

OAKLAND REDEVELOPMENT AGENCY
CITY OF OAKLAND

Redevelopment Agency Agenda Report

OFFICE OF THE CITY CLERK
2006 NOV - 14 PM 4: 02

To: Office of the Agency Administrator
Attn: Deborah Edgerly
From: Community and Economic Development Agency
Date: November 14, 2006

**RE: A Resolution Allocating \$60,000 For A Second Year To The Coliseum Infill
Development Incentives Program From FY 2006-07 Coliseum Redevelopment
Project Area Funds**

SUMMARY

Redevelopment Agency staff seeks Agency approval to allocate \$60,000 from FY 2006-2007 Coliseum Redevelopment Area funds to the Infill Development Incentives Program (the "Incentives Program") for its second year.

FISCAL IMPACTS

The Coliseum Redevelopment Area will allocate \$60,000 of unexpended project funds for the second fiscal year of the Incentives Program. The \$60,000 in additional funds may be used to award four or more matching grants. No additional staff costs are associated with the Incentives Program because existing CEDA Redevelopment staff will manage the program.

Matching grant contributions of up to \$15,000 per project may be awarded to a proposed development project through the Incentives Program. All pre-application costs exceeding \$15,000 must be paid for by the applicant.

Staff proposes to allocate a total of \$60,000 for The Incentives Program from Oakland Redevelopment Agency's Coliseum Operations Fund (9450), Coliseum Redevelopment Organization (88659), in Coliseum-Staff Project (S82600).

BACKGROUND

The Incentives Program was implemented last year and was successful in meeting its goal of inspiring development interest for infill projects in the Coliseum Redevelopment Area. In its first year of implementation, Coliseum Redevelopment Area staff identified three projects to assist with pre-application work funding, and are currently considering a fourth project.

The three projects received matching grants totaling \$45,000 (\$15,000 per project). All three proposed projects are located on International Boulevard:

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- Mixed use retail and housing project at 41st Ave. and International Blvd.
- Mixed use retail and housing project between 94th Ave. and 96th Ave. and International Blvd.
- Mixed use retail and housing project at 105th Ave. and International Blvd.

The developers of the three proposed projects described above applied for and qualified to receive \$15,000 in matching grants to be used in partial reimbursement of their pro forma analysis, phase 1 environmental assessment, and initial market studies. ORA shall receive and own copies of the predevelopment analyses associated with the above projects.

KEY ISSUES AND IMPACTS

Several neighborhoods within the Coliseum Redevelopment Project Area lack adequate housing opportunities and a sufficient array of neighborhood-serving retail. Through the Incentives Program, matching grant contributions of up to \$15,000 per project may be issued for one or more of the following types of pre-application analyses:

- Property appraisals¹
- Market analysis
- Marketing of retail space
- Phase I environmental analysis
- Preliminary financial feasibility analysis

Other pre-application analyses not listed above may be considered as well.

PROJECT DESCRIPTION

The Incentives Program is applicable anywhere in the Coliseum Redevelopment Project Area. *One specific area that possesses great potential is International Boulevard. International Boulevard is one of Oakland's major transit corridors, running in an east-west direction beginning at 23rd Avenue and continuing to the San Leandro border. Vacant storefronts dominate many parts of the corridor, housed in buildings in various states of disrepair. Once identified, the vacant spaces along International Boulevard could certainly be utilized by underserved retail categories. Proposed projects along International Boulevard will receive priority for second year funds because the Redevelopment Agency has identified this main thoroughfare as a target corridor for both infill development and blight reduction.*

SUSTAINABLE OPPORTUNITIES

Economic: The Incentives Program sparks interest in developing mixed-use projects in areas that currently lack sufficient housing and retail. The economic benefits of development projects supported by the Program will be significant upon completion. Residents will have more retail options. Therefore, a higher level of disposable income of Oakland residents will be spent

¹ Only applicable when it is a required component of a broader development program.

within the City, thereby stimulating the local economy. The renovation and new construction of infill projects on older, underutilized properties may have a positive impact on property values as well.

Environmental: The interest that the Incentives Program generates in infill projects triggers greater exploration of the environmental conditions of properties in East Oakland because of the City's requirement to undergo environmental review for all proposed development projects. The Incentives Program also offers monetary grants for phase one environmental studies, which help the Coliseum Redevelopment Area staff to identify the current environmental conditions of several Project Area sites.

Social Equity: The Incentives Program was inspired by the Agency's desire to promote the reuse of underutilized properties, in an effort to attract new, vibrant land uses and increase infill housing opportunities for those residents of East Oakland who currently lack sufficient housing and retail options in their neighborhoods.

DISABILITY AND SENIOR CITIZEN ACCESS

All projects awarded grant contributions by the Infill Incentives Program shall comply with development standards of the Americans with Disabilities Act (ADA).

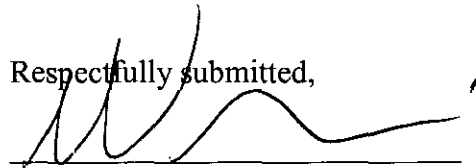
RECOMMENDATION AND RATIONALE

The authorization for the Agency to allocate \$60,000 to the Incentives Program preserves legal consistency with California Redevelopment Law in that redevelopment monies should be used for blight elimination projects in a redevelopment area that also stimulates economic development, provide jobs, and deter crime.

ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

Staff requests that the Redevelopment Agency approve the resolution re-allocating \$60,000 to the Coliseum Area Infill Development Incentives Program from FY 2006-07 Coliseum Redevelopment Project Area funds.

Respectfully submitted,



Daniel Vanderprien
Director of Redevelopment, Economic
Development and Housing and Community
Development

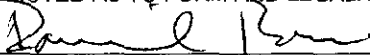
Reviewed by:
Gregory Hunter, East Oakland Redevelopment Area
Manager

Prepared by:
Rupa Parikh, Project Manager
CEDA Redevelopment Division

APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE


OFFICE OF THE CITY ADMINISTRATOR

2006 NOV -1 PM 4:02


AGENCY COUNSEL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

RESOLUTION ALLOCATING \$60,000 FOR A SECOND YEAR TO THE COLISEUM INFILL DEVELOPMENT INCENTIVES PROGRAM FROM FY 2006-07 COLISEUM REDEVELOPMENT PROJECT AREA FUNDS

WHEREAS, there is a need for a blight reduction program that impacts general blight conditions throughout the Coliseum Redevelopment Project Area; and

WHEREAS, the staff of the Redevelopment Agency have identified a significant need for infill development in the Coliseum Redevelopment Area to reduce blight, intensify underutilized properties, vacant parcels, and alleviate the lack of housing and neighborhood-serving retail in the Area; and

WHEREAS, the Coliseum Infill Development Incentives Program was adopted by the Redevelopment Agency in FY 2005-06; and

WHEREAS, three proposed mixed-use projects were selected in the first year of the Infill Development Incentives Program implementation and will be awarded matching grant reimbursements for predevelopment analyses; and

WHEREAS, the Program will continue to assist interested developers by providing them with monetary incentive to explore small-scale retail, housing, and mixed-use development projects in the Coliseum Redevelopment Project Area; and

WHEREAS, the Program is consistent with and will further the purposes of the Coliseum Redevelopment Plan and its Five-Year Implementation Plan; and

WHEREAS, the Agency wishes to support these activities by allocating \$60,000 from FY 2006-07 Coliseum Redevelopment Agency Project Area funds ; now, therefore, be it

RESOLVED: That the Agency hereby authorizes the allocation of \$60,000 to the Coliseum Infill Development Incentives Program in its second year of implementation, to provide a monetary incentive to interested developers in revitalizing underutilized properties and therefore reducing blight in the Coliseum Project Area; and be it further

RESOLVED: That the Agency hereby allocates \$60,000 from FY 2006-07 Coliseum Redevelopment Project Area Funds in Coliseum Operations Fund (9450), Coliseum Redevelopment Organization (88659), Coliseum – Staff Project (S82600) to the Infill Development Incentives Program; and be it further

RESOLVED: That the Agency Administrator or her designee is authorized to identify and negotiate the project scope for proposed projects under the Program and provide funding to projects without returning to the Agency; and be it further

RESOLVED: That the Agency Administrator or her designee is authorized to adopt guidelines for the Program, negotiate and enter into contracts, and take any other action with respect to the Program consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

Attest: _____

LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California