OFFICE OF THE CIT OAKLAND CITY COUNCIL

Approved as to Form and Legality

City Attorney

2813 JUL I PRPINANCE NO.

13187 - C.M.S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A LEASE FOR CITY OWNED PROPERTY LOCATED AT 8200 INTERNATIONAL BLVD. WITH EAST OAKLAND YOUTH DEVELOPMENT CENTER QUALIFIED ACTIVE LOW INCOME COMMUNITY BUSINESS, INC. (EOYDC QALICB, INC.), A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, FOR A TERM OF SIXTY-SIX (66) YEARS

WHEREAS, East Oakland Youth Development Center, Inc. (EOYDC) has leased 8200 International Blvd. from the City since 1978 for one dollar (\$1.00) per year ("the Property"); and

WHEREAS, EOYDC offers recreational, leadership, wellness, arts, science, educational, employment training, employment placement programs five days a week. EOYDC offers free, comprehensive, evidence-based youth development programs to meet the emotional, physical, intellectual, and economic needs of its participants. More than 2,000 youth attend programs each year; and

WHEREAS, EOYDC's mission is to develop the social and leadership capacities of youth and young adults (ages 6-24) so that they achieve excellence in education, career, and service to their communities; and

WHEREAS, in 2012 EOYDC served 1,000 youth in its employment training program and had a job placement rate of 70 percent; and

WHEREAS, EOYDC has a successful track record of diverting young people from crime and violence and helping them attain outstanding personal, educational, and career success.

WHEREAS, EOYDC has partnered with East Bay Asian Local Development Corporation (EBALDC) to form a new entity called EOYDC QALICB, Inc. for the purpose of securing \$7 million dollars in financing to renovate and expand the Youth Center; and

WHEREAS, EOYDC was founded in 1978 and was initially funded with \$350,000 from the City for the land, over \$900,000 from the Clorox Corporation for the construction of the improvements and \$650,000 from bay area businesses and foundations also for construction cost; and

WHEREAS, the City owned facility will benefit if the financing is secured; and

WHEREAS, the lender for the project has required the establishment of a special purpose entity (EOYDC QALICB, Inc.) and that it acquire a lease with a minimum term of sixty (66) years; and

WHEREAS, EOYDC QALICB, Inc. plans to add an additional 5,249 square feet to the existing 19,910 square feet facility; and

WHEREAS, the renovation and additional space will enable EOYDC QALICB, Inc. to house martial arts classes, a dance program, a homework center and vegetable garden for the nutrition program and a "Living Lab" environmental learning space for the science program; and

WHEREAS, after construction is complete, EOYDC QALICB, Inc. will have the capacity to serve an additional one thousand (1,000) youth and young adults annually; and

WHEREAS, staff has determined that the value of the in-kind services provided to the residents of Oakland exceeds value of the fair market rent; now, therefore be it

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this Ordinance.

Section 2. In compliance with Ordinance No. 11603 C.M.S. and Ordinance No. 11722 C.M.S. the City Administrator or her designee is authorized to negotiate and execute a lease or other agreements with EOYDC QALICB, Inc. and take whatever action is necessary with respect to this Ordinance.

Section 3. The lease will have a term of sixty-six (66) years and a rental rate of one (\$1.00) dollar per year.

Section 4. The City Attorney shall review and approve all documents related to this transaction as to form and legality, and a copy shall be placed on file with the City Clerk.

Section 5. This Ordinance has been approved by the Office of the City Attorney as to form and legality.

Section 6. The new lease shall not be executed until EOYDC QALICB, Inc. receives its required financing.

IN COUNCIL, OAKLAND, CALIFORNIA, _____ JUL 3 0 2013

PASSED BY THE FOLLOWING VOTE:

AYES- GALLO, GIBSON MCELHANEY, KALB, KAPLAN, SCHAAF AND PRESIDENT KERNIGHAN - 6

NOES-

ABSENT- Reid-1

ABSTENTION-

Excused- Brooks-1

LaTonda Simmons

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

Introduction Date

JUL 16 2013

DATE OF ATTESTATION:

ATTEST