

City of Oakland
Agenda Report

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2003 OCT 23 PM 3:07

TO: Office of the City Manager and Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: November 4, 2003
SUBJECT: Supplemental Report on West Oakland Redevelopment Plan Relocation Rules

BACKGROUND:

On October 14, 2003, staff presented the West Oakland Redevelopment Plan and accompanying legislation to the Community and Economic Development Committee (CED) for forwarding to the full Council for approval, at the November 4, 2003 Council meeting. The accompanying legislation includes Relocation Rules, which provide a plan for relocation of all families, persons, businesses and nonprofit organizations temporarily or permanently displaced from facilities in a redevelopment project area. The Relocation Rules forwarded to Council contain the standard language based on state relocation laws, which are being used throughout the City's other redevelopment project areas.

The West Oakland Project Area Committee (WOPAC) instead recommended an expanded version which includes "last resort" relocation benefits to displaced businesses comparable to benefits offered to displaced residential tenants. The "last resort" rule, if applied to displaced businesses could be quite costly. For example, businesses would be eligible to receive unlimited monetary payments, if the rent at the new site is beyond their means. Also if comparable replacement space for the business cannot be identified, the Redevelopment Agency would be prohibited from displacing the business and could actually be required to build the space prior to relocation. Staff does not recommend this version for several reasons, main among them is the unknown cost associated with a "last resort" provision for businesses.

SUMMARY:

The Council and Agency are asked to take several actions regarding adoption of the proposed West Oakland Redevelopment Plan ("the Plan"). Section 33411 of the California Health and Safety Code requires the preparation of a feasible method or plan for relocation of all businesses and residents to be temporarily or permanently displaced as a result of a redevelopment project. The proposed Redevelopment Plan for West Oakland contains limited provisions for the acquisition of real property in the project area through eminent domain powers, and is expected to displace few if any residents or businesses. Nevertheless the Agency will assume lead responsibility for implementation of relocation activities should there be displacement of any project area occupant. The Relocation Rules being proposed by staff follow the standard relocation requirements established under state law.

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For business relocation, the Plan provides that the Agency will assist all businesses and institutional occupants displaced by the project in finding replacement locations with a minimum of delay and loss of earnings. Such relocation payments will be made pursuant to the California Relocation Assistance Law (Government Code Section 7260 et seq.) state relocation regulations (25 California Code of Regulation Section 6000 et seq.) and any Agency rules and regulations adopted pursuant thereto. Payment may include payments for moving expenses, reestablishment expenses, personal property losses, search costs, and in-lieu payments. Some of these payments are subject to statutory caps. However, the Agency is authorized to make such additional payments to displaced businesses beyond the caps as may be appropriate and for which funds are available.

The WOPAC has recommended that these relocation payment requirements be expanded to require the Agency to provide "last resort" assistance to businesses displaced by a redevelopment project, similar to the "last resort housing" assistance available to displaced residential tenants. Such a requirement would forbid the Agency from displacing a business unless a comparable replacement facility was available to the business. The Agency would be required to make whatever additional monetary payments are needed to make the replacement facility affordable to the displaced business and would have to develop a comparable replacement facility for the displaced business person if none are available in the open market. The WOPAC believes that if displacement occurs, then the Agency must be willing to pay in excess of what is required by State Law. Staff has the following concerns with WOPAC's "last resort business" proposal:

- The financial consequences of such a requirement could be quite costly for the Agency. If comparable replacement space cannot be found for a particular type of business, the Agency could be required to build a comparable space. This would be particularly problematic if the displaced business is a less than desirable use, such as a liquor store. The Agency would also be required to make monetary payments (uncapped) to the business if the rent at the replacement facility is beyond their means.
- The proposed modifications are substantially in excess of the relocation requirements for businesses under the California Relocation Assistance Law.
- The last resort requirement could prevent the Agency from pursuing a worthwhile redevelopment project if comparable replacement space for a business displaced by the project is not available
- The proposed modifications could have a significant impact on the availability of redevelopment project funds since significant funds may be spent on a few businesses, significantly reducing funds for the remaining goals of the Plan.
- The proposed modifications would create an unfair playing field between relocation payments made to West Oakland businesses and those made to businesses displaced from other project areas throughout the City. A displaced business in West Oakland would receive substantially more in relocation payments than the same business type in another redevelopment project area, likely resulting in requests for the remaining redevelopment project areas to adopt similar Relocation Rules.

RECOMMENDATION:

Staff recommends that any displaced businesses in the West Oakland project area receive the standard assistance and benefits as required in accordance with State Relocation Assistance Law and the other redevelopment project areas throughout the City.

ACTION REQUESTED:

Staff requests that the Council approve the West Oakland Redevelopment Plan Relocation Rules as submitted by staff.

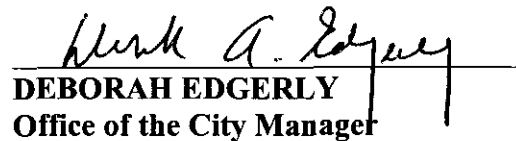
Respectfully Submitted,



**DANIEL VANDERPRIEM,
Director of Redevelopment,
Economic Development and
Housing**

Prepared by: Gloria King-jackson
Urban Economic Analyst III
Redevelopment Agency

Approved and Forwarded to the
City Council:



DEBORAH EDGERLY
Office of the City Manager

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CITY OF OAKLAND
AGENDA REPORT

TO: Office of the City Manager and Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: October 14, 2003
SUBJECT: West Oakland Redevelopment Plan

RECOMMENDATIONS: Approve the following legislation with respect to adoption of the West Oakland Redevelopment Project and related actions:

- 1) Adopt a City Resolution electing to receive a portion of the tax increments from the West Oakland Redevelopment Project Area
- 2) Adopt an Agency Resolution approving and adopting Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the West Oakland Redevelopment Project Area
- 3) Adopt an Agency Resolution certifying and making findings as to the Final Environmental Impact Report on the West Oakland Redevelopment Project
- 4) Adopt a City Resolution certifying and making findings as to the Final Environmental Impact Report on the West Oakland Redevelopment Project
- 5) Adopt an Agency Resolution approving the Redevelopment Plan for the West Oakland Redevelopment Project
- 6) Adopt a City Ordinance approving and adopting the Redevelopment Plan for the West Oakland Redevelopment Project

SUMMARY

The City Council and Agency are asked to take several actions regarding adoption of the proposed West Oakland Redevelopment Plan (the "Plan") and related actions. The City Council and Agency will hold a joint public hearing on November 4, 2003, on approval of the Environment Impact Report for the West Oakland Redevelopment Project ("EIR") and the adoption of the proposed Plan, in accordance with the California Community Redevelopment Law ("CRL").

After closing the public hearing on these matters, the Agency will consider adoption of resolutions approving the Plan, adopting Owner Participation Rules, and certifying the EIR prepared for the Plan. The City Council will consider the first reading of an ordinance adopting the Plan, and adoption of resolutions electing to receive tax increment pass-through, and approving and certifying the EIR. The second reading of the ordinance adopting the Plan is scheduled for November 18, 2003.

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FISCAL IMPACT

Tax increment revenues to be received by the Agency from the West Oakland Project Area over the 45 year period for collecting tax increments is estimated to be \$362.4 million with a minimum of \$132.5 million of that amount allocated for low and moderate income housing. The dollar amounts are in present value dollars and are based on the updated base year roll for 2003-04 from the County Auditor's Report . In FY 2004-05 (the first year of increment), the Project Area is projected to generate gross tax increment of \$0.51 million, including \$0.13 million for the Low and Moderate Income Housing Fund. After this and other mandatory set-asides and pass-throughs of \$0.10 million are factored in, the West Oakland Project Area is projected to have net increment of \$0.28 million available for projects, personnel services and operations. Project costs are assumed to match project revenue.

Adoption of the West Oakland Redevelopment Plan means that increases in property tax revenue over the base year of FY 2003-04, which would have accrued to the City's General Purpose Fund (GPF), accrue instead to this new proposed Project Area. The Budget Office has calculated the foregone revenue to be \$0.14 million over the balance of the two-year FY 2003-05 budget cycle. However, if the City adopts the attached resolution electing to receive a pass-through payment from the Agency under AB 1290, then \$0.03 million in tax increment will be directed to the GPF, resulting in net foregone revenue of \$0.11 million over the balance of the FY 2003-05 budget cycles. It should be noted that these projections assume that a certain portion of the increase in assessed valuations and property tax revenues in the Project Area is due to redevelopment, and it cannot be assumed that the City would receive this level of property tax revenue in the absence of redevelopment.

In addition to the pass-through to the City's General Fund, the Redevelopment Agency would be able to collect an estimated \$6.5 million in tax increment revenue over the next five years. These funds would be available for projects in the area, such as infrastructure improvements, housing and support for neighborhood commercial revitalization. Therefore, the combined net fiscal benefit (total funds received by the City and Agency less funds the City would have received without redevelopment) to the City and the Agency over the first five years is projected to be \$4.81 million.

Of the total amount, an estimated \$2.0 million in tax increment revenue would be deposited into the Agency's Low and Moderate Income Housing Fund in the first five years of the Plan.

BACKGROUND

Redevelopment efforts are not new to West Oakland. This is a fact many residents remember vividly and often negatively. One of the most controversial issues associated with redevelopment is the power of the Agency to use eminent domain to acquire property in the Project Area and relocate existing residents or businesses. Controversies over eminent domain caused the previous efforts to form a West Oakland redevelopment

area immediately following the Loma Prieta earthquake to fail. Many residents point out that in the past entire neighborhoods and commercial corridors of West Oakland were effectively destroyed by eminent domain action: for the building of freeways, for the BART station, for the Post Office, and for the Acorn urban renewal project. Despite the fact that all of these actions were outside and separate from the Redevelopment Agency, and despite the fact that over the years California Redevelopment Law has been substantially reformed to better protect community residents and businesses from these infamous abuses of eminent domain, the negative connotations surrounding eminent domain has clearly shaped the present skepticism of many community members to accept redevelopment.

Yet, for both residents and visitors, West Oakland is clearly suffering from disinvestment and deteriorating conditions of the commercial corridors, existing infrastructure, and much of the housing stock (a significant portion owned by absentee landlords). There is a well-noted lack of accessible community facilities and recreation opportunities for families and youth. Illegal dumping, excessive trucks and stagnant Brownsfields threaten the public health of the community. Most telling, these are the prevailing conditions despite the numerous in-fill lofts and West Oakland's highly valued location, despite the on-going development of Emeryville immediately adjacent to the north, despite the proactive City Blight Ordinance, and despite the history of community activism and deep-rooted community pride. Out of this context, the positive potentials of redevelopment to spur revitalization became apparent.

With the encouragement and support of District 3 Councilmember Nancy Nadel, CEDA again opened the discussion on redevelopment as a tool that could be considered for revitalization with the understanding that the West Oakland community would have an active role in the planning process. CEDA and Councilmember Nadel's staff visited thirteen community organizations throughout West Oakland during the fall of 1998 and the winter of 1999 to give presentations on redevelopment and inform the community of the City's complete redevelopment strategy for West Oakland and the adjacent Army Base. The education and outreach convinced many in the community that redevelopment could be worthwhile.

Since that time the Redevelopment Agency has been pursuing a phased strategy for redevelopment in West Oakland. The Community and Economic Development Agency's Base Reuse/West Oakland Unit in conjunction with the Redevelopment Agency has been coordinating redevelopment planning for this area.

The first phase of this strategy was the Oakland Army Base Redevelopment Project which was adopted by the Oakland City Council on July 11, 2000. This redevelopment project includes the former Base and surrounding maritime, industrial and commercial areas. CEDA staff is now pursuing the adoption process for the second phase, of the West Oakland Redevelopment Project, which includes the entire West Oakland district except areas in existing redevelopment projects such as the Oak Center, Acorn and Army Base Redevelopment Project Areas. Adopting a redevelopment plan for West Oakland at this time is particularly important as this area is undergoing intense economic and

outs, a Redevelopment Plan was recommended for approval by the WOPAC on July 1, 2003, and forwarded to the Planning Commission for review.

The proposed Redevelopment Plan and the Draft EIR were considered during a public hearing by the Planning Commission on July 16, 2003. On September 17, 2003, the Commission further discussed the proposed Plan and Final EIR, and took the following actions: certified the West Oakland Redevelopment Plan Final Environmental Impact Report; found the West Oakland Redevelopment Plan to be in conformance with the General Plan; and forwarded the West Oakland Redevelopment Plan to the City Council with a recommendation that it be adopted. The Redevelopment Plan that is now before Council is the Plan that has been recommended for approval by both the WOPAC and the Planning Commission.

Copies of the draft Redevelopment Plan was sent, by certified mail, to all affected taxing agencies on September 19, 2003. A copy of the Draft EIR was sent to all affected taxing agencies by CEDA's Planning Division in June 2003.

KEY ISSUES AND IMPACTS

The proposed West Oakland Redevelopment Plan

As the fundamental document governing a redevelopment agency's activities, a redevelopment plan basically acts as the Agency's charter. The plan is adopted by the local legislative body and establishes long-term planning goals as well as implementation policies and procedures for the redevelopment of a designated project of particular financing tools to implement projects and policies. A redevelopment plan may also establish certain limitations on the authority of the redevelopment agency to conduct activities within a project area. A redevelopment plan typically is a very general document that provides the Agency with great flexibility. The West Oakland Redevelopment Plan is included as "**Attachment A**" to this report.

The West Oakland Plan provides full authority for the Agency to receive tax increment revenues generated by the Project Area for up 45 years, as authorized by the CRL. The receipt of tax increment is subject to statutory pass-throughs of tax increment revenue to other taxing entities as provided for in the CRL.

Eminent domain

A redevelopment plan establishes the redevelopment agency's power to acquire real property in the project area through the use of eminent domain. As mentioned, the issue of the extent of the Agency's authority to acquire property through eminent domain was discussed at length by the WOPAC and the larger community. The Plan recommended by the WOPAC and the Planning Commission and presented to Council includes limited authority for the Agency to acquire property through eminent domain. The specific conditions and limitations on the use of eminent domain are set forth in Section 305 of the Plan.

development pressures. Adoption of a redevelopment plan for West Oakland will maximize tax increment funding for the area and aid its revitalization.

On July 25, 2000, the Oakland City Council adopted Resolution No. 75903 C.M.S., which established the redevelopment survey area for the West Oakland Redevelopment Project Area. On July 11, 2001, the Planning Commission approved the Preliminary Redevelopment Plan for the West Oakland Redevelopment Project Area and forwarded to the Redevelopment Agency. The proposed West Oakland Redevelopment Project Area comprises approximately 1,546 acres in the western part of the City of Oakland and contains approximately 4,945 parcels. The Project Area is generally bounded on the north by the Oakland/Emeryville city limits and 40th Street, on the east by I-980 and Union Street, on the south by 18th Street and Middle Harbor Road, and on the west by Pine, Sixteenth and Wood Streets. All of this area lies within Council District Three.

The Project Area is sub-divided into three sub areas: Prescott/South Prescott, Clawson/McClymonds/Ralph Bunche, and Hoover/West Macarthur. Overall West Oakland is a deeply mixed-use community. The Area contains many residential neighborhoods with Victorian housing stock separated by areas of active and inactive industrial fabric and large sites of civic/public uses. The Project Area is also surrounded by elevated freeways and much of the truck traffic to the Port passes through the Project Area. There are approximately five major corridors running through the area.

On November 27, 2001, the Redevelopment Agency adopted Resolution No. 01-77 C.M.S., accepting the Preliminary Plan and authorizing the Agency Administrator to prepare a redevelopment plan, transmit a Statement of Plan Preparation to all affected taxing agencies and the State Board of Equalization, and stating that it intends to use the 2002-2003 equalized assessment roll as the base year assessment roll for tax allocation purposes. When the Agency realized adoption of the Redevelopment Plan would not occur prior to August 20, 2003, a letter dated May 28, 2003 was sent to the taxing entities, requested the base year be changed to 2003-04.

On November 27, 2001, the Council also adopted Procedures for the Formation of a Project Area Committee ("PAC") for the West Oakland Redevelopment Project pursuant to California Health and Safety Code Section 33385(b). On February 27, 2002, and March 6, 2002, community elections were held in conformance with the PAC Election Rules and the West Oakland PAC Formation Rules, and a seventeen member West Oakland Project Area Committee ("WOPAC") was successfully formed.

In accordance with Section 33344.5 of the California Community Redevelopment Law , on April 3, 2003, the Agency sent by certified mail copies of the Preliminary Report to all affected taxing agencies.

After more than 50 meetings including sub-committee meetings, several community town hall forums, special community workshops, and extensive outreach including newsletters, slogan contests, neighborhood "meet and greet" sessions, office hours, and direct mail-

Section 305 includes some general limitations on the use of eminent domain in the Project Area. The Plan prohibits the Agency from acquiring owner-occupied residential properties with three or fewer units under any circumstances. The PAC must be consulted before any use of eminent domain (if a PAC is in existence). The Agency's eminent domain authority expires after eight years (unlike the twelve years authorized by law). The Plan also includes the standard limits on eminent domain specified in redevelopment law.

In addition, there are a number of limitations on the Agency's eminent domain authority to acquire property for a redevelopment project: (1) the property must be located within a designated commercial corridor in the Clawson/McClymonds/Bunche sub area; (2) the property may not be a residential rental property with fewer than four units; (3) the redevelopment project site may not exceed three acres; and (4) the Agency must have entered into a development agreement for the project with a redeveloper prior to the initiation of eminent domain.

In addition to the general limitations listed above, in order for the Agency to acquire blighted and hazardous properties through eminent domain, the property must meet one of four criteria: (1) the property presents a clear and immediate danger to the health and safety of occupants or persons in the surrounding area; (2) the property is contaminated with hazardous materials; (3) the property is a source of air or water pollution; or (4) the property has been used for illegal activities.

The Report to the City Council ("Final Report") and the Implementation Plan

The CRL requires that a Report to the City Council ("Final Report") must accompany a redevelopment plan when it is submitted to the legislative body for consideration. The Final Report contains certain required analyses of the scope of, basis for, and impacts of the redevelopment plan. The Final Report for the proposed Plan was prepared by Hausrath Economics Group and CEDA staff. It includes an analysis of physical and economic blight conditions in the West Oakland Project Area and the financial feasibility of the Project. Other sections include: an explanation of why private enterprise acting alone cannot eliminate blight in the Project Area; rules for the relocation of displaced residents and businesses; an analysis of the Preliminary Plan; the report and recommendations of the Planning Commission on the Plan; a discussion of community participation, including the work of the WOPAC; the report of the County Fiscal Officer on the Plan, the Agency's analysis thereof, and a summary of the Agency's consultations with affected taxing entities; and a neighborhood impact report on the Project. The Final Report to Council for the West Oakland Redevelopment Plan is included as "**Attachment B**" to this report.

One of the most important components of the Final Report is the Five Year Implementation Plan. The Implementation Plan describes the Agency's goals and objectives for the Redevelopment Plan and identifies the strategies the Agency proposes to reduce or eliminate blight throughout the Project Area. The initial Implementation

Plan runs for a period of five years and must be updated every five years thereafter. The Implementation Plan for the proposed West Oakland Redevelopment Plan was prepared in consultation with the WOPAC, and is found in Chapter VI of the Final Report.

Environmental Impact Report

The CRL provides that the terms of the California Environmental Quality Act ("CEQA") must be followed, and an environmental impact report must be prepared for the plan. The EIR for the West Oakland Redevelopment Plan was prepared by Lamphier-Gregory, reviewed and commented on by the public (including the WOPAC), and certified by the Planning Commission on September 17, 2003. City Council and Agency resolutions are attached for certification of the Final EIR for the Redevelopment Plan.

The Draft EIR, published and submitted for review on June 10, 2003, provides for an environmental assessment of the potential impacts associated with implementation of the Redevelopment Plan. The comment period on the Draft EIR ended on July 25, 2003, complying with the 45-day review period. Comments from the public and the Planning Commission were noted and have been responded to as part of the FEIR. A total of 14 comment letters were noted and have been responded to as part of the FEIR.

The EIR analyzes the potential environmental effects of the proposed West Oakland Redevelopment Project, including the following issue areas: land use, transportation, air quality, noise hazards and hazardous materials, public infrastructure, public services, cultural and historic resources and project alternatives. The EIR identifies one potential significant and unavoidable impact from the Plan related to air quality, and cumulative impacts in transportation, air quality and noise. A Statement of Overriding Considerations has been prepared and explains why the benefits of the proposed Plan outweigh the potential significant and unavoidable impacts resulting from the Plan. On September 17, 2003, the Planning Commission certified the West Oakland Redevelopment Plan Final EIR and adopted the mitigation, monitoring and reporting program as set forth in the Final EIR. The Final EIR is included as "**Attachment C**" to this report.

Community Outreach

In 1998, through the support of the District Councilmember, Nancy Nadel, the City decided to re-initiate discussions of redevelopment in West Oakland as a tool that could be considered for revitalization. Redevelopment had been unsuccessfully proposed almost ten-years earlier, but it differed this time in the recognition by City staff that in order to work, the West Oakland community had to have an active and meaningful role in designing the Plan's policy framework and implementation strategy.

An initial outreach effort began in West Oakland to gather feedback on whether there was, in fact, interest for redevelopment to help revitalize the community. The immediately adjacent Oakland Army Base redevelopment area was already moving ahead and there was a potential to create second and separate phase for West Oakland. CEDA staff and Councilmember Nadel's staff visited thirteen community organizations

throughout West Oakland during the fall of 1998 and the winter of 1999 to give presentations on redevelopment and get feedback. The education and outreach, utilizing positive examples of community-oriented redevelopment efforts in Boston, convinced many in the community that a redevelopment process could be worthwhile. After the City Council formally adopted West Oakland as a Survey Area and approved the intent to form a project area committee, City staff began the process of establishing a representative PAC per California Redevelopment Law requirements. Towards this end, the proposed West Oakland Redevelopment Project Area of approximately 1,546 acres was sub-divided into three sub areas: Prescott/South Prescott, Clawson/McClymonds/Ralph Bunche, and Hoover/West Macarthur.

At the end of 2001, a mailing went out by first-class mail to the approximately 18,000 property owners in West Oakland to inform the community members of the proposed redevelopment planning process and to invite members to participate in an election to the West Oakland Project Area Committee. A number of informational meetings on PAC formation were held. In February and March of 2002, PAC elections were held. Each neighborhood sub area elected their five representatives: one business owner, one residential owner, one residential tenant, and two community-based organizations, in addition to two community organizations that were elected at-large. Council subsequently certified the membership of WOPAC on March 26, 2002.

Following the election of the WOPAC, staff generated a base community outreach mailing list of approximately 350 people taken from all signed-in attendees at the WOPAC election and from prior redevelopment information sessions held in each neighborhood. Through notification to those on the mailing list and through flyer postings, the monthly WOPAC meetings began in April 2002. The newly formed WOPAC immediately decided to continue and expand community outreach efforts, making it the sole focus of one of their four sub-committees. Also, each WOPAC representative agreed to help serve as a conduit to disseminate outreach information to their constituents and to bring back input. In addition to the direct mailing for each meeting, meeting notifications were posted on the West Oakland Community email distribution list-serve (maintained by Councilmember Nadel's Office), large posters and maps were placed at designated locations throughout West Oakland including the Senior Center, Jubilee West, the West Oakland Library and Poplar Park Recreation Center.

On January 26, 2003, the WOPAC shared initial recommendations on redevelopment goals and projects at the first of two formal community-wide town-hall forums to present ideas and gather input from the community. Invitations to these workshops were placed in the local media (Oakland Tribune, KTOP, Soul Beat, KPOO, etc.) in addition to the normal outreach mailings, flyer distribution, and postings. The second town hall meeting was held on March 24th, 2003, for the WOPAC to receive final input from their distributed draft recommendations for the Redevelopment Plan and Five-Year Implementation Plan. For this second meeting, a mail-out by first-class mail to all property owners in the Project Area was done. The meetings were well attended and brought reporters to cover the story from the local news station and papers.

Owner Participation Rules

As part of the plan adoption process, the CRL requires the adoption of rules to govern participation of property owners and the extension of preferences to business occupants in the project area. The Owner Participation Rules require the Agency to give property owners a reasonable opportunity to participate in the redevelopment of their property before the Agency initiates eminent domain proceedings to acquire the property. The Owner Participation Rules recommended for adoption for the West Oakland Project (which are included in the attached Agency resolution) are generally the same as those adopted in other redevelopment areas.

City Tax Increment Election

The CRL permits the City, as a taxing entity, to receive its share of statutory pass-through tax increment payments required to be made to taxing entities, but only if the City affirmatively elects to receive such payments. This election effectively reduces redevelopment funds otherwise available, and partially mitigates the impact to the City general fund of adopting a redevelopment area. It is recommended that the City exercise this election, and a resolution implementing this provision is included in the recommended Council actions.

Joint Public Hearing

The CRL provides that the Redevelopment Agency and the City Council must conduct a joint public hearing before approving a redevelopment plan. The CRL stipulates the noticing requirements for the joint public hearing, which have been followed for this public hearing.

Adoption of the redevelopment plan must be by City ordinance. The ordinance must contain certain findings regarding blight conditions in the project area, project goals and purposes project feasibility, financing, and other matters. The ordinance adopting the West Oakland Redevelopment Plan and making the required findings is attached. If written objections to the Plan are submitted prior to his hearing, those objections will be responded to prior to the second reading of the ordinance, as required by the CRL. The Redevelopment Plan will be adopted upon the second reading of the ordinance, which is scheduled for Tuesday, November 18, 2003.

SUSTAINABLE OPPORTUNITIES

Adoption of a Redevelopment Plan for the West Oakland Project Area will facilitate the development of blighted, underutilized and contaminated sites in the Project Area as well as residential, commercial, industrial, and public facilities.

Environmental: The Plan will encourage developers in the Project Area to make substantial use of green building techniques such as energy conserving design and appliances, water conserving fixtures and landscaping, recycled content building

materials low waste construction techniques. An EIR has been prepared as part of the Plan adoption process.

Economic: Projects for the area have been developed working with the WOPAC that will review the goals of economic development and incorporate local hiring as appropriate. The area will be studied by the WOPAC to identify development sites for housing, commercial and other land uses as well as public improvements.

Social Equity: The proposed West Oakland Project Area contains physical and economic blight. The goal of the Redevelopment Plan is to improve the physical and economic conditions of the area for all residents and property and business owners, therefore the improvements will have a social benefit for the area as a whole.

DISABILITY AND SENIOR CITIZEN ACCESS

This report and resolution does not include the approval of any specific projects or programs. Disability and senior access issues will be addressed when specific redevelopment projects and programs are brought to the Agency or Council for approval. All meetings regarding the Redevelopment Plan have been held in venues that are compliant with the Americans with Disabilities act ("ADA").

RECOMMENDATIONS

Staff recommends the following actions related to the attached ordinances and resolutions:

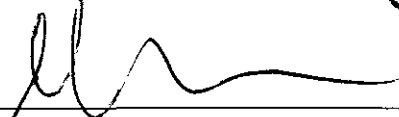
1. Approve a City Resolution electing to receive a portion of the tax increments from the West Oakland Redevelopment Project Area.
2. Approve an Agency Resolution approving and adopting Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the West Oakland Redevelopment Project Area.
3. Approve an Agency resolution certifying and making findings as to the Final Environmental Impact Report on the West Oakland Redevelopment Project.
4. Approve a City Resolution certifying and making findings as to the Final Environmental Impact Report on the West Oakland Redevelopment Project.
5. Approve an Agency Resolution approving the Redevelopment Plan for the West Oakland Redevelopment Project.

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October 14, 2003~~

6. Approve a City Ordinance approving and adopting the Redevelopment Plan for the West Oakland Redevelopment Project.

Respectfully submitted,



**DANIEL VANDERPRIEM, Director
Redevelopment, Economic Development
and Housing**

Prepared by: Gloria King-jackson
Urban Economic Analyst III
Redevelopment Agency

Approved and Forwarded to the
Community and Economic
Development Committee:



**DEBORAH EDGERLY
Office of the City Manager**

ATTACHMENTS:

- A. Redevelopment Plan for the West Oakland Redevelopment Project
- B. Report to City Council for the West Oakland Redevelopment Project
- C. Environmental Impact Report

Public Document Availability

Attachments A - Redevelopment Plan for the West Oakland Redevelopment Project, Attachment B - Report to City Council for the West Oakland Redevelopment Project, and Attachment C - Environmental Impact Report, are on file and available to the public at the Office of the City Clerk at 1 Frank Ogawa Plaza, Records Division, 1st Floor. The Office of the City Clerk is open for business Mondays through Fridays from 8:30 a.m. to 5:00 p.m. (closed 12 noon to 1:00 p.m.). For further information please call 238-7370.



City of Oakland
Office of the City Clerk

1 Frank H. Ogawa Plaza
Oakland, CA 94612

SUPPORTING DOCUMENTATION ON
FILE FOR
West Oakland Redevelopment Plan

THIS DOCUMENT IS ON FILE AND
AVAILABLE FOR REVIEW AT THE
OFFICE OF THE CITY CLERK.

Location of Office:

Office of the City Clerk
1st Floor, Records Section
One Frank Ogawa Plaza
Oakland, Ca. 94612

Office Hours 8:30 A.M. – 5:00 P.M.
Closed During Lunch Hour (12:00 P.M. – 1:00 P.M.)

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CED Committee
October 14, 2003~~

APPROVED AS TO FORM AND LEGALITY

Amiel Boni
Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

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2003 OCT - 2 PM 1:33

A RESOLUTION ELECTING TO RECEIVE A PORTION OF THE TAX INCREMENTS FROM THE WEST OAKLAND REDEVELOPMENT PROJECT AREA

WHEREAS, Section 33607.5 of the California Health and Safety Code provides that in any fiscal year in which a redevelopment agency receives tax increments, the community that has adopted the redevelopment project area may elect to receive, and the agency shall pay to it, an amount equal to its proportionate share of 25 percent of the tax increments received by the agency after the amount required to be deposited in the Low and Moderate Income Housing Fund has been deducted (the "City Election Payment"); and

WHEREAS, the Redevelopment Agency has prepared a proposed Redevelopment Plan for the West Oakland Redevelopment Project (the "West Oakland Redevelopment Plan"); and

WHEREAS, the City desires to receive the additional City Election Payment for each fiscal year of the West Oakland Redevelopment Project from tax increment revenues generated by the Project; now, therefore, be it

RESOLVED: That the City hereby elects to receive the City Election Payment as herein defined generated by the West Oakland Redevelopment Project Area for each fiscal year that the West Oakland Redevelopment Project generates tax increment revenues; and be it further

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

OCT 14 2003

RESOLVED: That the City Manager or his or her designee is hereby authorized to transmit a copy of this Resolution to the Agency and to the tax collector of Alameda County.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

9-1
~~COMMUNITY & ECONOMIC
DEVELOPMENT CMTE
OCT 14 2003~~

APPROVED AS TO FORM AND LEGALITY

Summit Rossi

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

FILED
OFFICE OF THE CITY CLERK
2003 OCT -2 PM 1:33

A RESOLUTION APPROVING AND ADOPTING RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS AND THE EXTENSION OF REASONABLE PREFERENCES TO BUSINESS OCCUPANTS IN THE WEST OAKLAND REDEVELOPMENT PROJECT AREA

WHEREAS, Section 33345 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) provides that a redevelopment agency shall adopt and make available for public inspection rules to implement the operation of owner participation in connection with a redevelopment plan; and

WHEREAS, Section 33339.5 of the Health and Safety Code provides that a redevelopment agency shall adopt and make available for public inspection rules regarding the extension of reasonable preferences to persons who are engaged in business in the project area to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan; and

WHEREAS, the Redevelopment Agency has prepared a proposed Redevelopment Plan for the West Oakland Redevelopment Project (the "West Oakland Redevelopment Plan"); now, therefore, be it

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COMMUNITY & ECONOMIC
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OCT 14 2003

RESOLVED: That the Redevelopment Agency hereby approves and adopts for the West Oakland Redevelopment Project those "Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the West Oakland Redevelopment Project" attached to this Resolution as Attachment A.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and CHAIRPERSON DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

9-2
~~COMMUNITY & ECONOMIC
DEVELOPMENT COMTE~~
OCT 14 2003

ATTACHMENT A

**WEST OAKLAND REDEVELOPMENT PLAN
OWNER PARTICIPATION RULES**

(attached)

**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND THE EXTENSION OF REASONABLE PREFERENCES TO
BUSINESS OCCUPANTS IN THE
WEST OAKLAND REDEVELOPMENT PROJECT**

Prepared by

**THE REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

Adopted _____, 2003

14.3
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NOV - 4 2003

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- V. [§500] PARTICIPATION PROCESS
- VI. [§600] CONFORMING OWNERS
- VII. [§700] OWNER PARTICIPATION AGREEMENTS
- VIII. [§800] NOTICE TO OWNERS; TIME TO ENTER INTO AGREEMENT
- IX. [§900] CONTENTS OF OWNER PARTICIPATION AGREEMENTS
- X. [§1000] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY
- XI. [§1100] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA
- XII. [§1200] AMENDMENT OF RULES

**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND THE EXTENSION OF REASONABLE PREFERENCES
TO BUSINESS OCCUPANTS IN THE
WEST OAKLAND REDEVELOPMENT PROJECT**

I. [§100] PURPOSE AND INTENT

These rules are adopted pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000, et seq.) in order to implement the provisions of the West Oakland Redevelopment Plan regarding participation by property owners and the extension of reasonable preferences to business occupants within the Project. These rules set forth the procedures governing such participation and preferences.

II. [§200] DEFINITIONS

As used herein, the following definitions apply:

(1) “Agency” means the Redevelopment Agency of the City of Oakland, which is authorized to undertake the activities of a community redevelopment agency pursuant to the California Community Redevelopment Law, Health and Safety Code Section 33000, et seq.

(2) “Business Occupant” means any person, persons, corporation, company, association, partnership, sole proprietorship, or other entity engaged in an operating commercial enterprise and occupying an office or other business premises within the Project Area on or after the date of adoption of these rules by the Agency.

(3) “City Council” means the City Council of the City of Oakland, California.

(4) “Owner” means any person, persons, corporation, association, partnership, or other entity holding title of record to real property in the Project Area on or after the date of adoption of these rules by the Agency.

(5) “Owner Participation Agreement” means an agreement entered into by an Owner with the Agency in accordance with the provisions of the Redevelopment Plan and these rules.

(6) “Project Area” means the area within the boundaries described as the West Oakland Redevelopment Project Area in the Redevelopment Plan

(7) “Redevelopment Plan” or “Plan” means the West Oakland Redevelopment Plan adopted on _____, 2003, as such Plan may be further amended by the City Council.

III. [§300] ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within the Project Area in accordance with the provisions of the Redevelopment Plan, these rules, and the limitations herein described.

Participation opportunities are necessarily subject to and limited by factors such as the following:

(1) The need to assemble and redevelop sites for integrated, modern development, given market conditions and development economies of scale in accordance with the eminent domain policy of the Redevelopment Plan.

(2) The capacity of an Owner to finance redevelopment or rehabilitation in accordance with this Plan.

(3) The development experience of an Owner and its capacity to undertake development projects as needed to meet Plan objectives.

(4) The inability of an Owner to maintain or operate its property in accordance with state or local code standards or health and safety laws, or the inability of an Owner to rectify conditions of physical or economic blight as defined in the Community Redevelopment Law.

(5) The need to coordinate development projects with other projects or existing uses in the Project Area.

(6) The need to construct, widen, or realign some streets.

(7) The need to construct or expand public facilities.

The Agency presently contemplates that in carrying out the Redevelopment Plan, certain portions of the Project Area may be acquired by the Agency for public improvements, facilities, and utilities and for other uses and purposes in accordance with the Redevelopment Plan. Therefore, owner participation opportunities will not be available for such properties.

IV. [§400] TYPES OF PARTICIPATION

Subject to these rules and the limitations in Section 300 and this Section 400, Owners shall be given a reasonable opportunity to participate in redevelopment by:

(1) Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;

(2) Acquiring adjacent or other properties within the Project Area and developing or improving such property for use in accordance with the Redevelopment Plan; or

(3) Selling their properties to the Agency and purchasing other properties in the Project Area.

The foregoing methods of providing owner participation opportunities shall not be deemed exclusive.

V. [§500] PARTICIPATION PROCESS

The Agency shall notify in writing Owners within the area which might be subject to acquisition by the Agency (“Affected Area”) for a particular project as per the limited eminent domain policy in Section 305 of the Redevelopment Plan, at least 90 days prior to adopting a resolution of necessity, of their reasonable opportunity to submit a proposal for the redevelopment of the Affected Area. The notification shall include:

- (1) An identification of the Affected Area;
- (2) A general description of the proposed use of the Affected Area, including any applicable use or design standards or restrictions;
- (3) A description of the minimum contents of a proposal and the date by which such proposals must be submitted; and
- (4) A general description of the standards and criteria which the Agency will use in selecting a developer.

Owners wishing to participate shall submit to the Agency, no later than 90 days following their receipt of notice concerning a proposed use or acquisition of their property, a written proposal including a statement of interest in participation, a description of the proposed development/improvement, a schedule for development, and a statement of qualifications. The Agency may also solicit and consider proposals from persons who are not owners.

Owners who fail to submit a proposal within such time period shall be deemed to have waived all rights of owner participation.

The Agency shall consider in good faith any proposals submitted by Owners. In evaluating such proposals, the Agency shall extend any available forms of development assistance which may be appropriate under the circumstances.

Each proposal shall be reviewed by the Agency specifically with respect to the following factors and criteria:

- (a) Conformity with the land use provisions of the General Plan and the Redevelopment Plan;

- (b) Compatibility with the objectives, standards, covenants, restrictions, conditions and controls of the Redevelopment Plan;
- (c) Compatibility with other proposed projects and existing uses in the area;
- (d) Compatibility with the needs or plans of the Agency or City to change or eliminate some land uses, to construct, widen or realign some streets, to reduce the total number of individual parcels in the Project Area, or to construct or expand public facilities;
- (e) Compatibility with parcelization of the Project Area into sites adequate for redevelopment, including the need to assemble and redevelop large sites for integrated, modern development, given market conditions and development economies of scale, in accordance with the eminent domain policy of the Redevelopment Plan;
- (f) The proponent's ability and capacity to finance the acquisition and development of improvements in accordance with the Redevelopment Plan;
- (g) The proponent's development experience and capacity to undertake development projects as needed to meet Plan objectives; and
- (h) The social, economic, or fiscal benefits to the community of the proposal.

If conflicts develop between the desires of prospective redevelopers for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among Owners, Business Occupants, and other prospective redevelopers. Some of the factors to be considered in establishing these priorities and preferences may include:

- (1) A participant's length of occupancy in the area;
- (2) Accommodation of as many participants as possible; and
- (3) The factors and criteria set forth in (a) through (h), above.

If the Agency does not accept the proposal of an Owner, the Agency shall notify the Owner within 30 days in writing and shall explain briefly why the proposal was not accepted.

If an Owner is selected by the Agency, the Agency may require the selected Owner to enter into an Owner Participation Agreement with the Agency as set forth below.

If an Owner is not selected and the Owner is subsequently displaced, the Agency shall use its best efforts to offer the Owner a reasonable opportunity to relocate or reenter into business at another location within the Project Area.

VI. [§600] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Clawson/McClymonds/Bunche Subarea of the Project Area presently meets the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use, and maintain the real property within the requirements of the Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Project Area, then, in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

VII. [§700] OWNER PARTICIPATION AGREEMENTS

Owners wishing to participate in redevelopment within the Project Area may be required, as a condition to participation, to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon the property any of the standards, restrictions, and controls of the Redevelopment Plan. The Agreement may require the participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Redevelopment Plan and the Owner Participation Agreement.

VIII. [§800] NOTICE TO OWNERS; TIME TO ENTER INTO AGREEMENT

If the Agency determines that an Owner of real property within the Project Area shall be required to enter into an Owner Participation Agreement as provided in Section 700 of these rules, the Agency shall notify the Owner in writing at least 90 days prior to adopting a resolution of necessity of its intention to require an Owner Participation Agreement and shall provide the Owner with a copy of the proposed Owner Participation Agreement.

An Owner presented with an Owner Participation Agreement by the Agency must enter into the Agreement no later than 90 days following their receipt of notice, or will be deemed to have waived all rights to owner participation. An Owner must submit proof of its qualifications, including financial responsibility and development capacity, to carry out the terms and provisions of the Owner Participation Agreement.

IX. [§900] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his or her heirs, successors and assigns, and tenants to devote the property to the uses specified in the Redevelopment Plan, abide by all provisions and conditions of the Redevelopment Plan for the period of time that the

Redevelopment Plan is in force and effect, and comply with all the provisions of the Owner Participation Agreement according to their terms, duration, and effect.

The Agency may recover from the proposed participant all costs associated with review of the proposal and the preparation and processing of the Owner Participation Agreement.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain, subject to the limitations of Section 305 of the Redevelopment Plan, for its fair market value as of the date of the Owner Participation Agreement, and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Redevelopment Plan.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Redevelopment Plan.

X. [§1000] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Agreement.

XI. [§1100] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA

Business Occupants who desire to remain within the Project Area shall be extended a reasonable preference to remain or reenter in business within the Project Area if they otherwise meet the requirements prescribed in these rules and the Redevelopment Plan, provided said Business Occupants are able to demonstrate the financial ability to remain or reenter in business within the Project Area.

Reentry preferences shall necessarily be subject to and limited by factors such as the extent to which suitable relocation or reentry accommodations exist or are rehabilitated or developed within the Project Area; the extent to which suitable relocation or reentry accommodations are available within an acceptable time period or at rents or other terms that are acceptable to such displaced business occupants, and within their financial means; and the requirements of the Redevelopment Plan and applicable laws and regulations of the City.

XII. [§1200] AMENDMENT OF RULES

These rules may be modified or amended from time to time by the Agency at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.

APPROVED AS TO FORM AND LEGALITY

Daniel Rossi

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. _____ C.M.S.

OFFICE OF THE CITY CLERK
2003 OCT -2 PM 1:33

A RESOLUTION CERTIFYING AND MAKING FINDINGS AS TO THE FINAL ENVIRONMENTAL IMPACT REPORT ON THE WEST OAKLAND REDEVELOPMENT PROJECT

WHEREAS, an Environmental Impact Report (the "EIR") on the Redevelopment Plan (the "Redevelopment Plan") for the West Oakland Redevelopment Project (the "Project") was prepared by the City of Oakland (the "City") pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq., hereinafter "CEQA"), the Guidelines for Implementation of the California Environmental Quality Act (14 Cal. Code Regs. Section 15000 et seq., hereinafter the "State CEQA Guidelines"), and the City's Environmental Review Regulations adopted pursuant thereto; and

WHEREAS, copies of the Draft EIR were distributed to the State Clearinghouse and to those public agencies which have jurisdiction by law with respect to the Project and to other interested persons and agencies, and the comments of such persons and agencies were sought; and

WHEREAS, the Draft EIR was thereafter revised and supplemented to adopt changes suggested and to incorporate comments received and the City's response to said comments, and as so revised and supplemented, a Final EIR was prepared and submitted to the City Council of the City of Oakland (the "Council") for review and consideration in conjunction with consideration of approval and adoption of the Redevelopment Plan; and

WHEREAS, a joint public hearing was held by the Agency and the Council on November 4, 2003, on the Redevelopment Plan and the Final EIR relating thereto, following notice duly and regularly given as required by law, and all interested persons expressing a desire to comment thereon or object thereto having been heard, and said Final EIR and all comments and responses thereto having been considered; and

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE

~~OCT 14 2003~~

WHEREAS, the Final EIR consists of the Draft EIR, as revised and supplemented, made a part of the Agency's Report to Council on the Redevelopment Plan, incorporating all comments received and the response of the Agency and the City thereto as of the date hereof; now, therefore, be it

RESOLVED: That the Agency hereby certifies that the Final EIR for the West Oakland Redevelopment Plan has been completed in compliance with CEQA, the State CEQA Guidelines and the City's Environmental Review Regulations; and be it further

RESOLVED: That the Agency hereby finds that the Final EIR reflects the independent judgment of the Agency, as required by Public Resources Code Section 21082.1; and be it further

RESOLVED: That the Agency has independently reviewed and analyzed the Final EIR and considered the information contained therein and all comments, written and oral, received at the public hearing on the Final EIR prior to approving this resolution and acting on the proposed Project; and be it further

RESOLVED: That the Agency hereby adopts the CEQA Findings attached as Attachment A and the Statement of Overriding Considerations attached as Attachment B, which are incorporated herein by reference; and be it further

RESOLVED: That upon approval and adoption of the Redevelopment Plan by the City Council, the Agency Secretary is hereby directed to file a Notice of Determination with the County Clerk of Alameda County and the Office of Planning and Research pursuant to the provisions of Section 15094 of the State CEQA Guidelines.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- - BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and CHAIRPERSON DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD **9-3**
Secretary of the Redevelopment Agency
of the City of Oakland

**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE
OCT 14 2003**

ATTACHMENT A**WEST OAKLAND REDEVELOPMENT PLAN
CEQA FINDINGS**

The Redevelopment Agency of the City of Oakland finds and determines as follows:

- The West Oakland Redevelopment Project and its potential environmental effects have been the subject of an Environmental Impact Report ("EIR"). The Draft EIR was prepared by the City of Oakland which, as the Lead Agency, analyzed the environmental effects of the proposed project. The Draft EIR was appropriately circulated for public review and comment for a 45-day period from June 10, 2003 to July 25, 2003.
- The Final EIR was independently reviewed and analyzed by the City Council, and reflects the independent judgment of the City Council. Such judgment is based on substantial evidence in the record (even though there may be differences between and among different sources of information and opinions offered in the documents, testimony, public comments and such responses that make up the Final EIR and the administrative record as a whole). The Council recognizes that, while the Final EIR contains certain additions, modifications, clarifications or revisions to the Draft EIR as a result of public comments and agency response to those comments, such additions, modifications, clarifications or revisions do not represent significant new information requiring re-circulation of the document. Such information and data do not include any new significant environmental impacts that would result from the Plan or from a new mitigation measure and they do not reflect any substantial increase in the severity of environmental impact associated with the Plan; nor do they propose any additional feasible plan alternative or mitigation measures considerably different from other previously analyzed that would lessen the significant environmental impacts of the Plan.
- The City Council adopts the Final EIR and its findings and conclusions as its source of environmental information. The Final EIR is legally adequate and was completed in compliance with CEQA.
- The Final EIR identifies all potential significant adverse impacts and feasible mitigation measures that would reduce these impacts to a less-than-significant level. The EIR recommended mitigation measures that, if implemented as conditions of Project approval, would reduce most identified significant effects to less-than-significant levels. Where appropriate, the EIR also recommended mitigation measures that would reduce less than significant

impacts. All of the EIR mitigations are included as part of the Project, as stated in the Oakland City Council ordinance and the Redevelopment Agency resolution approving and adopting the "Redevelopment Plan for the West Oakland Redevelopment Project." All of the mitigation measures identified in the Draft and Final EIR will be used as found to be appropriate as a baseline of information and analysis to apply as specific redevelopment projects are reviewed and considered.

- Five (5) adverse significant unavoidable impacts (Potential Impact 5.4.2 Cumulative Traffic; Potential Impact 5.4.7 Cumulative Truck Parking; Potential Impact 6.4.6 Compatibility of Population Growth and Air Quality; Potential Impact 6.4.8 Cumulative Emissions; Potential Impact 7.4.5 Cumulative Traffic Noise) were identified that could not be mitigated to a less than-significant level.
- A reasonable range of project alternatives was identified in the EIR. Each alternative was rejected as infeasible when compared to the proposed project. Specifically, the City Council rejects the following alternatives as infeasible:
 - **The No Project Alternative:** The "No Project" Alternative was rejected as infeasible because it would not fulfill the objectives of the West Oakland Redevelopment Project. In particular, the funding mechanisms for the activities, programs and projects would not be available. Therefore, the elimination of blight, assistance with housing projects, assistance in revitalizing the local economy and commercial areas would not happen or not happen as quickly.
 - **Environmentally Superior LUTE Alternative:** This alternative was rejected as infeasible because it would not likely provide sufficient financial or programmatic assistance to improve the commercial areas along the major commercial corridors within the Project Area, thus resulting in not being able to fulfill the project objectives of strengthening retail and other commercial areas of eliminating blight within commercial areas and of being able to stimulate new investment through physical improvements to infrastructure such as street improvements sidewalk improvements and landscaping.
 - **No West Oakland Transit Village:** Excluding this area was rejected because it has been an integral component of land use planning efforts for West Oakland for many years, and is included in all previously prepared plans. These plans range from the CWOR Visions and Strategies Plan completed in 1995, to the West Oakland Transit Village Action Report in 2001. The area is a key development component of the City's General Plan.

- **Alternative LUTE Land Use Designation:** When the City of Oakland approved the Land Use and Transportation Element of the General Plan, it rejected this alternative because it did not respond to neighborhood goals and visions as articulated by Oakland residents during the preparation of the General Plan. It would also not have included the goal of revitalization of specific activity centers along major transportation corridors.

ATTACHMENT B

**WEST OAKLAND REDEVELOPMENT PLAN
STATEMENT OF OVERRIDING CONSIDERATIONS**

Pursuant to Section 21081 of CEQA, the Redevelopment Agency finds that specific overriding economic, legal, social, technological or other benefits of the Plan outweigh the five potential significant and unavoidable adverse effects (Potential Impact 5.4.2 Cumulative Traffic; Potential impact 5.4.7 Cumulative Truck Parking; Potential Impact 6.4.6 Compatibility of Population Growth and Air Quality; Potential Impact 6.4.8 Cumulative Emissions, Potential Impact 7.4.5 Cumulative Traffic Noise). The Redevelopment Agency hereby finds that these significant and unavoidable impacts are acceptable in light of the important benefits noted below. Each of the benefits set forth herein separately and independently outweigh the two identified significant unavoidable impacts.

1. **Revitalization and Redevelopment of Underutilized Parcels.** A primary goal of the West Oakland Redevelopment Plan is to stimulate in-fill development and land assembly opportunities on obsolete, underutilized and vacant properties in the Project Area. Furthermore, the Plan will give the Agency and City an important tool to improve existing underutilized properties into attractive and economically viable uses. Thus, the proposed Plan advances the goals, objectives and policies of the Oakland General Plan as indicated previously in this report and elsewhere in the administrative record.
2. **Job Creation.** Another primary goal of the West Oakland Redevelopment Plan is to attract new business and retain existing businesses in the Project Area that would provide job training and employment opportunities to residents. In addition, additional goals of the Plan are to revitalize commercial corridors throughout the Project Area and strengthen local retail centers thereby creating additional retail jobs in the area.
3. **Additional Housing Units.** Goals of the West Oakland Redevelopment Plan include stimulating homeownership opportunities in the Project Area, upgrading existing housing stock, and increasing the City's supply of low- and moderate-income housing. A result of the Plan will be a mix of housing types and ownership structures, which will offer homeownership and new rental opportunities to a variety of existing and potential Oakland residents. Furthermore, the Plan supports the City's General Plan policies to increase the number of housing opportunities in Oakland; the Plan will serve to stimulate affordable housing construction through the use of tax increment funds, thereby increasing the supply in the area.

4. **Revenue Generation.** The West Oakland Redevelopment Plan will generate revenues, in the form of increased property taxes, and utility taxes collected from development-related fee projects within the Project Area. In addition, the Plan will contribute to the revitalization of the surrounding community by contributing to an increase in the general population level and greater pedestrian activity, thereby creating the potential for secondary economic benefits (e.g. increased sales tax) to the surrounding businesses in and near the Project Area.
5. **Retail Shopping.** The West Oakland Redevelopment Plan will enhance existing and create new community retail shopping opportunities for consumer goods. In particular, the Plan will help strengthen commercial activities along major arterial streets in the Project Area that will equate to increased sales and revenues as well as the opportunity to provide improved services and infrastructure within the Project Area.
6. **Further General Plan Goals.** The West Oakland Redevelopment Plan will help fulfill General Plan policies and objectives by replacing vacant infill sites with appropriate uses, achieving aesthetic benefits for a revitalized community, providing new employment and retail shopping facilities, and encouraging housing opportunities associated with mass transit facilities. Implementation of the Plan will help further the Land Use and Transportation Element (LUTE) of the General Plan and facilitate the goals and purposes of the California Community Redevelopment Law in conformance with the General Plan.

Growth and change encouraged by the plan is consistent with the City's growth projections. The Redevelopment Plan will encourage and support the growth and revitalization of the West Oakland Community called for in the General Plan.

Eliminating conflicting land uses. The Redevelopment Plan will provide assistance so that historic land use conflicts can be eliminated between industrial and residential uses.

Samuel Rasi

Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

FILED
OFFICE OF THE CITY CLERK
2003 OCT -2 PM 1:33
OAKLAND

A RESOLUTION CERTIFYING AND MAKING FINDINGS AS TO THE FINAL ENVIRONMENTAL IMPACT REPORT ON THE WEST OAKLAND REDEVELOPMENT PROJECT

WHEREAS, an Environmental Impact Report (the "EIR") on the Redevelopment Plan (the "Redevelopment Plan") for the West Oakland Redevelopment Project (the "Project") was prepared by the City pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq., hereinafter "CEQA"), the Guidelines for Implementation of the California Environmental Quality Act (14 Cal. Code Regs. Section 15000 et seq., hereinafter the "State CEQA Guidelines"), and the City's Environmental Review Regulations adopted pursuant thereto; and

WHEREAS, copies of the Draft EIR were distributed to the State Clearinghouse and to those public agencies which have jurisdiction by law with respect to the Project and to other interested persons and agencies, and the comments of such persons and agencies were sought; and

WHEREAS, the Draft EIR was thereafter revised and supplemented to adopt changes suggested and to incorporate comments received and the City's response to said comments, and as so revised and supplemented, a Final EIR was prepared and submitted to the City Council for review and consideration in conjunction with consideration of approval and adoption of the Redevelopment Plan; and

WHEREAS, the Planning Commission has certified and made findings as to the Final EIR; and

WHEREAS, a joint public hearing was held by the Redevelopment Agency of the City of Oakland (the "Agency") and the Council on November 4, 2003, on the Redevelopment Plan and the Final EIR relating thereto, following notice duly and regularly given as required by law, and all interested persons expressing a desire to comment thereon or object thereto having been heard, and said Final EIR and all comments and responses thereto having been considered; and

WHEREAS, the Final EIR consists of the Draft EIR, as revised and supplemented, made a part of the Agency's Report to Council on the Redevelopment Plan, incorporating

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**
~~OCT 14 2003~~

all comments received and the response of the Agency and the City thereto as of the date hereof; now, therefore, be it

RESOLVED: That the City hereby certifies that the Final EIR for the West Oakland Redevelopment Plan has been completed in compliance with CEQA, the State CEQA Guidelines and the City's Environmental Review Regulations; and be it further

RESOLVED: That the City hereby finds that the Final EIR reflects the independent judgment of the City, as required by Public Resources Code Section 21082.1; and be it further

RESOLVED: That the City Council has independently reviewed and analyzed the Final EIR and considered the information contained therein and all comments, written and oral, received at the public hearing on the Final EIR prior to approving this resolution and acting on the proposed Project; and be it further

RESOLVED: That the City hereby adopts the CEQA Findings attached as Attachment A and the Statement of Overriding Considerations attached as Attachment B, which are incorporated herein by reference; and be it further

RESOLVED: That upon approval and adoption of the Redevelopment Plan by the City Council, the City Clerk is hereby directed to file a Notice of Determination with the County Clerk of Alameda County and the Office of Planning and Research pursuant to the provisions of Section 15094 of the State CEQA Guidelines.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and PRESIDENT DE LA FUENTE

NOES- .

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the C
of the City of Oakland, Calif

14.3
ORA/COUNCIL
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ATTACHMENT A

**WEST OAKLAND REDEVELOPMENT PLAN
CEQA FINDINGS**

The City Council of the City of Oakland finds and determines as follows:

- The West Oakland Redevelopment Project and its potential environmental effects have been the subject of an Environmental Impact Report ("EIR"). The Draft EIR was prepared by the City of Oakland which, as the Lead Agency, analyzed the environmental effects of the proposed project. The Draft EIR was appropriately circulated for public review and comment for a 45-day period from June 10, 2003 to July 25, 2003.
- The Final EIR was independently reviewed and analyzed by the City Council, and reflects the independent judgment of the City Council. Such judgment is based on substantial evidence in the record (even though there may be differences between and among different sources of information and opinions offered in the documents, testimony, public comments and such responses that make up the Final EIR and the administrative record as a whole). The Council recognizes that, while the Final EIR contains certain additions, modifications, clarifications or revisions to the Draft EIR as a result of public comments and agency response to those comments, such additions, modifications, clarifications or revisions do not represent significant new information requiring re-circulation of the document. Such information and data do not include any new significant environmental impacts that would result from the Plan or from a new mitigation measure and they do not reflect any substantial increase in the severity of environmental impact associated with the Plan; nor do they propose any additional feasible plan alternative or mitigation measures considerably different from other previously analyzed that would lessen the significant environmental impacts of the Plan.
- The City Council adopts the Final EIR and its findings and conclusions as its source of environmental information. The Final EIR is legally adequate and was completed in compliance with CEQA.
- The Final EIR identifies all potential significant adverse impacts and feasible mitigation measures that would reduce these impacts to a less-than-significant level. The EIR recommended mitigation measures that, if implemented as conditions of approval for future redevelopment projects, programs and activities, would reduce most identified significant effects to less-than-significant levels. Where appropriate, the EIR also recommended mitigation measures that would reduce less than significant impacts. All of the EIR mitigations are included as part of the Project, as stated in the Oakland

City Council ordinance and the Redevelopment Agency resolution approving and adopting the "Redevelopment Plan for the West Oakland Redevelopment Project." All of the mitigation measures identified in the Draft and Final EIR will be used as found to be appropriate as a baseline of information and analysis to apply as specific redevelopment projects are reviewed and considered.

- Five (5) adverse significant unavoidable impacts (Potential Impact 5.4.2 Cumulative traffic; Potential Impact 5.4.7 Cumulative truck parking; Potential Impact 6.4.6 Compatibility of Population Growth and Air Quality; Potential Impact 6.4.8 Cumulative Emissions, 7.4.5 Cumulative Traffic Noise) were identified that could not be mitigated to a less-than-significant level.
- A reasonable range of project alternatives was identified in the EIR. Each alternative was rejected as infeasible when compared to the proposed project. Specifically, the City Council rejects the following alternatives as infeasible:
 - **The No Project Alternative:** The "No Project" Alternative was rejected as infeasible because it would not fulfill the objectives of the West Oakland Redevelopment Project. In particular, the funding mechanisms for the activities, programs and projects would not be available. Therefore, the elimination of blight, assistance with housing projects, assistance in revitalizing the local economy and commercial areas would not happen or not happen as quickly.
 - **Environmentally Superior LUTE Alternative:** This alternative was rejected as infeasible because it would not likely provide sufficient financial or programmatic assistance to improve the commercial areas along the major commercial corridors within the Project Area, thus resulting in not being able to fulfill the project objectives of strengthening retail and other commercial areas, of eliminating blight within commercial areas and of being able to stimulate new investment through physical improvements to infrastructure such as street improvements, sidewalk improvements and landscaping.
 - **West Oakland Transit Village Alternative**
 - **Alternative LUTE Land Use Designations**

ATTACHMENT B
WEST OAKLAND REDEVELOPMENT PLAN
STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to Section 21081 of CEQA, the City Council finds that specific overriding economic, legal, social, technological or other benefits of the Plan outweigh the five potential significant and unavoidable adverse effects (Potential Impact 5.4.2 Cumulative Traffic; Potential Impact 5.4.7 Cumulative Truck Parking; Potential Impact 6.4.6 Compatibility of Population Growth and Air Quality; Potential Impact 6.4.8 Cumulative Emissions, Potential Impact 7.4.5 Cumulative Traffic Noise). The City Council hereby finds that these significant and unavoidable impacts are acceptable in light of the important benefits noted below. Each of the benefits set forth herein separately and independently outweigh the two identified significant unavoidable impacts.

1. **Revitalization and Redevelopment of Underutilized Parcels.** A primary goal of the West Oakland Redevelopment Plan is to stimulate in-fill development and land assembly opportunities on obsolete, underutilized and vacant properties in the Project Area. Furthermore, the Plan will give the Agency and City an important tool to improve existing underutilized properties into attractive and economically viable uses. Thus, the proposed Plan advances the goals, objectives and policies of the Oakland General Plan as indicated previously in this report and elsewhere in the administrative record.
2. **Job Creation.** Another primary goal of the West Oakland Redevelopment Plan is to attract new business and retain existing businesses in the Project Area that would provide job training and employment opportunities to residents. In addition, additional goals of the Plan are to revitalize commercial corridors throughout the Project Area and strengthen local retail centers thereby creating additional retail jobs in the area.
3. **Additional Housing Units.** Goals of the West Oakland Redevelopment Plan include stimulating homeownership opportunities in the Project Area, upgrading existing housing stock, and increasing the City's supply of low- and moderate-income housing. A result of the Plan will be a mix of housing types and ownership structures, which will offer homeownership and new rental opportunities to a variety of existing and potential Oakland residents. Furthermore, the Plan supports the City's General Plan policies to increase the number of housing opportunities in Oakland; the Plan will serve to stimulate affordable housing construction through the use of tax increment funds, thereby increasing the supply in the area.

4. **Revenue Generation.** The West Oakland Redevelopment Plan will generate revenues, in the form of increased property taxes, and utility taxes collected from development-related fee projects within the Project Area. In addition, the Plan will contribute to the revitalization of the surrounding community by contributing to an increase in the general population level and greater pedestrian activity, thereby creating the potential for secondary economic benefits (e.g. increased sales tax) to the surrounding businesses in and near the Project Area.
5. **Retail Shopping.** The West Oakland Redevelopment Plan will enhance existing and create new community retail shopping opportunities for consumer goods. In particular, the Plan will help strengthen commercial activities along major arterial streets in the Project Area that will equate to increased sales and revenues as well as the opportunity to provide improved services and infrastructure within the Project Area.
6. **Further General Plan Goals.** The West Oakland Redevelopment Plan will help fulfill General Plan policies and objectives by replacing vacant infill sites with appropriate uses, achieving aesthetic benefits for a revitalized community, providing new employment and retail shopping facilities, and encouraging housing opportunities associated with mass transit facilities. Implementation of the Plan will help further the Land Use and Transportation Element (LUTE) of the General Plan and facilitate the goals and purposes of the California Community Redevelopment Law in conformance with the General Plan.

Growth and change encouraged by the plan is consistent with the City's growth projections. The Redevelopment Plan will encourage and support the growth and revitalization of the West Oakland Community called for in the General Plan, consistent with the densities and intensity as set forth in the General Plan.

Eliminating conflicting land uses. The Redevelopment Plan will provide assistance so that historic land use conflicts can be eliminated between industrial and residential uses.

APPROVED AS TO FORM AND LEGALITY

Daniel Basi

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

FILED
CITY CLERK
OFFICE OF THE CITY CLERK
2003 OCT - 2 PM 1:33

A RESOLUTION APPROVING THE REDEVELOPMENT PLAN FOR THE WEST OAKLAND REDEVELOPMENT PROJECT

WHEREAS, on July 25, 2000 (Resolution No. 75903 C.M.S.), the City Council of the City of Oakland designated an area in East Oakland (the "West Oakland survey area") as a survey area pursuant to Section 33310 of the California Community Redevelopment Law ("CRL"), California Health and Safety Code Section 33000, et seq.; and

WHEREAS, on July 11, 2001, pursuant to Sections 33322 through 33325 of the CRL, the Planning Commission of the City of Oakland formulated and submitted to the Agency a Preliminary Redevelopment Plan for the West Oakland Redevelopment Project Area and selected a redevelopment project area (the "Project Area") that encompasses the entire West Oakland survey area; and

WHEREAS, on November 27, 2001 (Resolution No. 01-77 C.M.S.), the Agency accepted the Preliminary Redevelopment Plan for the West Oakland Redevelopment Project Area adopted by the Planning Commission; and

WHEREAS, a Project Area Committee for the West Oakland Redevelopment Project (the "PAC") was formed and has been meeting pursuant to Health and Safety Code Section 33385, et seq.; and

WHEREAS, the Agency has prepared and submitted to the Council a proposed Redevelopment Plan for the West Oakland Redevelopment Project (the "West Oakland Redevelopment Plan" or "Plan"); and

WHEREAS, the Planning Commission has submitted to the Agency its report and recommendations for approval of the West Oakland Redevelopment Plan and its certification that the Plan conforms to the General Plan of the City of Oakland; and

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**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**

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WHEREAS, the PAC has submitted to the Agency its report and recommendations for approval of the West Oakland Redevelopment Plan; and

WHEREAS, the Agency has prepared a Report to the City Council for the West Oakland Redevelopment Project (the "Report to Council") pursuant to Health and Safety Code Section 33352, including: the reasons for the selection of the Project Area; a description of the physical and economic conditions existing in the Project Area, including a blight analysis of the Project Area; a description of the programs proposed by the Agency, including a five-year implementation plan for the Project, and an explanation of how these programs will eliminate blight; an explanation of why private enterprise acting alone or alternative financing cannot eliminate blight and redevelop the Project Area; the proposed method of financing the redevelopment of the Project; rules for the relocation of property owners and tenants who may be displaced from the Project Area; an analysis of the Preliminary Plan; the report and recommendation of the Planning Commission on the Plan; the minutes and records of all PAC meetings and the report and recommendation of the PAC on the Plan; a summary of consultations with and community participation by residents, community organizations and others in the Project Area; the Final Environmental Impact Report on the West Oakland Redevelopment Plan (the "Final EIR"); a neighborhood impact report on the Project; and the report of the County Fiscal Officer on the Plan and the Agency's analysis thereof, including a summary of consultations with affected taxing agencies; and

WHEREAS, the Council and the Agency held a joint public hearing on November 4, 2003, on adoption of the West Oakland Redevelopment Plan; 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 first class mail to the last known address of each assessee of each parcel of land in the Project Area as shown on the last equalized assessment roll of the County of Alameda, and to all residents and businesses within the 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 Project Area; and

WHEREAS, the Agency has prepared and submitted a program for the relocation of persons and businesses who may be displaced as a result of carrying out the Project in accordance with the Plan; and

WHEREAS, on or about November 4, 2003, the Agency adopted Owner Participation and Business Preference Rules for the Project; and

WHEREAS, the Agency has considered the report and recommendations of the Planning Commission and the PAC, and the Final EIR, and 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 Plan; and

WHEREAS, the Agency has reviewed and considered the Final EIR for the Plan, prepared and submitted by the City pursuant to Public Resources Code Section 21151 and Health and Safety Code Section 33352, which the Agency has certified by resolution; now, therefore, be it

RESOLVED: That the Agency hereby approves the Redevelopment Plan for the West Oakland Redevelopment Project; and be it further

RESOLVED: That the mitigation measures as set forth in the Final EIR on the Plan are incorporated into the proposed redevelopment of the Project Area; and be it further

RESOLVED: That the Agency hereby approves the Report to Council, including the relocation rules and the implementation plan contained therein, and authorizes the submission of the Report to Council to the City Council for its consideration in adoption of the Plan; and be it further

RESOLVED: That the Agency Secretary is hereby directed to transmit a copy of this Resolution to the City Council for its consideration in adoption of the Plan.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and CHAIRPERSON DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

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COMMUNITY & ECONOMIC
DEVELOPMENT CMTE
OCT 14 2003~~

APPROVED AS TO FORM AND LEGALITY

Daniel Rossi

Deputy City Attorney

FILED IN CITY CLERK'S OFFICE OF THE CITY CLERK
2003 OCT -2 PM 1:33

OAKLAND CITY COUNCIL

ORDINANCE No. _____ C.M.S.

AN ORDINANCE APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE WEST OAKLAND REDEVELOPMENT PROJECT

WHEREAS, on July 25, 2000 (Resolution No. 75903 C.M.S.), the City Council designated an area in West Oakland (the "West Oakland survey area") as a survey area pursuant to Section 33310 of the California Community Redevelopment Law ("CRL"), California Health and Safety Code Section 33000, et seq.; and

WHEREAS, on July 11, 2001, pursuant to Sections 33322 through 33325 of the CRL, the Planning Commission of the City of Oakland formulated and submitted to the Redevelopment Agency of the City of Oakland (the "Agency") a Preliminary Redevelopment Plan for the West Oakland Redevelopment Project Area and selected a redevelopment project area (the "Project Area") that encompasses the entire West Oakland survey area; and

WHEREAS, on November 27, 2001 (Resolution No. 01-77 C.M.S.), the Agency accepted the Preliminary Redevelopment Plan for the West Oakland Redevelopment Project Area adopted by the Planning Commission; and

WHEREAS, a Project Area Committee for the West Oakland Redevelopment Project (the "PAC") was formed and has been meeting pursuant to Health and Safety Code Section 33385, et seq.; and

WHEREAS, the Agency has submitted to the Council a proposed Redevelopment Plan for the West Oakland Redevelopment Project (the "West Oakland Redevelopment Plan" or "Plan"); and

WHEREAS, the Planning Commission has submitted to the Council its report and recommendations for approval of the West Oakland Redevelopment Plan and its certification that the Plan conforms to the General Plan of the City of Oakland; and

WHEREAS, the PAC has submitted to the Council its report and recommendations for approval of the West Oakland Redevelopment Plan; and

~~COMMUNITY & ECONOMIC DEVELOPMENT CMTE~~

~~007 1 4 2003~~

WHEREAS, the City Council has received from the Agency a Report to the City Council for the West Oakland Redevelopment Project (the "Report to Council") pursuant to Health and Safety Code Section 33352, including: the reasons for the selection of the Project Area; a description of the physical and economic conditions existing in the Project Area, including a blight analysis of the Project Area; a description of the programs proposed by the Agency, including a five-year implementation plan for the Project, and an explanation of how these programs will eliminate blight; an explanation of why private enterprise acting alone or alternative financing cannot eliminate blight and redevelop the Project Area; the proposed method of financing the redevelopment of the Project; rules for the relocation of property owners and tenants who may be displaced from the Project Area; an analysis of the Preliminary Plan; the report and recommendation of the Planning Commission on the Plan; the minutes and records of all PAC meetings and the report and recommendation of the PAC on the Plan; a summary of consultations with and community participation by residents, community organizations and others in the Project Area; the Final Environmental Impact Report on the West Oakland Redevelopment Plan (the "Final EIR"); a neighborhood impact report on the Project; and the report of the County Fiscal Officer on the Plan and the Agency's analysis thereof, including a summary of consultations with affected taxing agencies; and

WHEREAS, the Council and the Agency held a joint public hearing on November 4, 2003, on adoption of the West Oakland Redevelopment Plan; 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 first class mail to the last known address of each assessee of each parcel of land in the Project Area as shown on the last equalized assessment roll of the County of Alameda, and to all residents and businesses within the 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 Project Area; and

WHEREAS, the Agency has prepared and submitted a program for the relocation of persons and businesses who may be displaced as a result of carrying out the Project in accordance with the Plan; and

WHEREAS, the Council has general knowledge of the conditions existing in the Project Area and of the availability of suitable housing in the City for the relocation of families and persons who may be displaced by the Project, and, in light of such knowledge of local housing conditions, has carefully considered and reviewed such program for relocation; and

WHEREAS, on or about November 4, 2003, the Agency adopted Owner Participation and Business Preference Rules for the Project; and

WHEREAS, the Council has considered the report and recommendations of the Planning Commission and the PAC, the Report to Council on the Plan, the feasibility of the relocation program, and the Final EIR, 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 Plan; and

WHEREAS, the Council has reviewed and considered the Final EIR for the Plan, prepared and submitted by the City pursuant to Public Resources Code Section 21151 and Health and Safety Code Section 33352, which the City has certified by resolution;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The purpose and intent of the Council with respect to the West Oakland Redevelopment Project is to accomplish the following:

- a. Improve the quality of housing by assisting new construction, rehabilitation, and conservation of living units in the Project Area.
- b. Maintain and improve the condition of the existing very low, low, and moderate income housing in the Project Area.
- c. Increase opportunities for homeownership in the Project Area.
- d. Develop renter stabilization strategies that encourage and assist renters to remain in the Project Area.
- e. Mitigate and reduce conflicts between residential and industrial uses in the Project Area.
- f. Provide streetscape improvements, utility undergrounding, open space, and community facilities to enhance neighborhood quality and foster economic and neighborhood vitality.
- g. Support recreation, education, healthcare and programs for all members of the Project Area community, especially youth, seniors and disabled persons.
- h. Improve public safety for people living and working in the Project Area.
- i. Restore blighted properties in the Project Area.
- j. Assist neighborhood commercial revitalization, and attract more uses that serve the local community including neighborhood- serving retail.

- k. Retain existing businesses and attract new businesses to Project Area locations designated for business activity; promote economic development of environmentally sound, light industrial and commercial uses.
- l. Increase employment opportunities for Project Area residents.
- m. Facilitate economic development by improving and rehabilitating substandard buildings and targeting infill on vacant lots on commercial corridors in the Project Area.
- n. Minimize/eliminate environmental hazards within the Project Area.
- o. Improve infrastructure, transportation, and public facilities throughout the Project Area.
- p. Incorporate ongoing community participation in the redevelopment process so residents of all income and wealth levels, geographic areas, language groups, and ages have opportunities to learn about and participate in the redevelopment decision-making process.
- q. Promote equitable development that benefits the residents of the Project Area and minimizes the displacement of current residents and businesses.
- r. Maintain the mixed-use character of the Project Area in a manner equally beneficial to both businesses and residents.
- s. Preserve and enhance existing residential neighborhoods and core industrial and commercial areas.
- t. Not encourage or support block-busting development, developments that demolish historically significant structures that can be rehabilitated, or developments that destroy the positive functioning character of existing areas.
- u. Support and recognize the benefit of new residents and incomes that can be encouraged through market-rate development and done without displacing existing residents or businesses or destroying the existing cultural assets of the Project Area.
- v. Encourage and assist the rehabilitation of historically significant properties to avoid demolition or replacement.
- w. Relocate displaced residents or businesses, whenever possible and feasible and with their consent, within the Project Area.

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- x. Not concentrate any very low income housing as stand-alone high density projects, but rather as infill projects, scattered site, and/or in mixed-income projects.
- y. Improve street configuration on main arterials and their relationship to the surrounding neighborhoods; do urban design for street improvements such as center dividers, bulb-outs, tree planting, and landscape improvements.
- z. Establish an ongoing communication with the Oakland Housing Authority concerning its role and responsibility to see that scattered sites undergo design upgrades, reconstruction, and improved general maintenance.
- aa. Promote sustainable development and "green building" practices.
- bb. Facilitate through technical assistance the implementation of the goals of the Redevelopment Plan.
- cc. Not relieve any governmental agency or department of its responsibilities.

Section 2. The Council hereby finds and determines that:

- a. The West Oakland Project Area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in the California Community Redevelopment Law. This finding is based upon the following conditions, as set forth and documented in the Report to Council, which characterize the Project Area:
 - (1) The existence of buildings in which it is unsafe or unhealthy for persons to live or work. These conditions include serious building code violations, dilapidation and deterioration, defective design or physical construction such as unreinforced masonry buildings, faulty or inadequate utilities, and other similar factors;
 - (2) The existence of factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots, including substandard design, inadequate size given present standards and market conditions, toxic contamination, vandalism, lack of parking, inadequate public improvements, and other similar factors;
 - (3) Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels and other portions of the Project Area;
 - (4) The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that is in multiple ownership;

- (5) Depreciated and stagnant property values or impaired investments, including properties containing hazardous wastes that require the use of Agency authority;
- (6) Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, and excessive vacant lots within areas developed for urban use and served by utilities;
- (7) A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions;
- (8) An excess of businesses that cater exclusively to adults that has led to problems of public safety and welfare; and
- (9) A high crime rate that constitutes a significant threat to the public safety and welfare.

It is further found and determined that such conditions are causing and will increasingly cause a reduction and lack of proper utilization of the area to such an extent that it constitutes a serious physical, social and economic burden on the City, which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone, requiring redevelopment in the interest of the health, safety and general welfare of the people of the City and the State. This finding is based on the fact that governmental action available to the City without redevelopment would be insufficient to cause any significant correction of the blighting conditions, and that the nature and costs of the public improvements and facilities required to correct the blighting conditions are beyond the capacity of the City and cannot be undertaken or borne by private enterprise acting alone or in concert with available governmental action, as further set forth and analyzed in the Report to Council.

- b. The Plan will redevelop the West Oakland Project Area in conformity with the Community Redevelopment Law and in the interests of the public peace, health, safety and welfare. This finding is based upon the fact that redevelopment of the Project Area will implement the objectives of the Community Redevelopment Law by aiding in the elimination and correction of the conditions of blight, providing for planning, development, redesign, clearance, reconstruction or rehabilitation of properties which need improvement and providing for higher economic utilization of potentially useful land.
- c. The adoption and carrying out of the West Oakland Redevelopment Plan is economically sound and feasible. This finding is based on the fact that

under the Plan the Agency will be authorized to seek and utilize a variety of potential financing resources, including tax increments; that the nature and timing of public redevelopment assistance will depend on the amount and availability of such financing resources, including tax increments generated by new investment in the Project Area; and that under the Plan no public redevelopment activity will be undertaken unless the Agency can demonstrate that it has adequate revenue to finance the activity.

- d. The West Oakland Redevelopment Plan conforms to the General Plan of the City of Oakland, including the Housing Element. This finding is based on the finding of the Planning Commission that the Plan conforms to the General Plan of the City of Oakland.
- e. The carrying out of the West Oakland Redevelopment Plan will promote the public peace, health, safety and welfare of the City of Oakland and will effectuate the purposes and policy of the Community Redevelopment Law. This finding is based on the fact that redevelopment will benefit the Project Area by correcting conditions of blight and by coordinating public and private actions to stimulate development of the Project Area.
- f. The condemnation of real property, as provided for in the West Oakland Redevelopment Plan, is necessary to the execution of the Plan, and adequate provisions have been made for the payment for property to be acquired as provided by law. This finding is based upon the need to ensure that the provisions of the Plan will be carried out and to prevent the recurrence of blight.
- g. The Agency has a feasible method and plan for the relocation of families and persons who might be displaced, temporarily or permanently, from housing facilities in the West Oakland Redevelopment Project Area. This finding is based on the fact that the Plan provides for relocation assistance according to law.
- h. There are, or are being provided, within the West Oakland Redevelopment Project Area or within other areas not generally less desirable with regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons who might be displaced from the Project Area, decent, safe and sanitary dwellings equal in number to the number of and available to such displaced families and persons and reasonably accessible to their places of employment. This finding is based upon the fact that no person or family will be required to move from any dwelling unit until suitable replacement housing is available.
- i. Inclusion of any lands, buildings or improvements in the West Oakland Redevelopment Project Area which are not detrimental to the public health, safety or welfare is necessary for the effective redevelopment of the entire

area of which they are a part; and any area included is necessary for effective redevelopment and is not included for the purpose of obtaining the allocation of tax increment revenues from such area pursuant to Section 33670 of the Community Redevelopment Law. This finding is based upon the fact that the boundaries of the Project Area were chosen as a unified and consistent whole to include lands that were under-utilized because of blighting influences, or affected by the existence of blighting influences, and land uses significantly contributing to the conditions of blight, whose inclusion is necessary to accomplish the objectives and benefits of the Plan.

- j. The elimination of blight and the redevelopment of the West Oakland Redevelopment Project Area could not reasonably be expected to be accomplished by private enterprise acting alone without the aid and assistance of the Agency. This finding is based upon the existence of blighting influences, including the lack of adequate public improvements and facilities, and the inability of individual developers to economically remove these blighting influences without substantial public assistance in providing adequate public improvements and facilities, the inability of low- and moderate-income persons to finance needed improvements, and the inadequacy of other governmental programs and financing mechanisms to eliminate blight, including the provision of necessary public improvements and facilities.
- k. The West Oakland Redevelopment Project Area is predominantly urbanized, as defined by Health and Safety Code Section 33320.1(b).
- l. The time limitation contained in the West Oakland Redevelopment Plan is reasonably related to the proposed projects to be implemented in the Project Area and to the ability of the Agency to eliminate blight in the Project Area.
- m. The West Oakland Redevelopment Plan contains adequate safeguards so that the work of redevelopment will be carried out pursuant to the Plan, and it provides for the retention of controls and the establishment of restrictions and covenants running with the land sold or leased for private use for periods of time and under conditions specified in the Plan, which this Council deems necessary to effectuate the purposes of the Community Redevelopment Law.

Section 3. The Council is satisfied that permanent housing facilities will be available within three years from the time occupants of the Project Area are displaced, if any, and that pending the development of the facilities, there will be available to the displaced occupants, if any, adequate temporary housing facilities at rents comparable to those in the City of Oakland at the time of their displacement. No persons or families of low or moderate income shall be displaced from residences unless and until there is a suitable housing unit available and ready for occupancy by such displaced persons or

families at rents comparable to those at the time of their displacement. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary and otherwise standard dwellings. The Agency shall not displace any such persons or families until such housing units are available and ready for occupancy.

Section 4. 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 5. The mitigation measures as set forth in the Final EIR on the Plan are incorporated into the proposed redevelopment of the Project Area.

Section 6. That certain document entitled "Redevelopment Plan for the West Oakland Redevelopment Project," including the maps contained therein and such other reports as are incorporated therein by reference, which has been submitted to this Council, having been duly reviewed and considered, is hereby incorporated into this Ordinance by reference and made a part hereof, and as so incorporated is hereby designated, approved and adopted as the official "Redevelopment Plan for the West Oakland Redevelopment Project."

Section 7. In order to implement and facilitate the effectuation of the Plan hereby approved, the Council hereby (a) pledges its cooperation in helping to carry out the Plan, (b) requests the various officials, departments, boards and agencies of the City having administrative responsibilities in the Project Area likewise to cooperate to such end and to exercise their respective functions and powers in a manner consistent with the redevelopment of the Project Area, (c) stands ready to consider and take appropriate action upon proposals and measures designed to effectuate the Plan, and (d) declares its intention to undertake and complete any proceeding necessary to be carried out by the City under the provisions of the Plan.

Section 8. The City Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, whereupon the Agency is vested with the responsibility for carrying out the Plan.

Section 9. The City Clerk is hereby directed to record with the County Recorder of Alameda County a description of the land within the Project Area and a statement that proceedings for the redevelopment of the Project Area have been instituted under the Community Redevelopment Law.

Section 10. The City Clerk is hereby directed to transmit a copy of the description and statement recorded by the Clerk pursuant to this Ordinance, a copy of this Ordinance and a map or plat indicating the boundaries of the Project Area to the auditor and assessor of the County of Alameda, to the governing body of each of the taxing agencies

which receives taxes from property in the Project Area and to the State Board of Equalization.

Section 11. If any part of this Ordinance or the Plan which it approves is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance or of the Plan, and this Council hereby declares that it would have passed the remainder of this Ordinance or approved the remainder of the Plan 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, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

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COMMUNITY ECONOMIC
DEVELOPMENT CMTE

OCT 14 2003

AN ORDINANCE APPROVING AND ADOPTING THE
REDEVELOPMENT PLAN FOR THE WEST OAKLAND
REDEVELOPMENT PROJECT

NOTICE AND DIGEST

This Ordinance approves and adopts a Redevelopment Plan for the West Oakland Redevelopment Project, and makes certain findings in support of the above action.

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