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REVISED

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
2005-0059
RESOLUTION No. _____ C.M.S.

A RESOLUTION (1) APPROVING AMENDMENTS TO THE LEASE DISPOSITION AND DEVELOPMENT AGREEMENT, GROUND LEASE, AND RELATED DOCUMENTS BETWEEN THE REDEVELOPMENT AGENCY, THE CITY, AND FC OAKLAND, INC. OR RELATED ENTITIES, FOR THE DEVELOPMENT OF A MIXED-USE RESIDENTIAL RENTAL AND RETAIL DEVELOPMENT PROJECT IN THE UPTOWN ACTIVITY AREA OF THE CENTRAL DISTRICT REDEVELOPMENT PROJECT AREA TO (A) MODIFY PUBLIC PARK MAINTENANCE OBLIGATIONS, (B) CHANGE THE DATE FOR RECEIPT OF NET AVAILABLE TAX INCREMENT, (C) CHANGE THE NOISE REDUCTION PLAN FOR THE OAKLAND SCHOOL FOR THE ARTS, (D) MODIFY THE REPAYMENT SCHEDULE; AND (E) ADD VARIOUS OTHER AMENDMENTS; (2) APPROVING THE REVISED SITE PLAN FOR THE PROJECT; AND (3) CHANGING THE USE OF AGENCY FUNDS FOR THE IMPLEMENTATION OF THE PROJECT

WHEREAS, the City of Oakland ("City"), the Redevelopment Agency of the City of Oakland ("Agency") and FC Oakland, Inc., an affiliate of Forest City Residential West, Inc., or other affiliate(s) of Forest City Residential West, Inc., ("FC") are parties to a Lease Disposition and Development Agreement ("LDDA") whereby FC is the developer of approximately one and a half blocks of land bounded by Thomas L. Berkley Way (formerly 20th) on the north, Telegraph Avenue on the east, 19th St. on the south, and San Pablo Avenue on the west (the "Uptown Project Area") in the Uptown Activity Area of the Central District Urban Renewal Area commonly referred to as the Project Area; and

WHEREAS, the LDDA sets forth the terms and conditions whereby FC may lease and develop the various parcels within the Uptown Project, including a form of a ground lease that will be entered into by the parties (the "Ground Lease"); and

WHEREAS, pursuant to the terms of the LDDA, FC intends to redevelop the Project Area corresponding to Parcels 1, 2, 3 and the Public Park Parcel into a mixed-income housing project and related uses and a public park, as required by the LDDA (the "Project"); and

WHEREAS, the parties to the LDDA desire to amend certain terms of the LDDA, the Ground Lease, and related documents to, among other things: (A) modify public park maintenance obligations; (B) change the date for receipt of net available tax increment; (C) change the noise reduction plan for the Oakland School for the Arts ("OSA"); (D) modify the repayment schedule; and (E) add various other amendments; and

WHEREAS, pursuant to Resolution No. 2004-38 C.M.S., the Agency approved the conceptual schematic design and site plans for the Project; and

WHEREAS, the site plan has been modified to move the location of the public park from a parcel bounded by Thomas L. Berkley Way (formerly 20th Street) on the north, Parcel 3 on the east, William Street on the south and a New Street on the west to a new parcel bounded by William Street on the north, Parcel 4 on the east, William Street on the north and 19th Street on the south; and

WHEREAS, the Agency desires to approve the revised site plan which is attached to this Resolution as Attachment A; and

WHEREAS, pursuant to Agency Resolution No. 2005-33 C.M.S. and City Resolution No. 79314 C.M.S., the LDDA requires the City to provide FC with direct gap financial assistance in the amount of \$5,300,000, and reimbursement of up to \$1,000,000 for construction of the public park, and requires the Agency to: (1) make a contribution to FC of tax increment funds generated by the Project; (2) reimburse FC for an amount measured by business taxes generated from the Project and paid to the City, but only if necessary to fund a tax increment gap; (3) provide direct gap financial assistance in the amount of \$8,335,749 and (4) reimburse FC for: (a) up to \$5,700,000 for off-site improvements; and (b) up to \$4,085,600 for hazardous materials remediation costs, all on the terms and condition set forth in the Ground Lease; and

WHEREAS, the Agency and City desire to modify the use of its respective contributions toward direct gap funding assistance and the construction of off-site improvements; and

WHEREAS, the City of Oakland, as the Lead Agency for this Project for purposes of environmental review under the California Environmental Quality Act of 1970 ("CEQA"), has prepared a focused Environmental Impact Report analyzing the significant environmental effects and mitigation measures in accordance with the California Environmental Quality Act, Public Resources Code § 21000, et seq.; and

WHEREAS, on February 18, 2004, the City Council in accordance with CEQA Guidelines § 15090 certified that the Final Environmental Impact Report ("EIR") on the Project has been completed in compliance with CEQA, and the Guidelines for Implementation of the California Environmental Quality Act (14 CCR sections 15000, et seq.); and

WHEREAS, the Agency, as a "Responsible Agency" under CEQA, has independently reviewed and considered the environmental effects of the Project as shown in the EIR and other information in the record; and

WHEREAS, notice of the public hearing regarding the proposed amendments was given by publication at least once a week for not less than two weeks prior to the public hearing in a newspaper of general circulation in Alameda County; and

WHEREAS, as required by Section 33433 of the California Community Redevelopment Law, the Agency has made available to the public for inspection, no later than the first date of publication of the notice for the hearing, a supplemental report that contained a copy of the draft amendments; and

WHEREAS, the Agency is not incurring any additional costs resulting from the amendments; and

WHEREAS, the City Council has approved the execution of the amendments by resolution after the public hearing; now, therefore, be it

RESOLVED: That the Agency hereby finds and determines on the basis of substantial evidence in the record that the EIR fully analyzes the potential environmental effects of the Project and incorporates mitigation measures to substantially lessen or avoid any potentially significant impacts in accordance with CEQA, and 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 Project or the circumstances under which the Project is undertaken that would require major revisions of the 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 her designee, is hereby authorized to negotiate and execute amendments to the LDDA, Ground Lease, and related documents with the following terms:

- Payment to FC of the net tax increment generated by the Project, as well as annual business taxes generated by the Project and by FC to the City, but only to fill a gap, if any, in payment of net tax increments, shall start on the first day of fiscal year 2007-08.
- The noise reduction plan for the OSA shall allow for demolition of the public parking structure currently located on Parcel 3 during any time of the year, subject to the written consent by the Director or the Board of Directors for the OSA.
- FC shall maintain the park with the City indemnifying FC for negligence excepting its gross negligence; the City to have the right to terminate the maintenance agreement at any time in its sole and absolute discretion, in which event FC would then pay the City an annual park maintenance fee as negotiated by the parties.

- Modify FC's obligation to repay the City and Agency to a fixed schedule.
- Include various other amendments, along with the above amendments, to be embodied in an Amended and Restated LDDA, and Ground Lease, and related documents.
- Other administrative modifications as determined necessary or appropriate by the Agency Administrator consistent with this Agency action and previous Agency actions.

and be it further

RESOLVED: That the Agency hereby approves the revised site plan for the Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency hereby authorizes the Agency Administrator to change the use of Agency funds in the amount of \$5,300,000 from the Agency's Central District Tax Allocation Bond Series 2003 Fund (Fund 9532, Project T245610) from providing funding for the construction of off-site improvements, to providing direct gap financing assistance to FC; and be it further

RESOLVED: That any and all documents necessary to effectuate the intent of this Resolution shall be reviewed and approved as to form by the Agency Counsel prior to execution by the Agency Administrator or her designee; and be it further

RESOLVED: That the Agency finds and determines that this Resolution complies with CEQA and that staff is directed to cause to be filed a Notice of Determination with the appropriate agencies; and be it further

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

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take action with respect to the proposed amendments and the Project consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, OCT 18 , 2005

PASSED BY THE FOLLOWING VOTE:

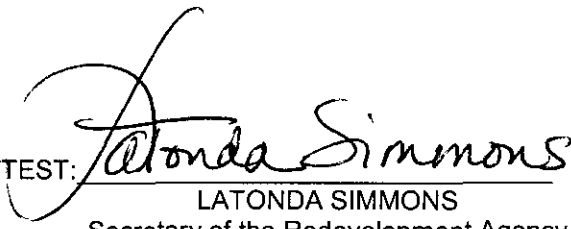
AYES- [REDACTED], BRUNNER, [REDACTED] KERNIGHAN, NADEL, QUAN, REID, AND CHAIRPERSON DE LA FUENTE, **-6**

NOES-

ABSENT-

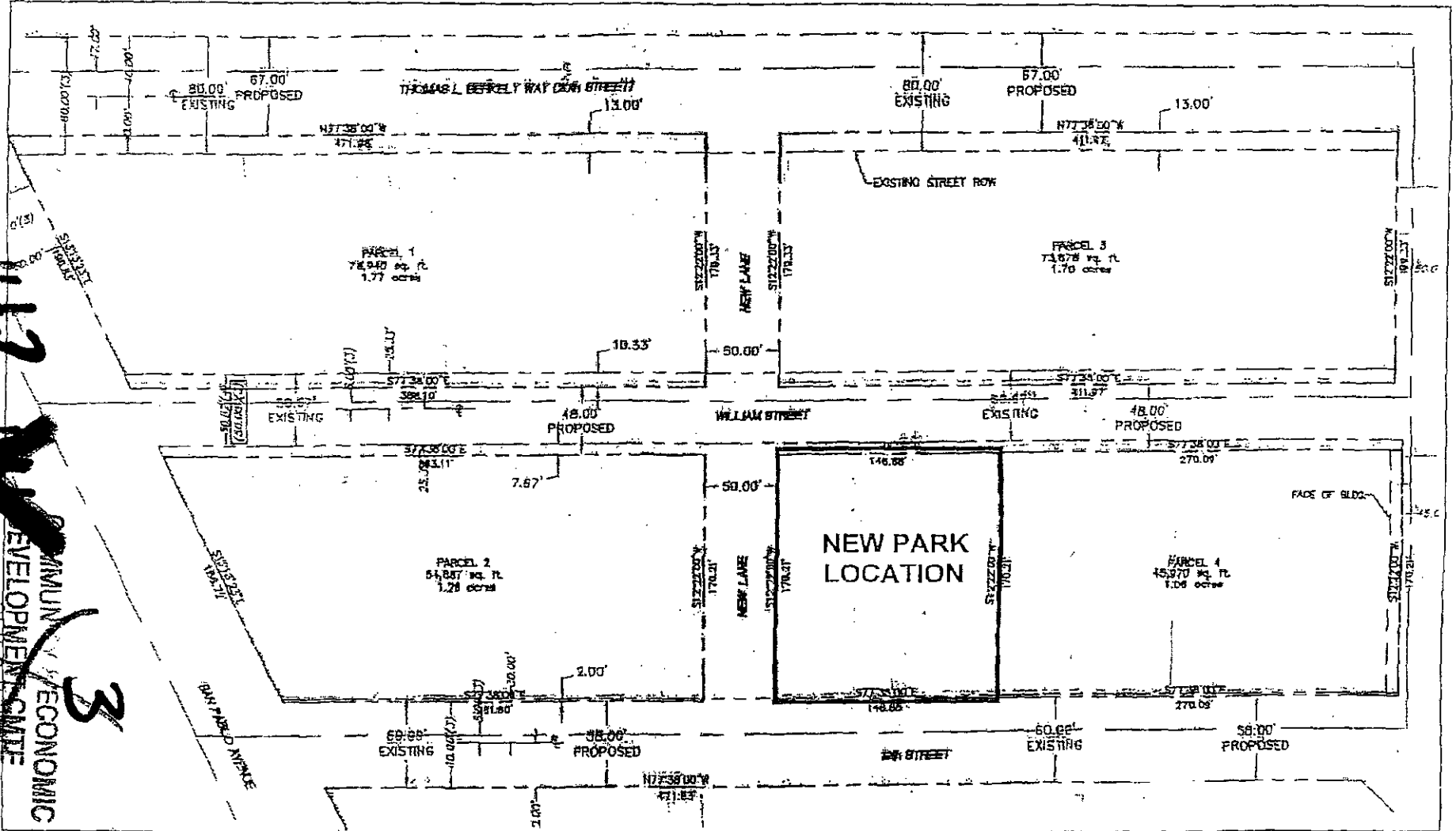
ABSTENTION- **Brooks - 1**

Excused - Chang - 1

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

Attachment A

Revised Site Plan



~~OFFICIAL~~
~~COUNCIL~~
~~ORANGE~~
~~COUNTY~~
~~SEP 21 2005~~

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COMMUNITY ECONOMIC
DEVELOPMENT CENTER
SEP 21 2005

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