

**REDEVELOPMENT AGENCY OF THE
CITY OF OAKLAND
AGENDA REPORT**

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TO: Office of the Agency Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: November 27, 2007

RE: **Public Hearing and Mid-Term Review of the Five Year Implementation Plans and Redevelopment Plans for the Acorn, Broadway/MacArthur/San Pablo, Central District, Coliseum, Oak Center, Oakland Army Base and Stanford/Adeline Redevelopment Projects**

SUMMARY

The purpose of this report is to provide a mid-term review of the goals, programs and projects and estimated expenditures set forth in the Five-Year Implementation Plans (the "Five-Year Plans") for the Acorn, Broadway/MacArthur/San Pablo, Central District, Coliseum, Oak Center, Oakland Army Base and Stanford/Adeline Redevelopment Project Areas (the "Project Areas") in order to evaluate the progress made in each Project Area to date.

On December 7, 2004, the Agency adopted its current Five-Year Plans for FY2004-05 through FY2008-09 for the Project Areas. The Five-Year Plans describe the Agency's goals, potential projects and programs, estimated expenditures, and the nexus between the projects and programs proposed and mitigation of blight for each Project Area. Midway through the five-year terms, the Agency is required to conduct a public hearing to review, evaluate and receive testimony on the progress the Agency has made in implementing the Five-Year Plans in each Project Area.

FISCAL IMPACT

This report reviews the Agency's redevelopment activities for the previous three fiscal years. This report also includes an overview of the Agency's revenues and expenses for each Project Area during this three-year period. There are no actions requested within this report. Therefore there is no direct fiscal impact.

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BACKGROUND

State redevelopment law requires every redevelopment agency in the state to adopt a Five-Year Implementation Plan for each of its redevelopment project areas. The Five-Year Plan must set forth the Agency's goals and objectives for its Project Areas for the upcoming five-year period; identify programs, potential projects and financing methods to achieve those goals and objectives; and address the Agency's efforts to provide affordable housing in the Project Areas. Accordingly, each Five-Year Plan describes: 1) applicable housing production requirements; 2) applicable provisions regarding the Low and Moderate Income Housing Fund; 3) housing goals and objectives of the Five-Year Plan; 4) estimated Low and Moderate Income Housing Fund revenues and expenditures; 5) anticipated housing program activities; and 6) allocation of housing funds over the previous implementation period.

In December of 2004, the Agency adopted Five-Year Plans for the following seven Project Areas:

- Acorn
- Broadway/MacArthur/San Pablo
- Central District
- Coliseum
- Oak Center
- Oakland Army Base
- Stanford/Adeline.

Redevelopment law requires redevelopment agencies to conduct a public hearing near the mid-term of the Five-Year Plan period and receive testimony on the progress of its redevelopment projects and affordable housing requirements for each Project Area. The Agency has provided the public noticing of this public hearing as required by redevelopment law.

KEY ISSUES AND IMPACTS

The activities documented in the attached mid-term reviews for each Project Area show the many accomplishments of the Agency in meeting the goals and objectives as stated in the Five-Year Plans. Each of the projects and programs detailed in the individual mid-term review for each Project Area has contributed to the Agency's primary goal of reducing or eliminating blight and ensuring the long term economic vitality of the community.

The general strategy in all Project Areas to attain these goals is to use public investment and/or the sale of publicly-owned property to attract and stimulate private investment and development. The Agency uses agreements, such as Disposition and Development Agreements (DDAs) and Owner Participation Agreements (OPAs), to form public-

private partnerships, which have lead to the development of housing, office buildings, retail spaces, cultural/art facilities and public parking garages. Through these or other agreements, the Agency also encourages retention and restoration of older buildings that provide historic context in the Project Areas, but are often sources of blighting conditions.

As demonstrated by the mid-term review, the Agency is engaged in continuing efforts to:

- develop vacant sites and improve blighted properties
- seek out new housing sites and to assist in the development of housing that is affordable to diverse income groups
- bring new office buildings and workers to the Project Areas
- attract or retain retail establishments, such as auto dealerships or shops
- replace inadequate public infrastructure by implementing streetscape projects,
- provide new public improvements or facilities, such as parking garages or cultural/recreational centers
- focus on the development of transportation-oriented projects

It should be noted that three of the seven Project Areas—Acorn, Oak Center and the Central District—have a plan termination date of 2012. This means that any future implementation plans for these Project Areas will be limited to covering anticipated redevelopment activities from FY 2009-10 through FY 2011-12, unless the Agency desires to extend the term of any of these Project Areas in the future. (Redevelopment law allows for extension of plan termination dates for up to 10 additional years under certain conditions.)

SUSTAINABLE OPPORTUNITIES

Economic:

The redevelopment activities outlined in the mid-term review of the Five-Year Plans have an economic benefit on each Project Area, as each plan outlines how tax increment funds will be used to support various business growth and retention projects and programs, capital improvement projects, housing programs, and other commercial development, which sustain the economic viability of each Project Area. The Agency's financial support for affordable housing development has expanded the supply of affordable housing in Oakland for low and very low income households and individuals. In many cases the Agency's partnerships with private developers and contractors require compliance with the City's contracting programs, including Small/Local Business Enterprise Construction and Professional Services Program ("L/SLBE") and the Local Employment Program. All of the workers performing construction work for many of the

redevelopment projects must be paid prevailing wage rates and project developer will also be subject to the Living Wage Ordinance in certain cases.

Environmental:

Many of the Agency's redevelopment activities involve underutilized and blighted properties. By developing in already built-up areas, many of the Agency's redevelopment projects, especially those located near mass transit, reduce the pressure to build on agricultural and other undeveloped land at the periphery of the Bay Area. The location of the Agency's transportation-oriented developments near mass transit enables residents to reduce dependency on automobiles and therefore contribute to lowering the emission of green-house gases. Many of the sites involved in the Agency's efforts are also contaminated with hazardous materials, and will be cleaned up as part of the redevelopment activity. The Agency has also made every effort to ensure that any redevelopment project completed or underway will adhere to the City's sustainable development guidelines, which include criteria for green building technologies, site selection and preparation, water, energy conservation, indoor environmental quality, materials selection, and waste and recycling procedures.

Social Equity:

Social equity is ensured through active public involvement in the various redevelopment projects and programs, production of affordable housing for diverse income groups in each of the Project Areas, and sponsorship of public art. For example, the production of affordable housing is a means of achieving greater social equity, as these projects provide low and very low income families affordable housing that is located in proximity to public transportation, employment opportunities and social services

DISABILITY AND SENIOR CITIZEN ACCESS

Any projects and programs, where applicable, implemented in the Project Areas, have to comply with City, state and federal disabled access requirements, including the requirements of the Americans with Disabilities Act ("ADA"). CEDA Building Services will address such standards during plan check and building inspection.

RECOMMENDATION(S) AND RATIONALE

The mid-term assessments of the progress made in implementing the Agency's Five-Year Plans in the Project Areas meet the requirements set forth in Health and Safety Code Section 33490 of the California Community Redevelopment Law. During 2009, the Agency will have the opportunity to create another implementation plan for the Project Areas. The mid-term reviews and any comments received thereon should be used as one source of information for creating those next plans.

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ACTION REQUESTED OF THE AGENCY

It is requested that the Agency conduct the mid-term review of the Five-Year Plans (2004-2009) for the Acorn, Broadway/MacArthur/San Pablo, Central District, Coliseum, Oak Center, Oakland Army Base and Stanford/Adeline Redevelopment Project Areas.

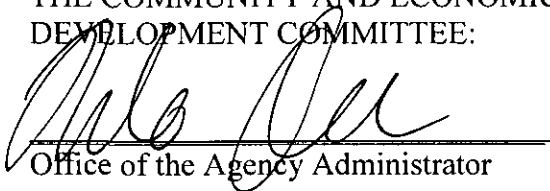
Respectfully submitted,



Gregory D. Hunter, Deputy Director
Community and Economic Development Agency
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Jens Hillmer, Urban Economic Coordinator
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APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE:



ATTACHMENTS:

- Attachment A - Acorn
- Attachment B -Broadway/MacArthur/San Pablo
- Attachment C - Central District
- Attachment D - Coliseum
- Attachment E - Oak Center
- Attachment F - Oakland Army Base
- Attachment G - Stanford/Adeline.

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ATTACHMENT A

Mid-Term Review of the Five Year Implementation Plan (2004-2009) for Acorn Redevelopment Project Area

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the Redevelopment Agency of the City of Oakland (“Agency”) adopted a Five-Year Implementation Plan (the “Implementation Plan”) for the Acorn Redevelopment Project Area in December 2004. The purpose of the Implementation Plan was to set forth the Agency’s specific goals and objectives, programs and projects, and estimated expenditures for the Acorn Project Area for the five-year period beginning in 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan and evaluate the progress in meeting the goals and objectives. The following summary material has been prepared to document the progress in meeting the Acorn Redevelopment Project Area Implementation Plan’s goals and objectives.

Background of Project Area

The Acorn Urban Renewal Plan (“Redevelopment Plan”) was adopted by the Oakland City Council on November 13, 1961, and has been amended several times since. The Acorn Project Area is bounded by Tenth Street, Brush Street, Union Street and the Embarcadero, and encompasses approximately 25 acres. A map of the Project Area is attached as Attachment.

The Acorn Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Time Limit to Incur New Debt:	January 1, 2004
Plan Activity Time Limit:	January 1, 2012
Tax Increment Collection Time Limit:	January 1, 2012

Blight

The Acorn Redevelopment Plan identified the following indicators of blight in the Acorn Redevelopment Area:

- Substantial number of buildings which are of defective design and physical construction, which contain obsolete interior arrangement and exterior spacing, inadequate ventilation, light and sanitation

- Inadequate open space
- Inadequate recreation facilities
- Recreation facilities which are in deteriorating condition
- Mixture of incompatible use types
- Obsolete subdivision pattern
- Inadequate streets, open spaces and utilities
- Depreciated values and impaired investment
- Social and economic maladjustment
- Improper utilization of land

Since 1961, the Redevelopment Agency has funded or supported numerous activities called for in earlier implementation plans. The substantial rehabilitation of Acorn has eliminated blight from the 30 year old project and has provided updated, lower density, integrated income housing projects, including Bayporte Village Homes, Acorn I and II, MOHR and Apollo. The current renovation of the Jack London Gateway Shopping Center and the leasing of vacant space in the Center will eliminate vacant storefronts, poor landscaping, and an outdated exterior. The entire Center will be more modern and appealing. Pedestrian improvements will allow greater disabled access, improve street safety, and provide street landscaping, lighting, and other amenities that will improve the Center's appearance.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

Although the original planned redevelopment activities have been completed, redevelopment goals and objectives for the Acorn Project Area still involve acquiring and/or rehabilitating blighted, vacant and underutilized properties and identifying additional opportunities for improvements in housing, neighborhood-serving retail, and infrastructure. The Acorn Redevelopment Project's Five Year Implementation Plan for 2004-2009 listed the sale of the Jack London Gateway Shopping Center to JLG Associates, ("JLGA"), a limited liability company and its rehabilitation by JLGA as a major goal for this period.

III. PROJECTS AND PROGRAMS

The Agency's Implementation Plan for the Acorn Project Area listed a number of projects and programs to eliminate blighting conditions in the area. The following provides a status report on these capital projects and programs included in the Agency's Implementation Plan for the Acorn Project Area.

Jack London Gateway Shopping Center

Project Description: The 53,000 square-foot Jack London Gateway Shopping Center (the "Center") was constructed in 1983. The Center is anchored by a grocery store and approximately 11 small businesses which provide a variety of goods and services.

Project Status: A Disposition and Development Agreement between the Agency and JLG Associates (“JLGA”), a limited liability company composed of a subsidiary of the East Bay Asian Local Development Corporation (“EBALDC”), the West Oakland Marketplace Advancement Company, and TFB Associates, Inc. was negotiated and executed in July, 2004. The Center was sold to the JLGA in spring, 2006.

In March of 2006, EBALDC obtained a funding commitment from the Redevelopment Agency in the amount of \$4.9 million for a 55-unit senior housing complex which will be located on an underutilized section of the Center’s parking lot identified as 900 Market Street. The senior housing project has received planning entitlements and design has progressed based on community input and energy efficiency goals.

Jack London Gateway Shopping Center Façade Improvements

Project Description: EBALDC has also obtained a \$20,000 funding commitment from the City’s Community Development Block Grant funds for façade and landscaping improvements along the Brush Street side of the Center. These improvements will greatly increase the Center’s visibility and attractiveness to motorists who drive on Brush Street.

Project Budget: \$20,000 (CBDG funds)

Project Status: The design has been finished, bids obtained and the contractor selected. Construction is in progress and expected to finish by spring of 2008.

IV. PROJECT AREA REVENUES AND EXPENDITURES

This Section reviews the Agency’s existing obligations in the Project Area. It also reviews projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. The Agency has the 1988 Acorn Refunding Tax Allocation Bond outstanding for the Project Area. The Agency is also making payments on the Jack London Gateway Shopping Center.

This section describes the tax increment revenues that the Agency has received and used FY 2004-05 through FY 2006-07.

Tax Increment Revenues

The following table compares the projected tax increment revenues stated in the Implementation Plan to the actual revenues received during FY 2004-2007 (*stated in thousands of dollars*).

	<i>Projected 2004-07</i>	<i>Actuals 2004-05</i>	<i>Actuals 2005-06</i>	<i>Actuals 2006-07</i>	<i>Total Actuals 2004-07</i>
Gross Tax Increment Revenue	\$3,205	\$1,160	\$971	\$1,083	\$3,214
Housing Set-Aside Req't	(779)	(290)	(243)	(271)	(804)
AB 1290 Pass-through	0	0	0	0	0
Debt Service	(1,203)	(1,240)	(604)	(565)	(2,409)
State Education Funds (ERAF)	(180)	(88)	(82)	0	(170)
Net Tax Increment Revenues	\$1,043	(\$458)	(\$2,509)	\$247	\$2,720
Personnel	\$0	(\$211)	(\$138)	(\$326)	(\$675)
Projects	\$0	(\$71)	(2)	(\$32)	(\$104)

Expenditures

The table above looks at the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing development. Hence, a total of \$804,000 was reserved for the development of such housing. This amount exceeded projections by \$25,000.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. Coliseum is the

only project area to reach this second threshold. This additional pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies. The Project Area is not affected by the sharing provisions of AB 1290, because the Redevelopment Plan was adopted prior to 1994.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$170,000 in FY 2004-05 through FY 2006-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service

Debt service payment to the City in the Project Area amounted to a total of \$2,409,000 which included debt service on the 1988 TABs and a HUD 108/ Economic Development Initiative (DEI) loan.

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Implementation Plan. The Project Area covered \$675,000 in personnel costs during the mid-term review period.

Project Expenditures

The Agency expended approximately \$104,000 on projects and programs during the mid-term review period.

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements. The housing production requirements must be met every 10 years during the life of the project area. Because the Acorn Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing

unit production requirements of Section 33413(b) for the Project Area. Nevertheless, the Agency continues to track housing production in the project area.

Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Detail of Affordable Housing Developments

Palm Court (completed)

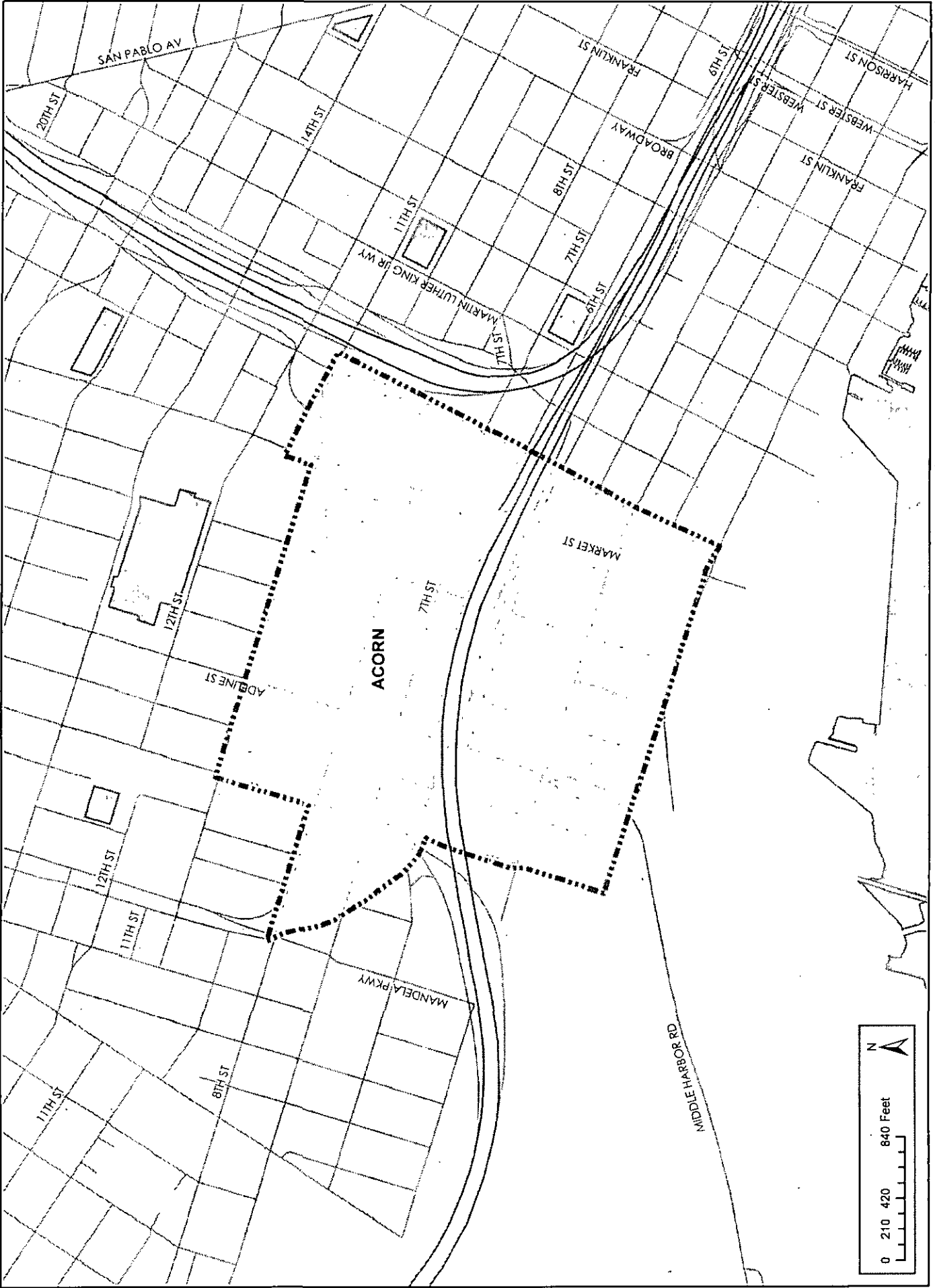
10th Street at Union Street

Completed December 2005, this homeownership development was new construction of 12 single family residences affordable to households with incomes below 60% area median income. Oakland City funding for the project was \$855,400 from the Redevelopment Agency.

Jack London Gateway Senior (proposed)

900 Market Street

This proposed new construction of senior housing is to be built on the parking lot of one of the few shopping malls located in this neighborhood and is located immediately adjacent to another senior facility. It will have 53 units affordable to low and moderate income seniors and will include a manager's unit. The project funding includes \$4.9 million from the Redevelopment Agency.



Acorn Redevelopment Project Area

ATTACHMENT B

Mid-Term Review of the Five Year Implementation Plan (2004-2009) for the Broadway/MacArthur/San Pablo Redevelopment Project Area

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the Redevelopment Agency of the City of Oakland (“Agency”) adopted a Five-Year Implementation Plan (the “Implementation Plan”) for the Broadway/MacArthur/San Pablo Redevelopment Project Area in December 2004. The purpose of the Implementation Plan was to set forth the Agency’s specific goals and objectives, programs and projects, and estimated expenditures for the Broadway/MacArthur/San Pablo Project Area for the five-year period beginning in 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan and evaluate the progress in meeting the goals and objectives. The following summary material has been prepared to document the progress in meeting the Broadway/MacArthur/San Pablo Redevelopment Project Area Implementation Plan’s goals and objectives.

Background of Project Area

The Broadway/MacArthur/San Pablo Redevelopment Plan (“Redevelopment Plan”) was adopted by the Oakland City Council on July, 25, 2000, and subsequently amended on March 6, 2007. The Project Area consists of two distinct sub-areas in North Oakland and is comprised of 676 acres. The Broadway/MacArthur sub-area incorporates Broadway Auto Row and Telegraph Avenue between 27th and 42nd Streets. The San Pablo sub-area incorporates the Golden Gate neighborhood on San Pablo between 53rd and 67th Streets. A map of the Project Area is attached.

The Broadway/MacArthur/San Pablo Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Time Limit to Incur New Debt:	July 25, 2020
Plan Effectiveness/Activity Time Limit:	July 25, 2030
Tax Increment Collection Time Limit:	July 25, 2045

Blight

The leading indicators of blight in the Broadway/MacArthur/San Pablo Redevelopment Project Area include underutilized and vacant land, deteriorated and dilapidated buildings, high rates of vandalism and crime, high commercial vacancies, inadequate public improvements, and lack of private investment.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The goals of the Broadway/MacArthur/San Pablo Redevelopment Project are as follows:

- A. Stimulate in-fill development and land assembly opportunities on obsolete, underutilized and vacant properties in the Project Area.
- B. Stimulate opportunities for adaptive re-use and preservation of existing building stock in the Project Area.
- C. Attract new businesses and retain existing businesses in the Project Area, providing job training and employment opportunities for Area residents.
- D. Improve transportation, public facilities and infrastructure throughout the Project Area.
- E. Stimulate home ownership opportunities in the Project Area and preserve and expand the supply of rental housing through new construction, rehabilitation, and conservation of living units in the Project Area.
- F. Revitalize neighborhood commercial areas.

III. PROJECTS AND PROGRAMS

The Agency's Five-Year Plan for the Broadway/MacArthur/San Pablo Project Area listed several categories of projects and programs to eliminate blighting conditions in the area. The following provides a status report on these capital projects and programs included in the Agency's Implementation Plan for the Broadway/MacArthur/San Pablo Project Area.

1) Land Acquisition and Assembly for Catalyst Projects

Project Description: Fund a portion of land acquisition, assembly, demolition, relocation or toxic remediation for catalyst projects, including the MacArthur Transit Village project.

Funding Allocated FY 2004-2007: \$1,625,000

Expenditures FY 2004-2007: \$212,700

Status:

The following land acquisition and assembly projects are currently underway:

MacArthur Transit Village

The Redevelopment Agency is working jointly with BART to develop a transit village at the MacArthur BART Station on the BART surface parking lot. The project will offer a mix of high-density residential units (both market-rate and below-market rate), neighborhood serving retail, and community space. The Agency and BART selected a development team, MacArthur Transit Community Partners, LLC, in April 2004 for this project and executed an Exclusive Negotiating Agreement (ENA) with the development team and BART in November 2004. Since then, the Agency and BART have been working with the development team to complete environmental

site assessment, refine the project proposal, and to start the project entitlements process. The Agency paid \$90,000 in 2006 to cover the cost of the environmental site investigation. The Agency provided the development team a \$1.5 million predevelopment grant in May 2007 to cover 50% of the entitlement costs for the project. The environmental impact report for this project will be published in May 2008. Execution of an Owner Participation Agreement is also expected to occur in May 2008. Land acquisition is expected to begin in June 2008.

3860 Martin Luther King, Jr. Way

The Agency purchased the vacant lot 3860 Martin Luther King, Jr. Way from the City of Oakland in June 2002. The Agency completed a Phase II Hazardous materials investigation on the site in July 2004. In February 2006, the Agency entered into an ENA with Cotter and Coyle, LLC to explore the feasibility of developing market rate housing on the property. In January 2007, the Agency entered into a Disposition and Development Agreement with Cotter and Coyle, LLC, to purchase the Agency-owned property at 3860 Martin Luther King, Jr. Way for a 74-unit for-sale housing development project on the Agency property and on an adjacent site owned by the developer. Construction on the first phase of the project, which consists of 34 units on the Agency site, began in May 2007 and is anticipated to be completed in June 2008. The second phase of construction is scheduled to start in July 2009.

Targeted Land Acquisition

Agency staff worked with the Project Area Committee for the Broadway/MacArthur/San Pablo Redevelopment Project Area to identify target blighted properties for land acquisition. A total of 7 target properties were identified in July 2007. The Agency is approaching the property owners to negotiate acquisition of the properties and anticipates purchasing property in 2008.

2) Façade and Tenant Improvement Programs

Project Description: Fund façade improvements, tenant improvements, and working capital for businesses on commercial corridors within the Project Area. Fund business retention and development efforts on commercial corridors within the Project Area.

Funding Allocated FY 2004-2007: \$800,000

Expenditures FY 2004-2007: \$240,000

Project Status: The Façade Improvement Program and Tenant Improvement Program offer matching grants depending on the square footage of the retail space. In addition, both programs offer free architectural assistance of up to \$5,000 to participating property owners and businesses. The program boundaries include Telegraph Avenue, San Pablo Avenue, Broadway, and West MacArthur Boulevard. The Agency completed 16 Façade Improvement Projects between July 2004 and July 2007. Presently, there are 12 new Façade projects that are underway. The Tenant Improvement Program was adopted in February 2006 and presently has 4 projects underway.

3) Infrastructure Improvements

Project Description: Provide capital for infrastructure improvements such as streetscape, lighting, freeway access, and park and recreation center upgrades

Funding Allocated FY 2004-2007: \$650,000

Expenditures FY 2004-2007: \$375,700

Project Status: The following infrastructure projects have been completed and/or are currently underway:

Broadway Median

The Agency contributed funds in December 2005 to landscape the median on Broadway between West MacArthur Boulevard and 42nd Street. The work was completed in May 2006.

Telegraph Avenue Pedestrian Streetscape Improvement Plan

In March 2005, the Agency completed a streetscape design plan for pedestrian improvements on Telegraph Avenue. The study includes the entire stretch of Telegraph Avenue within the Broadway/MacArthur/San Pablo Redevelopment Project Area. The plan includes improvements to sidewalks, street lights, street trees, bus stops, and crosswalks. The Agency is working to identify capital funding to implement the plan.

40th Street Pedestrian Improvements

The Agency received a grant from the Caltrans Environmental Justice Program to create a plan to improve pedestrian access to the MacArthur BART Station along 40th Street between Telegraph Avenue and Martin Luther King, Jr. Way. The Agency completed the schematic designs for the project in March 2003 and was awarded a federal capital grant the project in July 2005. The Agency completed the construction documents for the project in March 2007 and has advertised the project for construction bids in July 2007. The Agency plans to start construction of the project in December 2007.

San Pablo Pedestrian Streetlights

The Agency plans to put pedestrian-oriented street lights on San Pablo Avenue between 53rd Street and 67th Street. Design work for this project started in August 2007 is currently underway. Construction is anticipated to start in late 2008.

Neighborhood Project Initiative Program

The Agency adopted a Neighborhood Project Initiative program in the Broadway/MacArthur/San Pablo Area in February 2006. The program offers capital grants of up to \$50,000 for small-scale neighborhood improvement projects within the project area. During the first round of the program, the following projects were funded: upgrades to the Mosswood and Golden Gate Park and Recreation Centers, landscaping improvements at the Golden Gate Library, improvements to the 40th Street median, new street trees and street furnishings on Telegraph Avenue, and a mural on an existing building. Staff launched the second round of the program in April 2007 and received approval from City Council in September 2007 to complete 6 new projects including,

renovation of the Bob Mason Field in Golden Gate Recreation Center, a tot lot and a community garden in Mosswood Park, and the renovation of the West MacArthur median. A third and fourth round of the program are anticipated to occur in 2008 and 2009.

4) Rehabilitation of Select Buildings

Project Description: Fund a portion of rehabilitation costs of select buildings for adaptive reuse and preservation

Funding: Allocated FY 2004-2007: \$0

Expenditures FY 2004-2007: \$0

Project Status: Between 2004 and 2007, the Agency did not fund any rehabilitation projects other than those funded under the Façade Improvement Program. In April 2008, the Agency plans to contribute \$50,000 to Rebuilding Together Oakland, a non-profit organization, to rehabilitate 3 houses occupied by low-income seniors and one facility for homeless woman. All four properties are located within the redevelopment area boundaries. In addition, the Façade Improvement Program (described above) funds the rehabilitation of commercial buildings within the Project Area.

5) Housing for Low-and Moderate Income Residents

Project Description: Provide capital to support mortgage assistance for low and moderate-income first-time homebuyers and provide capital to support new for-sale and rental residential development.

Funding Allocated FY 2004-2007: \$2,319,000

Project Status: The Agency contributes 25% of the gross tax increment generated in the Broadway/MacArthur/San Pablo Redevelopment Project Area to the Agency's Low and Moderate Income Housing Fund. The revenues from this fund are used to fund the City's First Time Homebuyer Program and the annual Notice of Funding Availability for new low and moderate-income housing development.

IV. PROJECT AREA REVENUES AND EXPENDITURES

This Section reviews the Agency's existing obligations in the Project Area. It also reviews total projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07. Information on the allocation of the revenues between different projects and programs and the expenditures for each of those projects and programs between 2004 and 2007 is presented in Section III: Projects and Programs.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. This section describes both sources and the amounts that the Agency has received and used FY 2004-05 through FY 2006-07.

Tax Allocation Bond Proceeds

The Agency issued the following TABs during FY 2004-05 through FY 2006-07:

Broadway/MacArthur/San Pablo TAB Series 2006C-TE (Tax-Exempt) - \$ 4,945,000
Broadway/MacArthur/San Pablo TAB Series 2006C-T (Taxable) - \$12,325,000

After deducting the cost of issuance, \$17 million of the bond proceeds were deposited to finance redevelopment activities in the Project Area. The bond proceeds have been programmed for use as follows in the adopted Agency Budget for Fiscal Years 2007-09:

Project or Program	Budgeted Funds for FY 2007-09
MacArthur Transit Village Predevelopment Grant	\$1,500,000
MacArthur Transit Village Land Acquisition	\$10,500,000
Broadway/MacArthur/San Pablo Targeted Land Acquisition	\$2,000,000
40th Street Pedestrian Improvements	\$550,000
San Pablo Pedestrian Streetlights	\$1,500,000
Neighborhood Projects Initiative Program	\$600,000
Miscellaneous Infrastructure	\$350,000

Tax Increment Revenues

The following table compares the projected property tax increment to the actuals obtained during FY 2004-2007 (stated in thousands of dollars).

	<i>Projected 2004-07</i>	<i>Actual 2004-05</i>	<i>Actual 2005-06</i>	<i>Actual 2006-07</i>	<i>Total Actual 2004-07</i>
Gross Tax Increment Revenue	\$5,101	\$1,979	\$2,935	\$4,361	\$9,275
Housing Set-Aside Req't	(1,275)	(495)	(734)	(1,090)	(2,319)
AB 1290 Pass-through	(1,061)	(396)	(587)	(872)	(1,855)
Debt Service	0	0	0	(358)	(358)
TI Rebate	0	0	0	0	0
State Education Funds (ERAF)	(279)	(106)	(141)	0	(247)
Net Tax Increment Revenues	2,486	982	1,473	2,041	4,496
TAB Proceeds	\$0	\$0	\$0	\$17,000	\$17,000
Personnel	\$0	(\$216)	(\$309)	(\$395)	(\$920)

Expenditures

The table above describes the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing development. Hence, a total of \$2,319,000 from the Broadway/MacArthur/San Pablo Project Area was reserved from FY 2004- 05 to FY 2006-07 for the development of such housing. This amount exceeded projections by almost \$1,040,000.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. This additional pass-through, which only applies to this second tax increment

revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$247,000 in FY 2004-05 through FY 2007-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service

Debt service payments on the TAB Series 2006C-TE and TAB Series 2006C for the Project Area amounted to a total of \$358,000.

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Five-Year Plan. The Agency covered personnel costs of \$920,500 during FY 2004-05 through FY 2006-07 from net property tax increment receipts that are shown in the table below.

Project and Programs

The Agency expended approximately \$1,150,000 on the projects listed below during the mid-term review period.

The following table presents a brief summary of expenditures of property tax increment revenues and bond proceeds per expenditure category during FY 2004-2007 (*stated in thousands of dollars*):

<u>Expenditure Category</u>	<u>Expenditures FYs 2004-07</u>
Operations and Maintenance	\$320.9
Catalyst Projects	\$212.7
Infrastructure Improvements	\$375.7
Facade and Tenant Improvement Programs	\$240.4
Rehabilitation of Select Buildings	\$0
Total Expenditures	\$1,149.7

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements:

- At least 30 percent (30%) of all new and substantially rehabilitated dwelling units developed by a redevelopment agency shall be available at affordable housing cost to persons and families of low and moderate income and shall be occupied by these persons and families [(Section 33413(b)(1)];
- At least 15 percent (15%) of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families [Section 33413(b)(2)];
- At least 15 percent (15%) of all substantially rehabilitated units that have received agency assistance shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families [Section 33413(b)(2)(iii)];
- Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan [Section 33490(a)(3)].

The housing production requirements must be met every 10 years during the life of the project area. Units produced in excess of these requirements can be applied to meeting the requirements in the next ten year period. The tables on the following pages provide information on progress to date in meeting those goals. The first two tables assess progress based solely on projects that are completed or are likely to proceed. The third and fourth tables take into account projects that have been proposed but have not yet been approved.

Housing Production July 25, 2000 to October 31, 2007¹:

Table 1
Completed/Underway Market Rate and Affordable Housing Projects in Broadway/MacArthur/San Pablo Project Area

Project Name	Units	Type	Year Completed	Affordability Level			
				Very Low	Low	Mod	Above Mod
1130 65th Street	16	Homeownership	2007				16
371 30th Street	26	Homeownership	2003				26
3860 Martin Luther King Jr. Way (Cotter & Coyle)	34	Homeownership	TBD				34
3884 Martin Luther King Jr. Way (Cotter & Coyle)	40	Homeownership	TBD				40
6465 San Pablo Avenue	33	Homeownership	2007				33
6521 San Pablor Avenue	14	Homeownership	2007				14
Artisan Walk (6549 San Pablo Ave)	66	Homeownership	2007				66
City Limits (formerly FABCO) (1205 67th Street)	61	Homeownership	2006				61
McLure Street Housing	14	Homeownership	2004				14
San Pablo Heights/Tri-City Lofts	24	Homeownership	2007				24
Temescal Station, Phase I	10	Homeownership	2007				10
Temescal Station, Phase II	18	Homeownership	2007				18
The Veranda (532-536 30th Street)	26	Homeownership	2005				26
Scattered Site Infill Development	15	Various	Various				15
Total	397			0	0	0	397
Percentage	100%			0%	0%	0%	100%

Table 2
Affordable Unit Production Requirements Based on Completed/Underway Projects

	Units	Total Affordable ^a	VLI Only
Total Units Completed/Underway	397	0	0
Less Required Affordable Units (15% total, 6% VLI)		60	24
Surplus/(Deficit)		(60)	(24)

a. Includes units for very low, low and moderate income households.

¹ Source: Win2Data, City of Oakland Building Permit Data, City staff, October 2007.

Table 3
Pending Housing Projects for Broadway/MacArthur/San Pablo Project Area

Project Name	Units	Type	Year Completed	Affordability Level			
				Very Low	Low	Mod	Above Mod
4225 Broadway	19	Homeownership	TBD				19
485 West MacArthur Blvd	16	Homeownership	TBD				16
5300-5310 San Pablo Avenue	32	Homeownership	TBD				32
5518 San Pablo Avenue	8	Homeownership	TBD				8
557 Merrimac	40	Homeownership	TBD				40
5630 San Pablo Avenue	18	Homeownership	TBD				18
5920 San Pablo Avenue	8	Homeownership	TBD				8
Courthouse Condominiums	142	Homeownership	TBD				142
Grove Park (previous incarnation MLK BART Senior Homes) ^a	60	Homeownership	TBD				60
MacArthur BART Transit Village ^b	540	Mixed Use	TBD				540
Wang Scattered Site (62nd & Marshall)	2	Homeownership	TBD				2
Total	885			0	0	0	885

a. Grove Park may include up to 24 moderate income units. Note that this is only an estimate for purposes of this analysis, this table does not include the affordable units planned for this pending project in order to show the projected surplus or deficit.

b. To date, MacArthur Transit Village plans to include 160 units of affordable housing. Note that this is only an estimate for purposes of this analysis, this table does not include the affordable units planned for this pending project in order to show the projected surplus or deficit.

Table 4
Affordable Unit Production Requirements Based on All Units

	Total	Total Affordable ^a	VLI Only
Pending Units	885	0	0
Required Affordable Units (15% total, 6% VLI)		133	54
Less Surplus/(Deficit) from Completed/Underway Units		(60)	(24)
Net Surplus/(Deficit)		(193)	(78)

a. Includes units for very low, low and moderate income households.

Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

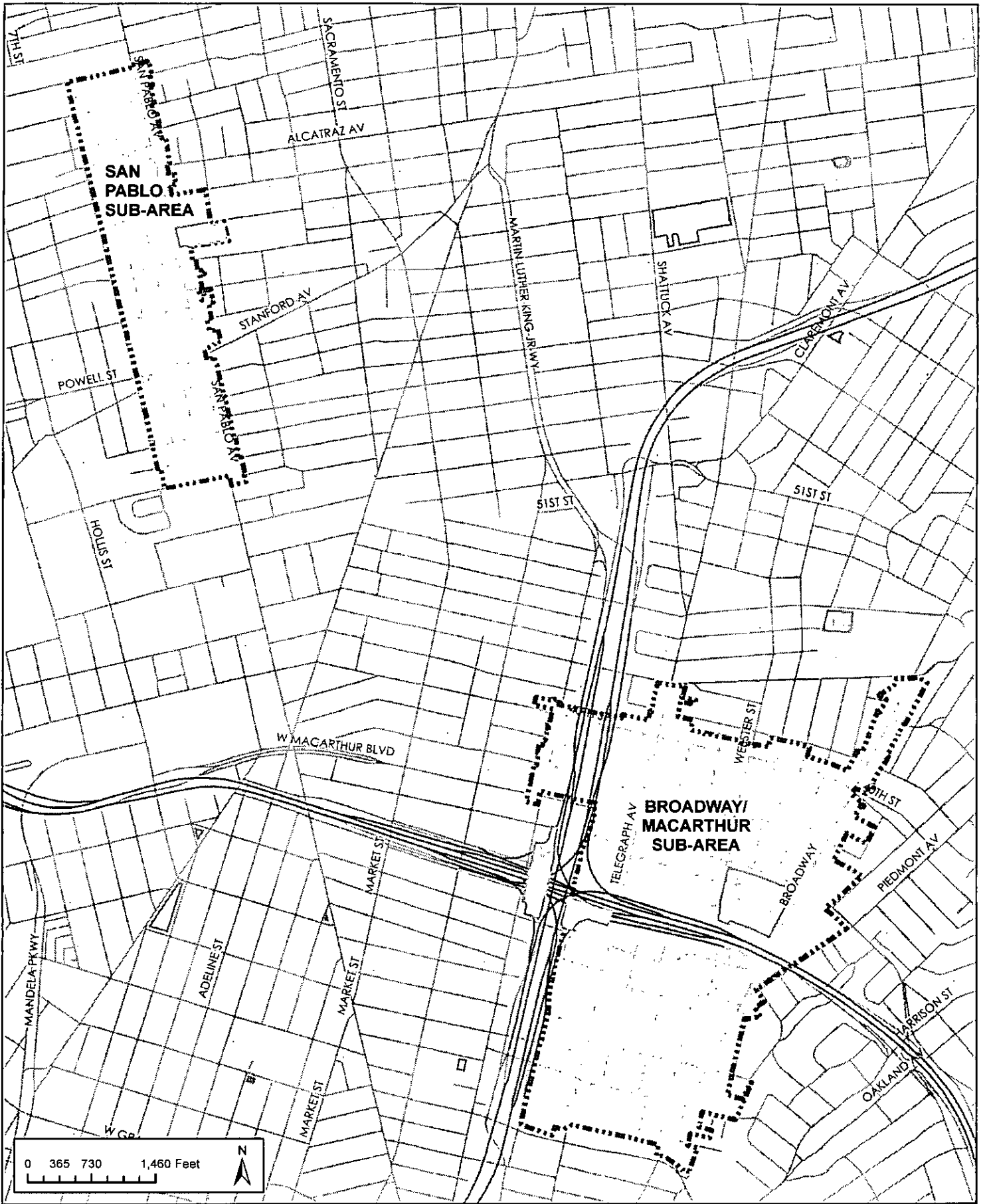
With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Detail of Proposed Affordable Housing Developments

MacArthur BART Transit Village

Telegraph and 40th Street at the MacArthur BART Station

Currently undergoing CEQA/NEPA review and community planning, this project tentatively proposes 540 to 675 high-density multi-family ownership condominiums and apartment rental units. Other amenities include 30,000 to 34,000 square feet of ground floor neighborhood serving retail and 5,000 square feet of community space. A project specific inclusionary requirement tentatively states that, of the total number of residential units to be constructed, 17% are to be affordable units. Engineering and construction documents are scheduled to be complete at the same time as the environmental review, and construction is slated to begin FY 2008-09.



Broadway/MacArthur/San Pablo Redevelopment Project Area

ATTACHMENT C

MID-TERM REVIEW OF 5-YEAR IMPLEMENTATION PLAN CENTRAL DISTRICT REDEVELOPMENT PROJECT AREA

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the City of Oakland Redevelopment Agency of the City of Oakland ("Agency") adopted a Five-Year Implementation Plan (the "Implementation Plan") for the Central District Redevelopment Project Area (the "Project Area") in December 2004. The purpose of the Implementation Plan was to set forth the Agency's specific goals and objectives, programs or projects, and estimated expenditures for the Project Area for the five-year period from 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan, and evaluate the progress in meeting the plans, goals and objectives. The following summary material has been prepared with respect to the progress in meeting the Project Area Implementation Plan's goals and objectives.

Background of Project Area

The Central District Redevelopment Plan ("CDURP" or "Redevelopment Plan") was adopted by the Oakland City Council on June 12, 1969, and subsequently amended or supplemented on January 21, 1971, on May 29, 1973, on December 16, 1975, on December 12, 1978, on June 12, 1979, on August 3, 1982, on October 2, 1984, on June 11, 1985, on March 27, 1990, on February 18, 1997, on October 27, 1998, on July 24, 2001, on January 6, 2004, on July 20, 2004, on December 21, 2004, and on June 20, 2006.

The Project Area is bounded by I-980, Lake Merritt, 27th Street, and the Embarcadero, and encompasses approximately 250 blocks (828 acres), including the entire Central Business District and surrounding neighborhoods. The Redevelopment Plan was amended in 2001 to add additional territory, known as the Brush & MLK Amendment Area. A map of the Project Area is attached to this report.

The Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Central District (original Project Area)

Time Limit to Incur New Debt:	No Time Limit
Plan Effectiveness/Activity Time Limit:	June 12, 2012
Tax Increment Collection Time Limit:	June 12, 2022

Central District (Brush & MLK Amendment Area)

Time Limit to Incur New Debt:	July 24, 2021
Plan Effectiveness/Activity Time Limit:	July 24, 2032
Tax Increment Collection Time Limit:	July 24, 2047

Blight

The leading indicators of blight in the Project Area include:

- Substantial number of buildings of defective design and physical construction, which contain obsolete interior arrangement and exterior spacing, inadequate ventilation, light and sanitation
- Buildings with deteriorating facades
- Underutilized and vacant land
- Inadequate public Improvements
- High commercial vacancies
- Lack of private investment
- Social and economic maladjustment

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The following goals and objectives are included in the Implementation Plan to assist in the elimination of blight within the Central District Project Area:

- A. Strengthening of the Project Area's existing role as an important office center for administrative, financial, business service and governmental activities.
- B. Revitalization and strengthening of the Oakland Central District's historical role as the major regional retail center for the Metropolitan Oakland Area.
- C. Establishment of the Project Area as an important cultural and entertainment center.
- D. Re-establishment of residential areas for all economic levels within specific portions of the Project Area.
- E. Provisions of employment and other economic benefits to disadvantaged persons living within or near the Project Area.
- F. Restoration of historically significant structures within the Project Area.
- G. Improved environmental design within the Project Area, including creation of a definite sense of place, clear gateways, emphatic focal points and physical design which expresses and respects the special nature of each sub-area.

During the first three years of the Implementation Plan, the Agency focused its redevelopment activities on three areas:

- Acquisition and clean-up of blighted and underutilized properties into sites suitable for new development by working with the private sector to implement new projects, especially near major mass transit nodes.
- Provide low cost loans or grants to private sector entities to address deteriorated structures and facades, or initiate direct improvements to blighted structures.
- Provide infrastructure improvements and open space covering a variety of public works and streetscape projects.

III. PROJECTS AND PROGRAMS

The Agency's Implementation Plan for the Project Area listed several categories of projects and programs to eliminate blighting conditions in the area. The following provides a status report on these capital projects and programs included in the Agency's Implementation Plan for the Project Area.

CENTRAL DISTRICT WIDE

1. 1-1/2% Public Art Program

Description: The Agency's Public Art Program authorizes the allocation of 1-1/2% of capital construction projects for the commissioning of public artwork. Agency funds are used for artwork that is part of the Agency's Streetscape Improvement projects and for public art installations that will be part of future Agency-assisted development projects.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$770,511.

Project Status: A major public art program to complement the arts and entertainment history of the Uptown area and enrich the built environment for the benefit of new and existing residents is being developed in conjunction with Telegraph Avenue streetscape improvements. The proposed program will create a media-arts-based 'light corridor' on Telegraph between Frank Ogawa Plaza and 20th Street, and will include permanent light-based sculpture, electronic media, window installations, temporary artworks and a rotating series of media arts projections on building façades. The program is scheduled to launch in spring/summer 2008 to coincide with groundbreaking on the Telegraph Ave. Streetscape Project. A research and development phase of the project - partially sponsored by private business - has been underway since spring 2007, with media art projections on the "Great Wall of Oakland" (located at Broadway and Grand) on first Fridays during the "Artmurmur" gallery walk.

2. **10K Housing Initiative**

Description: The 10K Housing Initiative aims to attract ten thousand new residents to the Project Area by working with private developers to build the necessary housing for these new urban dwellers. In 1999, the Mayor and the City Council identified this initiative as a major downtown redevelopment effort to re-establish residential areas for all economic levels within specific portions of the Project Area. The Agency works with private developers and property owners to establish partnerships for the redevelopment of existing underutilized Agency- or privately-owned sites. The Agency may also acquire suitable sites for redevelopment into housing.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$12,511,712 (not including the Uptown Project, which is discussed in more detail below).

Project Status: The Agency is directly involved in five ongoing projects and is involved in a marketing campaign to encourage private residential development. As of August 2007, the 10K initiative contributed to the following:

- 2,274 units were completed
- 2,187 units are in construction
- 2,316 units have planning approvals; and
- 3,691 units are in planning

These 10,468 units in various stages of the development process exceed the 10K goal and, once completed, would bring approximately 18,000 new residents to the Project Area. Other major accomplishments related to those residential projects with direct Agency involvement include:

- a. Market Square, Phase I and II. (174 residential units and 28 lofts). Located on the former Housewives Market site, the first phase of Market Square began construction in June 2003, and was completed in August 2006. Phase II is anticipated for completion by late 2007.
- b. Uptown Apartments. (665 residential units, 9,000 square feet of retail and new public park). Construction started November 2005. Environmental remediation was completed in October of 2006. The first building (193 units) will open in January 2008, followed by the second building (217 units) in June 2008, and the third building (255 units) in January 2009.
- c. Uptown – Parcel 4. (200-350 residential units, 20,000 square feet of retail). Execution of the Disposition and Development Agreement (DDA) with Forest City for a mid-rise mixed-use development. The project is scheduled to commence construction in the summer of 2008.
- d. City Walk. (252 residential units, 3,000 square feet of retail). A RFP was issued November 2003, DDA was approved July 2004, and

construction began March 2005. Project completion is scheduled for 2008, pending resolution of construction issues by developer.

- a. Fox Courts. (80 units of affordable rental housing, 4,000 square feet of child care space and children's art education programs). The Agency had entered into a disposition and development agreement and loan agreement with Resources for Community Development. Construction began September 6, 2007 with an anticipated completion of March 2009.

Plans for the 10K initiative for 2007-09 include the completion of existing projects (City Walk, Forest City, Fox Courts and Market Square II), commencing construction on Forest City's second Uptown Project, continued facilitation of new privately developed projects, and encouraging partnership between private property owners and developers for new residential projects.

3. Broadway Improvement Program

Description: The Broadway Improvement Program consists of a number of projects that aim to improve the pedestrian environment of Broadway and to inform local residents and visitors about Oakland's rich architectural history.

Project Funding: These are ongoing programs using funds carried forward from prior years.

Estimated Total Cost in Five-Year Implementation Plan: \$90,249

Project Status: The Downtown Oakland Walking Tours Program currently operates through this program. The Artship displays in vacant storefront windows program have been discontinued.

4. Downtown Business Improvement District (BID)

Description: The purpose of a BID is to improve the public perception of Oakland's Central Business District as a place to work, shop, and conduct business. BIDs generally enhance the services provided by private and public sources to promote and market the downtown area.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$185,025

District/ Program	Actual Project Funding	Source of Funds
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Koreatown/Northgate	\$13,500	Central District Agency funds
	\$32,500	Downtown BID Agency funds
Downtown Area: Lake Merritt, Downtown Central Business District, Old Oakland stakeholders	\$90,000	Downtown BID Agency funds
BID Best Practices Implementation	\$20,000	Downtown BID Agency funds
National Advisory Panel Project	\$20,000	BID Program Agency funds

Project Status: Major accomplishments include the completion of a feasibility study to establish a BID for Chinatown, Old Oakland, and Koreatown. In July 2007, the Koreatown/Northgate Community Benefit District was established. Currently, three downtown areas are working to establish a BID, including Lake Merritt District, Downtown Central Business District, and a renewed stakeholder group in Old Oakland. Lake Merritt aims to complete its feasibility study and establish the district in July 2008. Stakeholders from downtown and Old Oakland are completing feasibility studies and hope to launch a BID for their sub-district during 2007-2009. A BID Best Practices Study will be completed by May of 2008. The study is intended to update and revise guidelines and procedures to streamline implementation of the City's BID Assistance Program. The initial costs for the study are contributed from non-Agency funds, but Agency funds will be allocated to implement recommendations of the study since it will impact the success of the downtown BID program. There is also a project to enlist a national advisory panel for the purpose of assisting the downtown Oakland BID stakeholders to coordinate economic development activities among various proposed BIDs throughout the downtown area.

5. Downtown Capital Project Support

Description: This program provides equipment, promotional materials and professional services in support of redevelopment activities throughout the Project Area during the Implementation Period.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$2,360,071

Project Status: Funding from Downtown Capital Support will be used to:

- Purchase new computer work stations;
- Provide training for downtown staff;
- Pay for the Public Works Agency's project management support on the Agency's Streetscape Improvement District projects;
- Provide funding for consultant contracts;

- Pay for certain street improvements in the Uptown Area; and
- Provide capital support for Agency-owned facilities.

6. **Downtown Façade Improvement Program**

Description: The Downtown Façade Improvement Program was created in 1999 and covers Uptown, Old Oakland/Chinatown and the Lower Broadway area. The program also includes the Downtown Historic Façade Program, which is discussed in more detail in the Downtown Historic Façade program below. The program provides matching grants and design assistance to existing businesses for the purposes of making storefront and façade improvements. The Façade Program is intended to promote retail activity, restore the exterior of historic buildings, improve the pedestrian experience, and help support other redevelopment projects by enhancing the general appearance of surrounding properties.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$2,228,547

Projects completed in FY 2004-2007 represent \$1,300,000 in grant money that was either paid or encumbered. This will leverage roughly \$5,000,000 in total exterior improvements.

Project Status: During the first 3 years of the Implementation Plan, 72 façade projects were completed or in construction (56 completed and 16 in construction). Also, there are an additional 53 projects in the preliminary or design phase. The goal for 2007-2009 is to complete 40 façade projects in downtown besides those in the historic district and to identify new candidates for the program.

7. **Downtown Historic Façade Program**

Description: The Agency's goal for this program is to encourage private property owners to restore and reoccupy historic buildings in the downtown area by providing financial incentives through the Downtown Façade Improvement Program. The Historic Façade Program provides matching grants and architectural services for properties within the historic district boundaries in the center of downtown Oakland. In addition to matching grants, the program provides some additional funding for historic façade restoration without requiring a match from the project sponsor.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$469,605

Projects completed in FY 2004-2007 represent 775,000 in grant money that was either paid or encumbered. This has leveraged \$3,000,000 in total improvements.

Project Status: During 2004-2007, 21 façade projects were completed or under construction (13 completed and 8 in construction). Also, there are an additional 13 projects in the predevelopment or design phase.

The goal for 2007-09 is to begin and/or complete 10 projects in the historic district downtown and to identify new candidates for the program.

8. **The Downtown Tenant Improvement Program**

Description: The Downtown Tenant Improvement Program (TIP) provides incentives to attract retail, restaurants, arts and entertainment businesses to targeted locations in the Project Area. While the market for retail in Downtown Oakland has improved, in many cases the spaces, buildings or properties that are available are functionally obsolete and not suitable for many retail uses. The TIP provides property and business owners matching grants to cover expenses for asbestos abatement, compliance with the Americans with Disabilities Act (ADA), interior demolition, upgrading mechanical, plumbing, electrical systems, and restoration of interior historic design features. The TIP offers \$10/square foot of up to \$99,000 for interior improvements. The TIP can be used separately or with the existing Downtown Façade Improvement Program. The goal of the program for 2004-2009 was to reduce the retail vacancy rate by at least 50 percent. Thus far, the retail vacancy rate has been reduced approximately by 70 percent. In 2003, the vacancy rate was around 25 percent and is now down to 8 percent overall and in some areas down to 4 percent. The goal for 2007-2009 is to assist an additional 30 businesses to open in downtown.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$3,589,234
Projects completed during 2004-2007 represent \$1,950,000 in grant money that was either paid or encumbered. This has leveraged \$10,000,000 in total improvements.

Project Status: During 2004-2007, 71 tenant improvement projects were completed or under construction (56 completed and 15 in construction). Also, there are an additional 11 projects in the preliminary or design phase.

9. **Parking Garage Development**

Description: The Agency has determined the need for additional public parking facilities throughout the Project Area since over 1,200 parking spaces were eliminated in the Uptown Area as a result of the Uptown Project, which is in proximity to the Telegraph Plaza Garage, the Paramount Theater and the Fox Theater. The Agency preliminarily identified the existing City-owned Telegraph Plaza Garage as a likely candidate for parking capacity expansion.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$10,000,000

Project Status: During FY 2005-07, Agency staff entered into an Exclusive Negotiating Agreement (ENA) with a developer for a mixed-use project, including housing, on the site. The ENA expired, however, as the housing market

softened. During 2007-09, the Agency will analyze the construction and financial feasibility of significantly upgrading only the garage, and proceed to enlist a developer/contractor to implement this project.

10. **Streetscape Master Plan**

Description: The Downtown Oakland Streetscape Master Plan calls for the construction of public improvements to compliment existing and future redevelopment projects, and attract new public and private investment in the Project Area. The recommendations of the master plan are based on the goal of achieving improved environmental design within the Project Area, including creation of a definite sense of place, clear gateways, emphatic focal points and physical design which expresses and respects the special nature of each sub-area. The planned improvements include repair and/or restoration of existing pavement, widening existing sidewalks, constructing pedestrian bulb-outs, introducing new landscaping, such as street trees, improving signage and striping, installing new lighting, providing traffic signal upgrades, and providing accommodations for bicycle traffic where possible. These on-going projects are funded using a combination of local Redevelopment funds, County funds, and federal funds. All projects are based on the findings and recommendations of the Downtown Streetscape and Broadway Streetscape Master Plans.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$9,423,679
Available funding totals approximately \$19.7 million in local Redevelopment funds (through FY 2008/09), County funds, and federal funds. Estimated total cost for all planned projects currently exceeds available funding.

Project Status: On-going projects include the following: Broadway Phase II Improvements (12th to 17th Street) and Broadway Phase III (17th to 20th Street), construction contract was awarded in 2007 and is estimated to be complete in 2008; Telegraph Avenue (16th to 20th Street - both sides) and Latham Square Redesign: Anticipated construction contract award in July of 2008; Old Oakland (Washington, 7th to 9th Street): Anticipated construction contract award in June of 2008. New projects that are planned during the remaining implementation period include: 11th Street Sidewalk Improvements (North-side to the east of Clay Street); and Broadway/West Grand Improvements (Broadway/W. Grand Avenue to 24th Street). These projected start dates might be delayed as sidewalk basements located in several of the Streetscape Improvement Project areas have been determined as structurally deficient, and may require extensive repair work prior to implementation of the streetscape improvements.

UPTOWN

1. **17th Street and San Pablo Parking Garage**

Description: This project involved the design and construction of a 325-space garage for the Rotunda Building and other commercial and public buildings in the vicinity. The garage may include up to 5,000 square feet of commercial space.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$338,663

Project Status: Major accomplishments during 2004 - 07 included completion of garage construction by Rotunda Garage LP. The Agency is anticipating receipt of a development proposal from a private developer for a portion of the undeveloped land that is fronting on San Pablo Avenue.

2. **Center 21, formally known as Bermuda Building**

Description: The Agency completed site acquisition of the property located at 21st and Franklin Streets in FY2003-2005 and transferred the property to Prentiss Properties, which in turn sold their interest to Brandywine Realty. Previous accomplishments included demolition of the existing building on the site and completion of the eminent domain action for the project.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$407,186

Project Status: Brandywine started construction of a mid-rise office building on the site in the fall of 2005. This building includes 215,000 square feet of new office space and 16,000 square feet of ground floor retail. This new building is the first office building that has been developed in Oakland since 555 City Center was completed in 2002. The project is scheduled for completion by spring of 2008.

3. **Fox Theater Master Plan, Renovation and Maintenance**

Description: The Agency's Fox Theater Project will transform the abandoned Fox Theater into a 2,500-seat performing arts center. In addition, the attached wrap-around building will be renovated into the new home for the Oakland School for the Arts, an Oakland charter high school with an enrollment of 500 students. Approximately 10,000 square feet of the ground floor space will be renovated into food and beverage uses to compliment the theater. The Agency has leveraged significant public and private funding with its capital contribution to the Project. Combining state funding, private grants, New Market and Historic Rehabilitation Tax Credits, the Agency authorized a loan of \$25,500,000 from Central District Tax Allocation Bond proceeds for the project. The Agency has established a non-profit public benefit corporation, Fox Oakland Theater (FOT), to oversee the rehabilitation, lease-up and management of the theater. FOT has

executed leases with Another Planet Entertainment and the Oakland School for the Arts. Completion of this project will stimulate private investment in surrounding structures, increase property values and property taxes, increase sales taxes, and create new jobs during construction and operation of these new businesses.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$13,556,330

Project Status: Project construction commenced in September 2006 and is anticipated to be completed by September 2008.

4. **Oakland Ice Center**

Description: The Oakland Ice Center supports development in the Uptown area by providing an attractive ice skating facility that draws people to this part of the Project Area, especially on evenings and weekends. The Oakland Ice Center contributes to the establishment of the Project Area as an important cultural and entertainment center, and provides valuable recreational activity to residents throughout the City and beyond.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$10,486,000

Project Status:

The OIC had gross revenues of \$1.7 million and net profit of \$67,000 during FY 2005-2006 and gross revenues of \$1.6 million in and a net loss of \$88,000 in FY 2006-07. As a result of a new 38-month management agreement with San Jose Arena Management (SJAM) that was approved by Council in October of 2007, the Agency will no longer be liable for any operating losses, but will receive a share of profits. In the last quarter of FY 2006-07, the Agency appropriated \$300,000 toward capital repairs and improvements to the facility. With these funds major repairs and rehabilitation were performed on both ice rinks within the OIC. During 2007-09, an alternate entry to OIC will be constructed, and other capital improvements will be completed with SJAM's \$100,000 capital funding contribution. Beyond the capital improvements that were made to the facility in the summer of 2007, accomplishments during the last 3 years include the installation of solar panels on the roof of the facility and energy efficient lighting throughout the building.

5. **Touraine Hotel/Henry J. Robinson Multi-Service Center**

Description: The Henry J. Robinson Multi-Service Center provides economic benefits to disadvantaged persons living within or near the Project Area by operating major transitional housing, emergency shelter and drop-in programs for the homeless population in Oakland. The Center provides transitional housing for up to 54 families, and gives homeless individuals the opportunity to stabilize their

lives while undertaking, through case management, the work they need to do in order to become productive citizens living in permanent housing. The Center also provides 30 shelter beds, a drop-in center, and an award-winning program for children. The project is grant funded. The Agency receives income from the use of the center, which is applied to fund capital improvements to the facility. This existing Agency-owned facility requires operation and maintenance funding during the Implementation Period.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$361,785

Project Status: Major accomplishments during 2004-2007 included: provision of transitional housing for 408 children in 202 families, emergency housing for 138 children in 83 families, and 138 families exiting the facility and moving to permanent housing. Other clients receiving services, but not housing, totaled 603 families. In FY 2006-07 major accomplishments included: provision of transitional housing for 150 children in 74 families, emergency housing for 86 children in 50 families, and 69 families exiting the facility and moving to permanent housing. Other clients receiving services, but not housing, totaled 284 families. Based on past performance, for FY 2007-09, it is anticipated that 75 percent of all program participants living on the streets or in shelters will move into transitional housing and improve residential stability and that 100 percent of program participants will take part in skill development programs (vocational training, educational enrollment, life skills and money management). As a result, based on past experience, it is anticipated that no less than 75 percent of all participants will increase personal skills in the areas of budget management, decision-making and problem solving. Other continuing plans include building upgrades and an expansion of the Children's Services Department.

6. Uptown Project

Description: In October 2005, the Agency entered into a Lease Disposition and Development Agreement (LDDA) with Forest City, Inc. (also known as Uptown Partners, LLC) to redevelop two underutilized "super blocks" located in the Uptown Area. Uptown Partners' proposal includes a transit-oriented development of 665 rental apartments, of which 20 percent (133 units) will be affordable to households earning 50 percent or less of the area's median income (AMI) for a period of 55 years. In addition, five percent (33 units) of the 665 units will be affordable to households earning incomes not exceeding 120 percent of AMI for a period of 55 years. There will also be 9,000 square feet of neighborhood-serving retail and a 25,000 square-foot public park.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan:

\$35,900,000 – Uptown – Forest City DDA

\$1,820,417 – Uptown – Forest City Residential

Project Status: Major accomplishments during the three-year review period include:

- Site assembly completed in October 2005;
- LDDA execution in October 2005;
- Agency secured and closed \$160 million in Multi-family Housing Revenue bonds for the project;
- Construction started in November of 2005;
- All hazardous materials were abated by October of 2006.

The first building (193 units) will open in January 2008, followed by the second building (217 units) in June of 2008, and the third building (255 units) in January of 2009. During the next two years, the Agency will continue to administer the LDDA, which includes funding for the installation of off-site improvements and the construction of a public park.

The Agency also received approval in May 2006 to enter into a DDA with Forest City for a separate parcel bounded by Telegraph Avenue, William Street, 19th Street and the Public Park for a market-rate residential project. It is anticipated that this project will close escrow in the summer of 2008.

Lastly, the Agency selected Resources for Community Development (RCD) for the development of an 80-unit affordable rental housing project behind the Fox Theater in the Uptown area. The Agency will provide a clean site at no cost to the developer, cause the construction of all off-site improvements and also provide gap financing to ensure the financial feasibility of the project. Major accomplishments in 2004-2007 include: Agency and RCD entered into a DDA in October 2005; the land transfer to RCD closed in August 2007; and the project started construction September of 2007. Project completion is anticipated March of 2009.

7. **Wetmore-Pardee Settlement**

Description: The Wetmore-Pardee Settlement Agreement covers the relocation and settlement costs related to former Wetmore-Pardee tenants who were displaced as a result of the construction of the City Center Administration Complex.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$103,232

Project Status: During FY 2007-08, the Agency will apply the balance of budgeted funds for FY 2007-09 to cover the remaining obligations under the settlement agreement, which will be satisfied during FY 2007-08.

DOWNTOWN

1. Franklin 88 Garage Operations

Description: This 135-space garage was completed in October 2004 and provides public parking in Oakland's Chinatown. The garage also serves as the overflow garage for the adjacent Courtyard by Marriott Hotel per a parking license agreement with the Agency.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan:
\$1,105,579

Funds Actually Spent: \$254,663

Project Status: The garage generated only \$54,000 of gross revenue and lost \$43,000 during its first 8 months of operation in FY2004-05, even after a \$33,000 reimbursement from the Arioso Homeowner Association (Arioso HOA). During FY 2005-06, the garage broke even on \$159,000 of gross revenue after a \$50,000 reimbursement from the Arioso HOA. During FY 2006-07, the \$200,000 of gross revenue netted the Agency \$40,000 after a \$60,000 HOA reimbursement. While the garage is generating less than originally projected gross and net revenues, it is expected that the positive trends in gross and net revenues since opening will continue. A \$15,000 lighted sign was installed above the entrance to the garage during the later half of FY 2006-07, and an additional valet parking attendant was hired during peak hours to increase efficiency.

2. City Center Garage West (Operations & Debt Service)

Description: This garage continues to provide parking for offices and commercial tenants and workers in the City Center area, including workers in the Federal Building, the State Building, the City Administration Complex and Preservation Park.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$10,548,079

Project Status: The garage generated gross revenue of \$2.6 million and net revenue of \$988,000 prior to an \$112,000 capital expenditure in FY 2006-07. During FY 2005-06 gross and net revenues were \$2.6 million and \$984,000 respectively, and during FY 2004-05 gross and net revenues were \$2.3 million and \$927,000 respectively. The garage is projected to generate annual gross revenues of approximately \$2.8 million during FY 2007-08, and \$2.9 million during FY 2007-09. Project funding will cover operating costs and a portion of the debt service for the garage. The Agency will continue to subsidize the debt service of approximately \$1.5 million on a loan from the City for the development of the garage on an annual basis. During the implementation period, these payments were approximately \$680,000 during FY 2006-07, \$482,000 during FY 2005-06, and \$469,000 during FY 2004-05.

3. **Key System Building – 12th & Broadway**

Description: SKS Investment (SKS) is proposing the renovation of the historic Key System building and its integration into a new high-rise mixed-use office and retail tower to be developed on the 16,500 square foot adjacent vacant site.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$12,224

Project Status: Key accomplishments during the three-year review period include 1) Execution of an expanded Owner Participation Agreement with SKS; 2) Council authorization to sell the adjacent 145-space UCOP garage at its replacement value to SKS in order to facilitate the financial feasibility of the project and to maximize the amount of retail space in the new building. It is anticipated that project construction will start and that the Agency will sell the UCOP garage in 2008/09.

4. **Oakland Asian Cultural Center**

Description: The Oakland Asian Cultural Center (OACC) is an Agency-owned cultural facility located in the Pacific Renaissance Plaza Project. In FY 2003-04, the Agency terminated its agreement with the original operator of the OACC, and, following a RFP process, selected Asian Pacific Islander Cultural Center as the new operator.

Project Funding:
Estimated Total Cost in Five-Year Implementation Plan: \$79,580

Project Status: Plans for 2007-09 include developing programming for and accessibility to the facility for cultural activities promoting Oakland's Asian and Pacific Islander community.

5. **City Center Site Preparation**

Description: This project includes four City Blocks, of which two have been transferred to private developers (Shorenstein and the Olson Companies) for the development of an office tower (555 12th Street), and a for-sale residential project on T-10, which is located at 14th and Jefferson Street. The Shorenstein Company has the option to purchase the sites known as T-5/6 located at 12th Street and Clay Street, and T-12 located at 12th Street and Jefferson Street. The Shorenstein Company has approached the Agency and wants to develop an office building on T-12.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$0

Project Status: During 2007, the Agency amended the DDA for the City Center project for the 12th time. Plans for 2007-08 include transfer of T-12 to

Shorenstein in December and start of construction on a new office building in the spring of 2008.

6. **Old Town Square Phase II (Market Square, formerly Housewives Market)**
Description: This project is part of the 10K initiative. A.F. Evans Development, Inc. is developing 202 units of market-rate for-sale housing in two phases (116 units in Phase I and 86 units in Phase II) that may be used for live-work, work-live, office, residential, or retail uses on the site formerly occupied by the old Housewives Market.

Project Funding: Estimated Total Cost in Five-Year Implementation Plan: \$409,443

Project Status: Major accomplishments during 2004-07 included the completion of construction of Phase I in August 2006 and the commencement of construction of Phase II of the Project. Plans for FY 2007-09 include completion of construction of Phase II in FY 2007-08.

7. **UC Office of President Parking Operations**

Description: The Agency owns and operates a 145-space public parking garage in the UCOP Building at 11th, 12th and Franklin Streets.

Project Funding:

Estimated Total Cost in Five-Year Implementation Plan: \$3,915,634

Project Status: Gross revenue fell approximately 13% to \$256,000 in FY2006-07 from the \$296,000 average for FY2005-06 and FY2004-05. Net revenue declined from \$142,000 in FY2004-05 to \$130,000 in FY2005-06 to \$111,000 in FY2006-07. It is anticipated that this public parking garage will generate approximately \$275,000 in net income during FY 2007-09. The garage is expected to operate without a subsidy in FY 2007-09.

OTHER PROJECTS

Central Business District Wide

1. **Small Business Retail (Broadway) Loan Program**
Description: The Small Business Retail Loan Program provides a revolving loan fund that is made available to small retail and commercial business and property owners along the Broadway corridor. The loan fund is intended to provide capital for physical improvements, including those related to life, safety and façade enhancement. The Agency is replenishing the fund with the proceeds from repayments of previous loans so that the program can continue. The Oakland Business Development Corporation (OBDC) has been hired by the City of Oakland's Community and Economic Development Agency's Commercial

Lending division to assist small businesses and property owners in the Broadway Corridor Target Area and to provide hands-on business assistance throughout the application process.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0

Project Status: The program issued five loans during FY 2005-07. During FY 2007-09, OBDC will continue to provide direct loan packaging and underwriting of these loan program funds. OBDC aims to package and fund a minimum of ten new loans to small businesses in the Broadway Corridor in the next two years.

The following projects and expenditures were added to the Agency's project and programs as part of the FY 2007-09 budget approval process.

2. **Central District Public Facilities**

Description: The Agency will provide grants for capital improvements to public parks and facilities in the Project Area. The population in the Central District is expanding due to the success of the 10K initiative. As a result, there is a need to enhance and address deferred maintenance issues at certain public parks and facilities within the Project Area.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0

Project Status: The Agency has begun to work with other departments to determine the plan and scope to improve parks and public facilities.

3. **Contract Compliance Fee – Central District Capital Projects**

Description: The Agency is responsible for reimbursing staff costs to the City Administrator's Office Contract Compliance Division.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0
Funds Budgeted for FY07-09: \$800,000

4. **Redevelopment Merchant Promotions**

Description: The Redevelopment Merchant Promotions will enable each Agency Board member to fund discretionary commercial development projects within their districts, and citywide for the At-Large office.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0
Funds Budgeted for FY07-09: \$20,000

Project Status: Each Board member's office will receive \$5,000 annually during FY 2007-09 from various Agency project area funds. Central District Project Area capital will provide \$5,000 each for the At-Large and District 2 offices.

5. **Citywide Technology Capital Improvement Project**

Description: The Citywide Technology Capital Improvement Project allocation covers costs for the Agency's share of the Oracle System and the Sun Server. This technology supports redevelopment activities. The costs are shared among the following redevelopment project areas: Central District, Coliseum, Broadway/MacArthur/San Pablo, Central City East and West Oakland.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0

Funds Budgeted for FY07-09: \$400,000 (Oracle Corp Software License)

Project Status: The total Agency contribution is \$900,000 per year for Fiscal Years 2007-08 and 2008-09. The Central District Capital fund will provide \$200,000 annually for technology capital improvements.

Uptown

1. **Oakland School for the Arts Relocation Grant**

Description: The Oakland School for the Arts is a charter school that is temporarily located on an Agency-owned property behind the Fox Theater. A portion of the campus had to be relocated to vacate a site that was scheduled for the construction of the Fox Courts project by RCD.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0

Funds expended during FY2007-09: \$1,700,000

2. **Central District – Site Acquisition**

Description: With the recent planned and completed residential and office projects, substantial portions of the Central District are being revitalized. This project will redevelop small blighted or underutilized sites in targeted locations within the Central District.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0

Funds Budgeted for FY07-09: \$3,000,000

3. **Lincoln Recreation Center**

Description: Lincoln Square, a public park in Oakland's Chinatown, serves over 600 users daily from the contiguous Lincoln School, as well as community residents. A Master Plan, developed in conjunction with the community in May

2006, calls for renovation of the existing Junk Ship play area, improve sport-field surfaces, adding outdoor classroom spaces, expand tot lot play area, provide game tables, picnic tables and seating areas, and a new synthetic turf field.

Project Funding:

Estimated Total cost in Five-Year Implementation Plan: \$0
Funds Budgeted for FY07-09: \$500,000

Project Status: The Junk Ship play area renovation was completed in FY05-07 through grant and other fund sources. The Agency will continue the implementation of the Master Plan and complete the synthetic turf field connecting the school and the park.

IV. PROJECT AREA REVENUES AND EXPENDITURES

This Section reviews the Agency's existing obligations in the Project Area. It also reviews projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. This section describes both sources and the amounts that the Agency has received and used FY 2004-05 through FY 2006-07.

Tax Allocation Bond Proceeds

The Agency issued the following TABs during FY 2004-05 through FY 2006-07:

Central District Tax Allocation Bond Series 2005 (Tax-Exempt)	- \$44,360,000
Central District Tax Allocation Bond Series 2006T (Taxable)	- \$33,135,000

The Agency also continued to spend proceeds from the Central District Tax Allocation Bond Series 2003, which generated new funding in the amount of \$25 million.

Tax Increment Revenues

The following table compares the projected tax increment revenues stated in the Implementation Plan to the actual revenues received during FY 2004-2007 (*stated in thousands of dollars*).

	<i>Projected 2004-07</i>	<i>Actuals 2004-05</i>	<i>Actuals 2005-06</i>	<i>Actuals 2006-07</i>	<i>Total Actuals 2004-07</i>
Gross Tax Increment Revenue	\$100,729	\$35,577	\$39,774	\$43,635	\$118,896
Housing Set-Aside Req't	(25,182)	(8,894)	(9,944)	(10,909)	(29,747)
AB 1290 Pass-through	(966)	(30)	(1,818)	(2,116)	(3,964)
Debt Service	(52,149)	(18,340)	(20,681)	(21,256)	(60,277)
TI Rebate	(35)	0	0	0	0
State Education Funds (ERAF)	(5,794)	(2,877)	(2,224)	0	(5,101)
Net Tax Increment Revenues	\$16,603	\$5,436	\$5,107	\$9,354	\$19,897
TAB Proceeds	\$0	\$0	\$44,360	\$33,135	\$77,495
Staff Costs	0	5,866	6,096	6,136	18,098
O&M	0	440	715	662	1,817
Projects and Programs	\$0	\$7,322	\$20,416	\$38,771	\$66,509

Expenditures

The table above looks at the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing development. Hence, a total of \$29,747,000 from the Central District from FY 2004-05 to FY 2006-07 was reserved for the development of such housing. This amount exceeded projections by almost \$4.6 million.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the

redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. This additional pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies. The Central District Redevelopment Project Area except for the Brush & MLK Amendment Area of the Central District is not affected by the sharing provisions of AB 1290, since the Project Area was created prior to 1994.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$5.1 million, or 8.8 percent of gross tax increment revenue in FY 2004-05 through FY 2007-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service – Tax Allocation Bonds

Debt service in the Project Area amounted to a total of \$60,277,000, which exceeded projections by almost \$8 million because of fluctuations in variable interest rates and new debt payments in FY 2006-07 on the Central District Subordinated Tax Allocation Bond 2006T.

During the period beginning FY 2004-05 through FY 2006-07, the Agency made debt service payments on the following Tax Allocation Bonds:

Central District Senior Tax Allocation Bond Series 1992
Central District Subordinated Tax Allocation Bond Series 2003
Central District Subordinated Tax Allocation Bond Series 2005
Central District Subordinated Tax Allocation Bond 2006T
Oakland Tribune Tax Allocation Bond Tower 1998

During this period, the Agency also made debt service payments to the City to repay a loan for the City Center West Garage.

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Implementation Plan. The Agency

covered the personnel costs during FY 2004-05 through FY 2006-07 from net property tax increment receipts as shown in the table above.

Project and Programs

As shown in the table above, the Agency spent \$66.5 million on projects and programs in the Project Area during FY2004-07. This includes approximately \$51.9 million to revitalize the Uptown district, including: \$25.1 million on the Uptown Project, \$23.1 on the Fox Theater Projects, \$1.7 million on the Oakland School for the Arts Relocation, \$0.8 million on the Fox Court Project and \$1.1 million on streetscape projects. Another \$9.1 million was spent operating Agency property, including \$5.0 million for the City Center West Garage, \$3.3 million for the Oakland Ice Center, \$0.5 million for the UCOP Garage and \$0.3 million on the Henry Robinson Multi-Service Center. The remaining funds were used for the Façade Program (\$1.4 million), the Tenant Improvement Program (\$1.2 million), the Small Business Retail (Broadway) Loan Program (\$0.6 million), Public Art (\$0.3 million), the Oracle Server (\$0.4 million) and various other small projects (\$1.7 million).

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements. These housing production requirements must be met every 10 years during the life of the project area. Because the Central District Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirements of Section 33413(b) for the Project Area. Regardless, the Agency continues to track housing production in the project area.

Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Details of Affordable Housing Developments:

Oak Street Terrace Senior (completed)

1109 Oak Street

This affordable new development for senior citizens was completed in November of 2004. A total of 38 studio units and a one-bedroom manager's unit were constructed. Of the total units, 16 are reserved for seniors with incomes below 50% area median income and 22 for those with incomes between 50-80% AMI. There are community rooms on each residential floor and a 1,500 square foot commercial space in the ground floor of the building. In addition, there is a 30kW photovoltaic system producing approximately 30% of the electricity needed to run the building. A public plaza and open space with landscaping are other key features to this development. The Redevelopment Agency provided \$2,072,000 in funding for the project.

Southlake Towers (completed)

1501 Alice Street

This newly constructed building for senior citizens was completed in December 2004. The building is supported with project based section 8 vouchers and will house 26 units for seniors with incomes below 50% area median income and 103 for those with incomes between 50-80% AMI. There will be one manager's two-bedroom apartment. The project funding includes \$1 million of HOME Investment Partnership funds and \$445,300 in Redevelopment Agency funds.

Fox Courts (approved)

1807-1829 Telegraph Avenue (at San Pablo)

This proposed new construction family rental development is slated to have 80 units (including one manager's unit). The affordability of the units is currently slated to have 40 units for very low income persons or families and 39 units for low income tenants. Funding for this development will include \$6,300,112 in City of Oakland Redevelopment Agency funds (\$2,464,000 from the Uptown Project Area and \$3,386,112 in a Redevelopment Agency land donation) and \$4,950,000 in Low and Moderate Income Housing Funds. Ground breaking for construction was September 2007.

Harrison Senior (approved)

1633 Harrison St & 321 17th Street

This proposed new construction rental apartments for senior citizens is slated to have 74 units (including one manager's unit). The affordability of the units is currently slated to have 29 of units for senior citizens with incomes below 35% area median income and 44 units for incomes between 36-50% AMI. The Redevelopment Agency funding for this development is \$5,133,000. The goal for 2007-08 is to begin design review on the project.

Madison Lofts (approved)

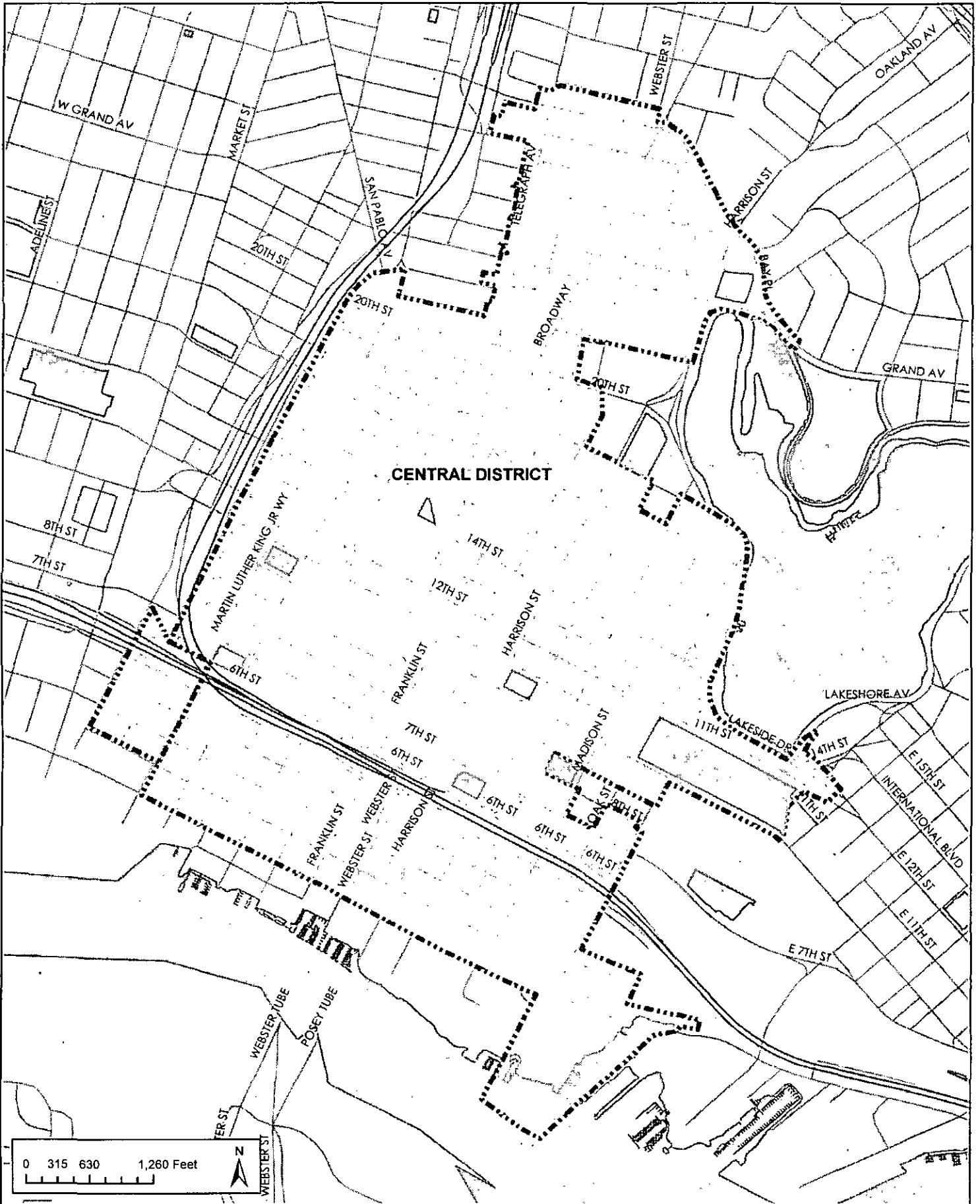
160 14th Street

This new construction of family rental apartments is slated to have 79 units with a ground floor retail space (2,330 sq. ft.) and 20 of the constructed units for former foster youth. The affordability of the units is currently slated to have 18 units for persons and families below 30% area median income and 60 units for 31-50% AMI. One manager's unit will be included in the development. The City funding for this development is \$2,472,585 in HOME Investment Partnerships funds and \$4,522,915 in Redevelopment Agency funds. Construction is underway with an estimated completion date of March 2008.

Uptown Project (approved)

Area bounded by San Pablo and Telegraph Avenues, and 18th and 20th Streets (Parcels I-III)

This large project had to pass muster with the City Planning Commission and City Council prior to moving forward with development planning. Ultimately in June 2005 the Oakland City Council approved the General Plan Amendment and Rezone of the property. The proposal included a total of 665 residential units, 9,000 sq. ft. of retail and commercial space, 580 parking stalls, and a park. The project will provide 25% affordable units. Of those affordable units, 133 units are slated for persons and families with 50% area median income and 33 units for 51-120% AMI. Construction started in November 2005.



Central District Redevelopment Project Area

ATTACHMENT D

Mid-Term Review of the Five Year Implementation Plan (2004-2009) for Coliseum Redevelopment Project Area

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the Redevelopment Agency of the City of Oakland ("Agency") adopted a Five-Year Implementation Plan (the "Implementation Plan") for the Coliseum Redevelopment Project Area in December 2004. The purpose of the Implementation Plan was to set forth the Agency's specific goals and objectives, programs and projects, and estimated expenditures for the Coliseum Project Area for the five-year period beginning in 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan and evaluate the progress in meeting the goals and objectives. The following summary material has been prepared to document the progress in meeting the Coliseum Redevelopment Project Area Implementation Plan's goals and objectives.

Background of Project Area

The Coliseum Area Redevelopment Plan ("Redevelopment Plan") was adopted by the Oakland City Council on June 23, 1995 (Ordinance Number 11824 C.M.S.), and subsequently amended on July 29, 1997 (Ordinance Number 12001 C.M.S.). The Coliseum Project Area is bounded by 22nd Avenue, International Boulevard, the Oakland-San Leandro border, and the Oakland International Airport and the Estuary, and encompasses approximately 11 square miles (6,764 acres). The Redevelopment Plan was amended in 1997 to add additional territory, known as the Kennedy/Fruitvale Amendment Area. A map of the Project Area is attached to this report.

The Coliseum Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Coliseum (original Project Area)

Time Limit to Incur New Debt:	July 25, 2015
Plan Effectiveness/Activity Time Limit:	July 25, 2027
Tax Increment Collection Time Limit:	July 25, 2042

Coliseum (Kennedy/Fruitvale Amendment Area)

Time Limit to Incur New Debt:	July 29, 2017
Plan Effectiveness/Activity Time Limit:	July 29, 2028
Tax Increment Collection Time Limit:	July 29, 2043

Blight

The leading indicators of blight in the Coliseum Redevelopment Area include obsolete and underutilized land, poor transportation circulation and connections, and lack of private investment.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The goals of the Coliseum Area Redevelopment Plan are as follows:

- A. Stimulate industrial, R&D and commercial development by improving obsolete, underutilized and vacant properties.
- B. Provide long-term job training and employment opportunities for residents.
- C. Eliminate land use conflicts between the residential and industrial edge.
- D. Improve public safety for people living and working in the area.
- E. Improve the quality of the residential environment by assisting new construction, rehabilitation, and conservation of housing units in the area.
- F. Stimulate home ownership opportunities
- G. Improve transportation, public facilities, and infrastructure in residential, commercial, and industrial areas.
- H. Assist neighborhood commercial revitalization.
- I. Attract new and retain existing businesses.

III. PROJECTS AND PROGRAMS

The Agency's Implementation Plan for the Coliseum Redevelopment Project Area listed a number of projects and programs to eliminate blighting conditions in the area. The following provides a status report on the capital projects and programs included in the Agency's Implementation Plan for the Coliseum Redevelopment Project Area.

1. Fruitvale BART Transit Village

Description: The first phase of this mixed-use transit-oriented development consisted of 255,000 square feet of retail, housing, and nonprofit office space centered around a pedestrian plaza. The project also offers a child development facility, a public library, medical clinic, and a senior center. The Unity Council and BART are currently planning Phase II, which will add 275-450 mixed-income residential units on a 3.5 acre parking lot at the Fruitvale BART station. The new units will feature state-of-the-art green building and energy savings systems.

Project Funding: Phase I - \$4,400,000; Phase II – To Be Determined

Project Status: Phase I completed in 2004. Phase II is in the feasibility analysis stage.

2. **Coliseum BART Transit Village**

Description: Coliseum BART parking lot. The Agency and BART are working with OEDC/MacFarlane Partners on the development of a mixed-use transit village, which will provide 400 to 500 units of housing and about 30,000 square feet of neighborhood-serving retail.

Project Funding: To be determined

Project Status: In feasibility analysis stage

3. **Oakland Airport Connector**

Description: The Airport Connector is planned as a self-propelled automated aerial guideway system. It will travel 3.2 miles along the median of Hegenberger Road to connect Oakland International Airport with the Coliseum BART station and the Coliseum Transit Hub.

Project Funding: \$725,000 in Coliseum bond funds committed.

Project Status: In feasibility analysis and planning stages. The Agency and City have authorized the conveyance of Agency and City land, as needed for the project.

4. **Coliseum InterCity Rail Platform**

Description: This rail project features a new 450 foot passenger platform along the existing Amtrak/ Capitol Corridor line that connects to San Jose and Sacramento. The project is part of a larger redevelopment effort to create a new regional intermodal transit hub that links the Oakland Coliseum BART Station, Oakland International Airport, AC Transit, and the Oakland-Alameda Coliseum Complex. An Oakland-based artist designed the public art installation adorning the new pedestrian ramp that connects the passenger platform to the Coliseum-BART pedestrian bridge.

Project Funding: \$1,729,000 in Coliseum funds

Project Status: Completed in May 2005

5. **Hegenberger East Streetscape Project**

Description: This project to improve Hegenberger Road east of Interstate 880 will complete the thoroughfare's transformation, which began with the Hegenberger Gateway Project. Streetscape improvements will include new landscaping, ornamental lighting, palm trees, and banners.

Project Funding: \$1,717,711 in Coliseum bond funds

Project Status: Construction in progress, and is anticipated to be completed in December 2007.

6. **Airport Gateway - Airport Access Road and Doolittle Drive Streetscape Projects**

Description: Doolittle Drive and Airport Access Road are part of the joint Airport Gateway Streetscape Project between the Cities of Oakland and San Leandro, the Port of Oakland and the Alameda County Transportation Authority.

Project Funding: \$1,392,289 in Coliseum bond funds for Airport Access Road and \$1,400,000 for Doolittle Drive (\$750,000 in tax increment funds; \$650,000 in bond funds)

Project Status: Doolittle Drive, led by the City of San Leandro, is expected to be complete by February 2008, and Airport Access Road, led by the City of Oakland, began construction January 2007 and is expected to be completed by December 2007.

7. **Railroad Avenue Streetscape Project**

Description: The improvements include installing new storm drain pipelines, raising and resurfacing the road, and adding sidewalks and gutters to make the street more functional for residents and businesses.

Project Funding: The Agency contributed \$1 million to improvements for Railroad Avenue between 85th Avenue and Louisiana Street while the Public Works Agency provided \$250,000 in design and project management assistance.

Project Status: Doolittle Drive, led by the City of San Leandro, is expected to be complete by February 2008, and Airport Access Road, led by the City of Oakland, began construction January 2007 and is expected to be completed by December 2007.

8. **San Leandro Street Utility Undergrounding Project**

Description: These improvements, running along San Leandro Street from 66th Avenue to 73rd Avenue, will create a distinct pedestrian link between the area's existing land uses and the transit at the Coliseum BART station.

Project Funding: Total of \$3,729,000 (\$200,000 in tax increment funds; \$3,529,000 in bond funds)

Project Status: Anticipated completion is spring 2008

9. **Lion Creek Crossings (formerly Coliseum Gardens HOPE VI Project)**

Description: The Oakland Housing Authority in partnership with EBALDC and Related, Inc. is developing a mixed-income housing project on 20 acres located at San Leandro Street between 66th and 69th Avenue. The project, which received \$34.5 million of HUD HOPE VI funding and a \$4 million Agency contribution, replaces the Coliseum Gardens public housing project that was demolished in 2004.

Project Funding: Total of \$4,000,000 for infrastructure from Coliseum funds.

Project Status: Phase I of the project was completed in 2006. In 2007, Lion Creek Crossing was awarded the California Redevelopment Association Award for Excellence in Residential New Construction and the National Association of Housing and Redevelopment Officials National Award for Excellence in Project Design. Phase II, consisting of 146 rental units, was completed in August 2007. The entire five-phase project, including 434 units of affordable rental housing, 28 units for home buyers, two new streets, a City park and the restoration of a portion of Lion Creek, will be completed by December 2009.

10. **Neighborhood Project Initiative**

Description: Coliseum-wide. The Neighborhood Project Initiative (NPI) is intended to further blight reduction and beautification efforts through the funding of small-scale, community-initiated public/private improvement and infrastructure projects that have no other funding source.

Project Funding: This is an on-going program.

Project Status: Twenty-four neighborhood projects have been approved, nine have been completed, and 15 are under implementation. \$240,000 of Coliseum Area Redevelopment funds were allocated to this program for fiscal year 2006-07 and also for 2007-08.

The Redevelopment Agency has initiated several more projects and programs in the Coliseum Redevelopment Area since the creation of the Implementation Plan in 2004 than those just described. The following Coliseum Area projects and programs were initiated after FY 2004-05 and are currently in progress:

1. **66th Avenue Streetscape Project**

Description: 66th Avenue from San Leandro Street to International Boulevard. Improvements are intended to support the growing residential population by providing better pedestrian linkage to the area's transit, schools, and activity centers.

Project Funding: \$1,188,000 in Coliseum tax allocation bond proceeds.

Project Status: The firm of Design, Community & Environment began project design in August 2007 and is expected to provide 100% design documents by November 2008.

2. **South Coliseum Way / Edes Avenue Streetscape Project**

Description: South Coliseum Way - from Hegenberger Road to the south entrance of McAfee Coliseum, and Edes Avenue from 85th Avenue to Hegenberger Road. This project is intended to create a stronger link between the hotels on Edes Avenue and the Coliseum entertainment complex.

Project Funding: \$2,080,000 (\$80,000 in tax increment funds, and \$2,000,000 in bond funds)

Project Status: Project design began June 2007 and should be completed to the 35% level by January 2008.

3. **81st Avenue Branch Public Library**

Description: 81st Avenue and Rudsdale Street. The Agency is contributing \$4 million toward the construction of a \$10 million public library in East Oakland. The new library will be constructed in an area currently without accessible library services.

Project Funding: \$4,000,000 (\$500,000 in tax increment funds, and \$3,500,000 in tax allocation bond proceeds)

Project Status: Construction is expected to be completed by December 2009.

4. **Teen Center**

Description: 5818 - 1512 International Blvd. The Redevelopment Agency has purchased these two parcels for the City of Oakland to improve and use as a Teen Center.

Project Funding: \$800,207 in Coliseum tax allocation bond funds

Project Status: Construction is expected to be completed by December 2009.

5. **Coliseum Tough on Blight Operation**

Description: Coliseum-wide. This program is an enhanced blight enforcement operation that aggressively pursues blighted properties and blighting conditions within the Coliseum Project Area. Community members are encouraged to report a problem either by phone or online.

Project Funding: \$100,000 in Coliseum funds

Project Status: On-going

6. Coliseum Enhanced Patrol Area

Description: To increase neighborhood safety in the Coliseum Redevelopment Area, the Agency funds enhanced bicycle and motorcycle patrols. Officers from the Oakland Police Department patrol the area on dual-purpose motorcycle, bicycles, and four-wheel vehicles.

Project Funding: \$2,034,000 in Coliseum funds for FY 2007-09

Project Status: Deployment of officers has commenced

7. Infill Development Incentives Program

Description: This program offers developers and property owners up to \$15,000 in matching funds for predevelopment analysis. The program is intended to encourage the exploration of residential and nonresidential development options for infill areas in the Coliseum Redevelopment Project Area. Major corridors are a particular focus.

Project Funding: \$120,000 in Coliseum funds for FY 2007-09

Project Status: Four projects have received matching grants under this program.

8. Hill-Elmhurst Plaza

Description: International Boulevard between 94th and 96th Avenues. Hills Elmhurst Plaza is a proposed mixed-use development project with retail space and a total of 292 units, including 64 units of senior affordable housing.

Project Funding: To be determined

Project Status: The Agency has entered into an exclusive negotiating agreement with the Hills-Elmhurst Plaza, LLC and Strategic Urban Development Alliance to proceed with environmental and financial feasibility studies.

9. Coliseum Tenant Improvement Program and Façade Improvement Program

Description: Diversified Investment and Management Corporation plans to develop a 162,000-square-foot retail center on Hegenberger Road at Collins Avenue immediately south of the McAfee Coliseum at the former Home Base site. The prospective tenant mix includes an anchor department store and apparel sub-anchor, bank branch, café and restaurants.

Project Funding: To be determined

Project Status: Demolition is complete and construction is estimated to be completed by November 2009.

IV. PROJECT AREA REVENUES AND EXPENDITURES

This Section reviews the Agency's existing obligations in the Project Area. It also reviews projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. This section describes both sources and the amounts that the Agency has received and used FY 2004-05 through FY 2006-07.

Tax Allocation Bond Proceeds

The Agency issued the following TABs during FY 2004-05 through FY 2006-07:

Coliseum Area Redevelopment Project Tax Allocation Bond Series 2006B-TE (Tax-Exempt)
 - \$28,770,000

Coliseum Area Redevelopment Project Tax Allocation Bond Series 2006B-TT (Taxable)
 - \$73,820,000

Tax Increment Revenues

The following table compares the projected tax increment revenues stated in the Implementation Plan to the actual revenues received during FY 2004-2007 (*stated in thousands of dollars*).

**Tax Increment Revenues/Expenditures,
 and Capital Projects and Program Expenditures
 Fiscal Years 2004-05 thru 2006-07
 (In Thousands of \$)**

Item	<i>Projected 2004-07</i>	<i>Actuals 2004-05</i>	<i>Actuals 2005-06</i>	<i>Actuals 2006-07</i>	<i>Total Actuals 2004-07</i>
Gross Tax Increment Revenue	\$41,219	13,468	18,875	20,105	52,448
Legally-required Set-Asides / Expenditures					
Affordable Housing Set-Aside (25%)	(\$10,305)	(3,367)	(4,719)	(5,026)	(13,112)
AB 1290 Pass-Through (20%)	(\$8,244)	(2,694)	(4,683)	(5,136)	(12,513)
Educational Revenue Augmentation Fund (ERAF)	(\$2,406)	(1,191)	(1,212)	0	(2,403)
School Set-Aside	(\$1,855)	(606)	(767)	(905)	(2,278)
Debt Service	(\$4,494)	(1,497)	(1,497)	(1,500)	(4,494)
Total Set-Asides / Expenditures	(\$27,304)	(\$9,355)	(\$12,878)	(\$12,567)	(\$34,800)
Net Tax Increment Revenue	\$13,915	\$4,113	\$5,997	\$7,538	\$17,648
Staff Costs		(\$2,741)	(\$2,556)	(\$3,056)	(8,353)
Projects and Programs		(\$2,876)	(\$3,725)	(\$8,033)	(14,634)

Expenditures

The table above looks at the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing development. Hence, a total of \$13,112,000 was reserved for the development of such housing. This amount exceeded projections by over \$2.8 million.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. Coliseum is the only project area to reach this second threshold. This additional pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$2.4 million, or 4.6 percent of gross tax increment revenue in FY 2004-05 through FY 2007-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service – Tax Allocation Bonds

In November 2006, the Agency closed on the Coliseum Redevelopment Project Area Tax Allocation Bonds Series 2006B. These bonds include tax exempt (\$28,770,000) and federally taxable (\$78,820,000) funds. A portion of the 2006B Bond proceeds was used to refund and defease the Series 2003 Bonds, leaving a net of \$80,679,707 available for projects and project support. The 2006 Coliseum Redevelopment Tax Allocation bonds will provide funds to many of the projects described above. These projects will mitigate physical and economic blight and contribute to revitalizing the Coliseum Project Area

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Implementation Plan. The Agency covered the personnel costs during FY 2004-05 through FY 2006-07 from net property tax increment receipts as shown in the table above.

Projects and Programs

As shown in the table above, the Agency spent \$14.6 million on projects and programs in the Project Area during FY2004-07. This includes approximately \$5.5 million for various streetscape projects, \$3.4 million to install new infrastructure in the Lion Creek Crossing Project, approximately \$600,000 for enhanced patrol services, \$1.0 million for the InterCity Rail Project, \$600,000 for the Neighborhood Project Initiative, \$362,000 for renovation of the Carter Gilmore Sports Complex, \$226,000 for the Fruitvale Transit Village, \$215,000 for the 81st Avenue Library project, approximately \$130,000 for the Façade and Tenant Improvement Programs, \$2.7 million on various small projects and programs.

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements:

- At least 30 percent (30%) of all new and substantially rehabilitated dwelling units developed by a redevelopment agency shall be available at affordable housing cost to persons and families of low and moderate income and shall be occupied by these persons and families [Section 33413(b)(1)];
- At least 15 percent (15%) of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families [Section 33413(b)(2)];
- At least 15 percent (15%) of all substantially rehabilitated units that have received agency assistance shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families [Section 33413(b)(2)(iii)];
- Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan [Section 33490(a)(3)].

The housing production requirements must be met every 10 years during the life of the project area. Units produced in excess of these requirements can be applied to meeting the requirements in the next ten year period. The tables on the following pages provide information on progress to date in meeting those goals. The first two tables assess progress based solely on projects that are completed or are likely to proceed. The third and fourth tables take into projects that have been proposed but have not yet been approved.

Replacement Housing Requirements

Development of the Lions Creek Crossing project entailed demolition of 178 public housing units in the Coliseum Gardens development serving very-low income households. Most of those units are being replaced in the various phases of the Lions Creek Crossing development; 11 units of replacement housing have been provided by the Mandela Gateway development in West Oakland.

Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Detail of Affordable Housing Developments:

East Side Arts and Housing (completed)

2277-2289 International Boulevard

This acquisition and rehabilitation of a family rental complex provides a total of 18 units—16 units affordable to below 80% area median income (including 4 units for below 30% area median income). There was no displacement of tenants in the rehabilitation of these units and the rehabilitation was completed July 2006. Funding of this project included \$1,130,000 in Agency Low and Moderate Income Housing Fund monies.

Housing Production July 25, 1995 to October 31, 2007¹:

**Table 1
 Completed/Underway Market Rate and Affordable Housing Projects in Coliseum Project Area**

Project Name	Units	Type	Year Completed	Affordability Level			
				Very Low	Low	Mod	Above Mod
Jingletown Housing (29th Ave and E. 12th St)	53	Homeownership	1997		53		
Oakwood Estates	19	Homeownership	1997		10	9	
Las Bougainvilleas (1223-1237 37th Ave)	68	Seniors	1998	67			1
Allen Temple Gardens (10121 International Blvd)	50	Seniors	2001	49			1
Allen Temple Manor (7607 International Blvd)	24	Disabled or HIV/AIDS	2001	23			1
Chapman Street Condos	8	Homeownership	2005				8
Cotton Mill Studios (1091 Calcot Place)	74	Homeownership	2006				74
Derby Live/Work	35	Homeownership	2004				35
Durant Square (International Blvd and Durant)	251	Homeownership	2003				251
East Side Arts & Housing	18	Family	2006	4	12		2
Edes Avenue Homes, Phase A (10900 Edes Ave)	26	Homeownership	TBD		26		
Edes Avenue Homes, Phase B (10800 Edes Ave)	25	Homeownership	TBD	13	12		
Ford Street Lofts (formerly Harborwalk)	81	Homeownership	2007				81
Fruitvale Transit Village (3301, 3401 E. 12th St)	47	Family	2003	3	7		37
Glascok Residential Project aka "The Estuary"	100	Homeownership	2006				100
Habitat Village (formerly Bonita Village)	40	Homeownership	2001		40		
Hill/Elmhurst Senior (9415-9437 International Blvd)	64	Senior	TBD	63			1
International Blvd Family Hsg (6600 International Blvd)	30	Family	2002	29			1
Lion Creek Crossing, Phase I	115	Family	2007	59	55		1
Lion Creek Crossing, Phase II	147	Family	2005	146			1
Lion Creek Crossing, Phase III	107	Family	TBD	106			1
Lion Creek Crossing, Phase IV	67	Family	TBD			67	
Lion Creek Crossing, Homeownership	28	Homeownership	TBD			28	
Wang Scattered Site - 1063 82nd Avenue	2	Homeownership	2002		2		
Wang Scattered Site - 1226 94th Avenue	1	Homeownership	2002		1		
Wang Scattered Site - 70th Avenue	1	Homeownership	2005		1		
Wang Scattered Site - 71st Avenue	1	Homeownership	2004				1
Seven Directions (2946 International Blvd)	36	Family	2008	22	13		1
St Josephs Senior (2647 International Blvd)	77	Seniors	TBD	51	25		1
Stanley Avenue Apartments (6006 International Blvd)	24	Family	2002	23			1
Tassafaronga Village Homeownership (949 85th Ave)	22	Homeownership	TBD		17	5	
Tassafaronga Village, Phase I	112	Family	TBD	13	99		
Water Park Lofts (2875 Glascok)	27	Homeownership	2003				27
Scattered Site Infill Development	86	Homeownership	Various				86
Total	1,866			671	373	109	713
Percentage	100%			36%	20%	6%	38%

¹ Source: Win2Data, City of Oakland Permit Data, City staff, October 2007.

Table 2
Affordable Unit Production Requirements Based on Completed/Underway Projects

	Total	Total Affordable ^a	VLI Only
Total Units Completed/Underway	1,866	1,153	671
Less Required Affordable Units (15% total, 6% VLI)		280	112
Surplus/(Deficit)		873	559

a. Includes units for very low, low and moderate income households.

Table 3
Pending Housing Projects for Coliseum Project Area

Project Name	Units	Type	Year Completed	Affordability Level ^a			
				Very Low	Low	Mod	Above Mod
10550 International Blvd	92	TBD	TBD				92
2985 Ford Street	71	TBD	TBD				71
4201 International Blvd, Phase II	60	TBD	TBD				60
Arcadia Park (98th at San Leandro St)	366	TBD	TBD				366
Coliseum BART Transit Village	553	TBD	TBD				553
Gateway Community Development Project (formerly Fruitvale Gateway)	810	TBD	TBD				810
Hills Elmhurst Plaza	228	TBD	TBD				228
Tassafaronga Village, Phase II	50	Family	TBD		50		
Wattling Street	80	TBD	TBD				80
Total	2,310			0	50	0	2,260

Table 4
Affordable Unit Production Requirements Based on All Units

	Total	Total Affordable ^a	VLI Only
Pending Units	2,310		
Required Affordable Units (15% total, 6% VLI)		347	139
Less Surplus/(Deficit) from Completed/Underway Units		873	559
Net Surplus/(Deficit)		526	420

a. Includes units for very low, low and moderate income households.

Lion Creek Crossings (aka Coliseum Gardens, Phase I--completed)

881 69th Avenue, 6814-6846 Hawley Street

Completed December 2005, this newly constructed family rental development offers a total of 81 affordable units. The affordability breakdown includes 59 units affordable to households or individuals earning below 50% of area median income, 22 units for households or individuals earning between 51 to 60% of area median income, and 15 annual contribution contract public housing units. This phase will have 7,300 square feet of common space and will have on-site child care, social services and YMCA programming. Funding of this project included \$1,500,000 of City of Oakland HOME Investment Partnership funds and \$1,500,000 of Redevelopment Agency funds.

Wang Infill Single Family Residence (aka Scattered Sites--completed)

901 70th Street

This new single family residence was constructed in response to a City of Oakland Request for Proposals (RFP) seeking developers to build affordable housing on City-owned, small, in-fill parcels. This parcel is a part of a larger multi-unit development by the same developer who won the RFP contract to develop these City-owned parcels. The agreement struck between the City and the developer is that some parcels are to be developed with affordability agreements recorded that run with the land and others are sold at market rate with the understanding that proceeds from the market rate units benefit the development of affordable units. Completed in January 2005, this unit has 45-year restrictions recorded on title requiring that the unit be affordable to any future homeowners with 70% or below of area median income. The funding for this project is represented by a loan to the developer equaling the appraised value of the property at the time of transfer to the developer. This loan for \$60,000 was converted to a grant at the time of sale to the low income homebuyer.

Lion Creek Crossings (aka Coliseum Gardens, Phase III--approved)

928-998 66th Avenue

This is phase three of Lion Creek Crossings. Please note that the completed phase one is included earlier in this report. Phase two of this development does not have City of Oakland or Redevelopment Agency funding. This phase will have 5,000 square feet of common space and will have on-site child care and social services. Phase three proposes 43 units affordable to persons or families with 30-50% area median income, 22 units with 51 to 60% of area median income, 41 annual contribution contract public housing units—totaling 106 units. Construction began January 2007. Funding includes \$3,000,000 in Low and Moderate Income Housing Fund monies. Construction groundbreaking was January 2007.

Edes Avenue Homes, Phase A (approved)

10900 Edes Avenue

This is a development of 26 newly constructed homeownership units and required infrastructure. The units are slated to be affordable to persons or families below 60% of area median income. The funding for this project includes \$375,000 in Redevelopment Agency Site Acquisition monies and \$1,700,000 in other Redevelopment Agency monies. Project goals for 2007-08 are to complete construction and sell all units.

Edes Avenue Homes, Phase B (approved)

10800 Edes Avenue

This is a development of 25 newly constructed homeownership units and improvements of the existing infrastructure. Of the total number of units, 13 are slated to be affordable to persons or families below 60% area median income and 12 are for households or individuals earning 61 to 80% of area median income. The funding for this project includes Redevelopment Agency monies in the amount of \$2,812,000. Project goals for 2007-08 are to purchase the development site, complete clean-up of that site, and begin project pre-development process.

Hill/Elmhurst Plaza (approved)

941-9437 International Boulevard

This proposed new construction of rental apartments for seniors is slated to have 64 units (including one manager's unit). The affordability of the units is currently slated to have all units for seniors with incomes below 50% of area median income. The Agency is funding \$7,128,000 for this project. Project goals for 2007-08 are to continue with project planning activities.

Tassafaronga Village Phase I, I, and Homeownership (approved)

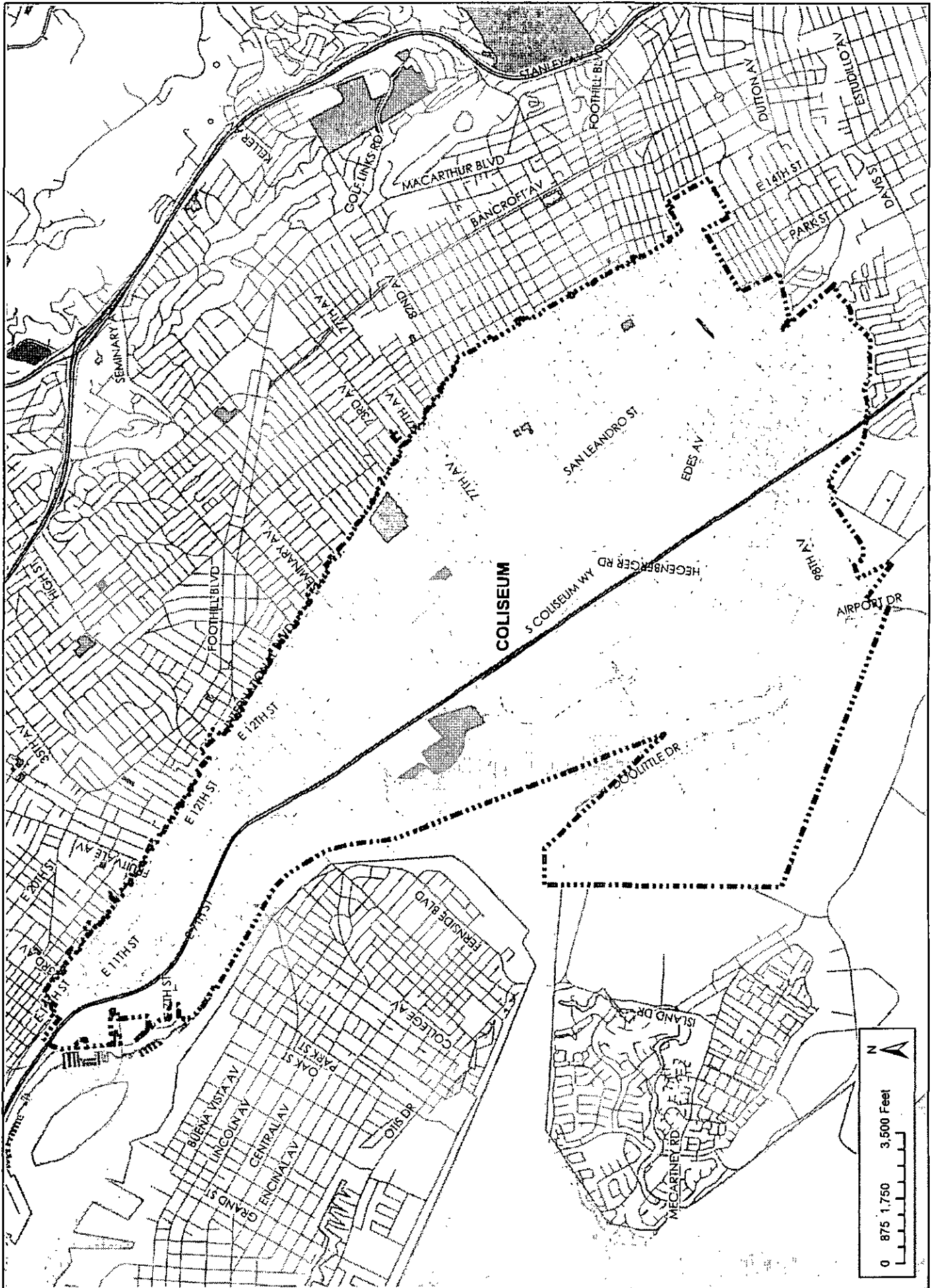
919 85th Avenue

This is a proposed new construction of rental apartments and ownership units. The construction of rental units will happen in two phases and will include 25 units of new construction and 87 replacement units for demolished public housing. The ownership project, currently in preliminary stages, will include 22 units—17 for persons or families earning less than 80% of area median income and 5 for households or individuals earning 80 to 120% of area median income. The Redevelopment Agency funding for this development is \$3,000,000 for the rental housing and \$1,868,000 for the ownership units.

St. Joseph Senior (approved)

2647 International Boulevard

This project is a proposed rehabilitation of a historic building whose current use is commercial offices but was formerly an apartment building for senior citizens. The development will result in 78 apartment units for seniors. The affordability of the units is currently slated to have 32 units for seniors with incomes below 35% of area median income, 20 units for households or individuals earning between 36 to 50% of area median income, and 25 units for households or individuals earning between 51 to 60% area median income. The Redevelopment Agency contributed \$3,789,000 and the City provided \$3,991,000 in HOME Investment Partnership funds to this project.



Coliseum Redevelopment Project Area

ATTACHMENT E

Mid-Term Review of the Five Year Implementation Plan (2004-2009) for Oak Center Redevelopment Project Area

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the Redevelopment Agency of the City of Oakland ("Agency") adopted a Five-Year Implementation Plan (the "Implementation Plan") for the Oak Center Redevelopment Project Area in December 2004. The purpose of the Implementation Plan was to set forth the Agency's specific goals and objectives, programs and projects, and estimated expenditures for the Oak Center Project Area for the five-year period beginning in 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan and evaluate the progress in meeting the goals and objectives. The following summary material has been prepared to document the progress in meeting the Oak Center Redevelopment Project Area Implementation Plan's goals and objectives.

Background of Project Area

The Oak Center Redevelopment Plan ("Redevelopment Plan") was adopted by the Oakland City Council on November 30, 1965 and subsequently amended on November 18, 1970. The Oak Center Project Area is bounded by Tenth Street, Twentieth Street, I-880 and Mandela Parkway and encompasses approximately 30 acres. A map of the Project Area is attached.

The Oak Center Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Time Limit to Incur New Debt: January 1, 2004

Plan Effectiveness/Activity Time Limit: January 1, 2012

Tax Increment Collection Time Limit: January 1, 2022

It should be noted that the Project Area will no longer receive property tax increment revenues as it has reached its limit on the receipt of these revenues beginning FY 2007-08.

Blight

The Oak Center Redevelopment Plan identified the following indicators of blight in the Oak Center Redevelopment Area:

- Substantial number of buildings which are of defective design and physical construction, which contain obsolete interior arrangement and exterior spacing, inadequate ventilation, light and sanitation
- Inadequate open space
- Inadequate recreation facilities
- Recreation facilities which are in deteriorating condition
- Mixture of incompatible use types
- Obsolete subdivision pattern
- Inadequate streets, open spaces and utilities
- Depreciated values and impaired investment
- Social and economic maladjustment
- Improper utilization of land

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The public improvements and neighborhood facilities will improve the quality of life, enhance the areas around completed projects and encourage investment in the remaining unimproved Victorian houses and other vacant and underutilized property.

III. PROJECTS AND PROGRAMS

The Agency's Implementation Plan for the Project Area listed a number of projects and programs to eliminate blighting conditions in the area. The following provides a status report on these capital projects and programs included in the Agency's Implementation Plan for the Project Area.

1. Historic Preservation Area Designation

Description: The Oak Center Redevelopment Area was designated as a Historic Preservation Area by the Oakland City Council in 2003.

Project Budget: N/A - The Oak Center community worked with Planning Staff.

Project Status: Completed in July, 2003

2. De Fremery Park Pool House and the DeFremery House.

Description: This project consists of upgrades to the computer room in the De Fremery Recreation Center and the installation of an ADA-compliant drinking fountain. Pool House improvements include of upgrades to the women's changing room and painting the restrooms.

Project Budget: \$100,000

Project Status: The project was completed in January, 2007.

3. **Historical Markers Project**

Description: This project consists of signage, markers, archways and lighting that mark the Oak Center Historic Preservation Area. Project components include:

- a. A design plan that links signage components thematically
- b. Gateway sculpture in the median at 14th Street and Brush Street to include lighting and signage
- c. Mid-scale signage at major entry points to the district (14th Street, Adeline and Market Streets, 12th and Brush Streets)
- d. Interpretive signage at De Fremery Park that includes the history of Oak Center and a map of the district
- e. Sign caps on street signs at intersections on Brush Street between 14th and 18th Streets
- f. Plaques for the nine Designated Historic Properties in the district
- g. Smaller plaques for contributing buildings in the district
- h. Freeway signs

Project Funding: \$613,325

Project Status: The project design was completed during FY 2005-06. Additional monies (\$163,325) were added to the project in March, 2007 because of unexpectedly high bids. Construction has begun and is scheduled to be completed in late November, 2007.

IV. **PROJECT AREA REVENUES AND EXPENDITURES**

This Section reviews the Agency's existing obligations in the Project Area. It also reviews projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. The Agency has no outstanding TABs for the Project Area. This section describes the tax increment revenues that the Agency has received and used FY 2004-05 through FY 2006-07. It should be noted that the Project Area will no longer receive property tax increment revenues as it has reached its limit on the receipt of these revenues beginning FY 2007-08.

Tax Increment Revenues

The following table compares the projected tax increment revenues stated in the Implementation Plan to the actual revenues received during FY 2004-2007 (stated in thousands of dollars).

	<i>Projected 2004-07</i>	Actuals 2004-05	Actuals 2005-06	Actuals 2006-07	Total Actuals 2004-07
Gross Tax Increment Revenue	\$2,595	\$1,031	\$1,230	\$1,599	\$3,860
Housing Set-Aside Req't	(648)	(258)	(308)	(400)	(966)
AB 1290 Pass-through	0	0	0	0	0
Debt Service	(1,000)	(800)	(479)	(513)	(1,792)
State Education Funds (ERAF)	(150)	(73)	(68)	0	(141)
Net Tax Increment Revenues	\$797	\$(100)	\$376	\$686	\$962
Personnel	\$0	\$(144)	\$(84)	\$(94)	\$(322)
Projects and Programs	\$0	\$(107)	\$(96)	(90)	\$(293)

Expenditures

The table above describes the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing development. Hence, a total of \$966,000 from Oak Center from FY 2004-05 to FY 2006-07 was reserved for the development of such housing. This amount exceeded projections by almost \$318,000.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. This additional

pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies. The Project Area is not affected by the sharing provisions of AB 1290.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$141,000 in FY 2004-05 through FY 2007-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service

Debt service payments to the City in the Project Area amounted to a total of \$1,792,000.

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Implementation Plan. The Agency covered the personnel costs during FY 2004-05 through FY 2006-07 from net property tax increment receipts that are shown in the table above.

Project and Programs

The Agency expended approximately \$293,000 on the projects and programs during the mid-term review period.

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements. The housing production requirements must be met every 10 years during the life of the project area. Because the Oak Center Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirements of Section 33413(b) for the Project Area. Nevertheless, the Agency continues to track housing production in the project area.

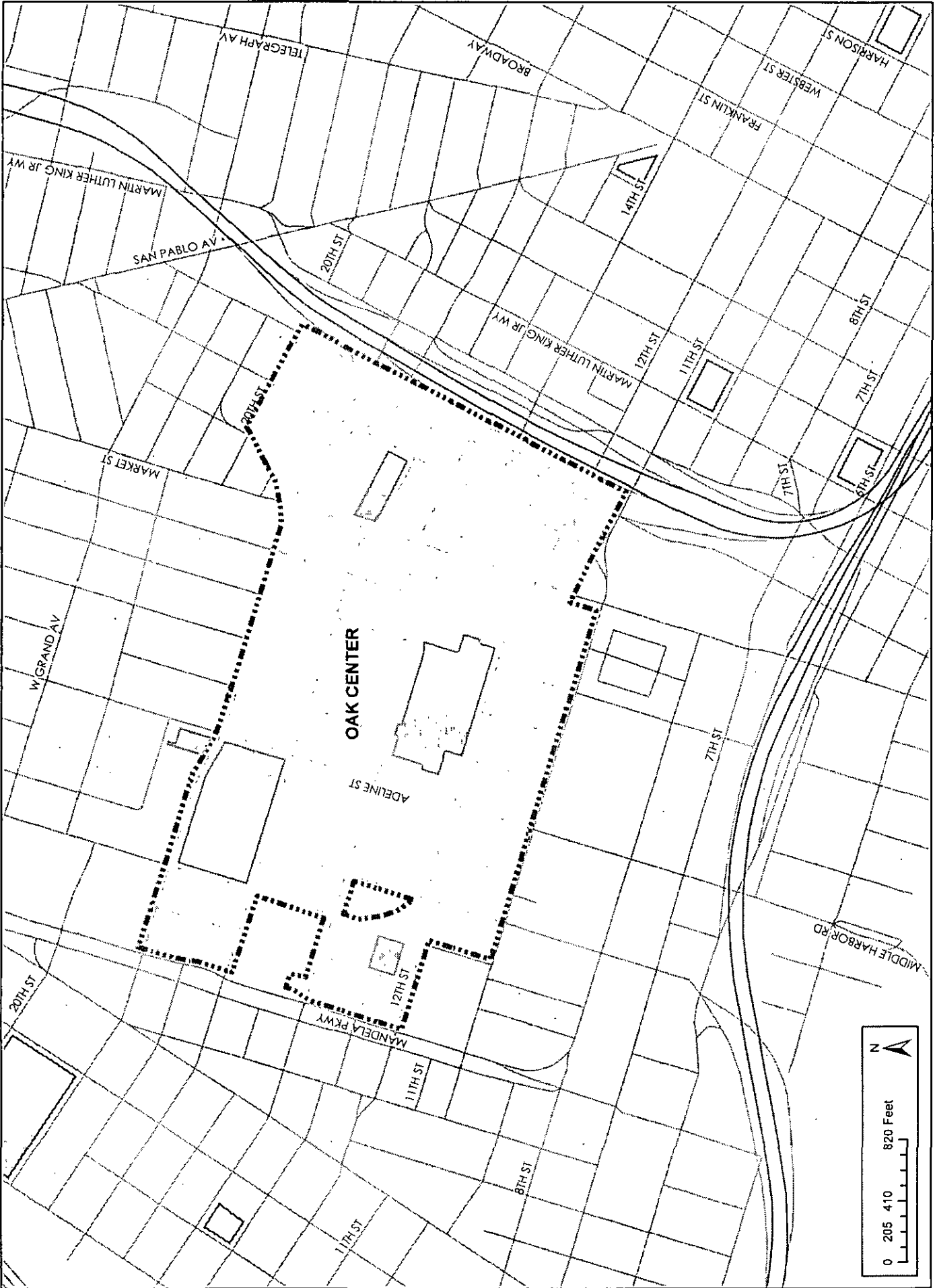
Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Detail of Affordable Housing Developments

Nothing completed/proposed/approved since July 2004.



Oak Center Redevelopment Project Area

ATTACHMENT F

Mid-Term Review of the Five Year Implementation Plan (2004-2009) for the Oakland Army Base Redevelopment Project Area

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the Redevelopment Agency of the City of Oakland ("Agency") adopted a Five-Year Implementation Plan (the "Implementation Plan") for the Oakland Army Base Redevelopment Project Area in December 2004. The purpose of the Implementation Plan was to set forth the Agency's specific goals and objectives, programs and projects, and estimated expenditures for the Oakland Army Base Project Area for the five-year period beginning in 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan and evaluate the progress in meeting the goals and objectives. The following summary material has been prepared to document the progress in meeting the Oakland Army Base Redevelopment Project Area Implementation Plan's goals and objectives.

Background of Project Area

The Oakland Army Base Redevelopment Plan ("Redevelopment Plan") was adopted by the Oakland City Council on July 11, 2000, and subsequently amended on December 21, 2004, June 7, 2005, and March 21, 2006. The Oakland Army Base Project Area is generally bounded by Wood Street and the Oakland Inner, Middle and Outer Harbors of the Port of Oakland, and encompasses a total area of approximately 1,800 acres. For planning purposes, the Project Area has been divided into three subareas:

1. The "Oakland Army Base Subarea," which includes former military base land;
2. The "Maritime Subarea," which consists of the Port of Oakland's maritime areas located along the Outer Harbor and Inner Harbor channels, as well as the former Naval Fleet and Industrial Supply Center Oakland ("FISCO") land located between the Port's terminal facilities; and
3. The "16th and Wood Subarea," which consists of a 29-acre area roughly bounded by Wood Street, 10th Street, W. Grand Ave., and I-800.

Attached is a map of the Project Area.

The Oakland Army Base Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Time Limit to Incur New Debt:	June 30, 2022
Plan Effectiveness/Activity Time Limit:	June 30, 2033
Tax Increment Collection Time Limit:	June 30, 2048

Blight

The Oakland Army Base Redevelopment Plan identified the following indicators of blight in the Oakland Army Base Redevelopment Area: closure of a military base, obsolete and underutilized land, poor transportation circulation and connections, and lack of private investment.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The Oakland Army Base Redevelopment Plan sets forth the following goals and objectives for the Project Area:

1. The mitigation of the economic and social degradation that is faced by the City of Oakland due to the closure of the Oakland Army Base by the Federal Base Closure Commission.
2. Implementation of the adopted Oakland Army Base Reuse Plan, as such Plan may be amended or modified from time to time.
3. The elimination of physical and economic blighting influences in the Project Area.
4. The subdivision of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
5. The replanning, redesign, and development of portions of the Project Area which are improperly utilized.
6. The strengthening of the economic base of the community by the construction and installation of infrastructure and other needed site improvements to stimulate new development, employment, and social and economic growth.
7. The expansion, improvement, and preservation of the City's supply of housing available to low- and moderate-income persons and families.
8. Other goals and purposes of redevelopment as set forth in the Community Redevelopment Law.

The Agency will continue to focus its activities on eliminating physical and economic blight conditions through: (1) the construction of public improvements and utilities, and (2) negotiating agreements with private developers for the redevelopment of vacant land on this former military base. The Agency will focus on the areas identified in the Redevelopment Plan and Five-Year Implementation Plan, which identify the following activities:

- A. Oakland Army Base Subarea - Activities include: Demolition/deconstruction, relocation, environmental remediation and site preparation; installation of water, electrical, telecommunication, natural gas, sanitary sewer, and storm drainage utilities; installation and/or upgrade of new roads, traffic signals, and other traffic infrastructure; rail system modifications, and development of various economic development projects.

- B. Maritime Subarea - Activities include: Construction of an outer harbor intermodal terminal, new roadways and intersections, roadway and rail improvements; and maritime facilities.
- C. 16th and Wood Subarea - Activities include: Renovation of the historic 16th Street Station, transportation and related improvements, open space; and site improvements.

III. PROJECTS AND PROGRAMS

The Agency's Implementation Plan for the Oakland Army Base Project Area listed a number of projects and programs to eliminate blighting conditions in the area. The following provides a status report on these capital projects and programs included in the Agency's Implementation Plan for the Oakland Army Base Project Area:

1. **Freeway Auto Mall**

Description: The Agency is developing a 28-acre freeway auto mall within the Oakland Army Base Subarea. The Agency will build all new roads, utilities, and other infrastructure to make development possible on the site.

Project Funding: The project is anticipated to generate \$26,400,000 in land sale proceeds, which will be used to pay for infrastructure and environmental remediation costs for the project.

Project Status: The Agency is negotiating Disposition and Development Agreements with individual dealerships that would be relocated from an area within Oakland that is no longer viable for auto retail. The first phase will include 10 to 12 car lines and will complete construction in early 2010.

2. **Wood Street Zoning District**

Description: The Agency is working with four developers to facilitate the development of approximately 1,300 units of housing (including affordable housing) on a 29-acre site.

Project Funding: The project is funded through private investment. Funding for the affordable housing component is discussed below in Section V. "Housing".

Project Status: Two of the housing projects – i.e., Pacific Cannery Lofts (163 units) and Zephyr Gate (130 units) are already under construction and scheduled to open in Spring 2008. Negotiations and planning efforts are ongoing for the other housing projects envisioned for the area.

3. **16th Street Train Station**

Description: The Agency is working with a developer to renovate the historic 16th Street Train Station into a community and business center that will include: a restaurant and catering business; performance venue; offices; museum; and open space.

Project Funding: The project will be funded through a public-private partnership. However, it is anticipated that a significant amount of redevelopment funds will be needed for gap financing to allow construction of the project. As the project is at an early conceptual stage, further analysis is required to determine the project budget and the sources of funds.

Project Status: The developer has completed a Request for Proposals (RFP) process to identify an operator for the Train Station facility. The next step is for the developer, operator, and Agency to work together on the design of the project.

4. **Maritime/Industrial Development**

Description: The Agency plans to build a 15-acre maritime-related industrial project that could include: facilities for trucking companies (truck parking, trailer storage, information technology services, administrative offices, etc.), a trans-load facility, logistics center, warehouse, and/or other components.

Project Funding: The project would be funded through private investment and would generate revenue for the Agency.

Project Status: The Agency has completed a RFP process and is in the process of negotiating a long-term ground lease with a developer for the project.

5. **Joint Apprenticeship Training Center**

Description: The Agency is working with the Bay Area Joint Apprenticeship Training Council (JATC) to build a three-acre training facility that will provide job training and placement in the construction trades.

Project Funding: JATC would finance the project.

Project Status: Plans are on hold, pending the completion of the Agency's planning process for the Oakland Army Base subarea.

6. **Infrastructure Planning**

Description: The Army Base will require extensive construction of new roads, utilities, soil augmentation ("fill") and compaction, and other infrastructure.

Project Funding: Funding needs to be identified for this project. The Agency is planning to use a combination of redevelopment tax increment bonds, private investment, land sale proceeds, and state and federal grant funds.

Project Status: The Agency is in the process of developing plans and construction drawings for each phase of new infrastructure, and the Agency is coordinating with the Port, CalTrans, and other government agencies.

IV. PROJECT AREA REVENUES AND EXPENDITURES

This Section reviews the Agency's existing obligations in the Project Area. It also reviews projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. The Agency has no outstanding TABs for the Project Area. This section describes the tax increment revenues that the Agency has received and used FY 2004-05 through FY 2006-07.

Tax Increment Revenues

The following table compares the projected tax increment revenues stated in the Implementation Plan to the actual revenues received during FY 2004-2007 (stated in \$'000s).

	<i>Projected 2004-07</i>	<i>Actuals 2004-05</i>	<i>Actuals 2005-06</i>	<i>Actuals 2006-07</i>	<i>Total Actuals 2004-07</i>
Gross Tax Increment Revenue	\$6,424	\$3,101	\$3,941	\$5,212	\$12,254
Housing Set-Aside Req't	(1,607)	(775)	(985)	(1,303)	(3,064)
AB 1290 Pass-through	(1,285)	(620)	(788)	(1,042)	(2,450)
Debt Service	0	0	0	0	0
State Education Funds (ERAF)	(373)	(153)	(196)	0	(349)
Net Tax Increment Revenues	\$3,159	\$1,553	\$1,972	\$2,867	\$6,391
Staff Costs	\$0	\$0	(\$374)	(\$432)	(\$796)
Operations and Maintenance	\$0	\$0	(\$109)	(\$76)	(\$185)

The issuance of TABs is anticipated during the next three years, as development activities begin in the East and Central Gateway portions of the Gateway Development Area.

Expenditures

The table above looks at the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing

development. Hence, a total of \$3,065,000 from the Oakland Army Base Project Area from FY 2004-05 to FY 2006-07 was reserved for the development of such housing. This amount exceeded projections by approximately \$1.4 million.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. This additional pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies. The Project Area transferred approximately \$2,450,000 to other taxing entities during the mid-term review period.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$349,000 in FY 2004-05 through FY 2006-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service

The Army Base does not have any outstanding debt.

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Implementation Plan. The Project Area covered \$796,000 in personnel costs during the mid-term review period.

Project Expenditures

Most expenditures, except those noted for personnel and operation and maintenance, in the Project Area have been covered with funding from the related Oakland Base Reuse Authority (OBRA). During 2006-07, the Agency assumed all of OBRA's assets and liabilities. The

Agency anticipates that all available net property tax increment will be applied toward the construction of substantial public improvements in the Project Area.

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements:

- At least 30 percent (30%) of all new and substantially rehabilitated dwelling units developed by a redevelopment agency shall be available at affordable housing cost to persons and families of low and moderate income and shall be occupied by these persons and families [Section 33413(b)(1)];
- At least 15 percent (15%) of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families [Section 33413(b)(2)];
- At least 15 percent (15%) of all substantially rehabilitated units that have received agency assistance shall be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families [Section 33413(b)(2)(iii)];
- Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan [Section 33490(a)(3)].

The housing production requirements must be met every 10 years during the life of the project area. Units produced in excess of these requirements can be applied to meeting the requirements in the next ten year period. The tables on the following pages provide information on progress to date in meeting those goals. The first two tables assess progress based solely on projects that are completed or are likely to proceed. The third and fourth tables take into projects that have been proposed but have not yet been approved.

Housing Production July 11, 2001 to October 31, 2007¹:

**Table 1
 Completed/Underway Market Rate and Affordable Housing Projects in Oakland Army Base Project Area**

Project Name	Units	Type	Year Completed	Affordability Level			
				Very Low	Low	Mod	Above Mod
14th Street Apartments	99	Family	TBD	98			1
Total	99			98	0	0	1
Percentage	100%			99%	0%	0%	1%

**Table 2
 Affordable Unit Production Requirements Based on Completed/Underway Projects**

	Total	Total Affordable ^a	VLI Only
Total Units Completed/Underway	99	98	98
Less Required Affordable Units (15% total, 6% VLI)		15	6
Surplus/(Deficit)		83	92

a. Includes units for very low, low and moderate income households.

¹ Source: Win2Data, City of Oakland Building Permit Data, City staff, October 2007.

Table 3
Pending Housing Projects for Oakland Army Base Project Area

Project Name	Units	Type	Year Completed	Affordability Level ^a			
				Very Low	Low	Mod	Above Mod
HFH Apartments-Phase I	159	TBD	TBD				159
HFH Apartments-Phase II	142	TBD	TBD				142
Pacific Cannery Lofts (1111-1119 Pine Street)	163	Ownership	TBD				163
Wood Street Mixed Use ^a	881	TBD	TBD				881
Zephyr Gate	130	TBD	TBD				130
Total	1,475			0	0	0	1,475

a. This is the remaining number of units from originally approved project of 1,570 units. (This figure is originally approved # of units minus Pacific Cannery=163 units, 14th St=99 units, Zephyr Gate=130 units, HFH Phase I=159 units and HFH Phase II=142 units.)

Table 4
Affordable Unit Production Requirements Based on All Units

	Total	Total Affordable ^a	VLI Only
Pending Units	1,475	0	0
Required Affordable Units (15% total, 6% VLI)		222	89
Less Surplus/(Deficit) from Completed/Underway Units		83	92
Net Surplus/(Deficit)		(139)	3

a. Includes units for very low, low and moderate income households.

Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

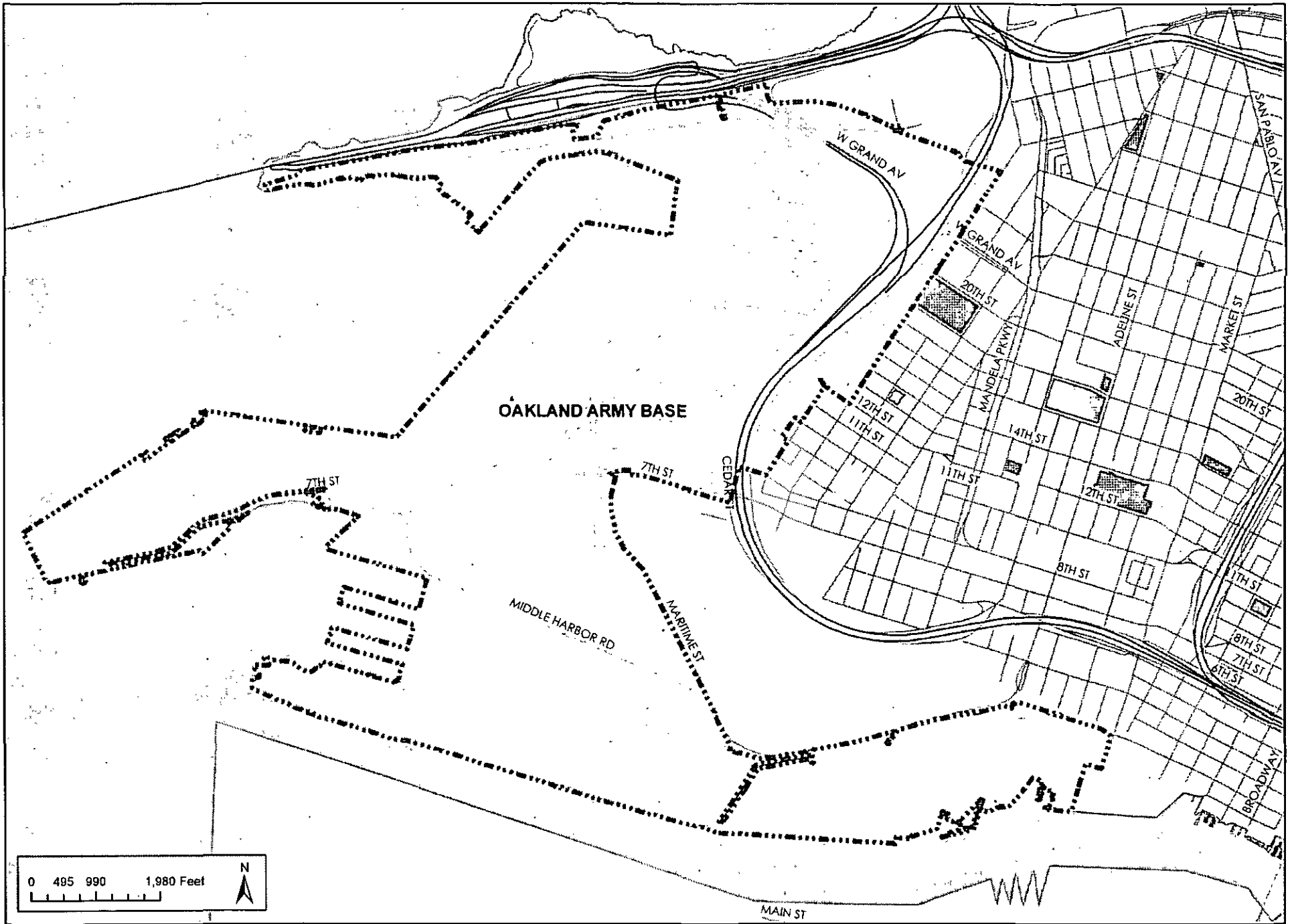
With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Detail of Proposed Affordable Housing Developments

14th Street Apartments (aka Wood Street, formerly called Central Station)

14th Street and Wood Street

This new construction of family rental apartments consists of 99 units. The units will be affordable to persons and families earning below 50% of area median income. The Redevelopment Agency's funding for this development is \$8,379,000. Project goals for 2007-08 is to complete environmental review, select a design team and proceed with project planning and pre-development activities.



Oakland Army Base Redevelopment Project Area

ATTACHMENT G

Mid-Term Review of the Five Year Implementation Plan (2004-2009) for the Stanford/Adeline Redevelopment Project Area

I. INTRODUCTION AND BACKGROUND

Introduction

California Redevelopment Law Requirements

In accordance with Section 33490 of the California Community Redevelopment Law, the Redevelopment Agency of the City of Oakland (“Agency”) adopted a Five-Year Implementation Plan (the “Implementation Plan”) for the Stanford/Adeline Redevelopment Project Area in December 2004. The purpose of the Implementation Plan was to set forth the Agency’s specific goals and objectives, programs and projects, and estimated expenditures for the Stanford/Adeline Project Area for the five-year period beginning in 2004/05 through 2008/09. State law requires that the Agency review the Implementation Plan at least once within the five-year period of the Implementation Plan and evaluate the progress in meeting the goals and objectives. The following summary material has been prepared to document the progress in meeting the Stanford/Adeline Redevelopment Project Area Implementation Plan’s goals and objectives.

Background of Project Area

The Stanford/Adeline Redevelopment Plan (“Redevelopment Plan”) was adopted by the Oakland City Council on April 10, 1973. The Stanford/Adeline Redevelopment Project Area is roughly bounded by Adeline Street and Market Street between 59th and 61st Streets, and encompasses approximately 4 blocks (16.7 acres).

The Stanford/Adeline Redevelopment Plan has the following time, effectiveness and fiscal limits. These dates limit the ability of this Redevelopment Area to accrue and repay debt, and take action:

Time Limit to Incur New Debt:	January 1, 2004
Plan Effectiveness/Activity Time Limit:	April 10, 2016
Tax Increment Collection Time Limit:	April 10, 2026

Blight

The primary indicators of blight in the Stanford/Adeline area when the Redevelopment Plan was adopted were incompatible uses and inefficient street layout. During the late 1970’s, the incompatible industrial and commercial areas were removed and replaced with open space. In addition, the confusing interchange of Stanford and Adeline Streets was realigned to make the neighborhood quieter and safer. The Stanford/Adeline Project was completed in 1987.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The initial planned work for the Stanford/Adeline Redevelopment Project Area was completed in 1987. All remaining tax increment revenues that are not being used for debt service are allocated to the Low and Moderate Income Housing Fund for the development of affordable housing.

III. PROJECTS AND PROGRAMS

All tax increment revenues collected in the Stanford/Adeline in excess of the remaining debt service are allocated to the Low and Moderate Income Housing Fund for the development of affordable housing.

IV. PROJECT AREA REVENUES AND EXPENDITURES

This Section reviews the Agency's existing obligations in the Project Area. It also reviews projected and actual revenues and expenditures for FY 2004-05 through FY 2006-07.

Revenues

The Agency has two primary revenue sources: Tax Allocation Bond (TAB) proceeds and property tax increment revenues. The Agency has no outstanding TABs for the Project Area. This section describes the tax increment revenues that the Agency has received and used FY 2004-05 through FY 2006-07.

Tax Increment Revenues

The following table compares the projected tax increment revenues stated in the Five-Year Plan to the actual revenues received during FY 2004-2007 (stated in \$'000s).

	<i>Projected 2004-07</i>	<i>Actuals 2004-05</i>	<i>Actuals 2005-06</i>	<i>Actuals 2006-07</i>	<i>Total Actuals 2004-07</i>
Gross Tax Increment Revenue	\$294	\$126	\$135	\$161	\$422
Housing Set-Aside Req't	(76)	(31)	(34)	(40)	(105)
AB 1290 Pass-through	0	0	0	0	0
Debt Service	(222)	(81)	(72)	(70)	(223)
State Education Funds (ERAF)	(18)	(9)	(8)	0	(17)
Net Tax Increment Revenues	\$(22)	\$5	\$21	\$51	\$77
Personnel	\$0	\$0	(\$9)	(\$9)	\$18

Expenditures

The table above looks at the actual and projected debt service, housing set-aside fund payments, tax sharing, pass-through agreements and Education Revenue Augmentation Fund (ERAF) payments.

Housing Set-Aside

California Redevelopment Law requires that 20 percent of the gross property tax increment revenue generated from the Project Area must be used by the Agency to increase and improve the community's supply of affordable housing for persons and families of low and moderate income. Moreover, in June of 2000, the Agency approved legislation setting aside an additional five percent of gross property tax increment revenue for low and moderate income housing development. Hence, a total of \$105,000 from the Project Area from FY 2004-05 to FY 2006-07 was reserved for the development of such housing. This amount exceeded projections by almost \$29,000.

AB 1290 Pass-throughs

For redevelopment project areas created after 1993, California law (AB 1290) requires that a specified portion of the increment be passed through to the affected taxing entities, such as the City of Oakland, the Oakland Unified School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, the first adjusted base year is calculated (i.e., difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. This additional pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, the second adjusted base year is calculated (i.e., the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies. The Project Area is not affected by the sharing provisions of AB 1290, because the Redevelopment Plan was adopted prior to 1994.

ERAF Payments

In an effort to balance the State of California budget in FY 1991-92, the state adopted legislation mandating that local governments shift a portion of their property tax revenue shares to ERAF to support public schools. Historically, the ERAF shift had not applied to redevelopment agencies until FY 2002-03, when the state introduced it as a one-time shift, which nevertheless continued. For the Project Area, this shift amounted to approximately \$17,000 in FY 2004-05 through FY 2006-07. The ERAF shift was discontinued after FY 2005-06.

Debt Service

Debt service payment to the City in the Project Area amounted to a total of \$223,000.

Agency Administration Staff and Overhead

In order to fulfill Agency goals and objectives, the Agency has the legal authority to hire staff carrying out the activities identified in the Five-Year Plan. The Project Area covered \$18,000 in personnel costs during the mid-term review period.

Project Expenditures

In FY 2006-07, there was a transfer of \$630,000 of net property tax increment from prior years to acquire a site for the development of the Grove Park project at MacArthur Bart.

V. HOUSING

Housing Production Requirement

As reported in detail in the Implementation Plan, California Redevelopment Law (Section 33413 of the Health and Safety Code) requires for all redevelopment project areas adopted after 1985 that certain percentages of housing developed within the project area meet certain affordability requirements. The housing production requirements must be met every 10 years during the life of the project area. Because the Stanford/Adeline Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirements of Section 33413(b) for the Project Area. Regardless, the Agency continues to track housing production in the project area.

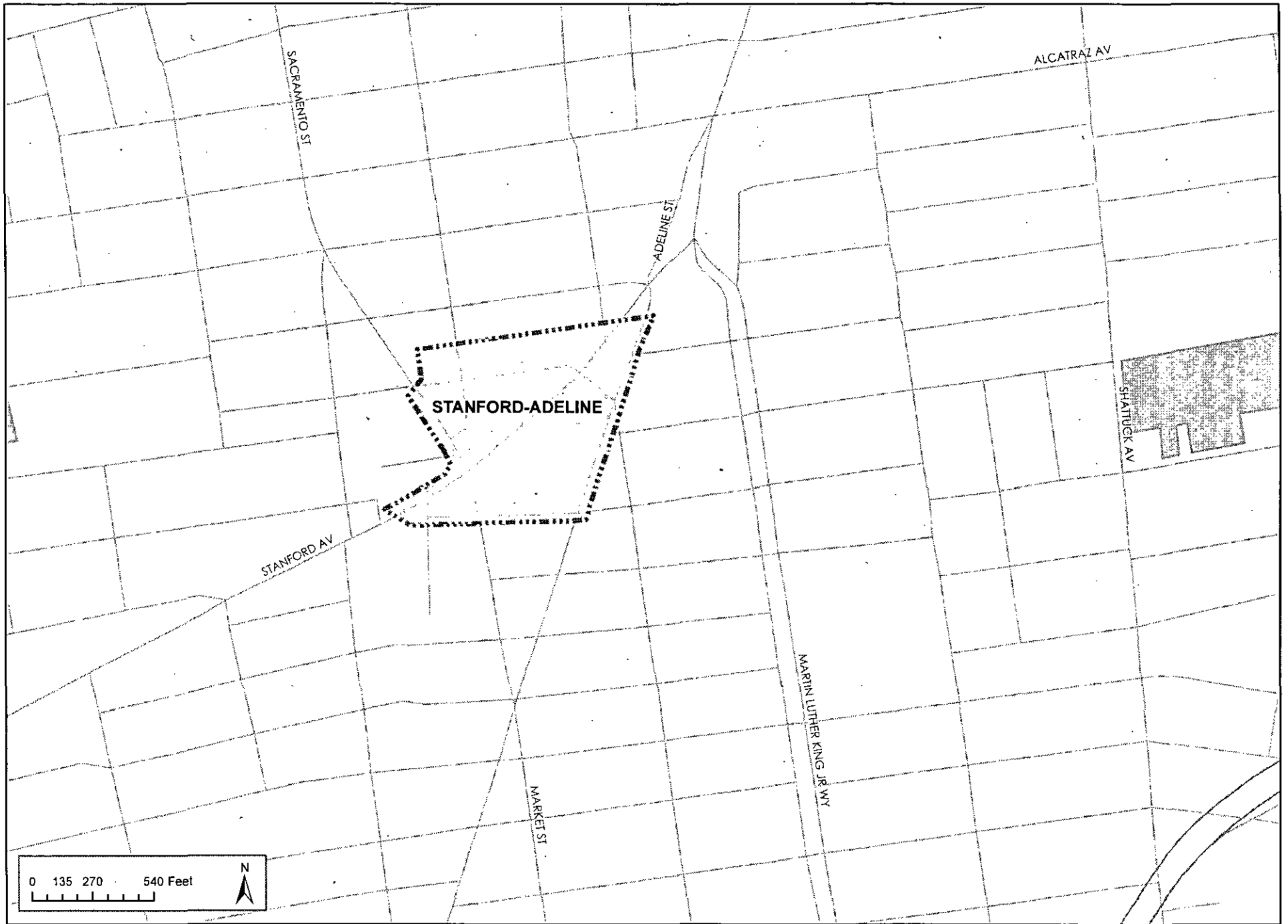
Development of Affordable Housing in the Project Area

As noted in the Implementation Plan, California Redevelopment Law requires that 20 percent of the gross tax increment generated in a redevelopment project area be deposited into a Low and Moderate Income Housing Fund and used to support housing for very low, low and moderate income households. Since 2000, Oakland has voluntarily increased that contribution to 25 percent of the gross tax increment.

With the exception of funds generated in the West Oakland and Central City East project areas, Low and Moderate Income Housing Funds are aggregated and used to support housing development and first-time homebuyer assistance throughout the entire City of Oakland. In addition, the City of Oakland uses federal HOME grant funds to provide additional assistance for development of affordable housing. The listing below provides a summary of all affordable housing developed or underway in the project area, regardless of the funding source:

Details of Affordable Housing Developments

Nothing completed/proposed/approved since July 2004.



Stanford-Adeline Redevelopment Project Area