

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

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2009 JUL -2 AM 10:10

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Community and Economic Development Agency  
DATE: July 14, 2009

RE: **An Agency Resolution Authorizing The Purchase Of Real Property At 796-66th Avenue, In The Coliseum Redevelopment Project Area, From Cruise America Inc. for \$5,800,000, And Authorizing Up To \$15,000 For Real Estate Closing Costs**

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**SUMMARY**

The City of Oakland Redevelopment Agency ("Agency") is proposing to purchase 796-66th Avenue (APN 041-3901-004) for \$5,800,000. This action is being taken to secure an underutilized but key property for the Redevelopment Agency of the City of Oakland for future development in the Coliseum Redevelopment Project Area.

**FISCAL IMPACT**

Funding for the acquisition of the Property is available from the Coliseum Area: Tax Allocation Bond Series 2006B-T (Taxable) Fund (9456), Capital Improvement Project (CIP) Economic Development Organization (94800), Coliseum Area Land Acquisition -Taxable Bond Project (T315820).

**BACKGROUND**

The approximately 4.5 acre parcel is located within the Coliseum Redevelopment Project Area. The subject parcel, owned and occupied by Cruise America Inc., is currently used for renting and storing recreational vehicles. The property is developed for recreational vehicle rental and servicing and improved with a large parking area, one office building for administrative and retail use; and a second building used for servicing the vehicles. The property was offered for sale to the Agency because the owner is interested in relocating the business closer to its customer service base. The terms of the acquisition require that the property be vacant prior to the sale to the Agency.

Item: \_\_\_\_\_  
CED Committee  
July 14, 2009

## KEY ISSUES AND IMPACTS

The Acquisition of this opportunity purchase parcel is earmarked for land banking and future redevelopment. The Agency is the entity responsible for promoting redevelopment in the Coliseum District project areas and for entering into Disposition and Development Agreements (DDA) with developers. The purchase of the Property will allow the Agency to control a sizable parcel for future redevelopment into a higher and better use.

The acquisition of this property is expected to occur prior to November 1, 2009. The Agency had the property appraised by a contract fee appraiser; the offer was based on that appraisal. The seller has accepted the Agency's purchase offer price of \$5,800,000. The Agency will pay customary closing costs not to exceed \$15,000.

## SUSTAINABLE OPPORTUNITIES

**Economic:** In its present condition the subject Property makes a moderate economic contribution to the area. Future projects at this location, such as a retail center or transient commercial uses will improve neighborhood conditions and increase tax increments. These types of projects will make the area more attractive to current and prospective businesses that can provide employment in the City of Oakland.

**Environmental:** The acquisition of the parcel, located in the Oakland Coliseum Redevelopment Area, will assist with the goals of the Coliseum Redevelopment Plan for redevelopment of underutilized property.

**Social Equity:** The proposed acquisition and potential development will provide further positive stimulus to the local neighborhood. Future development will be a welcomed contribution to the continued safety, growth, and stability of the neighborhood.

## DISABILITY AND SENIOR CITIZEN ACCESS

Seniors and people with disabilities will benefit from the improved design, and access that any future project will provide.

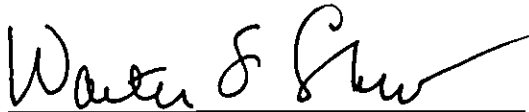
**RECOMMENDATION(S) AND RATIONALE**

Staff recommends that Council approve the Resolution Authorizing the Purchase of Real Property at 796-66th Avenue, Oakland (APN 041-3901-004) for \$5,800,000 from Cruise America Inc., for a price of \$5,800,000 plus real estate closing cost of \$15,000.

**ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY**

The Agency is requested to adopt the Resolution authorizing the purchase of 796-66th Avenue from the Cruise America for a price not to exceed \$5,800,000.

Respectfully submitted,



Walter S. Cohen, Director  
Community and Economic Development Agency

Reviewed by: Gregory Hunter, Deputy Director  
Economic Development and Redevelopment

Reviewed by: Frank Fanelli, Manager  
Real Estate Division

Prepared by: Ava M. Jourdain, Real Estate Agent  
Real Estate Division

APPROVED AND FORWARDED TO THE  
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:

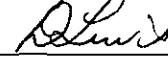
  
\_\_\_\_\_  
Office of the City/Agency Administrator

Item: \_\_\_\_\_  
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APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

## REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. \_\_\_\_\_ C.M.S.

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**AN AGENCY RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY AT 796-66<sup>TH</sup> AVENUE, IN THE COLISEUM REDEVELOPMENT PROJECT AREA, FROM CRUISE AMERICA INC. FOR \$5,800,000, AND AUTHORIZING UP TO \$15,000 FOR REAL ESTATE CLOSING COSTS**

**WHEREAS**, the Redevelopment Agency of the City of Oakland (the "Agency") is implementing projects in the Coliseum Redevelopment Project Area as part of the Redevelopment Plan to improve the Redevelopment Area; and

**WHEREAS**, Section 33391 of the California Community Redevelopment Law (Health & Safety Code Sections 33000, et seq.) authorizes a redevelopment agency to purchase real property in a project area for purposes of redevelopment; and

**WHEREAS**, real properties located at 796-66<sup>th</sup> Avenue, Oakland, illustrated in Exhibit "A" attached hereto (Assessor's Parcel Number: APN 041-3901-004, (the "Property") is within the Coliseum Redevelopment Project Area in Oakland; and

**WHEREAS**, the Property consists of one occupied parcel encompassing approximately ±197, 457 square feet or ±4.53 acres which is currently underutilized; and

**WHEREAS**, Cruise America Inc., the owner, offered to sell the Property to the Agency at fair market value of \$5,800,000, to assist the Agency in its redevelopment efforts in the Coliseum Redevelopment Project Area; and

**WHEREAS**, the sale by the owner was not induced, the sale price is at fair market value as established by an appraisal, and no federal funds will be used for acquisition of the Property; and

**WHEREAS**, the Property has been appraised and a Phase I environmental investigation has been completed for 796-66<sup>th</sup> Avenue; and

**WHEREAS**, the Agency will execute a purchase and sale agreement with the owner of the Property to acquire the Property rights for \$5,800,000; and

**WHEREAS**, the estimated cost of real estate closing is \$15,000; and

**WHEREAS**, the Agency issued and received the Coliseum Area Redevelopment Project Taxable Tax Allocation Series 2006-T bonds for the Coliseum Area Redevelopment Project to be used for, among other things, the acquisition of vacant, blighted, obsolete and or underutilized properties; and

**WHEREAS**, the funding for the acquisition of the Property is available from the Coliseum Area: Tax Allocation Bond Series 2006B-T (Taxable) Fund (9456), Capital Improvement Project (CIP) Economic Development Organization (94800), Coliseum Area Land Acquisition –Taxable Bond Project (T315820); 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 of Oakland have been satisfied; now, therefore, be it

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator to negotiate and execute a Purchase and Sale Agreement for the purchase of the Property located at 796- 66<sup>th</sup> Avenue and APN 041-3901-004 for an amount not exceed \$5,800,000 and authorizes \$15,000 for the cost of real estate closing; and be it

**FURTHER RESOLVED:** That the Agency hereby finds and determines as follows:

1. That the funding of the acquisition of the 796-66<sup>th</sup> Avenue from redevelopment funds will benefit the Coliseum Redevelopment Project Area by creating future development opportunities to better serve area residents and businesses and improve physical conditions in the Coliseum Redevelopment Project Area;
2. That the use of tax increment funds from the Coliseum Redevelopment Project Area for the purchase is consistent with the implementation plan adopted for the Coliseum Project Area and will assist in the Project Area by redeveloping an underutilized parcel; and be it

**FURTHER RESOLVED:** That funds will be allocated from the Coliseum Area: Tax Allocation Bond Series 2006B-T (Taxable) Bonds Fund (9456), Capital Improvement Project-Economic Development Organization (94800), Coliseum Area Land Acquisition –Taxable Bond Project (T315820); and be it

**FURTHER RESOLVED:** That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines that this action complies with CEQA because this action on the part of the Agency is exempt from CEQA under Section 15061(b)(3) (activity covered by the general rule, no significant effect on the environment) and Section 15183 (projects consistent with the General Plan), of the CEQA Guidelines, and directs the Agency Administrator to file a Notice of Exemption and an Environmental Declaration (under California Fish and Game Code section 711.4) with the County of Alameda; and be it

**FURTHER RESOLVED:** That the Agency Administrator or his designee is hereby authorized to negotiate and execute all agreements and take whatever other action is necessary with respect to purchasing the Property, consistent with this Resolution and its basic purposes; and be it

**FURTHER RESOLVED:** That Agency Counsel shall review and approve all documents and agreements related to this acquisition as to form and legality, and a copy shall be placed on file with the City Clerk.

IN AGENCY, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2009

**PASSED BY THE FOLLOWING VOTE:**

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

NOES-

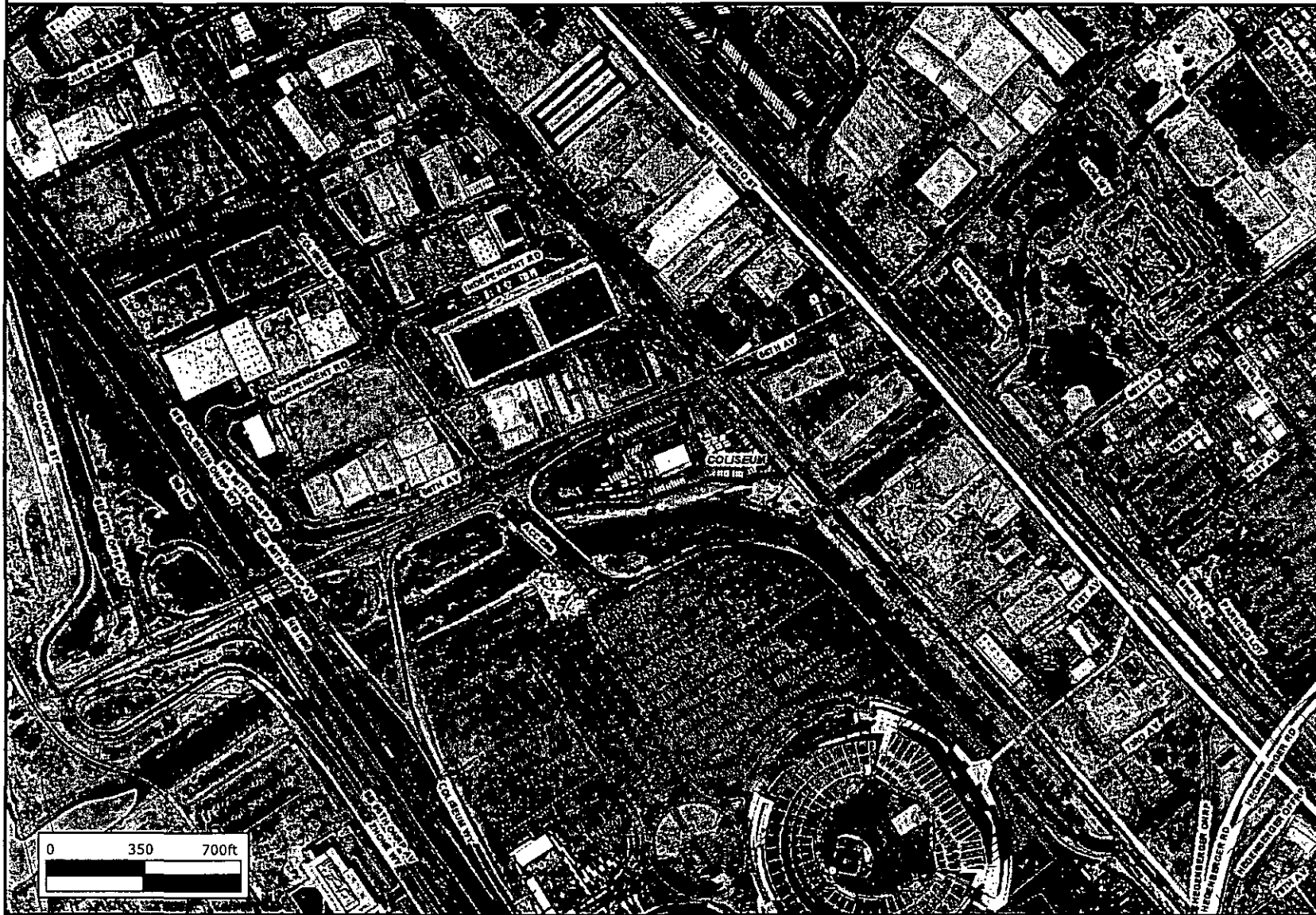
ABSENT-

ABSTENTION-









ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
Secretary of the Redevelopment Agency  
of the City of Oakland, California

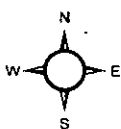
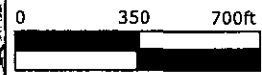
# Exhibit A

Cruise America.796-66th Avenue



## Legend

-  Selected Features
-  City Limits
-  Parcels
-  Freeways
-  Major Sts
-  Streets
-  Water
-  Land



It is imperative that you obtain BOTH the Zoning and General Plan designations for the property(s) you are searching for.

Questions? Contact a planner at (510)238-3911.

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