

OFFICE OF THE AGENCY ADMINISTRATOR
2006 JUN 15 PM 2:21

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

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

RE: City Resolution Accepting And Appropriating \$530,300 Of Federal Surface Transportation Funds Through The Metropolitan Transportation Commission's Housing Incentive Program For The 66th Avenue Streetscape Improvement Project, Stating The Assurance Of The City Of Oakland To Complete The Project, And Accepting and Appropriating Up To \$68,910 From The Redevelopment Agency Under The Cooperation Agreement As The Local Match

Agency Resolution Authorizing A Contribution Of Up To \$68,910 In Redevelopment Agency Funds To the City Of Oakland Under the Cooperation Agreement As Matching Funds For A Metropolitan Transportation Commission Housing Incentive Program Grant To Fund The 66th Avenue Streetscape Improvement Project

SUMMARY

This item requests City Council approval of a City of Oakland (City) resolution for the acceptance and appropriation of a \$530,300 Transportation for Livable Communities (TLC) Housing Incentive Program capital grant (HIP Grant) through the Metropolitan Transportation Commission (MTC) and authorize a contribution from the Oakland Redevelopment Agency (Agency) of up to \$68,910 in local matching funds for the 66th Avenue Streetscape Improvement Project (Project). The HIP Grant is funded by federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) and Transportation Enhancements Program funds. The \$68,910 in matching funds for this project will come from the Oakland Redevelopment Agency, Coliseum Redevelopment Project Area.

The funds will be used to construct pedestrian-oriented streetscape improvements on 66th Avenue from San Leandro Street to the City of Oakland Fire Station 29 at 1061 66th Avenue. The Project will help increase safety and access to the area's transit facilities and serve to soften the transition between industrial and residential land uses along 66th Avenue.

FISCAL IMPACTS

The total grant award is \$530,300. The Agency will contribute the minimum local match of 11.5 percent of the grant award, or up to \$68,910. Together the award and match provide a total project budget of \$599,210. It is recommended that the Public Works Agency (PWA) administer the design and construction of this project and that the award and match be placed in an account accessible for use by PWA.

The grant award will be applied to the Project's design and construction costs, while the Agency contribution will cover ineligible project costs under the federal grant program. Such costs include Central

Services Overhead expenses for Public Works staff time and project closeout costs.

The required local match, in an amount not to exceed \$68,910, will come from the Redevelopment Agency, Coliseum Tax Allocation Bond Series 2003 Fund (9453), Capital Improvement Project-Economic Development Organization (94800), Miscellaneous Services Account (54919), Coliseum ORA TAB Series 2003 Project (P233410). Up to \$68,910 will be appropriated to Oakland Redevelopment Agency Projects Fund (7780), Capital Improvement Project – Economic Development Organization (94800), Work Order Expenditures Account (56611), with the City Project coding to be established after funding has been authorized.

Funds for the HIP Grant will be appropriated into a Metropolitan Transportation Commission Grant Fund (2163), Coliseum Redevelopment Organization (88659), in a to-be-established project.

BACKGROUND

In June 2005, MTC qualified the City to receive \$3,000,000 in TLC HIP Grant funds. The grant program's purpose is to encourage local jurisdictions to approve transit-oriented residential development projects. First, funds are preliminarily awarded on a per bedroom basis to housing projects meeting the following criteria:

- The housing projects have not yet obtained Planning Commission approval;
- They have a minimum density of 25 units per acre;
- They are located within 1/3 of a mile of a BART station, Ferry terminal, Rail station, or bus stop with 15 minute service during peak commute periods;
- To receive the funds, the housing projects must break ground by June 2007; and
- A maximum of \$3,000,000 per funding cycle and per jurisdiction will be granted.

Second, after the housing project criteria are met, the HIP funds must then be applied towards transportation capital projects meeting the following criteria:

- The capital projects are consistent with TLC goals, and can include streetscape projects, transit villages, pedestrian plazas and bicycle facilities; and
- To obligate the funds, the capital project must receive all MTC approvals and be ready to go to construction by June 2008, the obligation deadline.

Per an MTC resolution in June 2005, MTC qualified four housing projects for the HIP award in June 2005. Coliseum Gardens (now known as Lion Creek Crossings) Phase Three and the Uptown Development were two of the projects. Because the City qualified for over \$7,000,000 and cannot receive more than \$3,000,000 in HIP Grant funds for this cycle, City staff applied the following criteria in prioritizing the capital projects for approval.

- The project must improve pedestrian, bicycle and transit access for the qualifying housing development;
- The project has a clearly demonstrated funding need;
- The capital project has the highest likelihood of meeting MTC's deadlines for the June 2008 funding obligation deadline; and

- The capital project is far along in design development

In reviewing the four qualifying housing projects, staff evaluated each project and assessed their likelihood of groundbreaking by 2007, which is an established MTC criterion for accessing HIP funds. Both Lion Creek Crossings and the Uptown Development satisfy all of MTC's programmatic criteria. Of the other two projects, one is not ready to break ground and the other has no nexus with the associated capital project. On June 13, 2006 staff requested the City Council approve a grant allocation of \$2,469,000 for the Telegraph Avenue and Latham Square Streetscape Project attached to the Uptown Development. Staff recommends the City approve a grant allocation for the remainder of the HIP Grant for the 66th Avenue Streetscape Improvement Project for Lion Creek Crossings.

KEY ISSUES AND IMPACTS

Previously built to serve industrial and manufacturing activities, 66th Avenue is poorly adapted for the area's residential community. Cobrahead lights approximately 120 feet apart are the only source of night lighting. The street has narrow sidewalks and offers no buffer between pedestrians and the heavy vehicular traffic, which constantly flows between San Leandro Street and International Boulevard. Crossing the street is difficult, especially for the area's many young children, because few crosswalks exist. The closest crosswalk is at Eastlawn Street, approximately 750 feet past the eastern limit of the proposed improvements. The street's overall lack of amenities discourages pedestrian activity and hinders the City and the Agency's efforts to revitalize the area.

The acceptance and appropriation of this grant will provide the City with the required funds to mitigate these difficult conditions. The primary goals of the 66th Avenue Streetscape Improvement Project are to:

- Improve the pedestrian environment along 66th Avenue
- Increase pedestrian options by contributing to a network of pedestrian pathways
- Increase access to BART, AC Transit and other transit options
- Support transit-oriented development projects currently underway, including Lion Creek Crossings
- Improve the residential edge

The proposed project will leverage and complement on-going investment in the area by OHA, AC Transit, and the Agency.

PROJECT DESCRIPTION

The proposed streetscape improvements will enhance the pedestrian environment along approximately 1,100 lineal feet of 66th Avenue from the Union Pacific railroad tracks on San Leandro Street to the City of Oakland Fire Station 29 at 1061 66th Avenue. Sidewalks on 66th Avenue are currently only six feet wide. At least seven-foot wide walks are required to accommodate two-foot wide planting strips and a five-foot clear path for pedestrians. Due to the difficulty and expense of obtaining easements on the built-out north side of the street, the improvements will primarily occur on the south side where OHA has not yet broken ground for Phase III of Lion Creek Crossings. OHA will therefore be able to make minor adjustments for new streetscape elements. Project features include:

- Pedestrian level streetlights
- New landscaping
- Bulb-outs at two intersections, Leona Creek Drive/66th Avenue and Lion Way/66th Avenue
- Colored concrete crosswalks at the intersections
- Bike lanes, if feasible

These improvements will increase safety and access from the residential developments on 66th Avenue to the Coliseum BART station, AC Transit buses, and local businesses. Landscaping will help buffer pedestrians from the avenue's heavy vehicular traffic, while pedestrian level streetlights will increase the illumination level at night and introduce a human scale to the street. The crosswalks and bulb-outs will make it easier for pedestrians to cross the street by shortening the crossing distance and providing a clearly defined area where crossings can be made. The introduction of these pedestrian amenities will also help soften the transition between the industrial uses on the north side of the street and the residential uses on the south side

SUSTAINABLE OPPORTUNITIES

Economic: The 66th Avenue Streetscape Improvement Project will result in nearly \$600,000 in capital improvements on 66th Avenue in the Coliseum Redevelopment Project Area. The implementation of this project supports long-term efforts to revitalize the Coliseum Area by addressing problems related to the safety and comfort of pedestrians in the area.

Environmental: Improving pedestrian environment would help reduce auto dependency and notably increase the number of walking and public transit trips. The project complements larger redevelopment efforts in the area to create transit-oriented development that includes new residential and commercial uses easily accessed by public transit.

Social Equity: The Project provides basic service levels and quality of life amenities to existing low-income residents and workers dependent on transit.

DISABILITY AND SENIOR ACCESS

The Project will address senior and disability access by improving pedestrian safety and ease of access in the area and to the Coliseum BART Station, AC Transit's San Leandro Street Transit Hub, the Amtrak Capitol Corridor platform, and to the planned Oakland Airport Connector. The Project will comply with the Americans with Disabilities Act (ADA) and all City of Oakland regulations that ensure adequate access for senior citizens and persons with disabilities.

RECOMMENDATION AND RATIONALE

Staff recommends that the City Council approve the proposed resolutions to accept and appropriate \$530,300 in grant funds through the Metropolitan Transportation Commission's Housing Incentive Program, and up to \$68,910 in local matching funds for the 66th Avenue Streetscape Improvement Project. The grant funds are necessary for the proposed streetscape improvements, which will support public and

private investments in the area, including Lion Creek Crossings and the San Leandro Streetscape Improvement Project.

ACTION REQUESTED OF THE COUNCIL

Staff requests that the City Council and the Redevelopment Agency approve the two resolutions regarding the acceptance and appropriation of a \$530,300 HIP Grant from the MTC and the authorization and appropriation of up to \$68,910 in local matching funds from the Oakland Redevelopment Agency.

Respectfully Submitted,



Daniel Vanderpriem, Director
Redevelopment, Economic Development,
Housing & Community Development

Reviewed by
Gregory Hunter, Redevelopment Manager

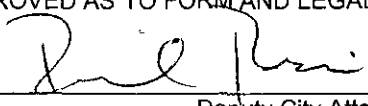
Prepared by
Hui Wang, Urban Economic Analyst I
CEDA Redevelopment Division

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE:


Office of the City Administrator

2006 JUN 15 PM 2: 21

APPROVED AS TO FORM AND LEGALITY:

BY: 
Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C. M. S.

Introduced By Councilmember _____

RESOLUTION ACCEPTING AND APPROPRIATING \$530,300 OF FEDERAL SURFACE TRANSPORTATION FUNDS THROUGH THE METROPOLITAN TRANSPORTATION COMMISSION'S HOUSING INCENTIVE PROGRAM FOR THE 66TH AVENUE STREETScape IMPROVEMENT PROJECT, STATING THE ASSURANCE OF THE CITY OF OAKLAND TO COMPLETE THE PROJECT, AND ACCEPTING AND APPROPRIATING UP TO \$68,910 FROM THE REDEVELOPMENT AGENCY UNDER THE COOPERATION AGREEMENT AS THE LOCAL MATCH

WHEREAS, The Transportation Equity Act for the 21st Century (TEA 21 Public Law 105-178, June 9, 1998) and the TEA 21 Restoration Act (Public Law 105-206, July 22, 1998) continue the Federal Congestion Mitigation and Air Quality (CMAQ) Program and Transportation Enhancements (TE) funding programs (23 U.S.C § 149); and

WHEREAS, pursuant to TEA 21, and the regulations promulgated thereunder, eligible project sponsors wishing to receive federal transportation grants for a project shall submit an application first with the appropriate Metropolitan Transportation Planning Organization (MPO) for review and consideration in the MPO's Transportation Improvement Program (TIP); and

WHEREAS, the Metropolitan Transportation Commission (MTC) is the San Francisco Bay Area's MPO; and

WHEREAS, MTC administers the Housing Incentive Program (HIP) Grant from CMAQ and TE Program funds; and

WHEREAS, the City of Oakland is an eligible project sponsor for federal transportation funds; and

WHEREAS, the City of Oakland submitted an application to the MTC's Transportation for Livable Communities Housing Incentive Program in March 2005, requesting capital grant funds to fund the Coliseum Gardens Phase Three Streetscape Project, now known as the 66th Avenue Streetscape Improvement Project (the "Project"); and

WHEREAS, the City of Oakland wishes to receive federal transportation funds through MTC HIP for the Project to fund streetscape improvements to include new lighting and landscaping along approximately 1,100 lineal feet of 66th Avenue from the Union Pacific railroad tracks on San Leandro Street to the City of Oakland Fire Station 29 at 1061 66th Avenue; and

WHEREAS, MTC requires a resolution stating the following:

- 1) The commitment of necessary local matching funds of at least 11.5 percent of the total project cost; and
- 2) A statement that the sponsor understands that the federal funding through HIP is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded through HIP; and
- 3) The assurance of the sponsor to complete the project as described in the application, and if approved, as programmed in MTC's TIP; and
- 4) A statement that the sponsor understands that the building permits for the qualifying housing development must be issued by June 22, 2007; and
- 5) A statement that the sponsor understands that funds must be obligated by June 30, 2008 for HIP capital projects, or the project may be removed from the program; and

WHEREAS, the City and the Redevelopment Agency entered into a Cooperation Agreement on July 1, 2004, which generally governs the provision of assistance and the payment of funds between the two agencies, including Redevelopment Agency financial contributions and other assistance to support City public improvements; and

WHEREAS, Section 33445 of the California Health and Safety Code authorizes a redevelopment agency to pay for the cost of installation or construction of publicly-owned facilities, if the legislative body has consented to such funding and has made certain findings; and

WHEREAS, sufficient funds are available to fund the required local match of \$68,910 in Coliseum Redevelopment Area Tax Allocation Bond Series 2003 Fund (9453), Capital Improvement Project – Economic Development Organization (94800), Miscellaneous Services Account (54919), Coliseum ORA TAB Series 2003 Project (P233410); and

WHEREAS, the City and the Agency agree that the City is the Lead Agency for the Project for purposes of environmental review under the California Environmental Quality Act of 1970 (CEQA); and

WHEREAS, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City have been satisfied; and

WHEREAS, the execution of any documents legally committing the City to fund this Project shall be expressly conditioned upon compliance with the requirements of the National Environmental Protection Act (NEPA), as certified by the City Administrator or her designee; now therefore be it

RESOLVED: That the City of Oakland is an eligible sponsor of projects for the CMAQ and TE Programs; and be it

FURTHER RESOLVED: That there is no legal impediment to the City making applications for CMAQ and TE Program funds; and be it

FURTHER RESOLVED: That the City Administrator or his or her designee is authorized to apply for and accept \$530,300 in Federal CMAQ or TE funds under MTC's HIP Grant program and hereby appropriates such funds for the Project into the Metropolitan Transportation Commission Grant Fund (2163), Coliseum Redevelopment Organization (88659), under a project number to be established; and be it

FURTHER RESOLVED: That the \$68,910 to fund the required local match for the MTC HIP Grant, will be transferred from the Agency's Coliseum Redevelopment Area Tax Allocation Bond Series 2003 Fund (9453), Capital Improvement Project – Economic Development Organization (94800), Miscellaneous Services Account (54919), Coliseum ORA TAB Series 2003 Project (P233410) to the Oakland Redevelopment Agency Projects Fund (7780), Capital Improvement Project – Economic Development Organization (94800), Work Order Expenditures Account (56611) to the 66th Avenue Streetscape Improvement Project under a project number to be established; and be it

FURTHER RESOLVED: That the City Council by adopting this resolution hereby states that:

- 1) The Redevelopment Agency of the City of Oakland will provide a local match not to exceed \$68,910 towards the 66th Avenue Streetscape Improvement Project from the Coliseum Tax Allocation Series 2003 Bond Fund (9453); and
- 2) The City of Oakland understands that the HIP award for the project is fixed at \$530,300, and that any cost increases must be funded by the City of Oakland or the Redevelopment Agency from local matching funds, and that the City of Oakland does not expect any cost increases to be funded through HIP; and
- 3) The 66th Avenue Streetscape Improvement Project will be built as described in this resolution and submitted application and, if approved, for the amount shown in the MTC Transportation Improvement Program (TIP), with obligations occurring within the timeframe established below; and
- 4) The program funds will be obligated by June 30, 2008 for HIP capital projects; and be it

FURTHER RESOLVED: That the City Council hereby finds and determines as follows:

- 1) That the funding of the Project will benefit the Coliseum Redevelopment Project Area by improving the appearance of and pedestrian safety and access on 66th Avenue; and
- 2) That no other reasonable means of financing the local match for the Project are available to the City other than Redevelopment Agency funding; and
- 3) That the use of tax increment funds from the Coliseum Project Area for the Project will assist in the elimination of blight by installing streetscape improvements along 66th Avenue in the

Coliseum Project Area, and is consistent with the implementation plan adopted for the Coliseum Project Area; and be it

FURTHER RESOLVED: That there is no pending or threatened litigation which might in any way adversely affect the proposed Project or the ability of the City to deliver such Project; and be it

FURTHER RESOLVED: That the MTC is requested to support the application for the Project described in this Resolution and to program the Project, if approved, in MTC's TIP; and be it

FURTHER RESOLVED: That the City Council hereby appoints the City Administrator or his or her designee as agent of the City to conduct all negotiations and to execute and submit all documents including, but not limited to, appropriating funds in the appropriate projects, applications, agreements, amendments, payment requests, and related actions which may be necessary for completion of the 66th Avenue Streetscape Improvement Project; and be it

FURTHER RESOLVED: That the City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information in the staff report accompanying this Resolution, that this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Section 15301 (operation, repair, or minor alteration of existing structures or facilities) or Section 15302 (replacement or reconstruction of existing structures or facilities) of the CEQA guidelines; and be it

FURTHER RESOLVED: That the City Administrator or his or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for the Project; and be it

FURTHER RESOLVED: That the execution of any documents legally committing the City to fund these projects shall be expressly conditioned upon compliance with the requirements of NEPA, as certified by the City Administrator or her designee; and be it

FURTHER RESOLVED: That a copy of this resolution will be transmitted to MTC and placed on file with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES— BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT DE LA FUENTE

NOES—

ABSENT—

ABSTENTION—

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

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APPROVED AS TO FORM AND LEGALITY:

BY: [Signature]
AGENCY COUNSEL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

**RESOLUTION AUTHORIZING A CONTRIBUTION OF UP TO \$68,910
IN REDEVELOPMENT AGENCY FUNDS TO THE CITY OF
OAKLAND UNDER THE COOPERATION AGREEMENT AS
MATCHING FUNDS FOR A METROPOLITAN TRANSPORTATION
COMMISSION HOUSING INCENTIVE PROGRAM GRANT TO FUND
THE 66TH AVENUE STREETScape IMPROVEMENT PROJECT**

WHEREAS, the City of Oakland (the "City") submitted an application to the Metropolitan Transportation Commission (MTC) for funding and expects to receive a Transportation for Livable Communities Housing Incentive Program capital grant (the "Grant") in the amount of \$530,300 for the 66th Avenue Streetscape Improvement Project (the "Project"); and

WHEREAS, the Grant requires a minimum local match of 11.5 percent of the total project cost, or up to \$68,910; and

WHEREAS, the proposed Project is within the boundaries of the Coliseum Redevelopment Project Area and its development will contribute to the Agency's goals and objectives for the Project Area; and

WHEREAS, the Project includes the following improvements:

- Streetlights
- New landscaping
- Bulb-outs at two intersections, Leona Creek Drive and Lion Way at 66th Avenue
- Crosswalks at the stated intersections;
- Bicycle lanes if feasible; and

WHEREAS, the Project will be of benefit to the Coliseum Project Area and the immediate neighborhood in which the Project is located, there are no other reasonable means of financing the Project available to the City other than the Redevelopment Agency, and the

Project will assist in the elimination of blighted conditions inside the Coliseum Project Area; and

WHEREAS, the Redevelopment Agency wishes to fund the local match for the Project in an amount not to exceed \$68,910; and

WHEREAS, the Project's matching fund of \$68,910 will be allocated from the Redevelopment Agency Coliseum Project Area Tax Allocation Series 2003 Bond Fund (9453); and

WHEREAS, the City and the Agency entered into a Cooperation Agreement on July 1, 2004, which generally governs the provision of assistance and the payment of funds between the two agencies, including Agency financial contributions and other assistance to support City public improvements; and

WHEREAS, Section 33445 of the California Health and Safety Code authorizes a redevelopment agency to pay for the cost of installation or construction of publicly-owned facilities, if the legislative body has consented to such funding and has made certain findings; now therefore be it

RESOLVED: That the Redevelopment Agency hereby authorizes up to \$68,910 in matching funds from the Coliseum Redevelopment Project Area funds for the 66th Avenue Streetscape Improvement Project; and be it

FURTHER RESOLVED: That the Agency hereby allocates \$68,910 from Coliseum Redevelopment Tax Allocation Bond Series 2003 Fund (9453), Capital Improvement Project-Economic Development Organization (94800), Miscellaneous Services Account (54919), Coliseum ORA TAB Series 2003 Project (P233410); and be it

FURTHER RESOLVED: That the Agency Administrator, or his or her designee, is hereby authorized to take all actions necessary with respect to the Agency funding of the Project in accordance with this Resolution and its basic purposes.

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