


FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2016 MAR -3 PM 5:10

Approved as to Form and Legality:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. 86056 C.M.S.

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO NEGOTIATE AND EXECUTE AN EXCLUSIVE NEGOTIATING AGREEMENT WITH URBANCORE DEVELOPMENT, LLC AND EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION (COLLECTIVELY “DEVELOPER”) FOR DEVELOPMENT OF THE 12TH STREET REMAINDER PARCEL LOCATED AT E12TH STREET AND 2ND AVENUE**

**WHEREAS**, the City of Oakland (“City”) owns approximately 0.925 acres of vacant property identified as Assessor Parcel Number 19-27-14, commonly known as the 12th Street Remainder Parcel, bounded by East 12th Street on the east, Second Avenue and property owned by the Oakland Unified School District on the south, newly created open space to the west, and Lake Merritt Boulevard to the north (the “Property”); and

**WHEREAS**, the Property was previously public right-of-way for that portion of E. 12th Street situated between 1st and 2nd Avenue; and

**WHEREAS**, on July 14, 2015, the City issued a Notice of Offer and Intent to Convey the Property (“Notice”) to potential developers; and

**WHEREAS**, the City received five (5) responses to the Notice; and

**WHEREAS**, the City thereafter entered into good faith negotiations regarding price and terms with the responding entities for a period of not less than 90 days; and

**WHEREAS**, the City formed an evaluation committee to review the proposals, and the committee elected to conduct interviews with three (3) of the teams for the purpose of selecting a development team to recommend to the City Council to enter into an Exclusive Negotiating Agreement (“ENA”) with the City for development of the Property; and

**WHEREAS**, in response to the Notice, UrbanCore Development, LLC, and the East Bay Asian Local Development Corporation (collectively, “Developer”) submitted a proposal to develop a mixed-use project on the Property consisting of a 26-story high-rise with approximately 360 residential units

(with at least 25% of the units to be affordable to lower income households for a period of at least 55 years, and additional units to be affordable to moderate income households), approximately 5,000 square feet of ground floor retail and/or community space, and approximately 248 parking spaces (the "Project"); and

**WHEREAS**, Developer proposes to acquire, by sale or long term lease, the Property from the City for development of the Project; and

**WHEREAS**, Oakland Municipal Code Section 2.42.170 sets forth the following factors, in addition to price, that the City may consider in evaluating development proposals on City-owned property:

1. The value of the proposed use of the real property to the community and the City as a whole,
2. The compatibility of the proposed development and use with current zoning and community plans applicable to the real property,
3. The compatibility of the proposed development and use with the character of the surrounding neighborhood,
4. The experience, capacity and financial resources of the proposed developer,
5. The quality of the project design,
6. The environmental sustainability of the proposed development,
7. Community and public objectives achieved by the proposed development, such as creating jobs, expanding the tax base, providing other fiscal benefits, providing needed commercial or social services, providing or improving needed infrastructure, improving or preserving the stock of housing affordable to low and moderate income households, eliminating physical or economic blight, and contributing to the economic vitality of the neighborhood, and
8. Other factors, as the City Administrator deems applicable; and

**WHEREAS**, the City has considered these factors in evaluating the development proposals submitted in response to the Notice; and

**WHEREAS**, based on its consideration of the factors described above and the analysis set forth in the staff report, the City Council desires to select Developer as the prospective developer for the Property and Developer desires to dedicate time for the preliminary study and exclusive negotiations over the proposed Project, with the understanding that such study and negotiation does not constitute a binding commitment on the part of the City to any project or developer for the Property; now, therefore, be it

**RESOLVED:** That the City Administrator or her designee is authorized to negotiate and enter into an Exclusive Negotiating Agreement ("ENA") with Developer, or a related or affiliated entity, for the purposes of developing a project proposal for City review and approval, conducting California Environmental Quality Act ("CEQA") review and approval, and negotiating the terms and conditions of a Lease Disposition and Development Agreement or Disposition and Development Agreement for disposition and development of the Property ; and be it

**FURTHER RESOLVED:** That the initial exclusive negotiating period will be for six months from the date of this Resolution, with the option by the City Administrator in her sole discretion to extend said period by an additional six months; and be it

**FURTHER RESOLVED:** That the City shall require payment of a \$25,000 Project Expense Payment by Developer for purposes of reimbursing City for its staff costs and third party expenses; and be it

**FURTHER RESOLVED:** That the \$25,000 nonrefundable Project Expense Payment from Developer will be appropriated to Miscellaneous Capital Project Fund (5999), Central District Redevelopment (85245), in a new project to be established; and be it

**FURTHER RESOLVED:** That the ENA shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution; and be it

**FURTHER RESOLVED:** That the City finds and determines, after independent review and consideration, that this action complies with CEQA because it is exempt from CEQA pursuant to Section 15262 (feasibility and planning studies), Section 15306 (information collection) and Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it

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

**FURTHER RESOLVED:** That the City Administrator is further authorized to negotiate and enter into agreements and take whatever action is necessary with respect to the ENA and the Project, consistent with this Resolution and its basic purposes.

MAR 15 2016

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, ~~GALLO~~, GUILLEN, KALB, ~~KAPLAN~~, REID, and  
PRESIDENT GIBSON McELHANEY—6

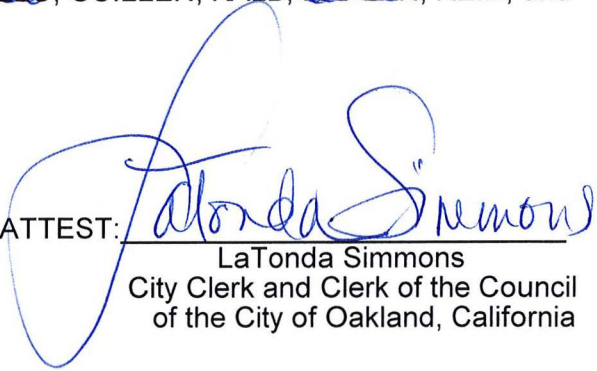
NOES - Gallo-1

ABSENT - 0

ABSTENTION - 0

Recused - Kaplan-1

ATTEST:

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