



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Alexa Jeffress
Director, Economic &
Workforce Development
Department

SUBJECT: Property Exchange With Oakland
Unified School District at Marston
Campbell Park

DATE: September 22, 2021

City Administrator Approval

Date: Oct 7, 2021

RECOMMENDATION

Staff Recommends The City Council Adopt An Ordinance Authorizing The City Of Oakland (City) To Conduct The Following Exchange Of Properties With The Oakland Unified School District, A California Public School District (District):

- (1) Acquisition Of Approximately 44,791 Square Feet Of Real Property Located At Marston Campbell Park Near The Intersection Of 16th Street And Market Street From The District At No Cost To The City Pursuant To Oakland Municipal Code (OMC) Section 2.41.020 And Section 219(6) Of The City Charter;**
- (2) Disposition Of Approximately 25,939 Square Feet Of Real Property Located At 1700 Market Street To The District At No Cost Pursuant To OMC Section 2.42.050;**
- (3) Acquisition Of An Easement From The District Over Approximately 13,884 Square Feet Of Real Property Located Immediately Adjacent To 1700 Market Street For The Purpose Of Providing City Irrigation Facilities To Marston Campbell Park Pursuant To OMC Section 2.41.060;**
- (4) Allocating A Not To Exceed Amount Of Ten Thousand Dollars (\$10,000) For Associated Closing Costs And Fees; And**
- (5) Making California Environmental Quality Act And Surplus Land Act Inquiries.**

City Council
October 19, 2021

EXECUTIVE SUMMARY

Staff recommends that City Council adopt an ordinance authorizing a transaction with the Oakland Unified School District (District) related to Marston Campbell Park and an adjacent school site formerly known as the Lafayette School at 1700 Market Street. The District owns a portion of property on which the park is located, and the City of Oakland (City) owns a portion of property on which the school is located. The City and District would exchange these properties to resolve this ownership discrepancy, which was likely due to an administrative oversight many decades ago. The District would additionally convey to the City an easement over a portion of retained District property for the City's continued use of waterlines, irrigation, and drainage systems necessary to maintain the park.

BACKGROUND/LEGISLATIVE HISTORY

Marston Campbell Park (Park Site) is a City-managed public park located along 16th Street between Market and West Streets in West Oakland within Council District 3. KIPP Bridge Academy (KIPP) is a public charter school located in buildings owned by the District adjacent to the Park Site at 1700 Market Street (School Site). Several years ago, KIPP investigated title to the School Site for purposes of securing financing to rehabilitate the School Site and discovered that the City owns title to an approximately 25,939 square foot portion of the land underlying the School Site (City-Owned School Property), and that the District owns title to an approximately 58,675 square foot portion of the Park Site (District-Owned Park Property). Both the City-Owned School Property and the District-Owned Park Property are depicted in **Attachment A**. Oakland schools were historically managed by the City and this title discrepancy may simply be due to an administrative oversight when the schools separated from the City decades ago.

To remedy this title discrepancy, staff has negotiated a transaction with the District wherein the City would exchange the City-Owned School property for 44,791 square feet of the District-Owned Park Property, as depicted in **Attachment B**. The District would retain 13,884 square feet of the District-Owned Park Property (Retained District Property) that contains District improvements such as the school steps, pedestrian pathways to the school, and a school garden. The District would convey to the City an easement over the entirety of the Retained District Property (Easement) so that the City can continue to access and maintain waterlines, irrigation, and drainage systems located in this area and integral to management of the Park Site. The District's Board of Education approved this proposed transaction on September 8, 2021.

To complete this transaction, the District must submit an application to the Planning and Building Department for a Vesting Tentative Parcel Map (VTPM) to adjust the property line between the Park Site and School Site. The Planning and Building Director or their designee will review the VTPM application and will have approval authority if the VTPM complies with the Subdivision Map Act and meets the requirements of Oakland Municipal Code (OMC) Title 16. In the event the Planning and Building Director or their designee approves the VTPM, the District would then submit the Final Vesting Parcel Map (FVPM) for ministerial approval by the City Surveyor and Engineering Services, who will review the FVPM for substantial compliance with the VTPM. The City would quitclaim all interests it has on one side of the boundary line to the District excepting therefrom the Easement, and the District would quitclaim all interests it has on the other side of the boundary line to the City.

ANALYSIS AND POLICY ALTERNATIVES

The land underlying the School Site is currently zoned RM-2, allowing for residential mixed use, and the land underlying much of the Park Site is zoned Open Space (OS) (NP), allowing for primarily public open space uses. Staff conclude that despite their different zoning and size characteristics, the exchange properties are of functionally equivalent value, as putting either property to alternative use would require extraordinary community disruption by breaking up either a school or public park.

The recommended action is in the best interest of the City as it resolves a title discrepancy, enables continued and uninterrupted operation of Marston Campbell Park, extinguishes any liability associated with the City owning school property, and enables continued operation and rehabilitation of the School Site, which benefits Oakland youth. As such, the recommended action advances the Citywide Priority of developing and maintaining **vibrant, sustainable infrastructure**. It resolves a discrepancy that was likely the unintended result of an administrative oversight decades ago.

Alternatively, the City could choose not to exchange property with the District. In this event, staff could attempt to negotiate reciprocal lease terms with the District to similar effect as the proposed exchange. This would not resolve the underlying ownership discrepancy and might not allow KIPP to finance the school rehabilitation. Or the City could reclaim its portion of the School Site but would have to cause demolition of the school building to put the property to any other use. The District might then desire to reclaim its portion of Marston Campbell Park, thereby reducing the size of the park by approximately 30 percent and severing it from its critical irrigation infrastructure. Staff believe that these alternatives are not in the best interest of the City.

FISCAL IMPACT

The City would share equally in closing costs and fees with the District, of which share shall not exceed \$10,000. Funding for these expenses would come from the General Purpose Fund (1010), Real Estate Services Organization (85231), Surplus Property Project (1000235), Real Estate Program (PS32). No other fiscal impacts are anticipated.

PUBLIC OUTREACH / INTEREST

The proposed ordinance seeks to correct a discrepancy caused by administrative oversight, therefore no outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

COORDINATION

The City of Oakland Real Estate Services Division, Public Works Department, Parks, Recreation & Youth Development Department, City Surveyor, and City Attorney's Office coordinated in developing the recommended action. City staff worked with District personnel on

this exchange of properties and the District's Board of Education approved the proposed transaction on September 8, 2021.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The actions authorized by this ordinance are categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), which exempts projects where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and Section 15301, which exempts the operation of existing public or private structures or facilities, involving negligible or no expansion of existing or former uses.

CALIFORNIA SURPLUS LANDS ACT

The proposed exchange is compliant with the California Surplus Lands Act (SLA). It constitutes "exempt surplus land" under the SLA as the City-Owned School Property is surplus land that the City as a local agency is exchanging for the District-Owned Park Property for the City's use as a public park (Gov. Code Section 54221(f)(1)(C)) and the City is transferring the City-Owned School Property to the District for the District's use (Gov. Code Section 54221(f)(1)(D)).

SUSTAINABLE OPPORTUNITIES

Economic: The recommended action will enable continued operation of essential community institutions that contribute to the economic stability of this West Oakland neighborhood. It will also enable rehabilitation of a school facility that may enhance the educational outcomes and, thereby, the economic prospects of Oakland youth. The City would also be relieved of any possible liability related to this ownership discrepancy.

Environmental: There are no environmental impacts associated with this action as it would enable continued operation of existing facilities.

Race & Equity: The recommended action will allow continued operation of a park and school serving neighborhoods that are majority low-income people of color according to the OakDOT Geographic Equity Toolbox.

ACTION REQUESTED OF CITY COUNCIL

Staff Recommends The City Council Adopt An Ordinance Authorizing The City Of Oakland (City) To Conduct The Following Exchange Of Properties With The Oakland Unified School District, A California Public School District (District):

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For questions regarding this report, please contact Brendan Moriarty, Real Property Asset Manager, Real Estate Asset Management Division, (510) 238-6354, bmoriarty@oaklandca.gov.

Respectfully submitted,



ALEXA JEFFRESS

Director

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Attachments (2):

- A. Map of current ownership configuration
- B. Map of ownership configuration after exchange