



CITY OF OAKLAND

# AGENDA REPORT

**TO:** Jestin D. Johnson  
City Administrator

**FROM:** Ashleigh Kanat, Director,  
Economic & Workforce  
Development Department

**SUBJECT:** West Oakland Community Fund  
Grant Agreement Award

**DATE:** August 15, 2024

City Administrator Approval

  
Jestin Johnson (Sep 13, 2024 08:39 PDT)

Date:

Sep 13, 2024

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution 1) Authorizing The Disbursement Of Up To Two Million Four Hundred Thousand Dollars (\$2,400,000) From The West Oakland Community Fund (Community Fund) To Award A Grant To The Rose Foundation For Communities And The Environment (Rose Foundation) To Administer A Grant Making Program Consistent With the Intent Of The Community Fund; 2) Awarding A Grant To the Rose Foundation In An Amount Up To Two Million Four Hundred Thousand Dollars (\$2,400,000) For That Purpose; And 3) Authorizing The City Administrator To Negotiate And Enter Into A Grant Agreement With The Rose Foundation For Up To An Eight-Year Term With Authority To Subsequently Extend The Term In Two Year Increments Until The Grant Funds Are Exhausted**

## **EXECUTIVE SUMMARY**

The recommended action co-authored by Councilmember Fife and the City Administrator would authorize a grant of up to \$2.4 million in West Oakland Community Fund (Community Fund) moneys collected from the redevelopment of the Oakland Army Base (OAB) to the Rose Foundation for Communities and the Environment (Rose Foundation). The Rose Foundation would combine these funds with Community Fund moneys from the Port of Oakland (Port) and administer a grant making program to disburse these funds to qualifying projects in the West Oakland community, consistent with the purpose of the Community Fund. The recommended action would authorize the City Administrator to enter into a grant agreement with the Rose Foundation for up to eight-year term with authority to extend in two-year increments until the grant funds are exhausted.

## **BACKGROUND / LEGISLATIVE HISTORY**

### ***Legislative History***

The West Oakland Community Advisory Group (WOCAG) was created in 1996 through the closure and transfer process for the former OAB to advise the Oakland Base Reuse Authority (OBRA) on the redevelopment and environmental remediation of the OAB. OBRA dissolved in June 2006, and in 2007, as noted in a 2008 information report ([File No. 07-1335](#)), the City Administrator made WOCAG an advisory body to provide community feedback to the City Administrator on OAB matters, which advising role expired by its own terms on February 27, 2010. WOCAG continues to operate on its own informally.

In 2003, the City of Oakland (City), the Oakland Redevelopment Agency, OBRA and the Port entered into a memorandum of agreement (City-Port MOA) which, among other things, called for the creation of the West Oakland Community Fund (Community Fund). The intent of the Community Fund was to provide funding for economic development projects in West Oakland, the neighborhood most directly impacted by closure of the Oakland Army Base. In July 2006, the City created the Community Fund account pursuant to [Resolution No. 2006-0055 C.M.S.](#) The City-Port MOA, as amended in June 2007, states that the City and Port would each be responsible for contributing \$2 million to the Community Fund. As discussed below, the City has received \$1,709,760 in payments from OAB developers to support the Community Fund and will continue to require developers to pay towards this contribution as the remaining three OAB projects move forward.

The Port has indicated its intention, upon City Council approval, to follow the same approach as the City, by entering into a grant agreement with the Rose Foundation, with the same Fund Advisory Board structure and members, to send the Port's Community Fund monies to the Rose Foundation.

In 2007, WOCAG developed the following proposed framework for implementing the Community Fund:

- ◆ To fund the City's portion of the Community Fund, the City would require developers to pay approximately \$16,000 for each acre of land that it purchased or leased for development at the OAB for an anticipated total of \$2 million.
- ◆ The Community Fund would target funding for projects and programs that, among other criteria, would support existing small businesses, help create new businesses in the area, and support new employment opportunities and training for West Oakland residents. The projects would also need to be located within the West Oakland District (the area bounded by Interstates 580, 880, and 980), be feasible, and not redundant with basic city services.

The City accepted these recommendations and implemented the \$16,000 per acre payment into its development agreements with developers at the OAB that were entered into between 2014 and 2018. To date, the City has received \$1,709,760 in payments from OAB developers and eventually expects to receive up to \$2.4 million in total if and when all contemplated transactions are completed. The City is currently holding this money in a non-interest-bearing liability account

since it is intended to be granted to third parties within the West Oakland community. Working with Councilmember Fife's District Three office, the City would now like to establish a process to distribute these funds.

### **ANALYSIS AND POLICY ALTERNATIVES**

The proposed resolution meets the Citywide priorities of housing, economic, and cultural security because the proposed grant would provide funding for environmental and economic development projects.

The proposed resolution would require the City transfers its current Community Fund balances to the Rose Foundation, a 501(c)3 nonprofit organization based in Oakland. The Rose Foundation would then administer the program based on the requirements and process described below.

1. The Rose Foundation would establish and administer a grant making program to disburse the Community Fund monies to qualifying projects, manage grantee relations, and monitor grantee performance.
2. All grants would be awarded to 501(c)3 nonprofit organizations, with a preference for organizations located in West Oakland and providing services to individuals, families and/or the environment in West Oakland. For purposes of the grant, West Oakland would be defined as the area between Interstates 580, 880 and 980 plus the industrial portion of Jack London Square between Interstate 880 and the Embarcadero, west of Martin Luther King Jr. Way.
3. The grantmaking strategy and grant recommendations for the Community Fund would be guided by an advisory board (Advisory Board). The Advisory Board would be comprised of the following five appointees. Except where noted below, the Advisory Board members would each serve a maximum of four 2-year terms.
  - City Seat: To be appointed by the Office of the City's District 3 Councilmember.
  - WOCAG Community Seat: To be appointed by the WOCAG Co-Chairs.
  - Port Seat: To be appointed by the Port.
  - At-Large Community Seat: To be appointed by the mutual agreement of the Rose Foundation and the other Advisory Board members.
  - Rotating Technical/Professional Expertise Seat: To be appointed by mutual agreement of the Rose Foundation and the other Advisory Board members. This rotating appointment would provide technical, and/or professional expertise related to the priority goals of the Community Fund and the Advisory Board's identified grantmaking priorities. This appointment would be limited to one 2-year term to allow flexibility for the Advisory Board to adjust grantmaking focus within the priority areas over time.
4. The Rose Foundation would provide to the City an Annual Report describing the Community Fund's activities including applicant outreach and grantmaking. These

reports would identify grant recipients, the amount of each grant award, and a project summary for each grant. Annual Reports would also include a section summarizing key accomplishments of past grantees and the cumulative impacts of the Community Fund.

5. After all Community Funds are disbursed, the Rose Foundation would provide to the City a report describing all grants awarded and summarizing the Community Fund's overall impacts and benefits to the West Oakland community.
6. The grant agreement would automatically terminate once all of the funds have been disbursed and the final report has been produced and submitted to the City.

The City is coordinating with the Port, and the Port is working to transfer its \$2 million share of Community Fund moneys to the Rose Foundation through a separate grant agreement. Even though the City and Port are entering into separate grant agreements with the Rose Foundation, the City and Port are coordinating efforts with the Rose Foundation to ensure a coherent grant making program and to maximize the benefits from the Community Fund to West Oakland.

### ***Benefits***

The recommended action would allow the Rose Foundation to make grants to programs benefitting West Oakland that would facilitate locally based environmental or economic development projects, consistent with the original intent of the Community Fund.

The Rose Foundation is a well-respected grant-making foundation located in Oakland. It has the staffing, infrastructure, and procedures in place to efficiently administer the Community Fund and maximize its value to the community.

### ***Policy Alternative***

Instead of entering into a grant agreement with the Rose Foundation, the City could instead design, staff, and implement a grantmaking program using the Community Fund monies for the City to disburse the funds directly. This would require additional City staff, reduce the amount of Community Fund dollars available, and delay the disbursement of Community Fund resources into the community.

### **FISCAL IMPACT**

The recommended action would result in the disbursement to the Rose Foundation of up to \$2,400,000 from Miscellaneous Trusts Fund (7999), Oakland Army Base Redevelopment Organization (85244), Pass Thru Assessments Account (24224), DP850 Administrative Project (1000019), OARB Bay Bridge Gateway Program (SC07). The City is currently holding a balance of \$1,709,760 in this location, which amount is expected to grow to \$2,400,000, all of which is paid from OAB developers. These funds are restricted for Community Fund purposes and so must eventually be disbursed for Community Fund purposes.

### **PUBLIC OUTREACH / INTEREST**

WOCAG has held a number of meetings to collect input from interested West Oakland residents and businesses, and to discuss the values, goals and potential design and structure of the Community Fund. City staff participated in all of the meetings and discussions regarding the Community Fund.

### **COORDINATION**

Staff have coordinated with the District 3 Office, City Administrator's Office, Economic & Workforce Development Department, Budget Bureau, City Attorney's Office and the Port.

### **SUSTAINABLE OPPORTUNITIES**

***Economic:*** The recommended action will allow the Rose Foundation to make grants to local organizations for local economic development projects.

***Environmental:*** The recommended action will allow the Rose Foundation to make grants to projects that reduce existing environmental impacts or provide environmental benefits to the West Oakland community.

***Race and Equity:*** The recommended action would enable grant making in West Oakland, which is largely comprised of census tracts that are considered Highest Priority Neighborhoods and High Priority Neighborhoods according to the OakDOT Geographic Equity Toolbox. These neighborhoods have historically been home to a high percentage of Black residents and have borne a disproportionate share of negative environmental and public health impacts.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council adopt a resolution authorizing the disbursement of up to Two Million Four Hundred Thousand Dollars (\$2,400,000) from the Community Fund to award a grant to the Rose Foundation to administer a grant making program consistent with the intent of the Community Fund; awarding a grant to the Rose Foundation in an amount up to Two Million Four Hundred Thousand Dollars (\$2,400,000) for that purpose; and City Administrator to negotiate and enter into a grant agreement with the Rose Foundation for up to an eight-year term with authority to subsequently extend the term in two year increments until the grant funds are exhausted.

For questions regarding this report, please contact John Monetta, Project Manager II, at (510) 238-7125.

Respectfully submitted,



Ashleigh Kanat (Sep 12, 2024 11:24 PDT)

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