



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2014 OCT 30 PM 2:30

AGENDA REPORT

TO: HENRY L. GARDNER
INTERIM CITY ADMINISTRATOR

FROM: Rachel Flynn

SUBJECT: 1601 Clay Street, Major Encroachment Permit **DATE:** October 1, 2014

City Administrator
Approval

Date

10/27/14

COUNCIL DISTRICT: 3

RECOMMENDATION

Staff recommends that the City Council adopt the following:

Resolution Granting A Conditional and Revocable Major Encroachment Permit to 360 Ventures II, LLC To Allow An Existing Basement for the Building Located at 1601 And 1605 Clay Street to Encroach Into The Public Right-Of-Way Along the Building's Frontage Under the Sidewalks on Clay Street and 16th Street

OUTCOME

The resolution will authorize the City Engineer to issue a major encroachment permit (no. ENMJ 14054) to allow an existing basement to encroach into the public right-of-way along the building's frontage under the sidewalks on Clay Street and 16th Street.

BACKGROUND/ LEGISLATIVE HISTORY

360 Ventures II, LLC, a California limited liability company ("Permittee"), owns a parcel (APN 003-0063-013-00) at the intersection of Clay Street and 16th Street in The Casserly Tract, adjacent to the proposed encroachment. The parcel includes an existing 5-story historic building located at 1601 and 1605 Clay Street. The building has an existing basement that extends under the sidewalks, which contains an enclosure for 22 new gas meters and a relocated electrical transformer vault. The basement encroaches into the public right-of-way along the building's frontage under the sidewalks on Clay Street and 16th Street. Permittee has filed an application for a major encroachment permit to allow the encroachment of the basement into the public right-of-way.

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ANALYSIS

Oakland Municipal Code (“OMC”) Chapter 12.08 provides guidelines for the City’s issuance of encroachment permits in the public right-of-way. A major encroachment permit is defined as “anything attached to a structure or constructed in place so that it projects into the public right-of-way.” OMC section 12.08.040 requires that major encroachments in the public right-of-way receive approval by resolution of the City Council before a permit may be issued.

Based on staff’s review of the plans and investigation of the site of the proposed encroachment will not interfere with public use of the roadway, sidewalk, or buried utilities, and will not endanger the public welfare and convenience during said public use. The City Council has previously approved similar encroachments throughout Oakland.

The City Council’s resolution constitutes a conditional and revocable permit for encroachment, which shall take effect upon compliance of all conditions set forth therein. Such permit shall remain in effect as long as the Permittee complies with all conditions established for the granting of such permit, and shall become null and void upon the failure of the Permittee to comply with such conditions, or upon a termination by resolution of the City Council as being in the City’s best interest.

PUBLIC OUTREACH/ INTEREST

This item did not require any additional public outreach other than the required posting on the City’s website.

COORDINATION

The Office of the City Attorney and the Budget Office have reviewed this report and resolution.

COST SUMMARY/ IMPLICATIONS

Staff costs for processing the proposed encroachment permit are covered by fees set by the Master Fee Schedule and have been paid by the property owner and were deposited in the special revenue Development Service Fund (2415), Engineering Services Organization (84432), Encroachment Permits Account (42314), Engineering and Architectural Plan Approval (PS30). The standard conditions of the encroachment permit require the property owner to maintain liability and property damage insurance and to include the City as a named insured.

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SUSTAINABLE OPPORTUNITIES

Economic: Construction and maintenance of the structures will provide opportunities for construction related jobs for the Oakland community.

Environmental: Construction permits for public right-of-way improvements require that the Permittee comply with City ordinances and regional Best Management Practices for reducing nuisance noise, fugitive dust, construction debris disposal, and storm drainage pollutant runoff.

Social Equity: The encroachment of the structure into the public right-of-way will have no adverse impact on the economic revitalization of Oakland. Construction permits for improvements in the right-of-way require that the permittee comply with State and City requirements for handicapped accessibility.

CEQA

The California Environmental Quality Act ("CEQA") and the CEQA Guidelines exempt specific types of projects from environmental review. The following CEQA exemptions apply to this project, each of which provides a separate and independent basis for CEQA clearance: CEQA Guidelines sections 15301 (existing facilities), 15183 (projects consistent with a Community Plan, General Plan, or Zoning), and 15061(b)(3) (no significant effect on the environment).

For questions regarding this report, please contact David Harlan, Engineering Manager, at 510/238-6321.

Respectfully submitted,



Rachel Flynn, Director
Planning and Building Department

Reviewed by: Deborah Sandercock, City Engineer

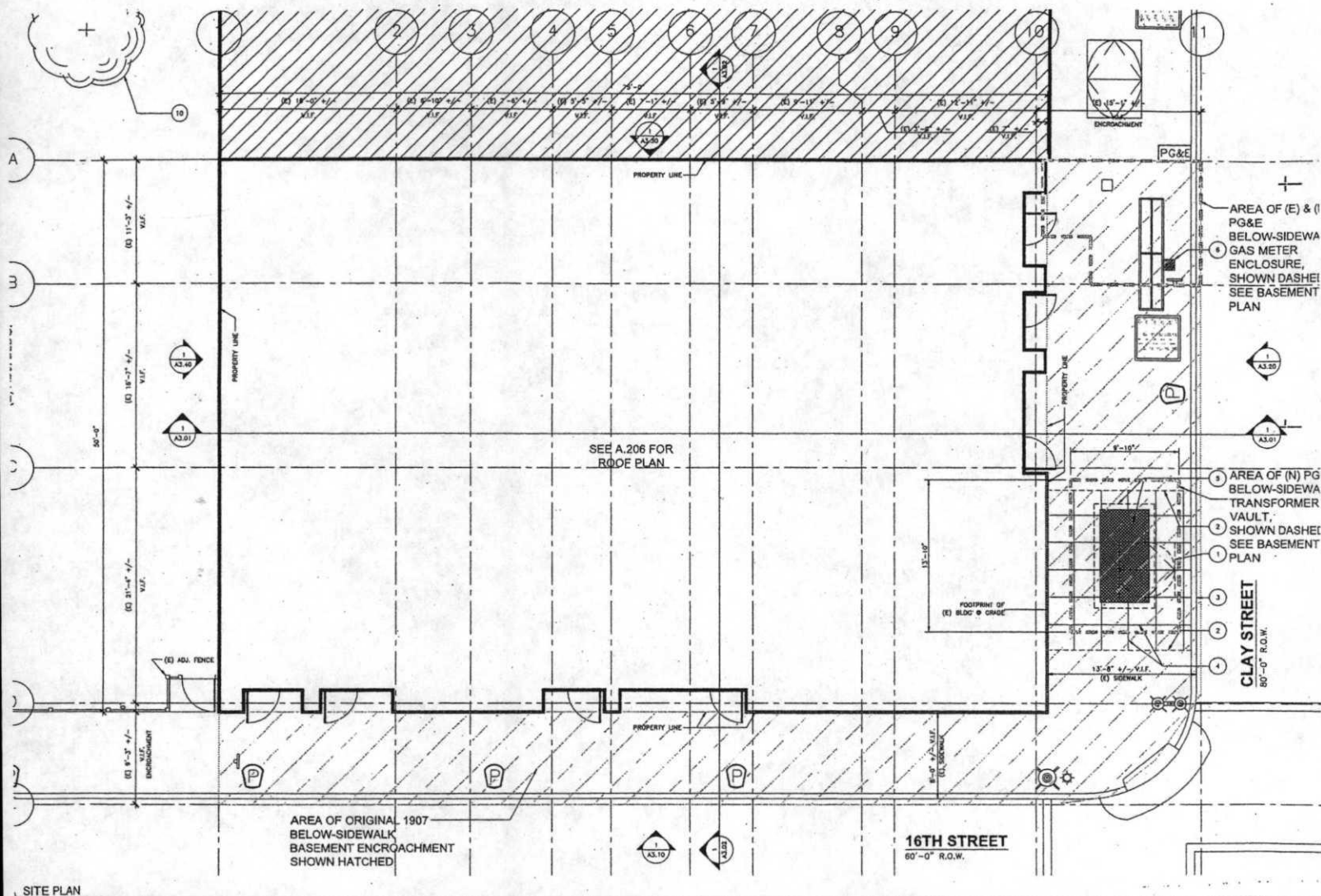
Prepared by: David Harlan, Engineering Manager

Attachment A – Limits of the Encroachment in the Public Right-of-Way

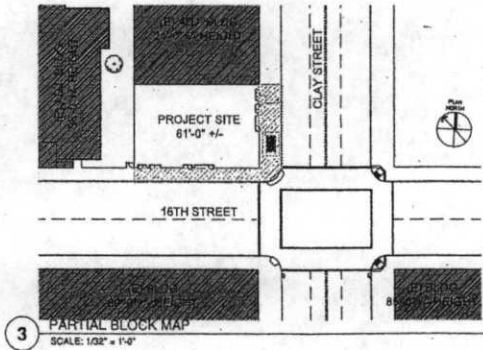
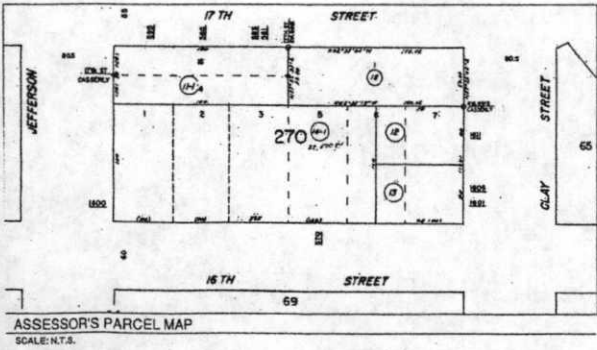
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ATTACHMENT A

Limits of the Encroachment in the Public Right-Of-Way

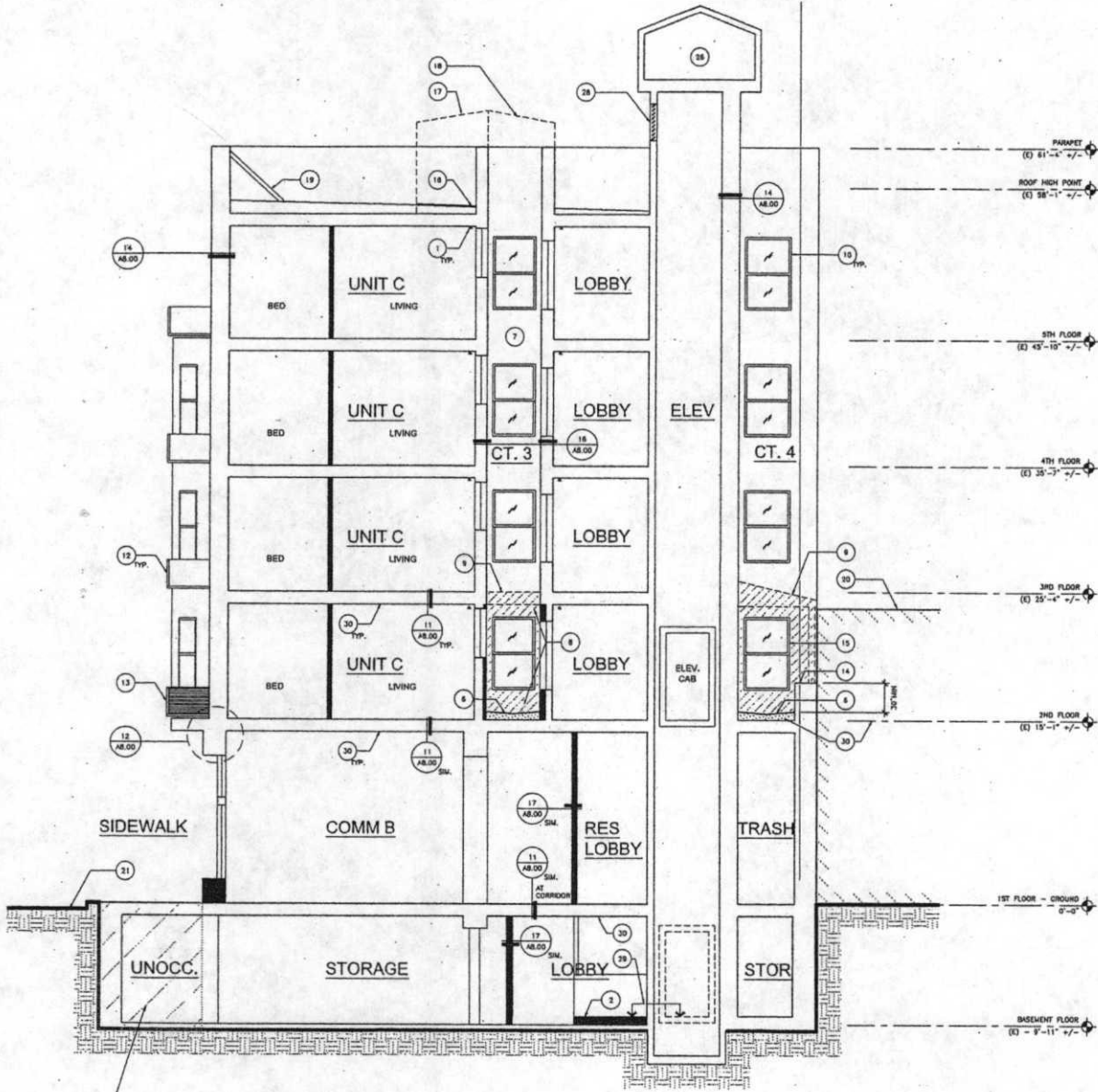


SITE PLAN
SCALE: 1/4" = 1'-0"



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ATTACHMENT A (continued)



AREA OF ORIGINAL 1907
BELOW-SIDEWALK
BASEMENT ENCROACHMENT
SHOWN HATCHED

1 NEW BUILDING SECTION 2
SCALE: 1/4"=1'-0"

ENCROACHMENT SECTION

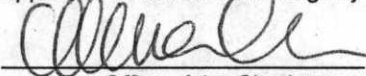
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FILED
OFFICE OF THE CITY CLERK
OAKLAND

Introduced by

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Approved as to Form and Legality


Office of the City Attorney

Councilmember

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION GRANTING A CONDITIONAL AND REVOCABLE MAJOR ENCROACHMENT PERMIT TO 360 VENTURES II, LLC TO ALLOW AN EXISTING BASEMENT FOR THE BUILDING LOCATED AT 1601 AND 1605 CLAY STREET TO ENCROACH INTO THE PUBLIC RIGHT-OF-WAY ALONG THE BUILDING'S FRONTAGE UNDER THE SIDEWALKS ON CLAY STREET AND 16TH STREET

WHEREAS, 360 Ventures II, LLC, a California limited liability company ("Permittee"), the owner of real property known as 1601 and 1605 Clay Street and described in a Grant Deed recorded August 24, 2012, series no. 2012-279276, by the Alameda County Clerk-Recorder, and identified by the Alameda County Assessor as APN 003-0063-013-00, and more particularly described in Exhibit A, attached hereto and incorporated herein, has filed an application with the City Engineer of the City of Oakland for a conditional and revocable major encroachment permit (ENMJ 14054) to allow the encroachment of an existing basement into the public right-of-way along the building's frontage under the sidewalks on Clay Street and 16th Street; and

WHEREAS, the existing basement encroaches into the public right-of-way and under the public sidewalk; and

WHEREAS, the limits of the encroachment are delineated in Exhibit B, attached hereto and incorporated herein; and

WHEREAS, staff has determined, based on review of the plans and investigation of the site of the proposed encroachment, said encroachment in the public right-of-way and its location will not interfere with public use of the roadway, sidewalk or buried utilities, and will not endanger the public welfare and convenience during said public use; and

WHEREAS, each as a separate and independent basis, this action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15301 (existing facilities), 15183 (projects consistent with a Community Plan, General Plan or Zoning), and 15061(b)(3) (no significant effect on the environment); now, therefore, be it

RESOLVED: That the City Council has reviewed all relevant documents relating to its grant of the encroachment permit that is the subject of this resolution; and be it

FURTHER RESOLVED: That the City Council finds and determines that the decision made hereby is made in conformance with the requirements of CEQA; and be it

FURTHER RESOLVED: That the City Council hereby grants to the Permittee a conditional and revocable major encroachment permit to allow the existing basement to encroach into the public right-of-way along the building's frontage under the sidewalks on Clay Street and 16th Street, as set forth in Exhibit B and according to the permit conditions set forth below; and be it

FURTHER RESOLVED: That said major encroachment permit is hereby conditioned by the following special requirements:

1. This agreement may be voided and the associated permit for encroachments may be revoked at any time and for any reason, at the sole discretion of the City Council, expressed by resolution as being in the City's best interest, or the associated permit may be suspended at any time, at the sole discretion of the City Engineer, upon failure of the Permittee to comply fully and continuously with each and all of the conditions set forth herein and in the associated permit.
2. The Permittee hereby disclaims any right, title, or interest in or to any portion of the public right-of-way, including the sidewalk and street, and agrees that the encroachment is granted for an indeterminate period of time and that the use and occupancy by the Permittee of the public right-of-way is temporary and does not constitute an abandonment, whether expressed or implied, by the City of Oakland of any of its rights associated with the statutory and customary purpose and use of and operations in the public right-of-way.
3. The Permittee shall maintain fully in force and effect, at its own expense, at all times during the period for which the permit is in effect, good and sufficient public liability insurance in a face amount not less than \$2,000,000.00 for each occurrence, and property damage insurance in a face amount not less than \$1,000,000.00 for each occurrence, both including contractual liability, insuring the City of Oakland, its officers, agents, employees, and volunteers against any and all claims arising out of the existence of the encroachment in the public right-of-way, as respects liabilities assumed under this permit. The policy shall contain an endorsement declaring the policy as primary coverage on said liabilities. The Permittee shall submit a written certificate of such insurance or copy of the policy to the City Engineer showing that insurance is in effect in compliance with this section, and shall file subsequent notices of the renewal thereof with the City Engineer. Such certificate shall state that the insurance coverage shall not be canceled, amended or be permitted to lapse without thirty (30) days' prior written notice to the City Engineer. The Permittee also agrees that the City Engineer, at his or her sole discretion, may review the type and amount of insurance required of the Permittee annually and may require the Permittee to increase the amount of and/or change the type of insurance coverage required as circumstances warrant.
4. The Permittee shall be solely and fully liable and responsible for the repair, replacement, removal, reconstruction, and maintenance of any portion or all of the private improvements constructed or installed in the public right-of-way, whether by cause, neglect, or negligence of the Permittee or others, and for the associated costs and expenses necessary to restore or remove the encroachment to the satisfaction of the City Engineer, and shall not allow the

encroachment to become a blight or a menace or a hazard to the health and safety of the general public.

5. The Permittee acknowledges and agrees that the encroachment is out of the ordinary and does not comply with City of Oakland standard installations. The Permittee further acknowledges and agrees that the City of Oakland and public utility agencies will periodically conduct work in the public right-of-way, including excavation, trenching, and relocation of its facilities, all of which may damage the encroachment. The Permittee further acknowledges and agrees that the City and public utility agencies take no responsibility for repair or replacement of the encroachment which may be damaged by the City or its contractors or public utility agencies or their contractors. The Permittee further acknowledges and agrees that upon notification by and to the satisfaction of the City Engineer, Permittee shall immediately repair, replace, or remove, at the sole expense of the Permittee, all damages to the encroachment that are directly or indirectly attributable to work by the City or its contractors or public utility agencies or their contractors.
6. The Permittee shall remain liable for and shall immediately reimburse the City of Oakland for all costs, fee assessments, penalties, and accruing interest associated with the City's notification and subsequent abatement action for required maintenance, repairs, or removal, whether in whole or in part, of the encroachment or of damaged City infrastructure made necessary by the failure, whether direct or indirect, of the Permittee to monitor the encroachment effectively and accomplish preventative, remedial, or restorative work expeditiously. The City reserves the unqualified right to collect all monies unpaid through any combination of available statutory remedies, including recordation of Prospective Liens and Priority Liens/ Special Assessments with the Alameda County Recorder, inclusion of non-reimbursed amounts by the Alameda County Assessor with the annual assessment of the general levy, and awards of judgments by a court of competent jurisdiction.
7. Upon revocation of the encroachment permit, the Permittee shall immediately, completely, and permanently remove the encroachment from the public right-of-way, repair any damage resulting therefrom, and restore the public right-of-way to its original conditions existing before the construction or installation of the encroachment, to the satisfaction of the City Engineer and all at the sole expense of the Permittee.
8. This agreement and the associated permit for an encroachment shall become effective upon filing of this agreement with the Alameda County Recorder for recordation as an encumbrance of the property and its title.
9. The Permittee acknowledges that the City makes no representations or warranties as to the conditions beneath said encroachment. By accepting this revocable permit, Permittee agrees that it will use the encroachment area at its own risk, is responsible for the proper coordination of its activities with all other permittees, underground utilities, contractors, or workmen operating, within the encroachment area and for the safety of itself and any of its personnel in connection with its entry under this revocable permit.
10. The Permittee acknowledges that the City is unaware of the existence of any hazardous substances beneath the encroachment area, and Permittee hereby waives and fully releases and forever discharges the City and its officers, directors, employees, agents, servants,

representatives, assigns and successors from any and all claims, demands, liabilities, damages, actions, causes of action, penalties, fines, liens, judgments, costs, or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise out of or in any way connected with the physical condition or required remediation of the excavation area of any law or regulation applicable thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 466 et seq.), the Safe Drinking Water Act (14 U.S.C. Sections 1401, 1450), the Hazardous Waste Control Law (California Health and Safety Code Sections 25100 et seq.), the Porter-Cologne Water Quality Control Act (California Health and Safety Code Section 13000 et seq.), the Hazardous Substance Account Act (California Health and Safety Code Sections 253000 et seq.), and the Safe Drinking Water and Toxic Enforcement Act (California Health and Safety Code Section 25249.5 et seq.).

11. The Permittee further acknowledges that it understands and agrees that it hereby expressly waives all rights and benefits which it now has or in the future may have, under and by virtue of the terms of California Civil Code Section 1542, which reads as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR." The Permittee recognizes that by waiving the provisions of this section, Permittee will not be able to make any claims for damages that may exist, and to which, if known, would materially affect its decision to agree to these encroachment terms and conditions, regardless of whether Permittee's lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.
12. The Permittee shall, and by the acceptance of this revocable permit agrees and promises:
 - (a) to indemnify, defend, save and hold harmless the City of Oakland, its officers, agents, employees, and volunteers, to the maximum extent permitted by law, from any and all suits, claims, demands, liabilities, damages, actions, causes of action, penalties, fines, liens, judgments, costs, or expenses whatsoever (including, without limitation, attorneys' fees and costs) (collectively referred to as "claims"), whether direct or indirect, known or unknown, foreseen or unforeseen, brought by any person for or on account of any bodily injuries, disease or illness or damage to persons and/or property sustained or arising in the construction of the work performed under the permit or arising out of the Permittee's failure to perform the obligations with respect to the use and occupancy of the public right-of-way by virtue of the permit, to the extent that such claims were either (1) caused by the Permittee, its agents, employees, contractors or representatives, or (2) in the case of environmental contamination, the claim is a result of environmental contamination that emanates or emanated from the 1601 and 1605 Clay Street, Oakland, California site, or was otherwise caused by the Permittee, its agents, employees, contractors or representatives; and

- (b) if any contamination is discovered below or in the immediate vicinity of the encroachment, and the contaminants found are of the type used, housed, stored, processed or sold on or from the 1601 and 1605 Clay Street, Oakland, California site, such shall amount to a rebuttable presumption that the contamination below, or in the immediate vicinity of, the encroachment was caused by the Permittee, its agents, employees, contractors or representatives; and
 - (c) the Permittee shall comply with all applicable federal, state, county and local laws, rules, and regulations governing the installation, maintenance, operation and abatement of the encroachment.
13. The encroachment permit and accompanying indenture agreement shall take effect when all the conditions hereinabove set forth shall have been complied with to the satisfaction of the City Engineer, and shall become null and void upon the failure of the Permittee to comply with all conditions.
 14. The Indenture Agreement alone does not allow work to be done which requires permitting and/or inspection, and the Permittee shall obtain any and all required permits before beginning work.
 15. The hereinabove conditions shall be binding upon the Permittee and the successive owners and assigns thereof; and be it

FURTHER RESOLVED: That the City Council, at its sole discretion and at a future date not yet determined, may impose additional and continuing fees as prescribed in the Master Fee Schedule, for use and occupancy of the public right-of-way; and be it

FURTHER RESOLVED: That this resolution shall take effect when all the conditions hereinabove set forth shall have been complied with to the satisfaction of the City Attorney and the City Engineer of the City of Oakland and shall become null and void upon the failure of the Permittee to comply with the conditions hereinabove set forth after notice and failure to cure such conditions in a reasonable manner; and be it

FURTHER RESOLVED: That the City Clerk is hereby directed to file a certified copy of this resolution for recordation with the Office of the Alameda County Clerk-Recorder as an encumbrance of the title of the property identified above.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF,
AND PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF Oakland, COUNTY OF Alameda, STATE OF California AND IS DESCRIBED AS FOLLOWS:

CITY OF OAKLAND BEING PORTIONS OF LOTS 6 AND 7, BLOCK 270, MAP OF THE CASSERLY TRACT ON 14TH STREET, OAKLAND, FILED JULY 23, 1869, MAP BOOK 6, PAGE 10, ALAMEDA COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERN LINE OF CLAY STREET WITH THE NORTHERN LINE OF 16TH STREET, AS SAID STREETS ARE SHOWN ON THE MAP STREET 50 FEET; THENCE AT RIGHT ANGLES WESTERLY 75 FEET; THENCE AT RIGHT ANGLES SOUTHERLY 50 FEET TO THE NORTHERN LINE OF 16TH STREET; THENCE EASTERLY ALONG SAID LINE OF 16TH STREET 75 FEET TO THE POINT OF BEGINNING.

APN: 003 -0063-013-00

EXHIBIT B

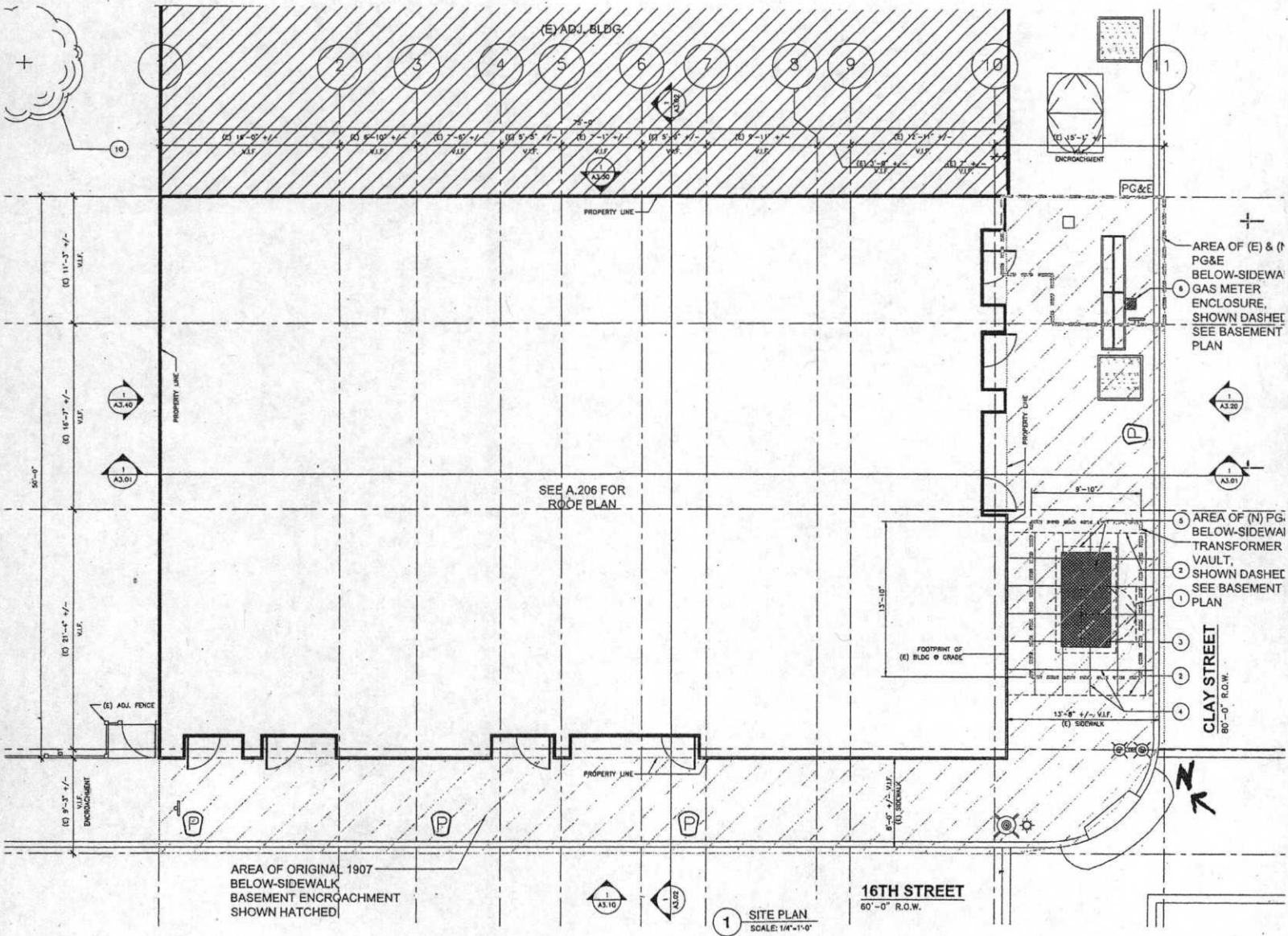
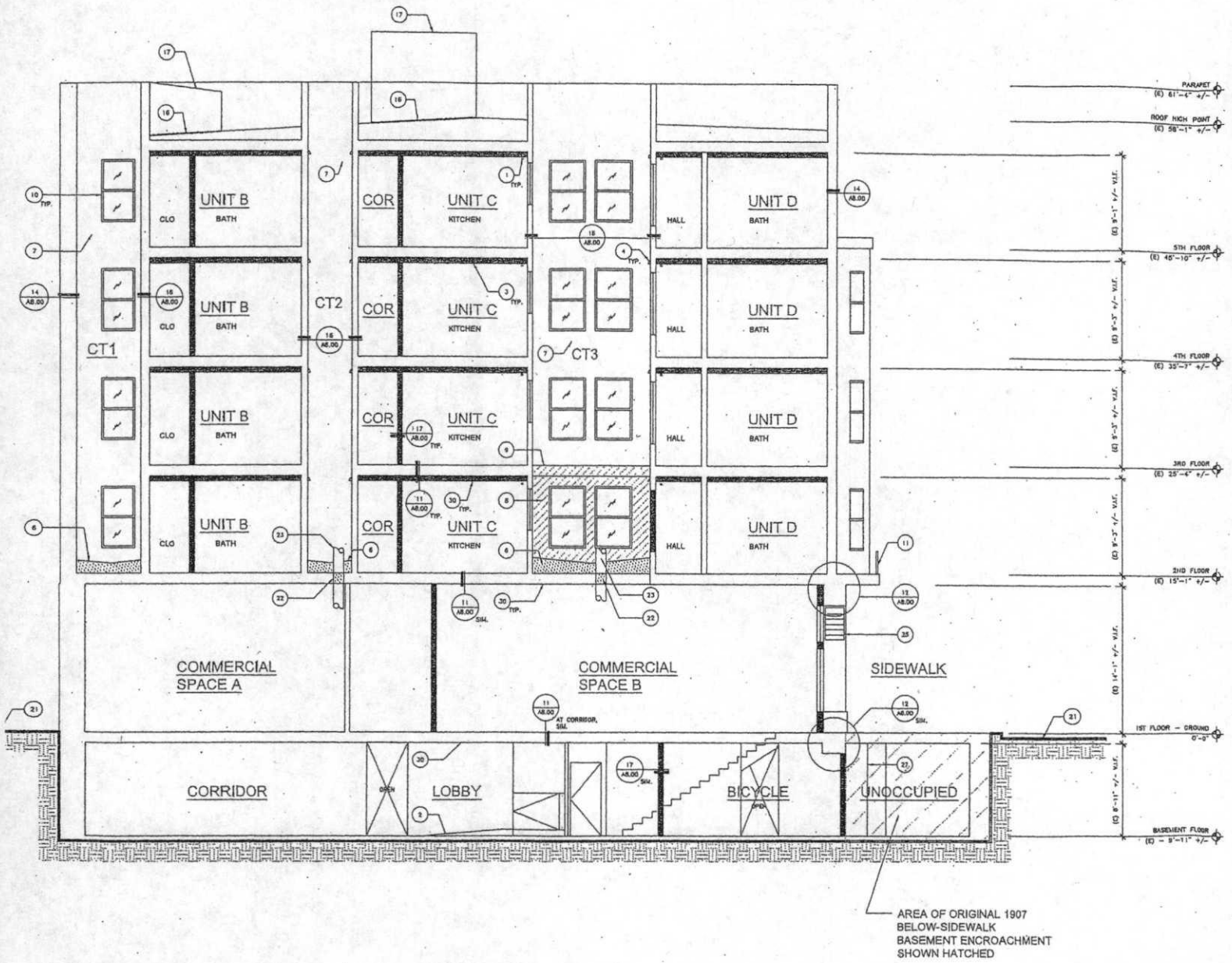


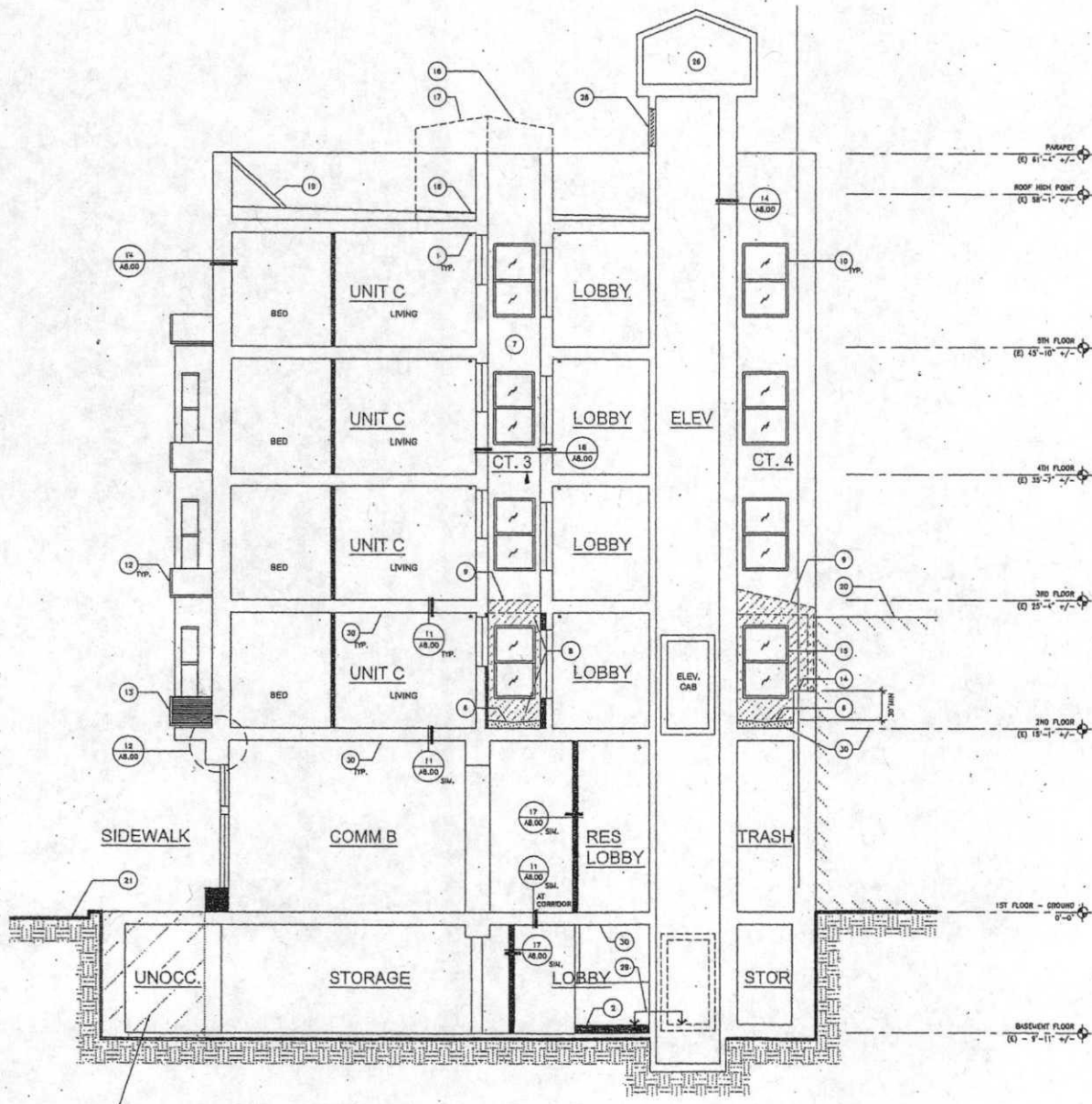
EXHIBIT B (continued)



1 NEW BUILDING SECTION 1
SCALE: 1/4"=1'-0"

ENCROACHMENT SECTION

EXHIBIT B (continued)



AREA OF ORIGINAL 1907
BELOW-SIDEWALK
BASEMENT ENCROACHMENT
SHOWN HATCHED

1 NEW BUILDING SECTION 2
SCALE: 1/4" = 1'-0"

ENCROACHMENT SECTION