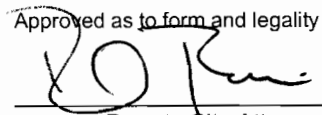


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REVISED 1/17/2012

Approved as to form and legality


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 83690 - C.M.S.

RESOLUTION AUTHORIZING AN OWNER PARTICIPATION AGREEMENT WITH THE 16TH STREET TRAIN STATION LLC TO GRANT UP TO \$1,300,000 IN MATCHING FUNDS FOR PHASED IMPROVEMENTS TO THE HISTORIC 16TH STREET TRAIN STATION, INCLUDING IMPROVEMENTS TO THE BAGGAGE WING

WHEREAS, BUILD West Oakland, LLC (“BUILD”) purchased the historic 16th Street Train Station (the “Train Station” or the “Property”), which is located within the Wood Street Zoning District in the Oakland Army Base Redevelopment Project Area, and which consists of five components: (1) the “Main Hall,” a 13,000 sq. ft. Beaux Arts building; (2) the “Baggage Wing,” an 8,000 sq. ft. annex to the Main Hall; (3) the “Signal Tower,” a small structure north of the Main Hall; (4) approximately 320 feet of the original two-story track structure behind the Main Hall; and (5) the 16th Street Plaza, a three-quarter acre parcel to the east of the Main Hall and Baggage Wing; and

WHEREAS, the Train Station is subject to certain land use standards, including conditions of approval which require the Property owner to identify a train station entity to oversee the rehabilitation and reuse of the Train Station; and

WHEREAS, the conditions of approval also state that either the Property owner or the train station entity may apply to the Redevelopment Agency (“Agency”) for financial assistance for the preservation, rehabilitation, and stabilization of the Train Station upon the submittal of five plans—development, finance, management, business, and community participation—that provide a framework for rehabilitation efforts and identify the funding mechanisms for the work; and

WHEREAS, on September 16, 2008, pursuant to Council Resolution No. 81547 C.M.S., the City Council approved the Restoration Association for Improving the Landmark 16th Street Station (“RAILS”) as the train station entity, and also on that date, pursuant to Agency Resolution No. 2008-0085 C.M.S., the Agency Board authorized a predevelopment loan to RAILS to explore the feasibility of preserving and improving the Train Station and to determine under what conditions the Agency would provide financial assistance towards its rehabilitation; and

WHEREAS, based on the completed feasibility study, RAILS developed the five plans required by the conditions of approval, and in October 2010 submitted a draft development and reuse plan to the Agency, followed in March 2011 by a business plan, which offered a phased approach to rehabilitating the Train Station; and

WHEREAS, BUILD transferred the Property to the 16th Street Train Station LLC (the “Train Station LLC”), a non-profit entity established to assist RAILS with the Train Station’s rehabilitation; and

WHEREAS, the Train Station LLC proposes to facilitate redevelopment and reuse of the Train Station by undertaking the initial improvements to the Property outlined in the business plan, including certain exterior and building shell improvements, and readying the Baggage Wing for tenants; and

WHEREAS, the project is not feasible without the City’s financial assistance; and

WHEREAS, the Train Station LLC desires to enter into an Owner Participation Agreement (“OPA”) with the City of Oakland to provide for phased rehabilitation of the Property and City financial assistance with the rehabilitation; and

WHEREAS, funding for the proposed improvements under the OPA would be structured as a phased, one-to-one matching grant in an amount not to exceed \$1.3 million, distributed on a reimbursement basis; and

WHEREAS, the City and Agency entered into a Funding Agreement on March 3, 2011, which governs the provision of assistance and the payment of funds between the two agencies, including payments by the Agency for City programs that promote redevelopment activities; and

WHEREAS, the Agency authorized a contribution from the Oakland Army Base Redevelopment Project to the City under the Funding Agreement in the amount of \$1,395,396 for the rehabilitation of the Property; and

WHEREAS, the City accepted and appropriated the Agency contribution of \$1,395,396 for the rehabilitation of the Property; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Administrator or her designee to negotiate and execute an OPA with the Train Station LLC for the rehabilitation of the Property; and be it

FURTHER RESOLVED: That the City will approve and enter into the contract, but will set aside the funding by escrow or other means until the City has a clearer determination regarding clawbacks; and be it

FURTHER RESOLVED: That the OPA shall provide for a phased, one-to-one matching grant from the City, distributed on a reimbursement basis, in an amount not to exceed \$1.3 million to the Train Station LLC for approved improvements to the Property; and be it

FURTHER RESOLVED: That up to a total of \$1.3 million from the Redevelopment Entity (5), Oakland Army Base Operations Fund (9570), Oakland Base Reuse Organization (88679), 16th Street Train Station Rehabilitation Project (S235322) will be deposited into the City Entity (1), Oakland Redevelopment Agency Projects City Fund (7780), Oakland Base Reuse Organization (88679), and a project to be established; and be it

FURTHER RESOLVED: That the disbursement of the grant shall be contingent on and

subject to such appropriate terms and conditions as the City Administrator or his or her designee may establish; and be it

FURTHER RESOLVED: That the OPA and all grant documents will be placed on file with the City Clerk; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to negotiate and execute all other necessary documents and amendments thereto, and to take any other action with respect to the OPA, the funding, and the project, consistent with this Resolution and its basic purpose.

IN COUNCIL, OAKLAND, CALIFORNIA, JAN 17 2012, 2012

PASSED BY THE FOLLOWING VOTE:

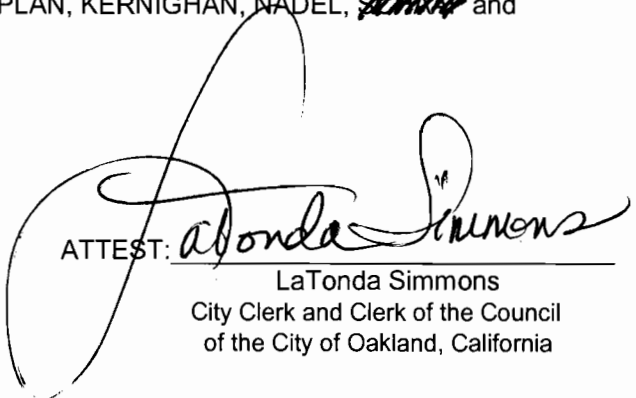
AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, ~~SEWELL~~ and PRESIDENT REID - 7

NOES - *Schaaf* - 1

ABSENT - 0

ABSTENTION - 0

ATTEST:



LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California