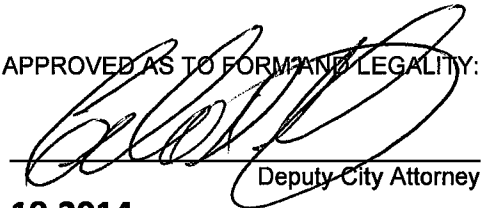


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APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

REVISED Per City Council 11.18.2014

OAKLAND CITY COUNCIL

RESOLUTION NO. 85286 C.M.S.

A RESOLUTION ALLOCATING \$1,000,000 IN FISCAL YEAR 2015 – 2016 AND FISCAL YEAR 2016 – 2017 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS TO THE CITY OF OAKLAND EAST BAY BUS RAPID TRANSIT (BRT) PROJECT BUSINESS IMPACT MITIGATION FUND – BUSINESS SUSTAINABILITY PROGRAM

WHEREAS, the U S Department of Housing and Urban Development (HUD) requires that the City of Oakland prepare and submit an annual Consolidated Plan Annual Action Plan (the Plan) as a condition for receiving Federal funds for housing and community development activities, and

WHEREAS, the Community Development Block Grant (CDBG) program goals include creating a suitable living environment through neighborhood revitalization and improvements in public facilities and services and expanding economic opportunities for lower income households; and CDBG funds must be used so as to give maximum feasible priority to activities which will carry out one of the three broad national objectives of: benefit to low- and moderate-income families; or aid in the prevention or elimination of slums or blight; or activities designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs; and

WHEREAS, eligible activities that can be funded by CDBG funding include microenterprise assistance through the provision of assistance to facilitate economic development by providing credit for the establishment, stabilization and expansion of microenterprises; providing technical assistance, advice and business support service to owners or developers of microenterprises; and providing general support to owners and developers or microenterprises, including training and technical assistance; and

WHEREAS, on April 25, 2012, the Alameda - Contra Costa County (AC) Transit District Board of Directors adopted Resolution No. 12-018 certifying the Final Environmental Impact Report/Statement (FEIR/FEIS) for the East Bay Bus Rapid Transit Project, and selection of the Downtown Oakland – San Leandro Alternative (DOSL) as the Locally Preferred Alternative for the BRT Project; and

WHEREAS, on July 17, 2012, the Oakland City Council adopted its own CEQA-related findings of AC Transit for the BRT Project; adopted the DOSL as the Locally Preferred Alternative for the BRT Project; and required that the AC Transit append the City Conditions of Approval (COA) to the BRT Project (Resolution No. 84106 C.M.S.); and

WHEREAS, Resolution No. 84570 C.M.S authorized the City Administrator to enter into Master Cooperative Agreement (MCA) with AC Transit for Final Design and Construction of the BRT Project, and the MCA attaches COA Standards and Cost Estimates; and

WHEREAS, the COA Standards require that AC Transit submit a draft Business Impact Mitigation Plan and a corresponding draft Parking Impact Mitigation Plan for the Oakland City Council review on or before the completion of the 65% Design Phase, and return to Council with an update on or before completion of the 95% Design Phase of the BRT Project; and

WHEREAS, Resolution No. 84570 C.M.S. urges AC Transit to set aside in abeyance sufficient dollars to implement a comprehensive BRT - Business Impact Mitigation Fund (BIM-F) and urges City staffers to actively seek out additional, more flexible private and/or public funding and supportive services to supplement the BIM-F; and

WHEREAS, Resolution No. 84570 C.M.S. also urges AC Transit to consult with and include stakeholder representatives with neighborhood expertise from the Unity Council, Allen Temple, and East Bay Asian Youth Center, and AC Transit subsequently formed a Community Outreach Working Group (COWG) in the development of the P/BIM-P, the expanded group includes the East Bay Asian Local Development Corporation, Downtown Oakland and Uptown Lake Merritt District Associations, OCCUR and Transform; and

WHEREAS, the City and AC Transit staff have worked cooperatively to identify project cost savings and to jointly meet with the COWG to develop a more robust Business Impact Mitigation Fund with the primary objectives of strengthening the ability of existing businesses to proactively prepare and effectively manage adverse conditions that may occur during periods of construction and fully exploit beneficial opportunities that may arise after construction is completed; and

WHEREAS, the City of Oakland and AC Transit agree that a well-implemented BRT project will have beneficial impacts to the businesses along the Corridor and that the overall project success will be further enhanced by targeted business support and development services through the City of Oakland; and

WHEREAS, in April 2014, the Oakland City Administrator and AC Transit General Manager agreed in principle to add up to \$2,500,000 in AC Transit funds to the BIM-F to establish a Business Sustainability Program to be managed and implemented by the City;

WHEREAS, the City Administrator and General Manager further agreed that AC Transit will provide a \$500,000 start-up grant to the City for technical assistance program development activities, after which AC Transit will provide up to \$2,00,000 in additional funding exclusively for the Business Sustainability Program (BSP); and

WHEREAS, the BSP agreement is based on the City matching \$2,000,000 for other activities, Housing and Community Development staffers have proposed that \$1,000,000 in future CDBG funding be allocated to the BSP contingent upon availability from HUD, and the additional \$1,000,000 in matching funds will come from a one-time General Purpose Fund (1010) allocation approved by Council on July 1, 2014; and

WHEREAS, the AC Transit BRT Construction Impact Mitigations are currently budgeted at \$8,816,000, the AC Transit BRT Business Support Activities are budgeted at \$2,165,000, and the newly proposed AC Transit Business Sustainability Program contribution is budgeted at \$2,500,000, bringing the baseline AC Transit BIM-F contribution to \$13,481,000; and

WHEREAS, the Eastbay BRT Project overall adds to the revitalization efforts for the entire International Boulevard and the other corridor segments of the BRT route in Oakland; and that AC Transit and the City's additional investment of \$7,980,000 in funding to support business sustainability activities related to this major transit oriented development will not have any implications or establish standards for future AC Transit, City or other major transit developments and/or capital project budgets going forward; and

WHEREAS, City staff, after consultation with the HUD Regional Offices, have determined that CDBG funding can be set aside from the upcoming FY 2015-2016 and FY 2016-2017 for various BRT Business Impact Mitigation Fund purposes, including but not limited to making infill infrastructure improvements (i.e. sidewalk repair) and making loans to eligible existing businesses that demonstrate a business loss as result of the transit system construction; now, therefore, be it

RESOLVED: That the Oakland City Council hereby allocates CDBG funds in the amount of \$500,000 in FY 2015-2016 and \$500,000 in FY 2016-2017 for a total of \$1,000,000 contingent upon the availability of funding and approval from HUD to the BRT Business Impact Mitigation Fund - Business Sustainability Program; and be it

FURTHER RESOLVED: That the Oakland City Council directs staff to create a BRT Business Assistance and Sustainability Fund (BAS-f) to provide direct monetary assistance in the form of loans and grants to businesses for the purpose of enhancing the viability of such businesses that have experienced adverse permanent impact from the BRT infrastructure changes. Merchants may use funds for infrastructure improvements such as sidewalk improvements, implementation of Technical Assistance recommendations, and capital and/or tenant improvements. The Oakland City Council commits at least \$2,000,000 to this BAS-f, to come from the \$1,000,000 in General Purpose Fund dollars authorized in July 2014 and the \$1,000,000 in CDBG funds (or other sources which may be swapped for the CDBG monies) and directs that these monies shall not be dispensed until guidelines are in place.

FURTHER RESOLVED: The Council asks the City Administrator to seek regional grant sources to address further capital improvements to the public-right-of-way along the BRT corridor and to continue to seek additional flexible funding sources to provide local matching funds for those regional grant opportunities.

FURTHER RESOLVED: That the Oakland City Council authorizes the City Administrator to distribute CDBG funds within the Business Sustainability Program budget as needed to ensure that all activities are adequately funded and that all expenditures are commensurate with HUD reporting requirements.

IN COUNCIL, OAKLAND, CALIFORNIA, NOV 18 2014

PASSED BY THE FOLLOWING VOTE:

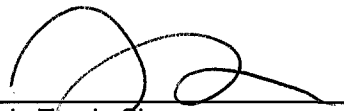
AYES- BROOKS, GALLO, GIBSON MCELHANEY, KAPLAN, REID, SCHAAF AND PRESIDENT KERNIGHAN -7

NOES- 0

ABSENT- 0

ABSTENTION- KALB -1

ATTEST:


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