

## ATTACHMENT D

### **CENTRAL DISTRICT REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009**

#### HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The Agency continued to focus its activities on eliminating physical and economic blight conditions in the Project Area by constructing public improvements and facilities, and partnering with the private sector to develop vacant and/or underutilized properties. The Agency, as stated in the goals and objectives of the Implementation Plan continues to encourage private investment in areas designated for commercial and residential uses.

During the reporting period, the Agency primarily focused on two types of activities to eliminate blight in the Central District. These are:

- A. Supply of low cost loans, grants and subsidies via the Façade Program, the Downtown Historic Façade Program and the Downtown Tenant Improvement Program or direct improvements to blighted structures such as the Fox Theater. By eliminating physical deterioration and improving the appearance of retail and commercial buildings and surrounding sites, more patrons will be attracted to the area, which will likely improve retail sales. Such an increase in commercial activity should attract new businesses to the Project Area and result in property tax increases.
- B. Provide infrastructure improvements covering a variety of public works projects ranging from installation of utilities, traffic capacity projects, mass-transit improvements, parking facilities, new streets, under grounding overhead distribution and communication lines, storm drainage and sanitary sewers, bridges and under- or over-crossings, flood control improvements, pedestrian and bicycle friendly areas, traffic calming, freeway noise walls, and many other assorted capital projects. This may also include streetscape projects including constructing new curbs, gutters and sidewalks where they do not exist or where broken curbs, gutters and sidewalks require replacement; planting street trees and shrubs; constructing both decorative and handicapped accessible crosswalks; constructing new medians with landscaping; adding visual and safety improvements to existing medians; installing street furniture, such as trash receptacles and newspaper racks; and improving area lighting by increasing the number of luminaries, increasing the wattage of individual streetlights or adding pedestrian streetlights.

Improving the infrastructure will help to attract development to the Project Area by assuming costs that might otherwise be born by the private sector. This should also help to increase building activity and improve property values. Furthermore, public improvements such as parking structures will support the viability of commercial properties, helping to compensate for individual site deficiencies. Lastly, lighting improvements will create a safer retail environment and discourage graffiti. The proposed Agency programs for these activities include

the Streetscape Master Plan, including Streetscape Improvements in Uptown, Old Oakland/ Chinatown and Lower Broadway, the Broadway Improvement Program and the continued operation and possible new construction of public parking facilities.

## **BLIGHT ALLEVIATING ACTIVITIES IN FY 2008-09**

Activities to reduce blight with in the Central District Project Area in FY 2008-09 include:

1. 10K Housing: (develop housing for 10,000 new residents or approximately 6,000 new units since 1999). The Agency was directly involved in five projects and in a marketing campaign to encourage private development. As of April 2009, 4,057 units were completed, 535 units are in construction, 2,236 units have planning approvals and 3,928 units are in planning. These 10,756 units exceed the 10K goal of 6,000 units.
  - a. Citywalk. (252 residential units and 3,000 square feet of retail) Request for Proposals (RFP) issued November 2003, Disposition and Development Agreement (DDA) approved July 2004, demolition began in January 2005 and construction started in March 2005. There have been substantial delays in construction. At this time, a new developer has taken over the project with the intent to convert the project to rental housing. The new project completion date is December 31, 2011.
  - b. Uptown Apartments. (665 residential units and 9,000 square feet of retail) Construction started in October of 2005 and the project was completed in December of 2008.
  - c. Uptown – Parcel 4. The City Council approved a DDA with Forest City for the development of a mid-rise residential project with 175 – 200 units, and 20,000 square feet of retail. Recently, the City Council authorized an amendment to the DDA to extend the date to purchase the Property by thirty-six (36) months until July 31, 2011.
  - d. Fox Courts (80 units of affordable rental housing and 4,000 square feet of space dedicated to child care and children’s art education programs). The Agency executed a DDA with Resources for Community Development. The project started construction on August 29, 2007, and was completed on June 30, 2009. The building is currently 100 percent leased.
2. Streetscape Improvements: In the summer of 2008, construction was completed on the “Revive Chinatown Pedestrian Improvements Project”, which includes scramble traffic signals, bulb-outs, pedestrian countdown timers, and high-visibility crosswalks at four main intersections in Chinatown. The Broadway Streetscape Improvements Project, Phase II and III (12<sup>th</sup> to 20<sup>th</sup> Street), which includes the installation of basic pedestrian amenities such as benches, trash receptacles and new trees and tree grates, was completed in October of 2008. The

Telegraph Phase I Streetscape Improvements Project (West-side of Telegraph from 18<sup>th</sup> – 20<sup>th</sup> Streets) and the Broadway/ West Grand Project (Broadway from 21<sup>st</sup> to West Grand Avenue) were completed in spring of 2009. The Old Oakland (Washington 7<sup>th</sup> to 9<sup>th</sup> Streets) Streetscape Improvement Project and the Latham-Telegraph Streetscape Project (Latham Square to 20<sup>th</sup> and Telegraph) are on hold pending implementation of the Basement Backfill and Repair Program (BBRP). The BBRP was developed to provide grants and loans to property owners for the required structural repair and backfill of basements under the sidewalks in the program's target areas (i.e. Old Oakland and Latham-Telegraph.) Lastly, the Agency has initiated the new Bay Area Rapid Transit (BART) 17<sup>th</sup> Street Gateway Project, which includes a redesign of BART's 17<sup>th</sup> Street entrance in order to improve the appearance and functionality of this BART entry point. This project will not start construction until the fall/winter of 2010.

3. Fox Theater: (2,100 seat theater and 10,000 square feet of commercial/restaurant space). The historic Fox Theater was rehabilitated to house the Oakland School for the Arts, a performance venue and associated restaurant space. Combining state funding, private grants, New Market and Historic Rehabilitation Tax Credits, the Agency authorized a loan of \$25,500,000 from Central District Tax Allocation Bond proceeds for the project. In September of 2006, the Agency transferred the building to a related entity to develop the project, Fox Oakland Theater, Inc. In July of 2008, the Agency loaned an additional \$7.45 million to the project, all of which is to be repaid from anticipated grant sources. Construction began in December of 2006 and was completed in December of 2008 with issuance of the temporary certificate of occupancy. The Oakland School for the Arts opened in January 2009 and Fox Theater opened in February 2009.
4. Downtown Façade Program: The program provides \$5,000 in design services and matching grants of up to \$50,000 for façade improvements. In FY 2008-2009, 76 façade projects completed or started construction (64 completed and 12 in construction.) These projects represent \$1,574,631 in grant money that was either paid or encumbered. The grant money is leveraging \$6,534,550 in total exterior improvements.
5. Downtown Tenant Improvement Program: The program provides up to \$99,000 in matching grants and \$5,000 of free design assistance to attract retail, restaurants, arts and entertainment uses to vacant storefronts in designated areas of the Downtown. In FY 2008-09, 50 Tenant Improvement projects were completed or under construction (41 completed, 9 under construction). These projects represent \$1,879,150 in grant money that was either paid or encumbered. This funds will help leverage \$13,396,460 in total interior improvements.
6. Key System Building: This project includes renovation of the historic Key System building and its integration into a new high-rise mixed-use office tower to be developed on an adjacent vacant site. The project is subject to the terms of an expanded Owner Participation Agreement with SKS Investments. The Agency

will also sell an adjacent 145-space garage to the developer to ensure the financial feasibility of the project and to maximize the amount of ground-floor retail space that can be placed in the new building. The developer secured project planning approvals in July of 2008. Start of project construction has been delayed because of the developer's inability to sign up an anchor tenant and to secure construction financing as a result of the recession. The developer has requested a three-year extension to the project's start-of-construction dates and the close of escrow for the sale of the garage. It is now anticipated that project construction will start and that the Agency will sell the garage in June 2013.

7. City Center Site Preparation: This project includes four City Blocks, of which two have been transferred to private developers (Shorenstein and the Olson Companies) for the development of an office tower (555 12th Street), and a for-sale residential project on T-10, which is located at 14th and Jefferson Street. A joint venture partnership between the Shorenstein Company and MetLife Insurance purchased the site known as T-12 located at 12th and Jefferson Street in December 2007. Excavation and hazardous materials remediation at the site in preparation for the construction of a 600,000 square foot office building were completed in November of 2008, but the developer subsequently stopped project construction because of a deteriorating labor market and the recession. The Shorenstein Company is in negotiations with the Agency to extend the project completion date from April 12, 2012 to April 12, 2015, with the option to extend by up to three additional years, if market conditions do not improve in the near term.
8. Public Parks and Facilities: The Agency provides funding for certain public parks and facilities in the Project Area to address deferred maintenance and needed capital improvements. During the reporting period, the Agency made available \$2 million to improve the following parks and public facilities:

*Lincoln Square Park (261-11th Street)*. The Lincoln Square Park project includes a new synthetic turf field connecting the park to the adjacent Lincoln Elementary School. The school, as well as six independent charter schools, five day-care centers and two Head Start Programs use Lincoln Square Park as an additional play area. Design work started in the spring of 2009 and completion is projected for September 2010.

*Malonga Casquelourd Center for the Arts (1428 Alice Street)*. The renovation of the Malonga facility, which is one of the Bay Area's busiest multicultural, multidisciplinary performing arts facilities, addresses critical building needs, including protecting the building's interior from damage due to precipitation, sunlight, and wind, and optimizing energy efficiency. Renovating Malonga will assist in the elimination of the following blight conditions: health and safety concerns, serious disrepair and dilapidation which hinder the viable use of the building. New funding will be utilized for exterior waterproofing and weatherization, window replacement, plumbing upgrades, and tenant

improvements. The Malonga facility renovation began in 2008 and has not been completed.

*Jefferson Square Park (618 Jefferson Street).* Jefferson Park will undergo a major renovation to upgrade its tot lot, add a new dog park with separate areas for small and large dogs, add a historical marker, relocate an existing full-sized basketball court, and complete general landscaping improvements. Community meetings and completion of the design took place in 2008. Receipt of construction bids for the project is scheduled for October 2009. Project construction start is scheduled for March 2010, with construction completion estimated for June 2010.

*Chinese Garden Park (7th and Harrison Streets).* The proposed improvements to the Chinese Garden Park address community concerns on accessibility and involve grading, installation of concrete and ADA accessible pathways and parking, new lawn and irrigation, as well as additional landscaping including planting of trees. Design is complete and a construction contract will be presented for Council approval in September 2009. Construction is estimated to begin in late 2009.