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APPROVED AS TO FORM AND LEGALITY:

*Diane Lewis*  
AGENCY COUNSEL

REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND

RESOLUTION NO. 2006-0091 C.M.S.

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**RESOLUTION AUTHORIZING THE AGENCY ADMINISTRATOR TO EXECUTE A NON-BINDING LETTER OF INTENT WITH MACARTHUR TRANSIT COMMUNITY PARTNERS, LLC, TOWARDS AN OWNER PARTICIPATION AGREEMENT FOR THE MACARTHUR TRANSIT VILLAGE PROJECT AT THE MACARTHUR BART STATION, AND AUTHORIZING A PREDEVELOPMENT GRANT FOR THIS PROJECT FOR AN AMOUNT NOT TO EXCEED \$1.5 MILLION**

**WHEREAS**, the Redevelopment Agency of the City of Oakland is working to redevelop the MacArthur BART Station and the surrounding properties into a transit village; and

**WHEREAS**, the MacArthur Transit Village project is located within the Broadway/ MacArthur/San Pablo Redevelopment Project Area; and

**WHEREAS**, the Five Year Implementation Plan for the Broadway/MacArthur/San Pablo Redevelopment Project, adopted on July 25, 2000 (Ordinance No. 12269 C.M.S.), includes the MacArthur Transit Village project; and

**WHEREAS**, pursuant to a joint Request for Proposals, the Agency and BART reviewed five submissions and selected a development team that consists of a partnership between McGrath Properties (formerly Aegis Equity Partners), Shea Properties, and BUILD (BRIDGE Urban Infill Land Development, LLC), organized as MacArthur Transit Community Partners, LLC ("MTCP"); and

**WHEREAS**, the Agency approved the execution of a three-party Exclusive Negotiating Agreement ("ENA") between the Agency, BART and MTCP on June 1, 2004, for the development of a transit village project at the MacArthur BART Station; and

**WHEREAS**, staff has negotiated and proposed entering into a non-binding Letter of Intent with MTCP that outlines the terms towards an Owner Participation Agreement ("OPA") for the MacArthur Transit Village project; and

**WHEREAS**, the negotiated terms in the Letter of Intent include a provision for predevelopment funding assistance from the Agency in the form of a grant not to exceed \$1.5 million to assist MTCP with the entitlements for the project; and

**WHEREAS**, the predevelopment funding assistance will be restricted to no more than 50% of MTCP's total predevelopment budget from September 1, 2006, to the end of the entitlements period and will only be applied to work products which the Agency has determined could be of value to the Agency, including but not limited to preparation of the environmental impact report, project design and engineering work, environmental and geotechnical studies, and market analysis of the project; and

**WHEREAS**, the predevelopment grant will be provided on a reimbursement basis for approved expenditures by MTCP; and

**WHEREAS**, the predevelopment grant will be funded by tax-exempt proceeds from the Broadway/MacArthur/San Pablo Tax Allocation Bonds, Series 2006C-TE; and

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

**RESOLVED:** That the Agency Administrator or her designee is hereby authorized to execute a non-binding Letter of Intent with MTCP towards an OPA for the MacArthur BART Transit Village Project, including the deal terms negotiated by staff and attached to the staff report for this Resolution; and be it

**FURTHER RESOLVED:** That the Agency Administrator or her designee is hereby authorized to provide a predevelopment grant in an amount not to exceed \$1.5 million to MTCP to be used for this project; and be it

**FURTHER RESOLVED:** That the funding for the predevelopment grant will be allocated from the Broadway/MacArthur/San Pablo Tax Allocation Bonds, Series 2006C-TE Fund (to be established) under a project number to be determined for this grant; and be it

**FURTHER RESOLVED:** That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines that this action complies with CEQA because this action on the part of the Agency is exempt from CEQA pursuant to Section 15262 (feasibility and planning studies), Section 15306 (information collection) and Section 15061(b)(3) (general rule) of the CEQA guidelines; and be it

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

**FURTHER RESOLVED:** That the Agency Administrator or her designee is hereby authorized take whatever action is necessary with respect to the Letter of Intent and the predevelopment grant consistent with this Resolution and its basic purpose; and be it

**FURTHER RESOLVED:** That the predevelopment grant agreement shall be reviewed and approved by Agency Counsel for form and legality prior to execution, and a copy shall be placed on file with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, **DEC 19 2006** 006

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, ~~WATKINS~~ QUAN, REID, AND  
CHAIRPERSON DE LA FUENTE - 7

NOES- 0

ABSENT- Nadel - 1

ABSTENTION- 0

ATTEST:

  
LATONDA SIMMONS

Secretary, Redevelopment Agency  
of the City of Oakland