only tool that could be expected to achieve results in a number of circumstances. Where multiple ownerships impede the progress of a large-scale project that has substantial neighborhood benefit, eminent domain could be used to assemble a parcel of a size to make development feasible. Eminent domain could be the tool of last resort to remove adverse conditions caused by disinterested or neglectful property owners. Agency acquisition of contaminated properties may be required to facilitate investment in complex and costly clean-up. Where obsolete parcelization stands in the way of upgraded infrastructure or other public improvements of area-wide benefit, eminent domain could provide the key to enabling development to meet contemporary development standards.

In each of these cases, eminent domain provides the necessary catalyst to jump-start reinvestment. Eminent domain is most likely to be used when existing owners have no incentive or interest, or lack the means, to participate with others in a project where the returns to the property owner(s) do not appear to outweigh the required commitment and/or risks of participation in the project. In such cases, eminent domain provides the Agency with a means of compensating the owner for the acquired property interest and gaining the control over property disposition as necessary to make progress toward the objectives of the Redevelopment Plan.

Figure 21 presents an overview of the relationship between the conditions that determine blight and the ability to use eminent domain to acquire real property. As shown, eminent domain authority is relevant to eliminating blight of nearly every type. Eminent domain could be used as follows to address a number of blighting conditions in the project area:

• Small or irregular parcels could be acquired and reassembled to create a site with improved development potential. This could be useful along transportation corridors (such as International Blvd.) and at transit station areas to facilitate higher-density, mixed-use infill development.

FIGURE 21 COLISEUM REDEVELOPMENT AREA BLIGHT ANALYSIS RELATIONSHIP BETWEEN BLIGHT CONDITIONS AND THE POWER OF EMINENT DOMAIN TO ACQUIRE REAL PROPERTY

Blight Conditions	Relevant to Eminent Domain in the Coliseum Redevelopment Area
Physical Blight	
(1) Buildings in which it is unsafe or unhealthy to live or work.	
May be caused by:	
(a) serious building code violations	Yes
(b) serious dilapidation or deterioration caused by long-term neglect	Yes
(c) vulnerable to serious damage from seismic or geologic hazards	Yes
(d) faulty or inadequate water or sewer utilities	No
(2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. May be caused by:	
buildings of substandard, defective, or obsolete design or	Yes
construction	
(3) Adjacent or nearby incompatible land uses that prevent development	Yes
(4) Existence of subdivided lots in multiple ownership, where physical	Yes
development is impaired by irregular shapes and inadequate sizes	
 (1) Depreciated or stagnant property values (2) Impaired property values, due in significant part to hazardous wastes on the property (3) Abormally: 	Yes Yes
(a) high business vacancies	Yes
(b) low lease rates	Yes
(c) high number of abandoned buildings	Yes
 (4) Serious lack of necessary commercial facilities normally found in neighborhoods, including: (a) grocery stores (b) drug stores 	Yes
(c) banks and other lending institutions	
(5) Serious residential overcrowding resulting in significant public health or safety problems	No
(6) An excess of bars, liquor stores, or adult-oriented businesses that have resulted in significant public health, safety, or welfare problems	Yes
(7) A high crime rate constituting a serious threat to public safety and welfare	Yes
nadequate Public improvements	Yes

Source: Hausrath Economics Group

- Private property or right-of-way could be acquired and developed to public roadway standards. This could improve traffic operations, alleviate congestion, enhance circulation, and modernize public improvements, thereby improving business conditions and public safety.
- Toxic sites could be acquired to enhance the likelihood of remediation, improving prospects for redevelopment of the contaminated site and its neighboring properties.
- Deteriorated, dilapidated, abandoned, obsolete, or underutilized properties could be acquired to remove adverse conditions and/or improve incompatible uses before making the property available to the private market for re-investment and/or redevelopment. Business relocation could be required.
- Property occupied by problem businesses (excess of bars and liquor stores that are nuisances and/or magnets for criminal activity) could be acquired to accelerate removal of blighting conditions before returning the property to the private market for reuse and/or redevelopment. This would also enhance public safety for nearby residents and businesses and improve business prospects for neighboring businesses.
- Foreclosed, unoccupied properties that are badly neglected could be acquired to remove blighting conditions, before making the property available for resale, possibly for affordable home ownership.
- Blighted property could be acquired to complete the Bay Trail or other public open space system in the project area. This could remove blighting influences (debris, dumping, for example) and substitute improved open space/recreation, that would enhance public safety and health and also improve the investment and development prospects for neighboring property.

As in the examples above, eminent domain could be used to address blighting conditions and facilitate new investment and redevelopment. In so doing, eminent domain can serve as a catalyst to tackle problems that cannot otherwise be resolved, thereby improving conditions in the area and stimulating private investment.

APPENDIX A

PHOTOGRAPHIC DOCUMENTATION OF BLIGHTING CONDITIONS

APPENDIX A PHOTOGRAPHIC DOCUMENTATION OF BLIGHTING CONDITIONS

Photographs were taken of the study area by 3D Visions in November and December 2008, and supplemented in March 2009. The photos were shot with digital cameras. Some images were given minor adjustments to brightness and contrast, in order to enhance the clarity of the color images.

The images included below were selected to represent the more predominant blighting characteristics common to the Coliseum Area. In selecting photo subjects, the intent was to represent diverse building types, uses, and geographic locations.

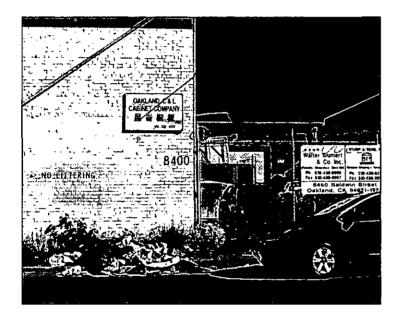
This building on International Boulevard is underutilized. The structure appears vacant, has a boarded window, and is marked with graffiti.





Live-Work uses are common at Embarcadero Cove; many of these buildings appear to be substandard, lack light and air, and have storage issues. Graffiti scars about 12 percent of the surveyed parcels. There are often ties between graffiti and gang activities.





The sign "No Littering" does not deter dumping. Note the weeds and exposed dirt, as well as the razor wire on the fence.

Dumping and inappropriate usage of vacant lots create eyesores and health problems for neighbors. This vacant lot is in the Elmhurst subarea.





This Quonset hut appears to be in residential use; the streets need repaving and lack curbs and gutters.

Haphazard parking creates a disorganized appearance on many industrial parcels in Central East Oakland. The trailer may be in residential use.

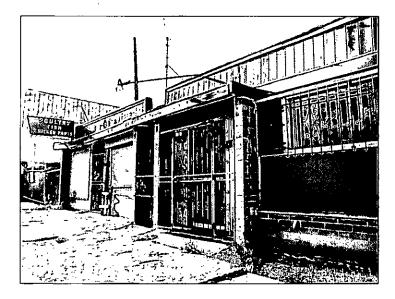




Boarded and vacant, this abandoned house suffers from neglect, impacting the value and development potential of nearby properties.

This vacant lot lacks sidewalks, curb, and gutter, weeds are flourishing, and the street needs paving. Note the illegal parking of the semi-trailer on the sidewalk right of way.

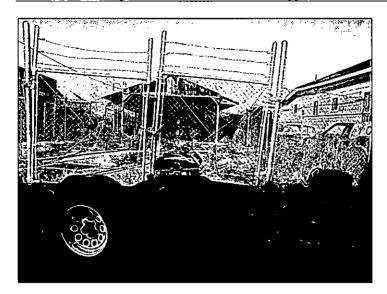




This one-story building in the Elmhurst subarea used to be a bar and is now derelict. The brick walls show signs of structural cracks. A disproportionate share of the unreinforced masonry structures in the City of Oakland are located in the Project Area.

There is no roof! The building has broken and boarded windows and appears structurally unsound. The road lacks sidewalks, curbs, and gutters.





There are many symptoms of neglect on this parcel in the Central East Oakland / Elmhurst subarea: waist-high weeds, exposed dirt, and the shed's weak structural support. The trailer is parked in the right-of-way.

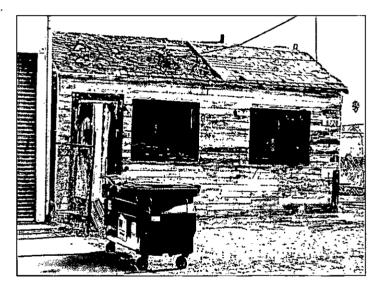
This mound of dirt is covered, yet the street lacks sidewalks, and there is illegal dumping in the public right-of-way.





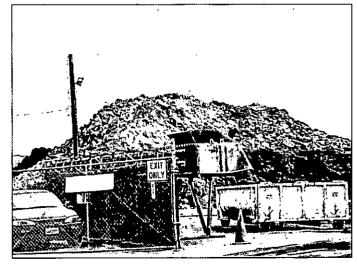
This obsolete and dilapidated building is in the San Antonio / Fruitvale subarea on San Leandro. This warehouse in the Estuary subarea has boarded and barred windows.

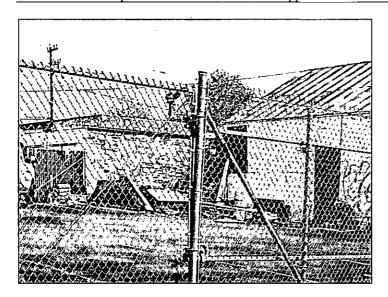




This building in the Elmhurst subarea shows many signs of dilapidation.

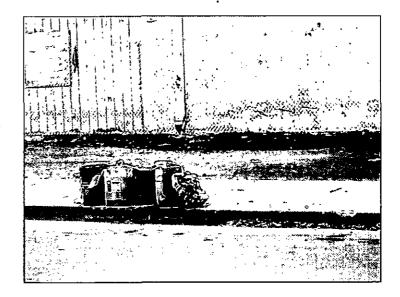
Dirt and dust from this unsightly pile in the Central East Oakland subarea spreads throughout the neighborhood.

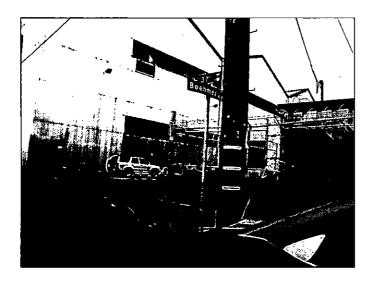




Open, chaotic storage was observed on numerous parcels. This lot is on International Boulevard in the Central East Oakland subarea.

Hazardous materials dumped curbside adjacent to an underutilized property.





Is Boehmer Street a public or private right of way? Fencing indicates limited access.

APPENDIX B

BACKGROUND ON FIELD SURVEY AND SECONDARY DATA SOURCES FOR THE BLIGHT ANALYSIS

APPENDIX B BACKGROUND ON FIELD SURVEY AND SECONDARY DATA SOURCES FOR THE BLIGHT ANALYSIS

Identifying and evaluating blighting conditions that continue to affect the Coliseum Redevelopment Area (project area) relies on analyses of a number of sources of data and information. Both primary data (data generated through surveys and field work conducted for the purposes of this study) and secondary data (data obtained from reliable government and other sources) were used. This appendix provides background on the sources of data and information and on the methodologies for the primary data collection efforts.

PRIMARY DATA

The consultant team conducted primary data collection efforts in the Coliseum Redevelopment Project Area for the purposes of this Blight Analysis. Existing conditions in the project area were observed and evaluated by means of a comprehensive field survey.

Field Survey of Blighting Conditions

A comprehensive field survey of existing conditions in the Coliseum Redevelopment Project Area was undertaken, with a focus on the conditions of blight set forth in *California Redevelopment Law*, § 33000, et. seq. of the Health and Safety Code, Division 24, Part 1.¹³ The following describes the survey methodology.

Selection of Parcels

The consultant team obtained parcel data for the entire project area from the City of Oakland. The data included Alameda County Assessor's files and maps in a GIS dataset. The files and maps were the most current available from the City in October 2008. The consultants reviewed and "cleaned" the GIS dataset to assure that parcel polygons were within the boundaries identified in legal descriptions of previous redevelopment actions for this area. The data were tabulated to identify 10,083 parcels in the project area. The data were also summarized and mapped by land use category as identified in the City files of the County Assessor's data, to provide a comprehensive overview of existing land use patterns in the entire project area. (The land use maps and summary tabulations of project area land use data, are presented in Chapter II of this report.)

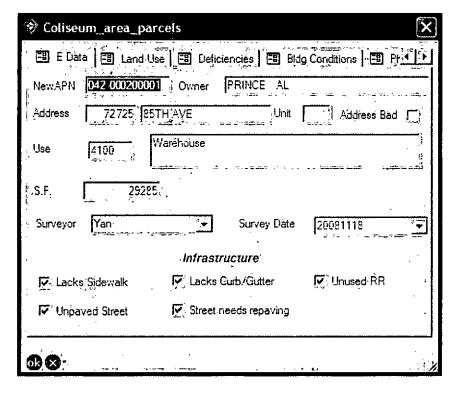
At the outset of this study, it was determined that project funding was not sufficient to conduct a field survey of all parcels in the entire nine square mile area. Furthermore, the purpose of the study was to evaluate if significant blight remains in the project area in order to extend the option for eminent domain powers, and eminent domain is prohibited for occupied residential property. Therefore, the field survey universe was defined to include all parcels **not** classified

¹³ http://www.hcd.ca.gov/hpd/rda/rdalaw.html

by the Assessor as single-family residential or other residential with less than five units. All of the parcels in that universe (non-residential parcels and residential parcels with five or more units) were surveyed. Figure 10 in Chapter III maps the surveyed parcels, and the data in Table 8 presents an overview of the count of parcels and land area surveyed.

Survey Instrument

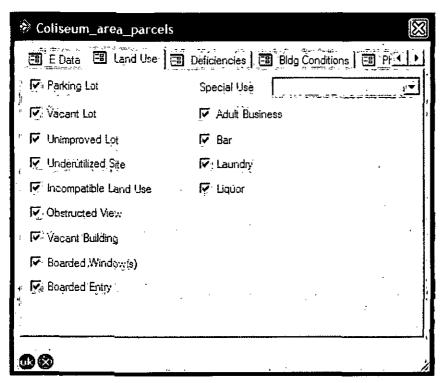
A field survey instrument was developed and customized to document and evaluate existing conditions of parcels and buildings within the project area. Together, the consultants and Agency staff identified 41 variables for field evaluation. The survey form was field-tested and modified as needed to reflect conditions in the area. The survey form was formatted for use on portable computers (handheld computers purchased from Fujitsu, Lifebook models), to minimize the time required to convert the data into computer files.



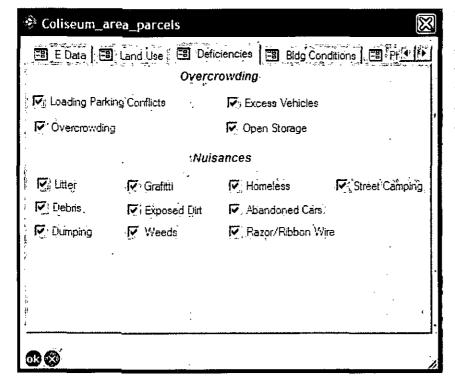
This is one of the data entry screens used for data collection. The fields with tan backgrounds on the first five rows of the form may not be changed by the surveyor, and indicate information from the assessor's database. The "down" pointing arrows indicate that the surveyor must pick a selection from the dropdown list.

Fields regarding infrastructure conditions at the bottom of this page of the form are checked by the surveyor when the listed conditions exist.

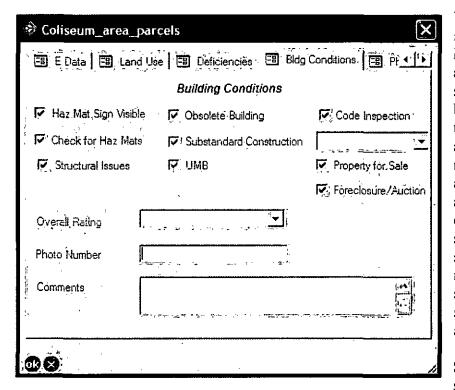
Information on the next screen relates to land and building use. Clicking a box places a black checkmark on the form, resulting in a "True" entry into the survey database.



In collaboration with Agency staff, the consultant team identified neighborhood- serving uses to track. In addition to the four listed, we also logged neighborhood serving retail and community facilities. In addition, the team wanted to gather information on Live-Work uses, as these are not isolated in the Assessor's land use coding system.



The Deficiencies screen focuses on forms of blight that clutter one's view of the neighborhood. Many of these are enforcement concerns, while others create problems for neighbors and visitors.



The Building Conditions screen requires the highest level of scrutiny and observation by the surveyor. Many businesses use chemicals that require monitoring, and businesses are required by federal, state and local laws to identify and report on this consumption. When surveyors expect to see such a sign due to the nature of use, and the sign is not displayed, the surveyors note this absence.

Some buildings show signs of settling; these are

noted as structural concerns. Some buildings were built for specific purposes; deterioration indicates their obsolescence. The structural components of some buildings are worn beyond normal maintenance and repair, these are considered to be of substandard construction.

Assessing whether masonry buildings have sufficient reinforcement is a difficult judgment call from the public right-of-way. Reinforcement can be applied at the top of a structure, within the walls, or be provided through the interior addition of a steel frame. When we suspected insufficient reinforcement, this box was checked.

During field surveys, staff may observe problems on a parcel or an associated building that would be cause for visits by various city code inspectors. Issues relating to health, safety, building, or zoning enforcement were flagged.

Properties with "For Sale" signs are catalogued for later reference. Most of the field work was conducted relatively early in the current foreclosure crisis, and we noted those with signs that said "Bank Owned."

Overall Rating is the surveyor's summary of observed conditions according to the following descriptions issued as a guide to the surveyors:

• Buildings in Good Condition look like buildings we'd want as neighbors. The paint is tight and not faded. The property looks well-kept; it is free of debris and weeds. Storage on the property is limited and does not distract from the neat appearance. There may be some deferred maintenance on the roof, such as shingles slipping out of place, or downspouts that need repair. Windows are free

from visible defects, including the glazing and window frames. There may be security bars. Stucturally, the building is sound, and any columns holding up the roof or awnings over the entry door are at least 4" by 4". The sidewalk is free of obstructions, and features of the private property do not encroach on the public right of way. Fences are in good repair. The property does not show signs of overcrowding. These properties should not need code enforcement. The composite count of defects rarely exceeds three defects, including nuisances.

- ◆ Deferred Maintenance looks shabby. Wall paint may be fading, or have small defects. Window frames may need touch-up or repainting. Roofs may need repair or replacement of multiple shingles. Security bars and single-pane aluminum windows are common. The property may have weeds or exposed dirt vulnerable to winds. The parcel appears disorganized due to abundant outdoor storage or haphazardly parked cars. Parking may occur on unpaved areas or in the front yard. There may be a need for health, safety, building or zoning code inspections. Litter is frequent. There may be some overcrowding. The composite count of defects generally shows from one to four flaws.
- ◆ Deteriorated properties don't make good neighbors! Some are vacant lots or incompatible land uses. Wall paint may be faded, or repainting is needed. Security bars and single-pane aluminum windows are common. Windows may be broken, need replacement or reglazing. Roofs may need resurfacing. The building may exhibit some substandard materials (such as asbestos shingles) or poor construction (including insufficiently sized columns supporting a roof, or unsafe stairs or non-compliant ramps). The yard is likely to have litter, weeds or exposed dirt vulnerable to winds. The parcel appears disorganized due to abundant outdoor storage or haphazardly parked cars. Parking may occur on unpaved areas or in the front yard. There may be a need for health, safety, building or zoning code inspections. There may be some overcrowding, as evidenced by excessive outdoor storage or vehicles parked in unpaved areas. There may also be visible mold or mildew, which is logged in the "comments" field. The composite count of defects generally shows from two to six flaws. Photos should be taken of obvious structural faults.
- Dilapidated buildings may impact their neighbor's property values. Some are vacant lots, have incompatible land uses, or are underutilized. Walls need repainting. Windows or doors may be boarded, and may need replacement or reglazing. Roofs are likely to need resurfacing or to be taken down to ceiling joists. Structural defects are common; the building may be leaning or not plumb. The building is likely to exhibit some substandard materials (such as asbestos shingles) or substandard construction (including insufficiently sized columns supporting a roof, unsafe stairs, or non-compliant ramps) or appear obsolete. The yard is likely to have litter, debris (larger than letter-sized paper), weeds or exposed dirt vulnerable to winds. The parcel appears disorganized due to abundant outdoor storage or haphazardly parked cars. Parking may occur on

unpaved areas. There is likely to be a need for health, safety, building or zoning code inspections. There may also be visible mold or mildew, which is logged in the "comments" field. The composite count of defects generally shows four or more flaws. Photos should be taken unless safety consideration or obstructions occur.

The final screen also includes a box for logging the photo identification numbers as shown on the digital cameras and a comments box to record additional information.

Field Survey Procedures

The field survey was conducted by 3D Visions staff. The project manager for the effort has a Master of Science degree in urban planning and 25 years of experience conducting urban land use and blight studies comprising tens of thousands of parcels. Another surveyor has a Master of Arts degree in urban planning and training in geographic information systems (GIS or digital mapping), and has worked on eight previous blight field studies. The third surveyor has a certificate in construction management, eight years of field inspections, and worked on three previous blight surveys.

The field survey was conducted over a two-week period, during November 2008, with some augmentation in December 2008 and March 2009. All survey observations were taken from sidewalks or public rights-of-way adjacent to parcels. Surveyors were instructed to avoid entering private property. Information was recorded on the portable computers directly into the GIS files. Each evening, the data was archived, then combined to inform the work the following day. The data were analyzed for consistency and completeness. Photos taken during the day were similarly archived.

The completed, survey database was later used to produce map queries and tables for the analysis summarized in this report. Analysis of the data was conducted with ESRI's ArcMap 9.3 and Microsoft's Excel 2003/7 software. The completed survey included 2,902 parcels and 2,580 buildings in the project area. Approximately 10 percent of the properties presented some obstructions that complicated assessment of their conditions.

Use of Field Survey Data

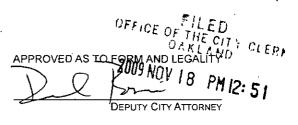
The survey data provide a snapshot of overall conditions in the project area, as assessed in the field at the time of the survey. The <u>overall patterns</u> of blight identified in the project area are the important results. Over time, the conditions of individual properties can change. Some properties with evidence of blight may be improved, while other properties may develop new evidence of blight. The overall patterns identified by the survey data will continue to be applicable for a period of time into the future, even if conditions on some individual properties change.

SECONDARY DATA

Secondary data from a number of government and other sources were also used in the analysis of existing conditions and blight in the project area. The following list identifies the sources of data and information used:

- Alameda County Assessor's parcel data for the Coliseum Redevelopment Area provided by the City of Oakland.
- Aerial photography and GIS maps for the project area provided by the City of Oakland.
- ◆ U. S. Census data, 2000, and U. S. Census American Community Survey, 2007.
- Data on population and employment in Oakland and in the Coliseum Redevelopment Area from the Oakland Cumulative Growth Scenario as last updated June 2006.
- City of Oakland records on unreinforced masonry buildings in Oakland, 2008.
- ◆ State Water Resources Control Board GeoTracker database
 (http://www.geotracker.waterboards.ca.gov/) provided current information on
 leaking underground storage tanks. Information was collected on Alameda
 County, then culled to select records for zip codes in the project area. The
 resulting selection was further analyzed by address to confirm locations within
 the project area, and the data then mapped in the GIS.
- ◆ California Department of Toxic Substances Control EnviroStor database.
- Hazardous Materials setting analysis for Coliseum Redevelopment Project Environmental Impact Report as of January 2003.
- Neighborhood Knowledge for Change, The Coliseum Environmental Indicators Project, 2002 report, for input on properties containing hazardous materials.
- Alameda County Assessor's data on trends in assessed values and in single family home sales prices, as summarized by The HdL Companies/HdL Coren & Cone, under contract to the City of Oakland.

- Foreclosure data from the City of Oakland.
- ◆ California State Board of Equalization, taxable sales data as summarized by The HdL Companies/HdL Coren & Cone, under contract to the City of Oakland.
- Demographics NOW lists of area businesses from the City of Oakland.
- California Department of Alcoholic Beverage Control permit data.
- City of Oakland, Police Department, crime statistics.
- ◆ City of Oakland Industrial District Strategy Report: Public Infrastructure Assessment and Recommendations, Woodland-81st Avenue / Melrose Coliseum / Tidewater Industrial Zones (October 8, 2008), prepared for the Community and Economic Development Agency by BKF Engineers.
- Envision Oakland, City of Oakland General Plan Land Use and Transportation Element; and Oakland Estuary Policy Plan.



OAKLAND CITY COUNCIL

ORDINANCE	NO.	C.M.S.

AN ORDINANCE ADOPTING THE EIGHTH AMENDMENT TO THE COLISEUM REDEVELOPMENT PLAN EXTENDING THE TIME LIMIT FOR EMINENT DOMAIN AUTHORITY FOR AN ADDITIONAL TWELVE YEARS AND SETTING A BONDED INDEBTEDNESS LIMIT

WHEREAS, the City Council adopted the Redevelopment Plan for the Coliseum Area Redevelopment Project (the "Coliseum Redevelopment Plan") on July 25, 1995, pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.); and

WHEREAS, the City Council expanded the Coliseum Redevelopment Project Area through that First Amendment to the Coliseum Redevelopment Plan adopted on July 29, 1997, to incorporate certain additional territory referred to as the "Kennedy-Fruitvale Area", and set the time limit for the use of eminent domain in the Kennedy-Fruitvale Area at the same time limit as set in the original Redevelopment Plan; and

WHEREAS, Section 309 of the Coliseum Redevelopment Plan authorizes the Redevelopment Agency to acquire real property through the power of eminent domain except for property on which a person legally resides; and

WHEREAS, the Agency's eminent domain authority under the Coliseum Redevelopment Plan as amended expired 12 years from the date the Coliseum Redevelopment Plan was adopted by ordinance, that is, on July 25, 2007; and

WHEREAS, Section 33333.2(a)(4) of the Community Redevelopment Law allows a redevelopment plan to be amended to extend the time limit on the authority to acquire property by eminent domain, by means of an adoption of an ordinance by the legislative body upon recommendation of the agency, after the agency finds that significant blight remains within the project area, and that this blight cannot be eliminated without the use of eminent domain; and

WHEREAS, Section 33334.1 of the Community Redevelopment Law provides that a redevelopment plan that authorizes the issuance of tax allocation bonds establish a limit on the amount of bonded indebtedness which can be outstanding at one time; and

WHEREAS, while the Coliseum Redevelopment Plan itself did not include a limit on bonded indebtedness due to an oversight, the financial report included in the Report to Council prepared under Section 33352(e) when the Coliseum Redevelopment Plan was considered and adopted included a bonded indebtedness limit of \$300 million; and

WHEREAS, the Redevelopment Agency has submitted to the Council a proposed Eighth Amendment to the Coliseum Redevelopment Plan (the "Eighth Amendment" or the "Amendment"), attached to this Ordinance as Exhibit A, which would (1) extend the time limit for the Agency's power of eminent domain for an additional 12 years to July 25, 2019, and (2) insert into the Plan a limit on the amount of bonded indebtedness at \$300 million, as contemplated as part of the original Plan adoption; and

WHEREAS, that blight study prepared by Hausrath Economics Group, et al., attached to the staff report accompanying this Ordinance, studied blight conditions within the Coliseum Redevelopment Project Area and concluded that significant physical and economic blight conditions remain within the Coliseum Redevelopment Project Area, that this blight "continues to impede investment and development of property in the Coliseum Redevelopment Area", that "eminent domain authority is relevant to eliminating blight of nearly every type", and that blight conditions "justify the extension of the option of eminent domain authority for another 12 years, in order to provide the Redevelopment Agency with a full range of tools to address redevelopment needs in the project area"; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

WHEREAS, the Council and the Agency held a joint public hearing on December 8, 2009, on adoption of the Eighth Amendment; and

WHEREAS, a notice of said hearing was duly and regularly published in a newspaper of general circulation in the City of Oakland, once a week for four successive weeks prior to the date of said hearing; and

WHEREAS, copies of the notice of joint public hearing were mailed by firstclass mail to property owners, residents, and businesses in the Coliseum Redevelopment Project Area; and WHEREAS, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Coliseum Redevelopment Project Area; and

WHEREAS, the Council has considered the report and recommendations of City staff, the blight study, the findings of the Redevelopment Agency, and the environmental analysis, has provided an opportunity for all persons to be heard, and has received and considered all evidence and testimony presented for or against any and all aspects of the Amendment; and

WHEREAS, it is necessary and desirable that the Amendment be adopted for the reasons set forth in this Ordinance and in the staff report accompanying this Ordinance; now, therefore

The Council of the City of Oakland does ordain as follows:

SECTION 1. The Eighth Amendment to the Redevelopment Plan for the Coliseum Area Redevelopment Project attached to this Ordinance as Exhibit A is hereby approved and adopted as an amendment to the Redevelopment Plan for the Coliseum Area Redevelopment Project.

SECTION 2. The City Council finds that it is necessary and desirable to amend the Redevelopment Plan to extend the time limit for the Redevelopment Agency's eminent domain authority for the reasons set forth herein and in the staff report and blight study accompanying this Ordinance.

SECTION 3. Based on the information contained in the blight study of the Coliseum Redevelopment Project Area attached to the staff report accompanying this Ordinance, the City Council hereby finds that significant blight remains within the Coliseum Redevelopment Project Area, and that this blight cannot be eliminated without the use of eminent domain.

SECTION 4. The City Council finds that it is necessary and desirable to amend the Redevelopment Plan to include a limit on bonded indebtedness consistent with the fiscal analysis performed when the Plan was adopted.

SECTION 5. The City Council finds that the Eighth Amendment will promote the public peace, health, safety and welfare of the City of Oakland and effectuate the purposes and policies of the Community Redevelopment Law.

SECTION 6. The City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information provided in the report accompanying this Ordinance, that this action complies with CEQA for the following reasons, each providing a separate and independent basis: (1) it can be seen with certainty that this Eighth Amendment will have no environmental effect, pursuant to CEQA Guidelines § 15061(b)(3), since this amendment addresses only

the method of property acquisition for projects in the Coliseum Redevelopment Project Area, not the nature of the projects themselves, and thus does not increase or modify the level of development already contemplated under the Coliseum Redevelopment Plan and its implementation plan, nor does this amendment increase the regulatory powers of the Redevelopment Agency but merely provides for continuation of such powers; (2) the environmental effects associated with the level of development contemplated under the Coliseum Redevelopment Plan and its implementation plan in the Coliseum Redevelopment Project Area over the remaining life of the Redevelopment Plan has previously been adequately analyzed in the Environmental Impact Report certified by the City Council on March 24, 1998, as part of the adoption of the General Plan's Land Use and Transportation Element, and that EIR along with the environmental findings are hereby incorporated by reference; and/or (3) the environmental effects associated with the level of development contemplated under the Coliseum Redevelopment Plan and its implementation plan in the Coliseum Redevelopment Project Area over the remaining life of the Redevelopment Plan has previously been adequately analyzed in the Environmental Impact Report certified by the City Council on July 18, 1995, as part of the original adoption of the Coliseum Redevelopment Plan, and that EIR along with the environmental findings are hereby incorporated by reference.

SECTION 7. The City Administrator or his designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action.

SECTION 8. The City Council further finds and determines on the basis of substantial evidence in the record that none of the circumstances necessitating preparation of additional CEQA 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 Coliseum Area Redevelopment Project or the circumstances under which the Project is undertaken that would require major revisions of either EIR 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).

SECTION 9. The Council is satisfied that all written objections received before or at the noticed public hearing, if any, have been responded to in writing. In addition, written findings have been adopted in response to each written objection of an affected property owner or taxing entity which has been filed with the City Clerk either before or at the noticed public hearing, and all objections are hereby overruled.

SECTION 10. The City Administrator or his designee is hereby authorized to take any action with respect to the Eighth Amendment consistent with this Ordinance and its basic purposes.

SECTION 11. If any part of this Ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

SECTION 12. This Ordinance shall be in full force and effect immediately upon its passage as provided by Section 216 of the City Charter, if adopted by at least six members of Council, or upon the seventh day after final adoption if adopted by fewer votes.

IN COUNCIL, OAKLA	ND, CALIFORNIA,, 2009			
PASSED BY THE FOLLOWING VOTE:				
AYES-	BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT BRUNNER			
NOES-	·			
ABSENT-	· .			
ABSTENTION-				
ATTEST:				
	LATONDA SIMMONS			
	City Clerk and Clerk of the Council			
	of the City of Oakland, California			

ORDINANCE ADOPTING EIGHTH AMENDMENT TO THE COLISEUM REDEVELOPMENT PLAN

Exhibit A

TO THE REDEVELOPMENT PLAN FOR THE COLISEUM AREA REDEVELOPMENT PROJECT

(attached)

EIGHTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE COLSEUM AREA REDEVELOPMENT PROJECT

Adopted by Ordinance No.	C.M.S.
effective	, 2009

Prepared by the

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

EIGHTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE COLISEUM AREA REDEVELOPMENT PROJECT

I. INTRODUCTION

A Redevelopment Plan for the Coliseum Area Redevelopment Project was adopted by the Oakland City Council and the Redevelopment Agency of the City of Oakland on July 25, 1995, pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.), and has been amended several times since adoption. The Redevelopment Plan for the Coliseum Area Redevelopment Project, as subsequently amended, is referred to herein as the "Coliseum Redevelopment Plan." The Coliseum Redevelopment Project Area was expanded through that First Amendment to the Coliseum Redevelopment Plan adopted on July 29, 1997, to incorporate certain additional territory referred to as the "Kennedy-Fruitvale Area." The First Amendment specified that the various time limits required under the Community Redevelopment Law would be the same for the Kennedy-Fruitvale Area as those time limits set in the original Redevelopment Plan.

The Redevelopment Agency's eminent domain authority under the Coliseum Redevelopment Plan expired 12 years from the date the Coliseum Redevelopment Plan was adopted by ordinance, that is, on July 25, 2007. Section 33333.2(a) (4) of the Community Redevelopment Law allows a redevelopment plan to be amended to extend the time limit on the authority to acquire property by eminent domain.

In addition, Section 33334.1 of the Community Redevelopment Law provides that a redevelopment plan that authorizes the issuance of tax allocation bonds establish a limit on the amount of bonded indebtedness, which can be outstanding at one time. While the Coliseum Redevelopment Plan itself did not include a limit on bonded indebtedness due to an oversight, the financial report included in the Report to Council prepared under Section 33352(e) when the Coliseum Redevelopment Plan was considered and adopted included a bonded indebtedness limit of \$300 million.

II. AMENDMENT

A. The second paragraph of Section 309 of the Coliseum Redevelopment Plan, <u>Real Property</u>, is hereby amended to read as follows (deletions are indicated by strikeout text, and additions are indicated by double underlining):

It is in the public interest and is necessary in order to eliminate the conditions requiring redevelopment and in order to execute this Plan for the power of eminent domain to be employed by the Agency to acquire real property in the Project Area which cannot be acquired by gift, devise, exchange, purchase or any other lawful method, except that the Agency is not authorized to employ the power of eminent domain to acquire property on which any persons legally reside. Eminent domain proceedings, if used, must be commenced within twelve (12) years from the date the ordinance adopting this Plan becomes effective no later than July 25, 2019. This time limit shall apply to the Agency acquisition by eminent domain of any real property within the Project Area, including that portion of the Project Area added by that First Amendment to the Coliseum Redevelopment Plan adopted on July 29, 1997, and any other plan amendments. For

purposes of this paragraph, eminent domain proceedings shall be deemed "commenced" on the date a resolution of necessity has been adopted.

B. The third full paragraph of Section 502 of the Coliseum Redevelopment Plan, <u>Tax Increment Funds</u>, is hereby amended to read as follows (additions are indicated by double underlining):

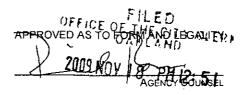
The Agency is authorized to issue bonds from time to time, if it deems appropriate to do so, in order to finance all or any part of the Project. Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance. The amount of the total bonded indebtedness for the Project supported in whole or in part with tax increment revenues that may be outstanding at any one time shall not exceed \$300 million.

C. All other provisions of the Coliseum Redevelopment Plan not expressly modified or amended by the terms of this Eighth Amendment shall remain in full force and effect.

AN ORDINANCE ADOPTING THE EIGHTH AMENDMENT TO THE COLISEUM REDEVELOPMENT PLAN EXTENDING THE TIME LIMIT FOR EMINENT DOMAIN AUTHORITY FOR AN ADDITIONAL TWELVE YEARS AND SETTING A BONDED INDEBTEDNESS LIMIT

NOTICE AND DIGEST

This ordinance amends the Coliseum Area Redevelopment Plan to extend the Redevelopment Agency's eminent domain authority until July 25, 2019, and to insert a limit on bonded indebtedness into the Plan, and makes certain findings in support of such amendment.



REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOL	LUTION	NO.	C.M.S.

A RESOLUTION APPROVING AND RECOMMENDING ADOPTION OF THE EIGHTH AMENDMENT TO THE COLISEUM REDEVELOPMENT PLAN EXTENDING THE TIME LIMIT FOR EMINENT DOMAIN AUTHORITY FOR AN ADDITIONAL TWELVE YEARS AND SETTING A BONDED INDEBTEDNESS LIMIT

WHEREAS, the Oakland City Council adopted the Redevelopment Plan for the Coliseum Area Redevelopment Project (the "Coliseum Redevelopment Plan") on July 25, 1995, pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.); and

WHEREAS, the City Council expanded the Coliseum Redevelopment Project Area through that First Amendment to the Coliseum Redevelopment Plan adopted on July 29, 1997, to incorporate certain additional territory referred to as the "Kennedy-Fruitvale Area", and set the time limit for the use of eminent domain in the Kennedy-Fruitvale Area at the same time limit as set in the original Redevelopment Plan; and

WHEREAS, Section 309 of the Coliseum Redevelopment Plan authorizes the Redevelopment Agency to acquire real property through the power of eminent domain except for property on which a person legally resides; and

WHEREAS, the Agency's eminent domain authority under the Coliseum Redevelopment Plan as amended expired 12 years from the date the Coliseum Redevelopment Plan was adopted by ordinance, that is, on July 25, 2007; and

WHEREAS, Section 33333.2(a)(4) of the Community Redevelopment Law allows a redevelopment plan to be amended to extend the time limit on the authority to acquire property by eminent domain, by means of an adoption of an ordinance by the legislative body upon recommendation of the agency, after the agency finds that

significant blight remains within the project area, and that this blight cannot be eliminated without the use of eminent domain; and

WHEREAS, Section 33334.1 of the Community Redevelopment Law provides that a redevelopment plan that authorizes the issuance of tax allocation bonds establish a limit on the amount of bonded indebtedness which can be outstanding at one time; and

WHEREAS, while the Coliseum Redevelopment Plan itself did not include a limit on bonded indebtedness due to an oversight, the financial report included in the Report to Council prepared under Section 33352(e) when the Coliseum Redevelopment Plan was considered and adopted included a bonded indebtedness limit of \$300 million; and

WHEREAS, the Redevelopment Agency has prepared a proposed Eighth Amendment to the Coliseum Redevelopment Plan (the "Eighth Amendment" or the "Amendment"), attached to this Resolution as Attachment A, which would (1) extend the time limit for the Agency's power of eminent domain for an additional 12 years to July 25, 2019, and (2) insert into the Plan a limit on the amount of bonded indebtedness at \$300 million, as contemplated as part of the original Plan adoption; and

WHEREAS, that blight study prepared by Hausrath Economics Group, et al., attached to the staff report accompanying this Resolution, studied blight conditions within the Coliseum Redevelopment Project Area and concluded that significant physical and economic blight conditions remain within the Coliseum Redevelopment Project Area, that this blight "continues to impede investment and development of property in the Coliseum Redevelopment Area", that "eminent domain authority is relevant to eliminating blight of nearly every type", and that blight conditions "justify the extension of the option of eminent domain authority for another 12 years, in order to provide the Redevelopment Agency with a full range of tools to address redevelopment needs in the project area"; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; and

WHEREAS, the Council and the Agency held a joint public hearing on December 8, 2009, on adoption of the Eighth Amendment; and

WHEREAS, a notice of said hearing was duly and regularly published in a newspaper of general circulation in the City of Oakland, once a week for four successive weeks prior to the date of said hearing; and

WHEREAS, copies of the notice of joint public hearing were mailed by firstclass mail to property owners, residents, and businesses in the Coliseum Redevelopment Project Area; and

WHEREAS, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Coliseum Redevelopment Project Area; and

WHEREAS, the Agency has considered the report and recommendations of City staff, the blight study, and the environmental analysis, has provided an opportunity for all persons to be heard, and has received and considered all evidence and testimony presented for or against any and all aspects of the Amendment; and

WHEREAS, it is necessary and desirable that the Amendment be adopted for the reasons set forth in this Resolution and in the staff report accompanying this Resolution; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby approves and recommends adoption of the Eighth Amendment to the Redevelopment Plan for the Coliseum Area Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That that Redevelopment Agency finds that it is necessary and desirable to amend the Redevelopment Plan to extend the time limit for the Redevelopment Agency's eminent domain authority for the reasons set forth herein and in the staff report and blight study accompanying this Resolution; and be it further

RESOLVED: That, based on the information contained in the blight study of the Coliseum Redevelopment Project Area attached to the staff report accompanying this Resolution, the Redevelopment Agency hereby finds that significant blight remains within the Coliseum Redevelopment Project Area, and that this blight cannot be eliminated without the use of eminent domain; and be it further

RESOLVED: That that Redevelopment Agency finds that it is necessary and desirable to amend the Redevelopment Plan to include a limit on bonded indebtedness consistent with the fiscal analysis performed when the Plan was adopted; and be it further

RESOLVED: That the Redevelopment Agency hereby finds that the Eighth Amendment will promote the public peace, health, safety and welfare of the City of Oakland and effectuate the purposes and policies of the Community Redevelopment Law; and be it further

RESOLVED: That the Agency Secretary is directed to transmit a copy of this Resolution to the City Council for its consideration in adoption of the Eighth Amendment; and be it further

RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information provided in the report accompanying this Resolution, that this action complies with CEQA for the following reasons, each providing a separate and independent basis: (1) it can be seen with certainty that the Eighth Amendment will have no environmental effect, pursuant to CEQA Guidelines § 15061(b)(3), since this amendment addresses only the method of property acquisition for projects in the Coliseum Redevelopment Project Area, not the nature of the projects themselves, and thus does not increase or modify the level of development already contemplated under the Coliseum Redevelopment Plan and its implementation plan, nor does this amendment increase the regulatory powers of the Redevelopment Agency but merely provides for continuation of such powers; (2) the environmental effects associated with the level of development contemplated under the Coliseum Redevelopment Plan and its implementation plan in the Coliseum Redevelopment Project Area over the remaining life of the Redevelopment Plan has previously been adequately analyzed in the Environmental Impact Report certified by the City Council on March 24, 1998, as part of the adoption of the General Plan's Land Use and Transportation Element, and that EIR along with the environmental findings are hereby incorporated by reference; and/or (3) the environmental effects associated with the level of development contemplated under the Coliseum Redevelopment Plan and its implementation plan in the Coliseum Redevelopment Project Area over the remaining life of the Redevelopment Plan has previously been adequately analyzed in the Environmental Impact Report certified by the City Council on July 18, 1995, as part of the original adoption of the Coliseum Redevelopment Plan, and that EIR along with the environmental findings are hereby incorporated by reference; and be it further

RESOLVED: That the Agency further finds and determines on the basis of substantial evidence in the record that none of the circumstances necessitating preparation of additional CEQA 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 Coliseum Area Redevelopment Project or the circumstances under which the Project is undertaken that would require major revisions of either EIR 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); and be it further

RESOLVED: That the Agency Administrator or his designee is hereby authorized to take any action with respect to the Eighth Amendment consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLA	ND, CALIFORNIA,, 2009	
PASSED BY THE FO	DLLOWING 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	

RESOLUTION APPROVING EIGHTH AMENDMENT TO THE COLISEUM REDEVELOPMENT PLAN

Exhibit A

EIGHTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE COLISEUM AREA REDEVELOPMENT PROJECT

(attached)

EIGHTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE COLSEUM AREA REDEVELOPMENT PROJECT

Adopted by Or	rdinance No.	C.M.S.
effective _		, 2009

Prepared by the

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

EIGHTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE COLISEUM AREA REDEVELOPMENT PROJECT

I. INTRODUCTION

A Redevelopment Plan for the Coliseum Area Redevelopment Project was adopted by the Oakland City Council and the Redevelopment Agency of the City of Oakland on July 25, 1995, pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.), and has been amended several times since adoption. The Redevelopment Plan for the Coliseum Area Redevelopment Project, as subsequently amended, is referred to herein as the "Coliseum Redevelopment Plan." The Coliseum Redevelopment Project Area was expanded through that First Amendment to the Coliseum Redevelopment Plan adopted on July 29, 1997, to incorporate certain additional territory referred to as the "Kennedy – Fruitvale Area." The First Amendment specified that the various time limits required under the Community Redevelopment Law would be the same for the Kennedy-Fruitvale Area as those time limits set in the original Redevelopment Plan.

The Redevelopment Agency's eminent domain authority under the Coliseum Redevelopment Plan expired 12 years from the date the Coliseum Redevelopment Plan was adopted by ordinance, that is, on July 25, 2007. Section 33333.2(a)(4) of the Community Redevelopment Law allows a redevelopment plan to be amended to extend the time limit on the authority to acquire property by eminent domain.

Also, Section 33334.1 of the Community Redevelopment Law provides that a redevelopment plan that authorizes the issuance of tax allocation bonds establish a limit on the amount of bonded indebtedness which can be outstanding at one time. While the Coliseum Redevelopment Plan itself did not include a limit on bonded indebtedness due to an oversight, the financial report included in the Report to Council prepared under Section 33352(e) when the Coliseum Redevelopment Plan was considered and adopted included a bonded indebtedness limit of \$300 million.

II. AMENDMENT

A. The second paragraph of Section 309 of the Coliseum Redevelopment Plan, <u>Real Property</u>, is hereby amended to read as follows (deletions are indicated by strikeout text, and additions are indicated by double underlined text):

It is in the public interest and is necessary in order to eliminate the conditions requiring redevelopment and in order to execute this Plan for the power of eminent domain to be employed by the Agency to acquire real property in the Project Area which cannot be acquired by gift, devise, exchange, purchase or any other lawful method, except that the Agency is not authorized to employ the power of eminent domain to acquire property on which any persons legally reside. Eminent domain proceedings, if used, must be commenced within twelve (12) years from the date the ordinance adopting this Plan becomes effective no later than July 25, 2019. This time limit shall apply to the Agency acquisition by eminent domain of any real property within the

Project Area, including that portion of the Project Area added by that First Amendment to the Coliseum Redevelopment Plan adopted on July 29, 1997, and any other plan amendments. For purposes of this paragraph, eminent domain proceedings shall be deemed "commenced" on the date a resolution of necessity has been adopted.

B. The third full paragraph of Section 502 of the Coliseum Redevelopment Plan, <u>Tax Increment Funds</u>, is hereby amended to read as follows (additions are indicated by double underlined text):

The Agency is authorized to issue bonds from time to time, if it deems appropriate to do so, in order to finance all or any part of the Project. Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance. The amount of the total bonded indebtedness for the Project supported in whole or in part with tax increment revenues that may be outstanding at any one time shall not exceed \$300 million.

C. All other provisions of the Coliseum Redevelopment Plan not expressly modified or amended by the terms of this Eighth Amendment shall remain in full force and effect.