



City of Oakland

CALIFORNIA



OAKLAND REDEVELOPMENT AGENCY

FY 2011-13 Adopted Budget



Oakland Redevelopment Agency FY 2011-13 Adopted Budget

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Honorable Chairperson Reid and Members of the Oakland Redevelopment Agency Board
Oakland Redevelopment Agency, California

Subject: FY 2011-13 Adopted Budget for the Oakland Redevelopment Agency

Dear Agency President and Members of the Agency Board—

In accordance with the Community Redevelopment Law of the State of California, we are pleased to transmit to you the Fiscal Year (FY) 2011-13 Adopted Budget for the Oakland Redevelopment Agency (Agency). The FY 2011-13 Budget represents the eighth presentation of a two-year budget for the Agency, covering the period from July 1, 2011 through June 30, 2013. This Budget outlines the planned commitments of the Agency for Oakland's redevelopment project areas and programs, including housing and redevelopment program activity.

OVERVIEW

During the past two years, the Agency has been refocused as a project-based organization. Redevelopment is responsible for community impact projects, such as the Oakland Army Base, the Victory Court Ballpark, Coliseum City and the Upper Broadway Retail project as well as neighborhood-based efforts including the three supermarkets going forward in East and West Oakland and the development opportunities reflected in the Exclusive Negotiation Agreements (ENAs) approved under the Notice of Development Opportunity (NODO) projects. The Agency has also used this time (during

a recession) to develop specific plans in order to prepare the City for its future economic recovery.

In past years, the Oakland Redevelopment Agency has benefited from strong growth in property tax increment revenue. However, the poor real estate market has affected the Agency's property tax increment revenue beginning in FY 2009-10. Gross tax increment dropped from a peak \$130.6 million in FY 2008-09 to \$115.8 million in FY 2009-10. This trend has continued as revenue for FY 2010-11 is expected to drop further to \$108 million. Very little growth is expected for FY 2011-13 with \$108.2 million projected for the first year and \$108.8 million for the second year. Despite bleak revenue projections, the Agency maintains previous service levels and programs. The Agency continues to exist in a period of reduced tax increment revenue, which affects its ability to incur debt.

In general the Agency has positive fund balances, but after the Supplemental Education Revenue Augmentation Fund (SERAF) takings from FY 2009-11 totaling nearly \$50 million, fund balance levels are at an all time low. Unlike the City, the Agency does not issue a Tax and Revenue Anticipation Note (TRAN). Therefore, cash balances are required to fund expenditures for the first six months of each fiscal year prior to receiving the first installment of property tax increment revenue.

Furthermore, since January 2011, the existence of redevelopment has been threatened by a proposal from Governor Brown to eliminate redevelopment entirely. The crippling impacts of the elimination of redevelopment have been described in various reports and publications over the past few months. Ultimately two budget trailer bills were adopted by the legislature and signed by the Governor – ABx1 26 and ABx1 27. The first bill ends redevelopment, but the second allows an Agency to “pay to play” through a “Voluntary Alternative Redevelopment Program” (VARP). The California Redevelopment Association and the League of California Cities challenged the validity of AB1X 26 and AB1X 27, and the California Supreme Court is expected to issue a final determination by January 15, 2012, which is when the first VARP payment is due. Since the proposal to eliminate redevelopment, reform legislation has also been proposed for redevelopment and housing programs. Additionally, redevelopment activities and spending across the State are being highly scrutinized, including a formal audit by the State Controller of selected agencies. The Agency continues to advance approved and contractually obligated projects expeditiously. Part of the effort to obligate redevelopment funds recently includes authorizing the sale of City-owned property to the Agency for redevelopment purposes and selling \$47 million in Housing bonds for MacArthur Transit and Oak-to-Ninth developments.

POLICY HIGHLIGHTS

Use of Agency Funds

Redevelopment is the City's investment vehicle. The city-wide impact projects and neighborhood-based projects that the Agency has initiated to grow Oakland, rely on a healthy redevelopment agency. The current economic environment painfully illustrates the need to examine the Agency's approach to setting priorities, budgeting, and

evaluating the effectiveness of funded programs. Identifying how the objectives of redevelopment – eradication of blight, economic stimulation, revitalization, generation of tax increment, creation of jobs, and economic equality and stability – can best be achieved within the constraints of available funds will guide policy makers in setting short and long-term goals and thus set priorities for how tax increment revenue should be used.

Supplemental Education Revenue Augmentation Fund (SERAF)

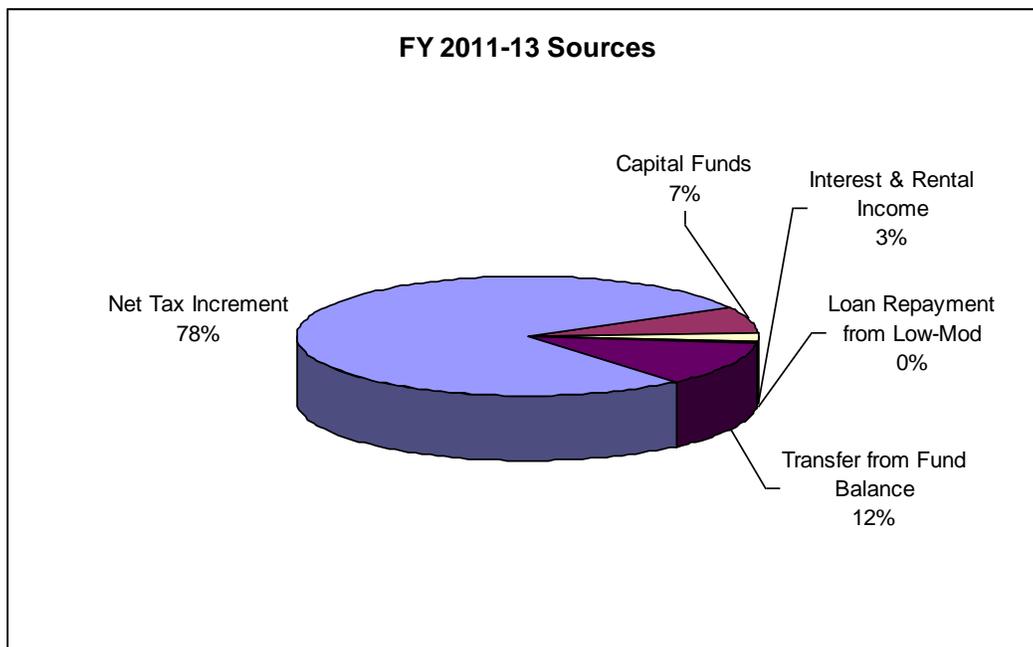
During FY 2009-11, the Agency paid just under \$50 million to the SERAF. Due to the passage of Proposition 22 in November 2010, there is no set-aside planned for SERAF in the adopted FY 2011-13 budget, however if the lawsuit challenging the validity of ABx1 26 and ABx1 27 is unsuccessful and both bills are declared legal, the Agency would have to pay the state nearly \$40 million in FY 2011-12 and approximately \$10 million on an annual basis beginning in FY 2012-13 in VARP payments.

Suspension of Coliseum Set-Aside

The Agency is continuing the suspension of the Coliseum School set-aside until an eligible project is identified. The set-aside is an annual contribution of 10% of net tax increment revenue for the development of school facilities in the Coliseum project area. The set-aside was initiated by the City Council in 1997. A reduction in tax increment revenue, and a large reserve of previously accumulated and unspent funds is available, prompting the suspension. The suspension frees up funding for other, non-school redevelopment projects. Previous projects receiving school set-aside funding have contributed to the reduction of blight for larger parcels of the Coliseum Redevelopment Area. The 81st Avenue Library, which held its grand opening during FY 2010-11, is the most recent example of the effectiveness of this program.

FINANCIAL HIGHLIGHTS

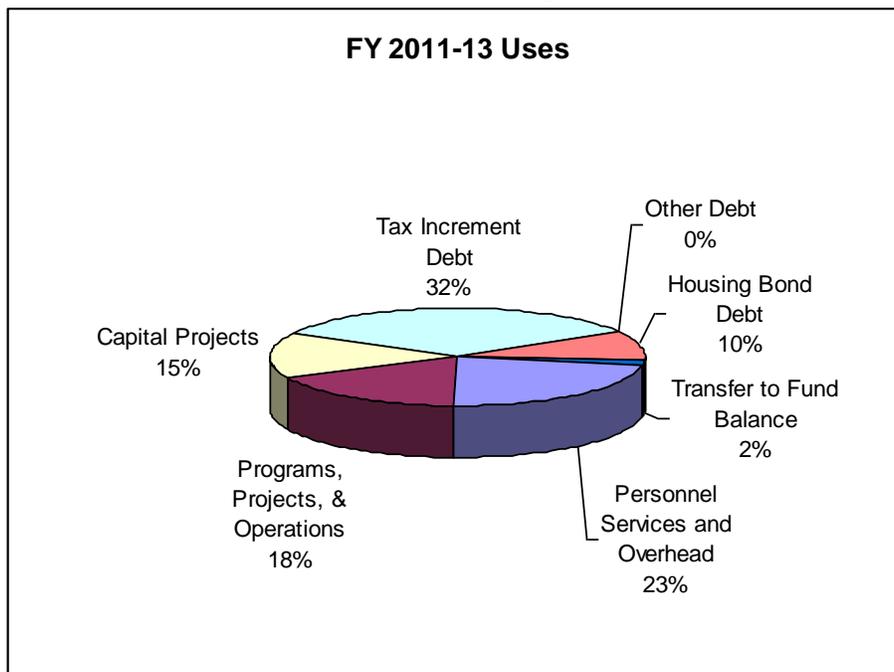
The FY 2011-13 Adopted Agency Budget is \$128.7 million in FY 2011-12 and \$110.4 million in FY 2012-13. This includes property tax increment revenue totaling \$108.2 million in FY 2011-12 and \$108.8 million in FY 2012-13. The chart below provides the breakdown of revenue sources:



The Agency’s largest source of funding is tax increment revenue. The Agency’s property tax increment revenue is affected by changes in the Net Assessed Valuation (NAV) of the taxed property located in City’s redevelopment areas. The assessed value change varies from one project area to another, and generally depends on the age of the area, magnitude and type of anticipated redevelopment activity, the existing mix of land uses and developments, and other related factors. The gross tax increment for the Redevelopment Agency peaked in FY 2008-09 to \$131 million. Over the last eight, five, and three-year periods, the property tax increment revenue grew at an average rate of 14.5 percent, 11.5 percent, and 2.4 percent, respectively. However from FY 2008-09 to FY 2009-10, revenue dropped 11.3 percent. The table below illustrates the historical growth patterns and future growth assumptions by project area. During the next two years, tax increment revenues are projected to be flat in FY 2011-12 with modest growth in FY 2012-13. The growth in tax increment revenue—which had been robust in previous years—has fallen off in conjunction with the collapse of the real estate market.

Tax Increment Revenue By Project Area	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Projected	Adopted FY 2011-12	Adopted FY 2012-13
Acorn	\$1,277,763	\$1,417,075	\$1,268,308	\$700,000	\$0
Broadway/MacArthur/San Pablo	5,878,303	5,051,841	4,956,701	4,911,300	4,984,970
Central City East	23,061,010	11,629,500	10,196,403	10,369,000	10,576,380
Central District	51,457,896	57,630,237	51,347,588	51,950,000	52,469,500
Coliseum	33,180,359	26,918,746	24,579,367	24,773,600	25,145,200
Oak Knoll	1,993,973	1,351,316	1,330,962	1,341,300	1,354,710
Oakland Army Base	5,189,753	6,097,510	9,528,211	9,171,700	9,263,420
West Oakland	8,539,236	5,720,660	4,893,628	4,955,400	5,054,510
Total	\$130,578,293	\$115,816,883	\$108,101,167	\$108,172,300	\$108,848,690
<i>Percentage Change</i>		-11.30%	-6.66%	-1.34%	0.63%

The chart below provides the breakdown of funding uses:



From the total tax increment revenue, the City is obligated for the following amounts to be set-aside prior to allocating the remaining funds for its project areas:

	FY 2011-12	FY 2012-13
Gross Tax Increment	\$108,172,300	\$108,848,690
AB 1290 Set-Aside	(\$15,066,576)	(\$15,393,897)
Debt Service Payments	(\$39,518,435)	(\$39,741,769)
Low-Mod Set-Aside	(\$27,043,075)	(\$29,835,649)
Net Available	\$26,544,214	\$23,877,375

Allocation of ORA Fund (7780) for City Personnel / Projects

Most of the remaining funds will be used for staff costs, with a small amount for operations, projects and program expenditures. Please note, approximately 24 percent of the Low-Mod funds identified above are used to cover staff costs within CEDA and a portion of other support departments. If Redevelopment is eliminated or substantially reformed, support for the appropriations in Fund 7780 would be at risk, totaling \$26.3 million in FY 2011-12 and \$26.8 million in FY 2012-13, including 159 Full-Time Equivalent (FTE) positions in departments across the City (summarized below).

FY 2011-13 Adopted ORA Fund 7780 Budget and FTE distribution by Department

7780 - Oakland Redevelopment Agency Projects (ORA)				
Department	Expense		FTE	
	FY 11-12	FY 12-13	FY 11-12	FY 12-13
Mayor	547,723	554,516	2.00	2.00
City Council	1,580,653	1,609,091	9.76	9.76
City Administrator	1,570,649	1,611,392	11.84	11.84
City Attorney	2,867,645	2,981,021	14.85	14.85
City Clerk	439,603	458,727	3.50	3.50
Office of Communication and Information Services	35,046	35,896	0.33	0.33
Finance and Management Agency	841,071	861,425	6.20	6.20
Police Services Agency	3,423,518	3,482,040	17.18	17.18
Department of Human Services	534,734	538,450	3.57	3.52
Public Works Agency	751,118	768,651	7.00	7.00
Community and Economic Development Agency*	13,735,862	13,944,690	83.03	83.03
Grand Total:	\$26,327,622	\$26,845,899	159.26	159.21

* \$3.7M is Housing (Low- Mod); \$5.9M is Redevelopment; \$4.1M is other CEDA (Real Estate, Marketing, Econ Deve, etc.)

SALE OF CITY-OWNED PROPERTY TO THE AGENCY

During FY 2010-11, the City's budget included land sale revenue from the Agency totaling \$3.4 million. Properties identified for purchase are within the Coliseum and Central District project areas and are valued at \$4.14 million. For FY 2011-12, the City is plans to sell the Kaiser Convention Center to the Agency totaling \$28.3 million. These funds could come from a combination of Central District and Central City East project areas. Central District and Central City East would also share all revenues generated by the Kaiser property, which may include tax increment revenue, lease review or proceeds from the sale of Kaiser to a third party on a proportional basis to the amount contributed from each project area for its purchase. Finally, the City programmed \$3.4 million in land sales from the City to the Agency in FY 2012-13 utilizing Coliseum funds.

TOP CITYWIDE IMPACT PROJECT – FY 2011-13 INITIATIVES

- Oakland Army Base. Bring the LDDA to City Council, first quarter 2011. Initiate infrastructure design to access the Port's \$242 million Trades Corridor Improvement Fund (TCIF) allocation. Update the 2002 EIR for the Army Base to enable infrastructure construction to begin by 2012.
- Broadway/Valdez Retail Project. Complete the Specific Plan. Continue efforts to bring large scale retail development firms to the City.
- Initiate conceptual plan for Coliseum City.
- Finalize agreement with Major League Baseball to develop the Victory Court ballpark.
- Complete negotiation for all four Notice of Development Opportunity projects and 3 grocery stores.

ADDITIONAL PRIORITY PROJECTS AND PROGRAMS

- Begin Phase I and Phase II of the MacArthur Transit Village project, which will include the replacement BART garage, site infrastructure, and 90-units of affordable housing
- Lake Merritt Specific Plan
- West Oakland Area Plan and EIR
- Multiple Streetscape Improvement Projects
- Façade and Tenant Improvement grant programs
- Advance Transit Village projects, including Fruitvale, Coliseum, and West Oakland
- Market remaining Agency-owned parcels for commercial projects
- Public Facilities including Scotlan Convention Center, Lincoln Square Park, Mosswood Park, various Teen Centers, and Malonga Casquelourd Art Center, and improvements to multiple libraries and recreation centers
- Initiate re-use action plan for Kaiser Auditorium
- Public Arts Projects

FY 2011-13 PROJECT AREA PLANS AND HIGHLIGHTS

Funding for project area programs and projects primarily comes from two sources – tax increment revenue (operating funds) and bond proceeds (capital funds). As described above, after mandatory obligations and personnel costs, there are very little operating funds left for programs and projects. The Agency focuses these limited funds on programs including Façade and Tenant Improvement grants, Tough on Blight, Neighborhood Project Initiative, Graffiti Abatement, etc. As for the use of bond proceeds, emphasis should be given to citywide projects that will result in economic growth, as evidenced by tax increment expansion, job creation, revitalization, and sales tax generation. Using bond proceeds for private development can result in this economic growth.

The following table is intended to show Bond Proceeds as of July 2010, amounts spent to date, and balances available to Redevelopment Project Areas to be spent in the coming FY 2011-13 Adopted Budget.

	Bond Cash as of July 2010	YTD Spending	Carryforward Appropriations [A]	Available Fund Balance
Broadway/MacArthur/San Pablo	18,058,339	9,100,042	8,945,120	13,177
Central City East	53,140,506	1,844,012	51,253,610	42,884
Central District [B]	43,857,246	6,395,229	32,586,100	4,875,917
Coliseum	48,987,283	22,482,386	24,787,120	1,717,777
Low-Mod	31,278,471	1,275,814	29,906,218	96,439
TOTAL	\$195,321,845	\$41,097,483	\$147,478,168	\$6,746,194

[A] See Capital Spending Plans for each Project Area.
 [B] \$4.26 Million is proposed for appropriation in FY11-13 for the 1800 San Pablo, Uptown garage and Façade Improvement Program projects.

Acorn

Acorn will reach its tax increment limit during FY 2011-12. During FY 2011-13, staff plans to wrap up activities within the Acorn Redevelopment Project Area, including: working with property owner to secure commercial tenants for the vacant space and build to suit pad at Jack London Gateway; and providing façade and tenant improvement grants for vacant buildings on 7th Street. Beyond FY 2011-13 the remaining fund balance will be used to pay the outstanding debt service on the Acorn Plaza Shopping Center through FY 2016-17. Fund balance will also be used to continue staffing and operations through FY 2011-13. After FY 2012-13 staff currently assigned or allocated to the Acorn Project Area will be eliminated from the project area.

Broadway/MacArthur/San Pablo

During FY 2011-13, the Agency plans to begin construction on both Phases I and II of the MacArthur Transit Village project, which will include the replacement BART garage, site infrastructure, and 90-units of affordable housing. The Agency also plans to adopt the amendment to the redevelopment plan to expand the Project Area to include the Lowell/Gaskill neighborhood. In addition, the Agency plans to complete the Broadway/Valdez Specific Plan, which includes a segment of this Project Area. Other plans include the continuation of business attraction and support activities through the Façade and Tenant Improvement programs and the issuance of an additional round of the Neighborhood Projects Improvement Program.

Central City East

The Central City East (CCE) Project Area plans on advancing major catalyst developments and key infrastructure projects throughout the entire project area. Plans include developing key CCE opportunity sites that are currently owned by the Agency; commencing construction on streetscape projects throughout the project area (such as East 18th Street and MacArthur); continuing improvements and upgrades to community and public facilities; and targeting façade and tenant improvement and other incentive programs along key nodes at major commercial corridors. CCE plans to build off catalyst projects of Foothill Square and its introduction of 140,000 square feet of new retail by working with surrounding property owners to improve their sites and attract compatible uses to the surrounding neighborhood.

Due to the continued depression of the housing market, CCE TI revenues are less than half of their peak amount during FY 2008-09 (\$23 million). During FY 2011-13, CCE will have to utilize \$4 million of fund balance to support normal operations. Programs that previously received funding, but will not receive any new funding during this budget cycle include the Sustainability Program, Neighborhood Project Initiative (NPI), Commercial Revolving Loan Program, Infill Development Incentives Program, and Rebuilding Together Oakland.

Central District

During FY 2011-13, staff plans include: 1) Residential Projects, particularly completing Citywalk (252 residential units and 3,000 square feet of retail); 2) Retail Projects, like 1800 San Pablo a mixed-use project, including up to 200 public parking spaces and Rudy Can't Fail Café, the final tenant for the Fox Theater Project; 3) Façade and Tenant Improvement Programs; 4) Infrastructure Projects as part of the Downtown Streetscape

Master Plan – such as the Basement Backfill and Repair Program to facilitate the Old Oakland (Washington St. 7th to 9th Streets), Latham Square, Telegraph Ave, and Broadway streetscape projects; 5) Public Facilities and Parks, such as George P. Scotlan Memorial Convention Center, Lincoln Square Park, Malonga Casquelourd Art Center and Henry J. Kaiser Convention Center; and 6) Public Arts Projects for the BART Entrance at 17th Street, Uptown Parcel 4 Temporary Rotating Art Display and Henry J. Kaiser Memorial Park.

This budget assumes an extension approval in the Central District during FY 2011-12. This would result in a 30 percent mandatory Low-Mod Housing set-aside in FY 2012-13. Assuming this occurs, staff requests a termination of the Central District's 5 percent voluntary Low-Mod Housing set-aside starting FY 2012-13. The additional contribution toward Low-Mod impacts funds available for other normal operating costs. Central District must use fund balance in FY 2012-13 to fully fund normal operating costs.

Coliseum

The Coliseum Project Area plans on commencing work on major catalyst developments such as Coliseum City and Fruitvale and Coliseum Transit Village projects. In addition, key infrastructure projects will be continued throughout the project area. Plans include developing several Notice of Development Opportunity sites that are currently owned by the Agency; commencing construction on several streetscape projects throughout the project area; and continuing the façade and tenant improvement and other incentive programs along the major commercial corridors.

As described above, Coliseum is again requesting a suspension of the collection of the Coliseum School Set-Aside. In addition, programs that previously received funding, but will not receive new funding during this budget cycle include programs such as the Green Works Development Program, Neighborhood Project Initiative (NPI), Commercial Revolving Loan Program, Infill Development Incentives Program, and Rebuilding Together Oakland.

Oak Knoll

During the next two years, the Oak Knoll Project Area plans to maintain the Agency-owned parcels at Oak Knoll including ongoing vegetation management. In addition the Agency will continue its support efforts to insure there are sufficient funds to maintain and secure the 167 acres owned by SunCal Oak Knoll, LLC. Finally, the Agency is prepared to resume the project master planning and entitlement process once the property is out of bankruptcy.

Oakland Army Base

Activities include updating the 2002 EIR for the Army Base to enable infrastructure development of the Base; completing an Infrastructure Master Plan for the Army Base and begin infrastructure construction; preparing a Vesting Tentative Map for subdivision of the Gateway Development Area; determining the definitive site for a 15-acre trucking center and enter into an Exclusive Negotiating Agreement; working with recyclers on developing a conceptual site plan for a portion of the North Area; and completing negotiations of a Lease Disposition and Development Agreement for the master development of the GDA.

West Oakland

During FY 2011-13, Agency activities include: Phase I construction of 7th Street Streetscape and complete Phase II construction documents for 7th Street; Peralta and Martin Luther King Jr. Way streetscape master plan; construct the West Oakland Teen Center; complete West Oakland Area Plan and EIR and coordinate with the Oakland Army Base planning and development efforts; negotiate and acquire key opportunity sites around West Oakland BART station for West Oakland Transit Village and evaluate other opportunity sites for acquisition and development; manage façade and tenant improvement projects; and coordinate the Neighborhood Project Initiative program.

Low and Moderate Income Housing

Adopted funding in FY 2011-13 is \$56.9 million of which \$24 million is dedicated to debt service payments, including the recently issued 2011 bonds to support Wood Street, Oak-to-Ninth and MacArthur BART housing developments. The additional debt service requirements for the 2011 bonds severely limit the amount available for annual Notice of Funding Availability (NOFA). A total of just \$14.5 million is available for (a) the City-wide NOFA for housing development, (b) operations support (mortgage payments) for the East Oakland Community Project transitional housing facility, and (c) various housing programs identified in the Five-Year Implementation Plans for the Central City East and West Oakland Project Areas. This amount is about half of the amount available during the last two-year budget. During FY 2011-13, a total of \$5 million in funding for the Mortgage Assistance Program will be provided in order to make 70 homes affordable to new homeowners. Costs for personnel amount to \$14 million over the two-year period, representing nearly 25 percent of total. Of that amount, almost 45 percent (\$6.2 million) is for personnel costs in departments other than CEDA. Personnel costs in CEDA represent approximately 14 percent of total funding.

As of early 2011, over 1,700 units of Agency-financed affordable housing were either in predevelopment or under construction. Progress continues on the preservation of the portfolio owned by the failed nonprofit, Oakland Community Housing, Inc. (OCHI). Several of their most recent projects were transferred seamlessly to new nonprofit owners. Four properties were acquired by private owners who foreclosed and eliminated all City/Agency investments, but they have agreed to modest rent/income restrictions and appear to be successful in the rehabilitation and management. The remaining properties will be acquired and rehabilitated by other nonprofits with extended affordability terms and deeper targeting to very low income families.

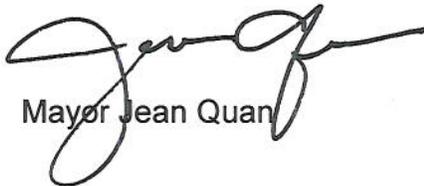
CLOSING REMARKS

The Oakland Redevelopment Agency serves the City's revitalization goals both by advancing citywide scale community impact projects and neighborhood-based projects and activities. During these difficult times, maximizing limited resources is critical to ensure that funding is available for projects and programs that will assist in advancing the Agency's blight reduction, expansion of employment opportunities and increment generating goals through the careful selection of development projects that have the greatest potential of creating an equal or higher return on the Agency's investment. The

FY 2011-13 Adopted Budget reflects the Oakland Redevelopment Agency's continued commitment to address the redevelopment and revitalization of our City, including the needs of Oakland's citizens. Through the implementation of proven strategies, the Redevelopment Agency is well poised to guide development and tax increment growth for the approaching budget cycle. This budget continues to build the foundation for future economic expansion and development, which will in turn positively impact Oakland livability.

The City's Policy Budget continues to be closely linked to the Redevelopment Agency's budget, with strategically coordinated work efforts. Economic revitalization and development are vitally important to the Agency, the City and Oakland's citizens as all parties are the beneficiaries of revitalized neighborhoods, increased business activity and development.

Sincerely,



Mayor Jean Quan



Deanna J. Santana
Agency Administrator

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OAKLAND REDEVELOPMENT AGENCY BACKGROUND

ORA History

The Oakland Redevelopment Agency (ORA) was activated on October 11, 1956, by action of the City Council pursuant to the California Community Redevelopment Law. The Agency is charged with the responsibility of redeveloping certain areas of the City designated as project areas. There are currently eight redevelopment project areas in the City:

1. Acorn
2. Broadway / MacArthur / San Pablo
3. Central City East
4. Central District
5. Coliseum
6. Oak Knoll
7. Oakland Army Base
8. West Oakland

Central City East and West Oakland, adopted in 2003, are the newest redevelopment project areas. On the other hand, Acorn and Central District are the oldest redevelopment areas.

ORA's principal activities are acquiring real property for the purpose of removing or preventing blight, constructing improvements thereon, and rehabilitating and restoring existing properties. The Oakland City Council serves as the Board of the Agency, and staff support is provided by the City agencies under the agreement between ORA and the City. Staff support for ORA includes project management, real estate acquisition and disposition, relocation, engineering and planning, legal, treasury and fiscal services.

ORA Funding

The primary source of funding for Oakland Redevelopment Agency (ORA or "Agency") activities is *property tax increment*, i.e. property taxes collected from the portion of the Net Assessed Value (NAV) of the Project Area that represents a difference between the "base value" of that project area and the total NAV for that area. The "base value" refers to the taxable assessed value of the project area at the time a redevelopment project is established.

When the redevelopment project is established, the base value becomes frozen, and the property tax revenue generated from this base value continues to be available to all local taxing entities (e.g. the City, the Oakland Unified School District, Alameda County, etc.) for operating purposes. The City of Oakland receives approximately 28 percent of the property tax revenue collected off the base value, accruing to the General Purpose Fund (GPF). This compares to 50 to 80 percent of the property tax revenue collected by the ORA project areas. The Agency's property tax revenue is affected by changes in the NAV of the taxed property located in City's redevelopment areas.

The amount of discretionary income available to ORA and its individual project areas is directly related to the total amount of the property tax increment generated by redevelopment. The latter depends in large part on the increase of property values in the redevelopment project areas, which may be stimulated by additional property development and commercial activities in the project areas and in other parts of Oakland. The gross tax increment for the Redevelopment Agency peaked in FY 2008-09 to \$131 million. However, due to the current economic climate and downturn in the real estate market, tax increment revenue is projected to drop to \$108 million and \$109 million in FY 2011-12 and FY 2012-13, respectively. To date, the largest share of ORA's total tax increment comes from the Central District Project Area; however this mature area's growth rate has recently decreased along with dramatic decreases in Central City East and West Oakland.

ORA BACKGROUND

AB 1290 Pass-Through. For redevelopment project areas *created after 1993*, California law (AB 1290) requires that a specified portion of the increment be passed through to the *affected taxing entities*, such as the City of Oakland, the School District, the County, etc. The exact percentage of this mandatory pass-through depends on the age of the redevelopment project area. During years 1 through 10, the pass-through is 20 percent of gross tax increment revenue. Beginning in the 11th year, a first adjusted base year is calculated (i.e. difference between year 11 and year 10 gross tax increment revenues); an additional 16.8 percent is applied to the resulting second tax increment. Coliseum is the only project area to reach this second threshold. This additional pass-through, which only applies to this second tax increment revenue, continues through the end of the project area's tax increment revenue collection. However, beginning in year 31, a second adjusted base year is calculated (i.e. the difference between year 31 and year 30 gross tax increment revenues). On this third resulting tax increment, a pass-through of 11.2 percent applies.

The AB 1290 legislation also imposed time limits on redevelopment activities, including debt incurrence, tax increment receipt and plan effectiveness. At the time AB 1290 was enacted into law, the time limit for incurring debt was the latter of 20 years after plan adoption or January 1, 2004. This time limit could only be extended if the redevelopment agency could provide evidence of significant remaining blight. Any extensions would trigger application of new or increased AB 1290 pass-throughs.

For older project areas, such as the Central District, the deadline for debt incurrence would have occurred on January 1, 2004. Application of this debt incurrence limit would have significantly curtailed the Central District project area's ability to finance blight-eliminating redevelopment strategies beyond 2004. As a result, the state legislature passed Senate Bill 211 (SB 211) to give redevelopment agencies the option of eliminating the deadline to incur debt. In January 2004, the Agency adopted legislation to eliminate the Central District's deadline to incur additional debt. This action triggered application of the AB 1290 pass-through on an "annex" or "mini-base year" for the Central District redevelopment area.

In Oakland, the revenue sharing provision of AB 1290 currently applies only to the *Coliseum, Broadway/MacArthur, Oakland Army Base, Central City East, West Oakland* and *Oak Knoll* project areas, in addition to the amended area of the Central District. AB 1290 is applicable to any new additional redevelopment project areas and/or project area augmentations created in the City in the future. Redevelopment project areas adopted prior to 1993 are exempt from AB 1290.

Housing Set-Aside. In accordance with the State law, at least 20 percent of the redevelopment tax increment is set aside for low- and moderate-income housing programs. In June 2000, the Agency Board voted to increase the low- and moderate-income housing set-aside to 25 percent of gross tax increment. While the housing set-aside accrues to the Redevelopment Agency, it does not represent discretionary resources for ORA, and can only be spent for the purposes of housing development within the City. In Oakland, the Housing Set-Aside revenue provides grants and loans to non-profits' low- and moderate-income housing developments; funds for the City's First-Time Homebuyer Program; and funding for staff support.

School Set-Aside. In June 1997, in the Coliseum Project Area only, the Agency voted to set aside 10 percent of tax increment to support construction of Oakland Unified School District (OUSD) facilities. California Redevelopment Law allows agencies to enter into agreements with school districts to construct or cause the construction of school facilities within a project area (Section 33446 of the California Health and Safety Code). Redevelopment law also enables an agency to pay for all or part of the value of land and improvements which are publicly owned within or outside of a project area, provided that: a) the legislative body determines such payment benefits the project area, immediate neighborhood or adjacent project area; b) no other reasonable means of financing are available to the community; and c) such payment will assist in the elimination of one or more blighting conditions inside the project area, provide low- or moderate-income housing and is consistent with the project area's implementation plan (Section 33445). Agency Counsel determined that the 10 percent set-aside be applied to tax increment revenues net of mandatory state pass-throughs and set-asides, including the SERAF shift (the total amount of which varies), 20 percent AB 1290 set-aside, 20 percent low- and moderate-income housing set-aside (increased by 5 percent by local mandate), and annual debt service. The 81st Avenue Library was completed and opened during FY 2010-11. The School Set-Aside Fund has a fund balance totaling \$3.5 million. The Agency is requesting a suspension of this set-aside given the downturn in tax increment revenue and until a new project eligible to receive funding is identified.

ORA BACKGROUND

Project Area Summary								
Project Area	Size (in acres)	Plan Adoption Date	Plan Limit Termination Dates			Repayment / Increment Collection	Tax Increment Limit	Collected through June 30, 2010
			Debt Incurrence	Plan Activity / Duration				
1 Acorn	25	11/3/1961	1/1/2004	1/1/2012	1/1/2022	\$30,000,000	\$27,956,436	
2 Broadway / MacArthur /San Pablo	676	7/25/2000	7/25/2020	7/25/2030	7/25/2045	No Limit		
3 Central City East	3,339	7/29/2003	7/29/2023	7/29/2033	7/29/2048	No Limit		
4 Central District	827	6/12/1969	Eliminated on 1/6/2004	6/12/2012	6/12/2022	\$1,348,862,000	\$786,126,324	
5 Coliseum	6,764	7/25/1995	7/25/2015	7/25/2027	7/25/2042	No Limit		
<i>amended area</i>	264	7/29/1997	7/29/2017	7/29/2028	7/29/2043			
6 Oak Knoll	183	7/14/1998	7/14/2018	7/14/2028	7/14/2043	\$1,500,000,000	\$3,386,779	
7 Oakland Army Base	1,200	7/11/2000	7/11/2022	7/11/2033	7/11/2048	\$506,400,000	\$31,248,109	
8 West Oakland	1,565	11/18/2003	11/18/2023	11/18/2033	11/18/2048	No Limit		

NOTES:

Special time limits apply to redevelopment areas that include former military bases, i.e. the Oakland Army Base and Oak Knoll in the case of ORA. The debt incurrence limit of 20 years, plan activity/duration of 30 years and debt repayment/increment collection time limit of 45 years are triggered once project-to-date tax increment revenue collections reach \$0.1 million.

FINANCIAL SUMMARIES

Oakland Redevelopment Agency Financial Summary

	FY 2010-11 Midcycle Budget	FY 2011-12 Adopted Budget	FY 2012-13 Adopted Budget
Funding Sources by Type			
GROSS Tax Increment	\$109,643,740	\$108,172,300	\$108,848,690
Less Set-Asides & Pass Throughs:			
AB1290 Pass-Through [A]	(16,021,010)	(15,066,576)	(15,393,897)
SERAF [B]	(8,497,000)	-	-
NET Tax Increment	85,125,730	93,105,724	93,454,793
Capital Funds [C]	9,204,450	8,532,503	8,473,613
Interest & Rental Income	1,827,730	3,261,360	3,260,550
Sale of Land [D]	-	-	-
Loan Repayment from Low-Mod	350,000	350,000	350,000
Subtotal Revenue	96,507,910	105,249,587	105,538,956
<i>Transfer from Fund Balance [E]</i>	6,745,370	23,446,298	4,831,061
Total Revenue	103,253,280	128,695,885	110,370,017
Funding Uses by Type			
Personnel Services and Overhead	25,980,250	26,760,232	27,354,055
Programs, Projects, Operations & Maintenance	21,710,420	21,700,206	20,749,884
Capital Projects [F]	8,602,030	25,567,693	10,151,637
Tax Increment Debt [G]	39,039,900	39,518,435	39,741,769
Other Debt			
Acorn Plaza Shopping Center	161,750	161,100	160,464
Oak Center Repayment to the City	-	-	-
Subordinated Housing Bond Debt	7,501,420	11,209,965	12,115,888
West Oakland - Willow Park	13,450	13,444	13,444
Subtotal Funding Uses	103,009,220	124,931,075	110,287,141
<i>Contribution to/(from) Fund Balance [H]</i>	244,060	3,764,810	82,876
Total Expenditure/Appropriation	\$103,253,280	\$128,695,885	\$110,370,017

[A] California law (AB-1290) requires that a specified portion of tax increment be returned to affected taxing entities. This requirement applies only to redevelopment project areas created or significantly amended after 1993.

[B] Due to the passage of Proposition 22, the Agency is not assuming any Supplemental Educational Revenue Augmentation Fund (SERAF) for FY 2011-13.

[C] Primarily includes Central District revenue associated with various facilities and garages.

[D] Due to current economic downturn no land sales are budgeted for FY 2011-13.

[E] Transfer from fund balance represents contribution of \$0.09 million from Acorn, \$2.2 million from Central City East, \$12.3 million from Central District operating, \$7.0 million from Central District capital and \$1.86 million from Oakland Army Base in FY 2011-12. In FY 2012-13, amounts are as follows: \$0.63 million from Acorn, 1.77 million from Central City East, \$2.08 million from Central District operating, \$0.26 million from Central District capital and \$0.09 million from the Oakland Army Base.

[F] Includes projects presented in the FY 2011-13 Proposed Capital Improvement Program, plus \$12.3 million for Central District's share of the Kaiser Convention Center purchase.

[G] Includes 1992 Central District Tax Allocation Bonds (TAB), 1998 Oakland Tribune Tower, 2003/2005/2006/2009 Central District TAB, 2006 Coliseum TAB, 2006 Central City East TAB and 2006/2010 Broadway/MacArthur/San Pablo TAB.

[H] Transfer to fund balance represents contribution of \$3.7 million and \$0.08 million for Central District capital in FY 2011-12 and FY 2012-13, respectively.

FINANCIAL SUMMARIES

Funding Sources by Project Area/Program Fiscal Year 2011-12

	Net Tax Increment [A]	Capital Funds [B]	Transfers from Fund Balance [C]	Interfund Transfer + / - [D]	Misc. Sources [E]	Total
Project Areas						
Acorn	\$525,000	\$0	\$85,321	\$0	\$0	\$610,321
Broadway/MacArthur/ San Pablo	2,701,215	-	-	-	268,250	2,969,465
Central City East	5,702,950	-	2,197,663	-	91,500	7,992,113
Central District	35,064,332	8,532,503	19,300,000	350,000	269,000	63,515,835
Coliseum	13,561,532	-	-	-	176,970	13,738,502
Oak Knoll	737,715	-	-	-	-	737,715
Oakland Army Base	5,044,435	-	1,863,314	-	2,417,440	9,325,189
West Oakland	2,725,470	-	-	-	38,200	2,763,670
Subtotal Project Areas	66,062,649	8,532,503	23,446,298	350,000	3,261,360	101,652,810
Programs						
20% Housing Set-Aside	21,634,460	-	-	(350,000)	350,000	21,634,460
5% Voluntary Housing Set-Aside	5,408,615	-	-	-	-	5,408,615
10% Voluntary School Set-Aside	-	-	-	-	-	-
Subtotal Programs	27,043,075	-	-	(350,000)	350,000	27,043,075
Total Sources	\$93,105,724	\$8,532,503	\$23,446,298	\$0	\$3,611,360	\$128,695,885

[A] Net of AB-1290 Pass-Through (20% applies to project areas created or amended after 1993 only) and Housing Set-Aside (25%).

[B] Includes interest and rental revenue.

[C] Transfer from fund balance within Central District operating totaling \$12.3 million is to fund its share of the Kaiser Convention Center purchase from the City and \$7.0 million from Central District capital to fund the Uptown Garage, 1800 San Pablo and Facade Improvement projects.

[D] Reflects a payment of \$350,000 from Low-Moderate Income Housing to the Central District for the Henry J. Robinson Multi-Service Center.

[E] Includes miscellaneous interest and rental income.

FINANCIAL SUMMARIES

Funding Uses by Project Area/Program Fiscal Year 2011-12

	Personnel Services & Related Overhead	Projects, Programs, & Operations	Capital	Transfer to Fund Balance [B]	Tax Increment Debt	Other Debt	Total
Project Areas							
Acorn	\$434,597	\$14,624	\$0	\$0	\$0	\$161,100	\$610,321
Broadway/MacArthur/ San Pablo	\$1,053,677	218,275	-	-	1,697,513	-	2,969,465
Central City East	\$2,347,393	523,196	-	-	5,121,524	-	7,992,113
Central District [A]	\$7,609,874	2,218,578	24,067,693	3,764,810	25,854,880	-	63,515,835
Coliseum	\$4,559,339	2,334,645	-	-	6,844,518	-	13,738,502
Oak Knoll	\$391,910	345,805	-	-	-	-	737,715
Oakland Army Base	\$2,146,844	5,678,345	1,500,000	-	-	-	9,325,189
West Oakland	\$1,418,958	1,331,268	-	-	-	13,444	2,763,670
Subtotal Project Areas	19,962,592	12,664,736	25,567,693	3,764,810	39,518,435	174,544	101,652,810
Programs							
Low-Moderate Income Housing	6,797,640	9,035,470	-	-	-	11,209,965	27,043,075
Subtotal Programs	6,797,640	9,035,470	-	-	-	11,209,965	27,043,075
Total Uses	\$26,760,232	\$21,700,206	\$25,567,693	\$3,764,810	\$39,518,435	\$11,384,509	\$128,695,885

[A] Projects, Programs & Operations includes \$1.3 million in tax increment rebates. Capital includes \$12.3 million for land acquisition (Kaiser Convention Center).

[B] Central District capital includes a contribution of \$3.76 million to fund balance to eliminate historic negative fund balances.

FINANCIAL SUMMARIES

Funding Sources by Project Area/Program Fiscal Year 2012-13

	Net Tax Increment [A]	Capital Funds [B]	Transfers from Fund Balance	Interfund Transfer + / - [C]	Misc. Sources [D]	Total
Project Areas						
Acorn	\$0	\$0	\$628,626	\$0	\$0	\$628,626
Broadway/MacArthur/ San Pablo	2,741,733	-	-	-	267,440	3,009,173
Central City East	5,817,009	-	1,772,197	-	91,500	7,680,706
Central District	32,726,582	8,473,613	2,339,455	350,000	269,000	44,158,650
Coliseum	13,713,869	-	-	-	176,970	13,890,839
Oak Knoll [E]	745,090	-	-	-	-	745,090
Oakland Army Base	5,094,881	-	90,783	-	2,417,440	7,603,104
West Oakland	2,779,980	-	-	-	38,200	2,818,180
Subtotal Project Areas	63,619,144	8,473,613	4,831,061	350,000	3,260,550	80,534,368
Programs						
20% Housing Set-Aside	27,016,688	-	-	(350,000)	350,000	27,016,688
5% Voluntary Housing Set-Aside	2,818,961	-	-	-	-	2,818,961
10% Voluntary School Set-Aside	-	-	-	-	-	-
Subtotal Programs	29,835,649	-	-	(350,000)	350,000	29,835,649
Total Sources	\$93,454,793	\$8,473,613	\$4,831,061	\$0	\$3,610,550	\$110,370,017

[A] Net of AB-1290 Pass-Through (20% applies to project areas created or amended after 1993 only) and Housing Set-Aside (25%).

[B] Includes interest and rental revenue.

[C] Reflects a payment of \$350,000 from Low-Moderate Income Housing to the Central District for the Henry J. Robinson Multi-Service Center.

[D] Includes miscellaneous interest and rental income.

FINANCIAL SUMMARIES

Funding Uses by Project Area/Program Fiscal Year 2012-13

	Personnel Services & Related Overhead	Projects, Programs, & Operations	Capital	Transfer to Fund Balance [B]	Tax Increment Debt	Other Debt	Total
Project Areas							
Acorn	\$450,178	\$17,984	\$0	\$0	\$0	\$160,464	\$628,626
Broadway/MacArthur/ San Pablo	1,094,353	170,088	-	-	1,744,732	-	3,009,173
Central City East	2,437,551	122,418	-	-	5,120,737	-	7,680,706
Central District [A]	7,299,508	2,091,292	8,651,637	82,876	26,033,337	-	44,158,650
Coliseum	4,750,283	2,297,593	-	-	6,842,963	-	13,890,839
Oak Knoll	406,472	338,618	-	-	-	-	745,090
Oakland Army Base	2,235,222	3,867,882	1,500,000	-	-	-	7,603,104
West Oakland	1,480,715	1,324,021	-	-	-	13,444	2,818,180
Subtotal Project Areas	20,154,282	10,229,896	10,151,637	82,876	39,741,769	173,908	80,534,369
Programs							
Low-Moderate Income Housing	7,199,773	10,519,988	-	-	-	12,115,888	29,835,649
Subtotal Programs	7,199,773	10,519,988	0	0	0	12,115,888	29,835,649
Total Uses	\$27,354,055	\$20,749,884	\$10,151,637	\$82,876	\$39,741,769	\$12,289,796	\$110,370,017

[A] Project, Programs & Operations includes \$1.3 million in tax increment rebates.

[B] Central District capital includes a small contribution to fund balance.

FINANCIAL SUMMARIES

Use of Tax Increment Revenue for Mandated Transfers, Set-Asides and Debt Payments By Project Area Fiscal Year 2011-12

	Gross Tax Increment	AB1290 Set-Aside	Annual Debt Service	Housing Set-Aside		Net Available [A]
				Mandatory 20%	Voluntary 5%	
Acorn	\$700,000	\$0	\$0	(\$140,000)	(\$35,000)	\$525,000
Broadway/MacArthur /San Pablo	4,911,300	(982,260)	(1,697,513)	(982,260)	(245,565)	1,003,702
Central City East	10,369,000	(2,073,800)	(5,121,524)	(2,073,800)	(518,450)	581,426
Central District	51,950,000	(3,898,168)	(25,854,880)	(10,390,000)	(2,597,500)	9,209,452
Coliseum	24,773,600	(5,018,668)	(6,844,518)	(4,954,720)	(1,238,680)	6,717,014
Oak Knoll	1,341,300	(268,260)	-	(268,260)	(67,065)	737,715
Oakland Army Base	9,171,700	(1,834,340)	-	(1,834,340)	(458,585)	5,044,435
West Oakland	4,955,400	(991,080)	-	(991,080)	(247,770)	2,725,470
	\$108,172,300	(\$15,066,576)	(\$39,518,435)	(\$21,634,460)	(\$5,408,615)	\$26,544,214

[A] Net available tax increment represents revenue that is available for personnel services and operations after all mandatory transfers, set-asides and debt payments have been covered.

FINANCIAL SUMMARIES

Use of Tax Increment Revenue for Mandated Transfers, Set-Asides and Debt Payments By Project Area Fiscal Year 2012-13

	Gross Tax Increment	AB1290 Set-Aside	Annual Debt Service	Housing Set-Aside		Net Available [A]
				Mandatory 20%	Voluntary 5%	
Acorn	\$0	\$0	\$0	\$0	\$0	\$0
Broadway/MacArthur /San Pablo	4,984,970	(996,994)	(1,744,732)	(996,994)	(249,249)	997,001
Central City East	10,576,380	(2,115,276)	(5,120,737)	(2,115,276)	(528,819)	696,272
Central District [B]	52,469,500	(4,002,068)	(26,033,337)	(15,740,850)	-	6,693,245
Coliseum	25,145,200	(5,145,031)	(6,842,963)	(5,029,040)	(1,257,260)	6,870,906
Oak Knoll	1,354,710	(270,942)	-	(270,942)	(67,736)	745,090
Oakland Army Base	9,263,420	(1,852,684)	-	(1,852,684)	(463,171)	5,094,881
West Oakland	5,054,510	(1,010,902)	-	(1,010,902)	(252,726)	2,779,980
	\$108,848,690	(\$15,393,897)	(\$39,741,769)	(\$27,016,688)	(\$2,818,961)	\$23,877,375

[A] Net available tax increment represents revenue that is available for personnel services and operations after all mandatory transfers, set-asides and debt payments have been covered.

[B] Assumes an extension approval for Central District, which increases the Mandatory Low-Mod set-aside to 30 percent.

FINANCIAL SUMMARIES

Personnel Services and Related Overhead Costs

Fiscal Year 2011-12

Agency/Department	Acorn	Broadway/ MacArthur/ San Pablo	Central City East	Central District	Coliseum
Mayor	\$7,821	\$15,628	\$26,508	\$186,754	\$85,538
Council	22,567	45,094	76,489	538,872	246,817
City Administrator	24,048	47,711	80,928	570,142	261,139
City Clerk	6,276	12,541	21,272	149,862	68,641
City Attorney	42,823	85,242	144,589	1,018,637	466,562
Finance & Management	12,563	25,013	42,427	298,900	136,904
Public Works	16,405	31,823	53,978	380,279	174,178
Information Technology	501	1,000	1,697	11,954	5,475
Human Services	-	-	-	-	-
Police Services	-	203,937	877,337	1,007,247	1,126,284
Community & Economic Development	301,593	585,688	1,022,168	3,447,227	1,987,801
Total Personnel & Overhead	\$434,597	\$1,053,677	\$2,347,393	\$7,609,874	\$4,559,339

FINANCIAL SUMMARIES

Personnel Services and Related Overhead Costs

Fiscal Year 2011-12

Agency/Department	Oak Knoll	Oakland Army Base	West Oakland	Low- Moderate Income Housing	Total
Mayor	\$6,224	\$42,556	\$22,993	\$180,858	\$574,880
Council	17,958	122,795	66,345	521,861	\$1,658,798
City Administrator	19,000	129,921	70,195	420,561	\$1,623,645
City Clerk	4,994	34,150	18,451	145,132	\$461,319
City Attorney	33,946	232,121	125,413	860,031	\$3,009,364
Finance & Management	9,961	68,112	36,800	253,713	\$884,393
Public Works	12,673	86,656	46,820	-	\$802,812
Information Technology	398	2,724	1,472	11,577	\$36,798
Human Services	-	-	-	559,666	\$559,666
Police Services	-	-	399,890	-	\$3,614,695
Community & Economic Development	286,756	1,427,809	630,579	3,844,241	\$13,533,862
Total Personnel & Overhead	\$391,910	\$2,146,844	\$1,418,958	\$6,797,640	\$26,760,232

FINANCIAL SUMMARIES

Personnel Services and Related Overhead Costs

Fiscal Year 2012-13

Agency/Department	Acorn	Broadway/ MacArthur/ San Pablo	Central City East	Central District	Coliseum
Mayor	\$7,858	\$15,895	\$27,690	\$167,588	\$87,513
Council	22,797	46,117	80,341	486,240	253,911
City Administrator	24,866	49,803	86,762	525,102	274,205
City Clerk	6,499	13,147	22,903	138,616	72,385
City Attorney	44,500	89,544	155,995	944,119	493,013
Finance & Management	12,866	25,893	45,108	273,007	142,562
Public Works	17,658	34,340	59,824	362,067	189,069
Information Technology	509	1,030	1,793	10,853	5,667
Human Services	-	-	-	-	-
Police Services	-	211,258	886,690	1,027,974	1,138,310
Community & Economic Development	312,625	607,326	1,070,445	3,363,942	2,093,648
Total Personnel & Overhead	\$450,178	\$1,094,353	\$2,437,551	\$7,299,508	\$4,750,283

FINANCIAL SUMMARIES

Personnel Services and Related Overhead Costs

Fiscal Year 2012-13

Agency/Department	Oak Knoll	Oakland Army Base	West Oakland	Low- Moderate Income Housing	Total
Mayor	\$6,335	\$43,320	\$23,637	\$202,175	\$582,011
Council	18,381	125,690	68,582	586,591	\$1,688,650
City Administrator	19,850	135,735	74,063	475,674	\$1,666,060
City Clerk	5,240	35,831	19,551	167,224	\$481,396
City Attorney	35,690	244,048	133,163	988,321	\$3,128,393
Finance & Management	10,320	70,570	38,507	286,897	\$905,730
Public Works	13,687	93,592	51,068	-	\$821,305
Information Technology	410	2,805	1,531	13,093	\$37,691
Human Services	-	-	-	563,574	\$563,574
Police Services	-	-	409,257	-	\$3,673,489
Community & Economic Development	296,559	1,483,631	661,356	3,916,224	\$13,805,756
Total Personnel & Overhead	\$406,472	\$2,235,222	\$1,480,715	\$7,199,773	\$27,354,055

FINANCIAL SUMMARIES

Summary of Full-Time Equivalents (FTEs) FY 2009-11 to FY 2011-13

Position by Classification	FY 2009-10 Adopted FTE	FY 2010-11 Adopted FTE	FY 2011-12 Adopted FTE	FY 2012-13 Adopted FTE
Mayor				
City Administrator Analyst	0.50	0.50	-	-
Deputy Director, Prg Planning & Dev	0.15	0.15	-	-
Mayor	0.50	0.50	0.50	0.50
Project Manager III	0.50	0.50	-	-
Special Assistant to the Mayor	-	-	1.50	1.50
Subtotal	1.65	1.65	2.00	2.00
City Council				
City Council Administrative Assistant	1.36	1.36	1.61	1.61
City Councilmember's Assistant	2.40	2.40	3.60	3.60
Council Member	4.00	4.00	4.00	4.00
Exec Assistant to the City Council	-	-	0.55	0.55
Senior Council Policy Analyst	1.95	-	-	-
Subtotal	9.71	7.76	9.76	9.76
City Administrator				
Accountant II	0.30	0.30	-	-
Administrative Assistant to the Mayor	-	0.50	-	-
Administrative Assistant II	0.50	0.50	0.50	0.50
Assistant to the City Administrator	1.25	1.25	1.25	1.25
Assistant City Administrator	0.40	0.40	0.40	0.40
Budget & Operations Analyst III	-	0.50	-	-
Budget Director	0.20	0.28	0.50	0.50
Cable Operations Technician	1.00	1.00	1.00	1.00
Cable TV Production Assistant	1.00	1.00	1.00	1.00
Cable TV Production Assistant, PPT	2.85	2.85	2.85	2.85
Cable TV Station Manager	0.11	0.11	0.11	0.11
City Administrator	0.50	0.50	0.50	0.50
City Administrator Analyst	0.50	0.50	0.50	0.50
Deputy City Administrator	-	0.40	0.40	0.40
Deputy Director, Prg Planning & Dev	0.50	-	-	-
Executive Assistant to Asst City Administrator	-	0.50	0.50	0.50
Executive Assistant to the City Administrator	0.50	0.50	0.50	0.50
Financial Analyst	0.50	-	-	-
Financial Analyst, Principal	0.50	0.50	0.50	0.50
Mayor's PSE 14	0.50	0.50	0.50	0.50
Mayor's PSE 14, PT	0.50	0.50	0.50	0.50
Program Analyst II, PPT	-	-	0.33	0.33
Subtotal	11.61	12.59	11.84	11.84
City Attorney (CONT'D)				
City Attorney	0.30	0.30	0.30	0.30
City Attorney, Assistant	-	0.30	0.30	0.30
Deputy City Attorney II	2.20	2.20	1.70	1.70

FINANCIAL SUMMARIES

Summary of Full-Time Equivalents (FTEs) FY 2009-11 to FY 2011-13 (CONT'D)

Position by Classification	FY 2009-10 Adopted FTE	FY 2010-11 Adopted FTE	FY 2011-12 Adopted FTE	FY 2012-13 Adopted FTE
City Attorney (CONT'D)				
Deputy City Attorney III	2.13	2.13	2.13	2.13
Deputy City Attorney IV	2.47	2.47	2.47	2.47
Deputy City Attorney V	2.15	2.15	2.15	2.15
Exec Assist to Asst City Attorney	-	0.30	0.30	0.30
Exec Assist to the City Attorney	-	0.30	0.30	0.30
Legal Administrative Assistant	1.60	1.60	2.60	2.60
Manager, Agency Administrative	-	0.30	0.30	0.30
Manager, Legal Admin Services	-	0.30	0.30	0.30
Paralegal	1.00	1.00	1.00	1.00
Special Counsel	1.00	1.00	1.00	1.00
Subtotal	12.85	14.35	14.85	14.85
City Clerk				
Administrative Analyst I	0.33	0.33	0.50	0.50
City Clerk	0.33	0.33	0.50	0.50
City Clerk, Assistant	0.33	0.33	0.50	0.50
Citywide Records Manager	0.33	0.33	0.50	0.50
Legislative Recorder	0.66	0.66	1.50	1.50
Office Assistant II	0.33	0.33	-	-
Subtotal	2.31	2.31	3.50	3.50
City Auditor				
Performance Auditor	0.15	-	-	-
Performance Auditor, Sr	0.07	-	-	-
Performance Audit Manager	0.35	-	-	-
Subtotal	0.57	-	-	-
Office of Information Technology				
Systems Programmer II	-	-	0.33	0.33
Subtotal	-	-	0.33	0.33
Finance and Management				
Accountant II	1.00	1.00	1.00	1.00
Accountant III	2.00	2.00	2.00	2.00
Accounting Supervisor	1.00	-	-	-
Administrative Services Manager II	-	-	0.30	0.30
Agency Director	0.30	0.30	0.30	0.30
Assistant Controller	0.40	-	0.40	0.40
Budget & Operations Analyst III	-	-	0.50	0.50
Controller	0.40	0.40	0.40	0.40
Exec Assistant to Agency Director	-	0.30	0.30	0.30
Financial Analyst	1.00	1.00	1.00	1.00
Manager, Agency Administrative	-	0.30	-	-
Subtotal	6.10	5.30	6.20	6.20

FINANCIAL SUMMARIES

Summary of Full-Time Equivalents (FTEs) FY 2009-11 to FY 2011-13 (CONT'D)

Position by Classification	FY 2009-10 Adopted FTE	FY 2010-11 Adopted FTE	FY 2011-12 Adopted FTE	FY 2012-13 Adopted FTE
Human Services				
Accountant II	0.39	0.39	0.32	0.32
Administrative Assistant II	0.15	0.15	-	-
Community Housing Service Manager	0.85	0.85	0.77	0.77
Housing Development Coordinator III	1.47	1.47	1.26	1.26
Program Analyst I	0.23	0.23	0.29	0.29
Program Analyst II	1.06	1.06	0.93	0.88
Subtotal	4.15	4.15	3.57	3.52
Police Services				
Police Officer	16.18	16.18	16.18	16.18
Sergeant of Police	1.00	1.00	1.00	1.00
Subtotal	17.18	17.18	17.18	17.18
Public Works				
Public Works Maintenance Worker	3.00	3.00	3.00	3.00
Street Maintenance Leader	3.00	2.00	2.00	2.00
Traffic Painter	2.00	2.00	2.00	2.00
Subtotal	8.00	7.00	7.00	7.00
Community and Economic Development (CONT'D)				
Account Clerk I	1.00	0.50	0.50	0.50
Administrative Analyst I	0.72	1.57	0.85	0.85
Administrative Analyst II	2.10	1.34	1.84	1.84
Administrative Assistant I	2.50	2.50	2.50	2.50
Administrative Assistant II	1.85	1.00	1.00	1.00
Administrative Services Manager I	-	-	0.15	0.15
Administrative Services Manager II	2.00	2.00	2.00	2.00
Community Development Program Coordinator	1.00	-	-	-
Deputy Director, Comm Econ Dev	1.40	1.40	1.40	1.40
Deputy Director, Housing	0.75	0.75	0.75	0.75
Development/Redevelopment Program Mgr	6.33	6.93	5.93	5.93
Executive Assistant to Agency Director	1.00	1.00	1.00	1.00
Graphic Design Specialist	1.00	1.00	1.00	1.00
Home Management Counselor III	1.00	1.00	1.00	1.00
Housing Development Coordinator III	5.00	5.00	5.00	5.00
Housing Development Coordinator IV	2.65	3.65	3.65	3.65
Loan Servicing Administrator	0.80	0.80	0.80	0.80
Loan Servicing Specialist	0.30	0.30	0.15	0.15
Management Assistant	1.30	1.30	0.80	0.80
Manager, Real Estate Services	1.00	1.00	1.00	1.00
Monitoring and Evaluation Supervisor	1.00	1.00	1.00	1.00
Office Assistant II	3.55	3.55	2.55	2.55
Planner III	1.00	2.00	1.50	1.50

FINANCIAL SUMMARIES

Summary of Full-Time Equivalents (FTEs) FY 2009-11 to FY 2011-13 (CONT'D)

Position by Classification	FY 2009-10 Adopted FTE	FY 2010-11 Adopted FTE	FY 2011-12 Adopted FTE	FY 2012-13 Adopted FTE
Community and Economic Development (CONT'D)				
Planner III, Hist. Preservation	0.25	-	-	-
Planner IV	1.20	-	-	-
Planner V	-	1.00		
Planning Intern, PT	0.80	0.80	0.80	0.80
Program Analyst I	0.28	1.28	1.28	1.28
Program Analyst I, PPT	0.40	-	-	-
Program Analyst II	1.00	-	-	-
Program Analyst II, PPT	0.50	0.50	0.50	0.50
Program Analyst III	2.25	2.25	2.25	2.25
Project Manager	1.00	-	-	-
Project Manager II	1.00	1.00	1.00	1.00
Project Manager III	-	1.00	1.00	1.00
Public Information Officer II	1.00	1.00	1.00	1.00
Public Service Rep, PPT	0.50	0.50	0.50	0.50
Real Estate Agent	4.25	2.36	2.36	2.36
Real Estate Agent, Supervisor	0.50	0.50	0.50	0.50
Receptionist	-	-	1.00	1.00
Rehabilitation Advisor III	1.25	1.25	1.25	1.25
Special Events Coordinator	2.00	1.00	1.00	1.00
Student Trainee, PT	4.50	4.00	4.50	4.50
Urban Economic Analyst I	4.00	2.00	2.00	2.00
Urban Economic Analyst II	5.00	4.00	4.00	4.00
Urban Economic Analyst III	10.65	12.00	10.00	10.00
Urban Economic Analyst III, PPT	0.50	0.50	-	-
Urban Economic Analyst IV	9.00	6.72	6.72	6.72
Urban Economic Coordinator	6.60	5.00	5.00	5.00
Subtotal	97.68	88.25	83.03	83.03
Total Authorized Personnel	171.81	160.54	159.26	159.21

FINANCIAL SUMMARIES

Debt Service Summary Fiscal Year 2011-12

	Principal Outstanding 7/1/2011	FY 2011-12 Payment			
		Principal	Interest	Total	
Tax Increment Debt					
<i>Central District Debt</i>					
	1992 Central District Senior Tax Allocation Bonds	\$18,900,000	\$5,925,000	\$1,039,500	\$6,964,500
	1998 Oakland Tribune Tower	60,000	60,000	3,386	63,386
	2003 Central District Subordinated Tax Allocation Bonds	92,810,000	4,945,000	4,956,200	9,901,200
[A]	2005 Central District Subordinated Tax Allocation Bond	31,970,000	-	1,598,500	1,598,500
	2006-T Central District Subordinated Tax Allocation Bond	23,060,000	2,450,000	1,163,756	3,613,756
	2009-T Central District Subordinated Tax Allocation Bond	38,070,000	700,000	3,013,538	3,713,538
	<i>Subtotal Central District Debt</i>	204,870,000	14,080,000	11,774,880	25,854,880
<i>Coliseum Debt</i>					
	2006B-TE Coliseum Tax Allocation Bond	26,800,000	510,000	1,277,325	1,787,325
	2006B-T Coliseum Tax Allocation Bond	68,740,000	1,310,000	3,747,193	5,057,193
	<i>Subtotal Coliseum Debt</i>	95,540,000	1,820,000	5,024,518	6,844,518
<i>Central City East Debt</i>					
	2006A-TE Central City East Tax Allocation Bond	13,780,000	-	689,000	689,000
	2006A-T Central City East Tax Allocation Bond	57,460,000	1,310,000	3,122,524	4,432,524
	<i>Subtotal Central City East Debt</i>	71,240,000	1,310,000	3,811,524	5,121,524
<i>Broadway/MacArthur/San Pablo Debt</i>					
	2006C-TE Broadway/MacArthur/SP Tax Allocation Bond	4,945,000	-	247,250	247,250
	2006C-T Broadway/MacArthur/SP Tax Allocation Bond	11,185,000	295,000	610,973	905,973
	2010-T Broadway/MacArthur/SP Tax Allocation Bond	7,390,000	-	544,290	544,290
	<i>Subtotal Broadway/MacArthur/SP Debt</i>	23,520,000	295,000	1,402,513	1,697,513
	Subtotal Tax Increment Debt	395,170,000	17,505,000	22,013,435	39,518,435
Other Debt					
[B]	Acorn Plaza Shopping Center (aka Jack London Gateway Shopping Center)	754,857	106,070	55,030	161,100
	Willow Park	151,855	8,888	4,556	13,444
	Subtotal Other Debt	906,712	114,958	59,586	174,544
Housing Debt					
	2006 Subordinated Housing Set-Aside Refunding Revenue Bond - Tax Exempt	2,195,000	-	109,750	109,750
	2006 Subordinated Housing Set-Aside Refunding Revenue Bond - Taxable	79,560,000	2,860,000	4,460,430	7,320,430
	2011 Subordinated Housing Set-Aside Refunding Revenue Bond - Taxable	46,980,000	-	3,779,785	3,779,785
	Subtotal Housing Debt	128,735,000	2,860,000	8,349,965	11,209,965
	Total Debt	\$524,811,712	\$20,479,958	\$30,422,986	\$50,902,944

[A] No principal payment is due on the 2005 Central District Subordinated Tax Allocation Bonds until 2020.

[B] The Acorn Project Area assumed an Enhanced Enterprise Community (EEC) HUD-108 / Economic Development Initiative (EDI) HUD-EDI loan. After the transfer to JLG Associates, ORA is responsible for debt service on \$1,500,000 portion and JLG Associates will reimburse ORA with upto 50% of its net revenue.

FINANCIAL SUMMARIES

Debt Service Summary Fiscal Year 2012-13

	FY 2012-13 Payment			Principal Outstanding 7/1/2013	
	Principal	Interest	Total		
Tax Increment Debt					
<i>Central District Debt</i>					
	1992 Central District Senior Tax Allocation Bonds	\$6,295,000	\$713,625	\$7,008,625	\$6,680,000
	1998 Oakland Tribune Tower	-	-	-	-
	2003 Central District Subordinated Tax Allocation Bonds	5,145,000	4,691,088	9,836,088	82,720,000
[A]	2005 Central District Subordinated Tax Allocation Bond	-	1,598,500	1,598,500	31,970,000
	2006-T Central District Subordinated Tax Allocation Bond	2,595,000	1,031,274	3,626,274	18,015,000
	2009-T Central District Subordinated Tax Allocation Bond	1,000,000	2,963,850	3,963,850	36,370,000
	<i>Subtotal Central District Debt</i>	15,035,000	10,998,337	26,033,337	175,755,000
<i>Coliseum Debt</i>					
	2006B-TE Coliseum Tax Allocation Bond	535,000	1,256,425	1,791,425	25,755,000
	2006B-T Coliseum Tax Allocation Bond	1,375,000	3,676,538	5,051,538	66,055,000
	<i>Subtotal Coliseum Debt</i>	1,910,000	4,932,963	6,842,963	91,810,000
<i>Central City East Debt</i>					
	2006A-TE Central City East Tax Allocation Bond	-	689,000	689,000	13,780,000
	2006A-T Central City East Tax Allocation Bond	1,380,000	3,051,737	4,431,737	54,770,000
	<i>Subtotal Central City East Debt</i>	1,380,000	3,740,737	5,120,737	68,550,000
<i>Broadway/MacArthur/San Pablo Debt</i>					
	2006C-TE Broadway/MacArthur/SP Tax Allocation Bond	-	247,250	247,250	4,945,000
	2006C-T Broadway/MacArthur/SP Tax Allocation Bond	310,000	594,992	904,992	10,580,000
	2010-T Broadway/MacArthur/SP Tax Allocation Bond	50,000	542,490	592,490	7,340,000
	<i>Subtotal Broadway/MacArthur/SP Debt</i>	360,000	1,384,732	1,744,732	22,865,000
	Subtotal Tax Increment Debt	18,685,000	21,056,769	39,741,769	358,980,000
Other Debt					
[B]	Acorn Plaza Shopping Center (aka Jack London Gateway Shopping Center)	113,760	46,704	160,464	535,027
	Willow Park	9,155	4,289	13,444	133,812
	Subtotal Other Debt	122,915	50,993	173,908	668,839
	2006 Subordinated Housing Set-Aside Refunding Revenue Bond - Tax Exempt	-	109,750	109,750	2,195,000
	2006 Subordinated Housing Set-Aside Refunding Revenue Bond - Taxable	3,010,000	4,305,213	7,315,213	73,690,000
	2011 Subordinated Housing Set-Aside Refunding Revenue Bond - Taxable	850,000	3,840,925	4,690,925	46,130,000
	Subtotal Housing Bond	3,860,000	8,255,888	12,115,888	122,015,000
	Total Debt	\$22,667,915	\$29,363,650	\$52,031,565	\$481,663,839

[A] No principal payment is due on the 2005 Central District Subordinated Tax Allocation Bonds until 2020.

[B] The Acorn Project Area assumed an Enhanced Enterprise Community (EEC) HUD-108 / Economic Development Initiative (EDI) HUD-EDI loan. After the transfer to JLG Associates, ORA is responsible for debt service on \$1,500,000 portion and JLG Associates will reimburse ORA with upto 50% of its net revenue.

FINANCIAL SUMMARIES

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Redevelopment Programs

The Oakland Redevelopment Agency addresses physical improvements to blighted properties through public/private partnerships by funding loans and grants. Additional program descriptions are included in detail within each project area section.

Basement Backfill and Repair Program

The Central District Basement Backfill and Repair Program (BBRP) is a new program to assist private property owners in the repair of deteriorated sub-sidewalk basement spaces in specific areas in downtown Oakland. The overall purpose of this program is to correct the problems associated with these deteriorated basements – such as leaking, rusted elevator access doors, deteriorated structural elements, rusted rebar, and leaking skylights and sidewalk grilles – so that the City can proceed with construction of several streetscape projects included in the Downtown Streetscape Master Plan. Plans for FY 2011-13 include continuing to promote the program in specific areas of Downtown Oakland, and working with those property owners interested in pursuing repair of their basements.

Façade Improvement Program

The Redevelopment Agency Façade Improvement Program offers business and property owners in certain target areas matching grants for approved exterior renovations to commercial and mixed-use properties located within redevelopment areas. The program also provides grantees with complimentary architectural assistance.

The Façade Improvement Program is intended to restore the exterior of historic buildings, update and modernize the exterior of older buildings for reoccupation, promote retail activity, improve the pedestrian experience and help support other redevelopment projects by enhancing the general appearance of surrounding properties. Eligible work includes painting/wall repair/cleaning, new awnings/canopies, renovation or repair of windows, landscaping and exterior lighting, rehabilitation of historic facades and removal & replacement of signage.

There are already approximately 116 new façade projects currently planned for completion during FY 2011-2013. These projects are located within the following project areas: Broadway/MacArthur/San Pablo, Central City East, Central District, Coliseum, and West Oakland.

Graffiti Abatement Program

The Agency issued a Request for Proposals (RFP) to non-profit employment institutions and general contractors partnering with job training organizations (“Firms”) for training and graffiti abatement in commercial and industrial districts of the Coliseum, Central City East, Broadway/MacArthur/San Pablo, Central District and West Oakland Redevelopment Project Areas. The selected Firms will provide employment and job training opportunities to residents of the respective redevelopment project areas and remove graffiti in the project areas to encourage private investment and economic development and to benefit existing businesses and residents. In some project areas Firms may also provide training in weed abatement, in order to abate weeds and remove litter. The Agency plans to select up to five highly qualified Firms to perform the required services.

Neighborhood Project Initiative (NPI) Program

The NPI program is a community grant program that funds one-time, small-scale, community-initiated physical improvement projects. The program is designed to support existing blight reduction and beautification efforts in the redevelopment project area and to encourage community participation in redevelopment. During FY 2011-2013, new funding is expected to continue for this program within Broadway/MacArthur/San Pablo and West Oakland for one additional granting cycle.

PROJECTS & ACTIVITIES

Public Safety (Police Services) Program

The Agency Public Safety Program in conjunction with the Oakland Police Department was established to enhance safety and security above standard police patrol levels in order to facilitate the leasing or sale of office space and/or patrol commercial corridors in the various redevelopment areas, including Broadway/MacArthur/San Pablo, Central City East, Central District, Coliseum, and West Oakland.

Adopted funding for FY 2011-13 continues these extra police patrol programs and activities, but varies slightly per each individual project area. The program covers police officers staffing the Walking Patrol Program, Neighborhood Enforcement Team, 8L18 Program and the Police Services Program.

Tenant Improvement Program

The Tenant Improvement Program (TIP) is an incentive program that offers business and property owners matching grants on a dollar-for-dollar basis for tenant improvements to the interiors of vacant retail spaces. The program is designed to assist property owners in attracting retail businesses to locations that are difficult and costly to renovate, and serves as an incentive for new retail businesses to locate within a redevelopment project area. Grants are eligible for locations that have been vacant for at least six months. The maximum grant award for each project is based on the square footage of retail space. The Tenant Improvement Program is part of the City's business CARES strategy (Creation, Attraction, Retention and Expansion).

Under the Tenant Improvement Program incentives can be provided to fund eligible expenses such as hazardous materials abatement i.e., removal of asbestos, compliance with the Americans with Disability Act (ADA), demolition and shell reconstruction, plumbing, mechanical, electrical and HVAC, and the interior décor and historic restoration of interior materials.

There are already over one hundred new tenant projects currently planned for completion during FY 2011-2013. These projects are located within the following project areas: Broadway/MacArthur/San Pablo, Central City East, Central District, Coliseum and West Oakland.

Tough on Blight Improvement Program

This neighborhood preservation program is an enhanced blight enforcement operation that aggressively pursues blighted properties and blighting conditions in the following areas: Coliseum, Central City East, and West Oakland. The operation is run in conjunction with CEDA's Building Services Division, which involves code inspectors performing the blight sweeps along the major commercial corridors in the various project areas. The program has been extremely successful in bringing a number of parcels into compliance with the municipal code regulations.

ACORN
REDEVELOPMENT PROJECT AREA



PROJECTS & ACTIVITIES

Acorn Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment [A]	525,000	-	-	-
Capital Funds	-	-	-	-
Misc. Sources	-	-	-	-
Subtotal Sources	525,000	-	-	-
USES				
Personnel Services & Overhead	447,899	-	466,835	-
Operations & Programs	1,322	-	1,327	-
Capital Projects	-	-	-	-
Tax Increment Debt	-	-	-	-
Other Debt	161,100	-	160,464	-
Subtotal Uses	610,321	-	628,626	-
Transfer to/(from) Fund Balance	(85,321)	-	(628,626)	-
Estimated Beginning Fund Balance	1,157,568	-	1,072,247	-
Estimated Year-End Fund Balance	1,072,247	-	443,621	-

[A] Acorn is projected to reach its tax increment limit during FY 2011-12; fund balance will be used to continue operations through FY 2012-13 and pay remaining debt service beyond FY 2012-13.

PROJECT AREA STATISTICS	
Size	25 acres
Plan Adoption Date	11/3/1961
Debt Incurrence Deadline	1/1/2004
Plan Activity Deadline	1/1/2012
Debt Repayment/Increment Collection	1/1/2022
Tax Increment Limit	\$30,000,000
Lifetime Tax Increment Collected through 6/30/10	\$27,956,436

Background

The Acorn Redevelopment Project Area in West Oakland covers 24.55 acres of land comprising 14 city blocks. It is 10 blocks from Oakland's downtown area, close to major employment centers in Oakland and San Francisco, with good public transportation access to BART and AC Transit. The area is approximately 50 percent commercial/industrial and 50 percent residential, and has been redeveloped fully in accordance with the original redevelopment plan.

Highlights

Major accomplishments in FY 2009-11 include: attracting a new tenant to half of the grocery store space at Jack London Gateway, Citi Trend; working to attract a smaller grocery store in the remaining space; and completing occupancy of the Jack London Gateway Senior Housing Project.

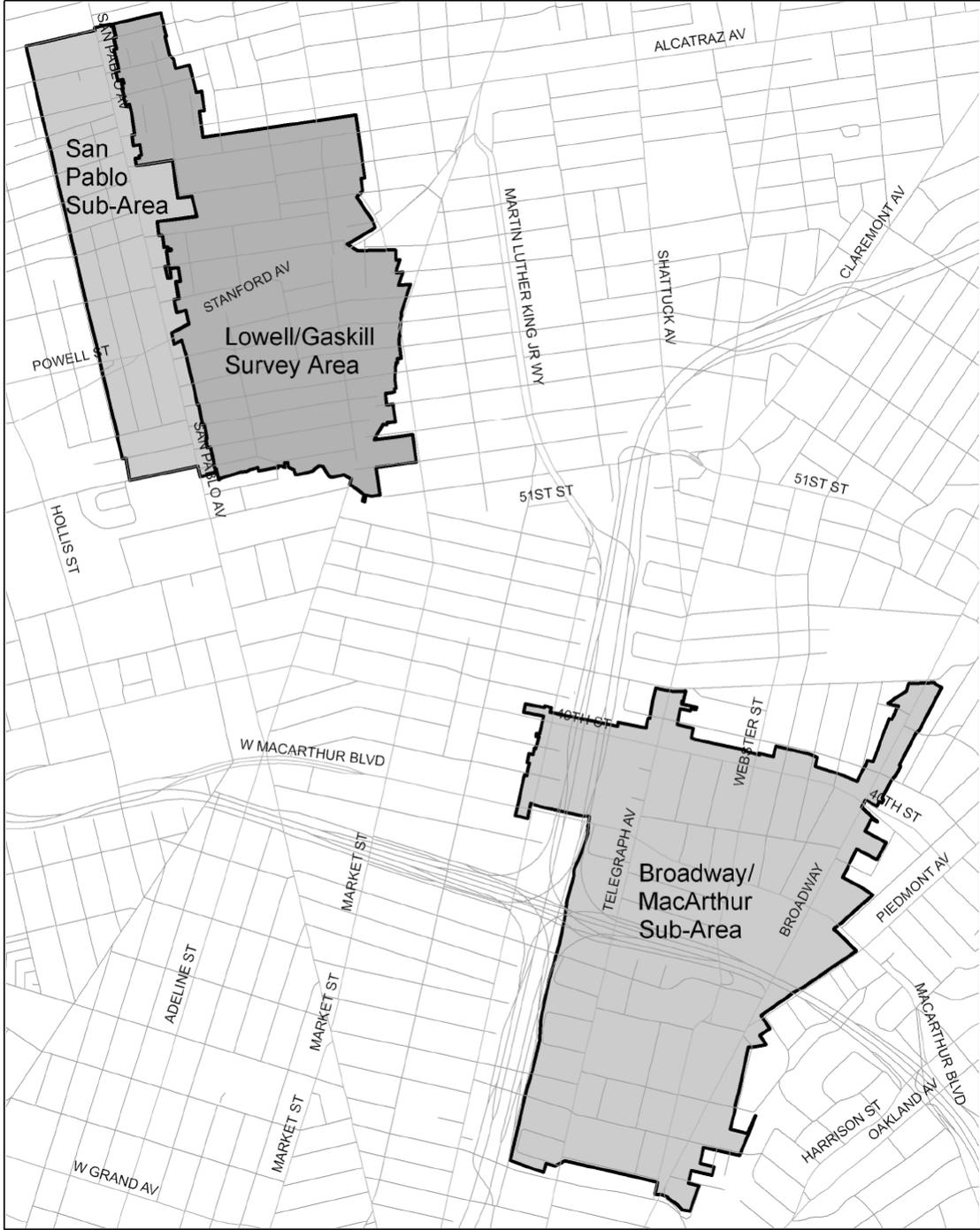
Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$1,238,947. The Acorn Redevelopment Area will reach its limit for collecting tax increment in FY 2011-12 and the only funds remaining for projects and staffing after that will be from existing appropriations and fund balance. The majority of the appropriation will be used to repay outstanding debt. There is a small amount of funds remaining available for Façade and/or Tenant Improvement Grant funding to attract businesses to the redevelopment area.

PROJECTS & ACTIVITIES

NOTES

**BROADWAY / MACARTHUR / SAN PABLO
REDEVELOPMENT PROJECT AREA**



PROJECTS & ACTIVITIES

Broadway / MacArthur / San Pablo Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	2,701,215	-	2,741,733	-
Capital Funds		-		-
Misc. Sources [A]	268,250	-	267,440	-
Subtotal Sources	2,969,465	-	3,009,173	-
USES				
Personnel Services & Overhead	1,072,163	-	1,116,963	-
Operations & Programs	199,789	-	147,478	-
Capital Projects	-	-	-	-
Tax Increment Debt	1,697,513	-	1,744,732	-
Other Debt	-	-	-	-
Subtotal Uses	2,969,465	-	3,009,173	-
Transfer to/(from) Fund Balance	-	-	-	-
Estimated Beginning Fund Balance	1,176,974	18,732	1,176,974	18,732
Estimated Year-End Fund Balance	1,176,974	18,732	1,176,974	18,732

[A] Miscellaneous Sources includes interest income.

PROJECT AREA STATISTICS	
Size	676 acres
Plan Adoption Date	7/25/2000
Debt Incurrence Deadline	7/25/2020
Plan Activity Deadline	7/25/2030
Debt Repayment/Increment Collection	7/25/2045
Tax Increment Limit	No Limit

Background

The Broadway/MacArthur/San Pablo Project Area consists of two distinct areas in North Oakland and comprises 676 acres. The Broadway/MacArthur sub-area incorporates Broadway Auto Row and Telegraph Avenue between 27th and 42nd Streets. The San Pablo sub-area incorporates that portion of San Pablo Avenue between 53rd and 67th Streets. Key elements of the Redevelopment Plan include eliminating blight, encouraging in-fill development and supporting catalyst projects, including the MacArthur Transit Village project. The Project Area Committee (PAC) was approved and seated on March 21, 2000, and the Redevelopment Plan was adopted on July 25, 2000. The PAC has prioritized the MacArthur Transit Village Project, Commercial Façade and Tenant Improvement Programs, and streetscape improvements on 40th Street and San Pablo Avenue for funding in its 5-year implementation plan. The following activities have also been identified as high-priorities for the PAC: infill development within the Project Area and implementation of planned streetscape improvements on Telegraph Avenue, West MacArthur Boulevard, and Martin Luther King, Jr. Way.

Highlights

Major accomplishments in FY 2009-11 in the Broadway/MacArthur/San Pablo Project Area includes the completion of (10) façade improvement projects and six (6) tenant improvement projects through the Façade and Tenant Improvement Programs. The Neighborhood Project Initiative program completed four (4) capital improvement projects. In addition to these, MacArthur Transit Village, negotiated and executed an Owner Participation Agreement and a Development Agreement for the completion of the project, executed the Grant Agreements for \$34.3 million in State Proposition 1C grant funding, acquired 3 private parcels for the Transit Village project, adopted the Final Development Plan Entitlements for the first two phases of construction, including the replacement BART garage, new public streets, and the first phase of housing development. Additional area construction projects include the recent start of construction of the Mosswood Tot Lot Project and the completion of the San Pablo Pedestrian Streetlight project. Other significant projects include the start of work on the Broadway/Valdez Specific Plan and the adoption of the Lowell/Gaskill Redevelopment Survey Area for possible expansion of the redevelopment plan boundaries.

Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$5,978,638. Planned activities during FY 2011-13 include starting construction of the BART replacement garage and interior roadways for the MacArthur Transit Village project; starting construction of the 90-unit rental affordable housing project at the MacArthur Transit Village; the continuation of the Commercial Façade Improvement and Tenant Improvement programs; the funding of an additional round of the Neighborhood Projects Initiative program; the completion of the construction of the Mosswood Tot Lot Property; the adoption of the Broadway/Valdez Specific Plan; the design and construction of renovations at the Golden Gate Recreation Center and the Mosswood Recreation Center and the adoption of the redevelopment plan amendment expanding the plan boundaries to include the Lowell/Gaskill Survey Area.

PROJECTS & ACTIVITIES

Broadway / MacArthur / San Pablo Project Area Capital Project and Program Descriptions

NEIGHBORHOOD IMPROVEMENTS AND INFRASTRUCTURE PROJECTS

Commercial Façade Improvement Program

The Commercial Façade Improvement Program provides façade grants and architectural design assistance to commercial property owners and tenants located on the commercial corridors within the project area (including Telegraph Avenue, San Pablo Avenue, West MacArthur Boulevard, and Broadway). The program offers matching grants – on a one-to-one basis – of up to \$30,000 for improvements to storefronts, including new signage, window repair, and exterior painting. To date, 34 projects have been completed and 9 are in the design phase. During FY 2011-13, the program will be funded by the carry-forward from the previous program allocation. The goal for FY 2011-13 is to complete 16 new projects within the Project Area.

Commercial Tenant Improvement Program

The Commercial Tenant Improvement Program is an incentive program that offers business owners matching grants on a dollar for dollar basis for tenant improvements to the interiors of vacant retail spaces. The program is designed to assist property owners in attracting retail businesses to locations that are difficult and costly to renovate, and serves as an incentive for new retail businesses to locate within the Project Area. The maximum grant award for each project is based on the square footage of retail space. The program provides grants of up to \$10 per square foot, with a total grant not to exceed \$45,000. To date, nine projects have been completed. At present there are two projects in the design/construction phase of this program. During FY 2011-13, the program will be funded by the carry-forward from the previous program allocation. The goal for FY 2011-13 is to complete six projects within the Project Area.

Neighborhood Project Initiative Program

The NPI program is a community grant program that funds one-time, small-scale, community-initiated physical improvement projects. The program is designed to support existing blight reduction and beautification efforts in the redevelopment project area and to encourage community participation in redevelopment. The NPI program was launched in 2006, and awarded a total of \$600,000 to 20 community projects over the course of three grant cycles. Previously funded projects include median improvements along W. MacArthur Blvd and 40th Street., a dog run facility at Mosswood Park, a Teen Center at Mosswood Park, and Improvements to the Golden Gate Recreation Center. During FY 2011-2013, \$200,000 will be allocated to the program for one additional grant cycle.

Telegraph Streetscape Project

This project includes the design and construction of pedestrian-oriented improvements and intersection reconfigurations on Telegraph Avenue from 27th Street to Claremont Avenue. A schematic design plan for this project was completed in 2005. The project budget of \$3.7 million was approved by the City Council/Agency Board as part of the City/Agency Funding Agreement in March 2011. Additional funding would need to be identified in order for this project to move forward.

Golden Gate Recreation Center

This project includes community outreach, design, and construction of improvements to the Golden Gate Recreation Center. The project budget of \$1.0 million was approved by the City Council/Agency Board as part of the City/Agency Funding Agreement in March 2011. These funds will be used to try and leverage additional grant funding. If grant funding is unavailable the funds will be spent directly on construction. The improvements planned for the Golden Gate Recreation Center include renovating and/or expanding the existing building, resurfacing the basketball courts, and upgrading the tot lot.

PROJECTS & ACTIVITIES

Mosswood Recreation Center

This project includes the construction of a teen center and/or renovations to the existing recreation center building, tennis, and basketball courts. The project budget of \$0.5 million was approved by the City Council/Agency Board as part of the City/Agency Funding Agreement in March 2011.

Broadway/MacArthur/San Pablo Capital Spending Plan

Project	FY 2010-11 Estimated Carryforward	Available to Reprogram	FY 2011-12 Adopted	FY 2012-13 Adopted	FY 2011-13 Project Total
Mosswood Park	\$100,959	\$0	\$0	\$0	\$100,959
Mosswood Teen Center	36,000	-	-	-	36,000
Telegraph Street Trees	47,500	-	-	-	47,500
Golden Gate Recreation Center [A]	1,071,300	-	-	-	1,071,300
Golden Gate District Signs	10,435	-	-	-	10,435
San Pablo Lights	191,398	-	-	-	191,398
Telegraph Pedestrian Lights	108,467	-	-	-	108,467
Korea Town Banners	12,260	-	-	-	12,260
Oakland Housing Authority Solar	100,000	-	-	-	100,000
BMSP Plan Amendment	504,989	-	-	-	504,989
BMSP Land Acquisition	1,353,000	-	-	-	1,353,000
MacArthur Transit Village [B]	7,233,451	-	-	-	7,233,451
Oracle Corp Software License [C]	-	-	50,000	50,000	100,000
GRAND TOTAL [D]	\$10,769,759	\$0	\$50,000	\$50,000	\$10,869,759

[A] \$1 million carryforward from operating fund.

[B] \$0.83 million carryforward from non-bond capital fund (tax increment is the source of funds).

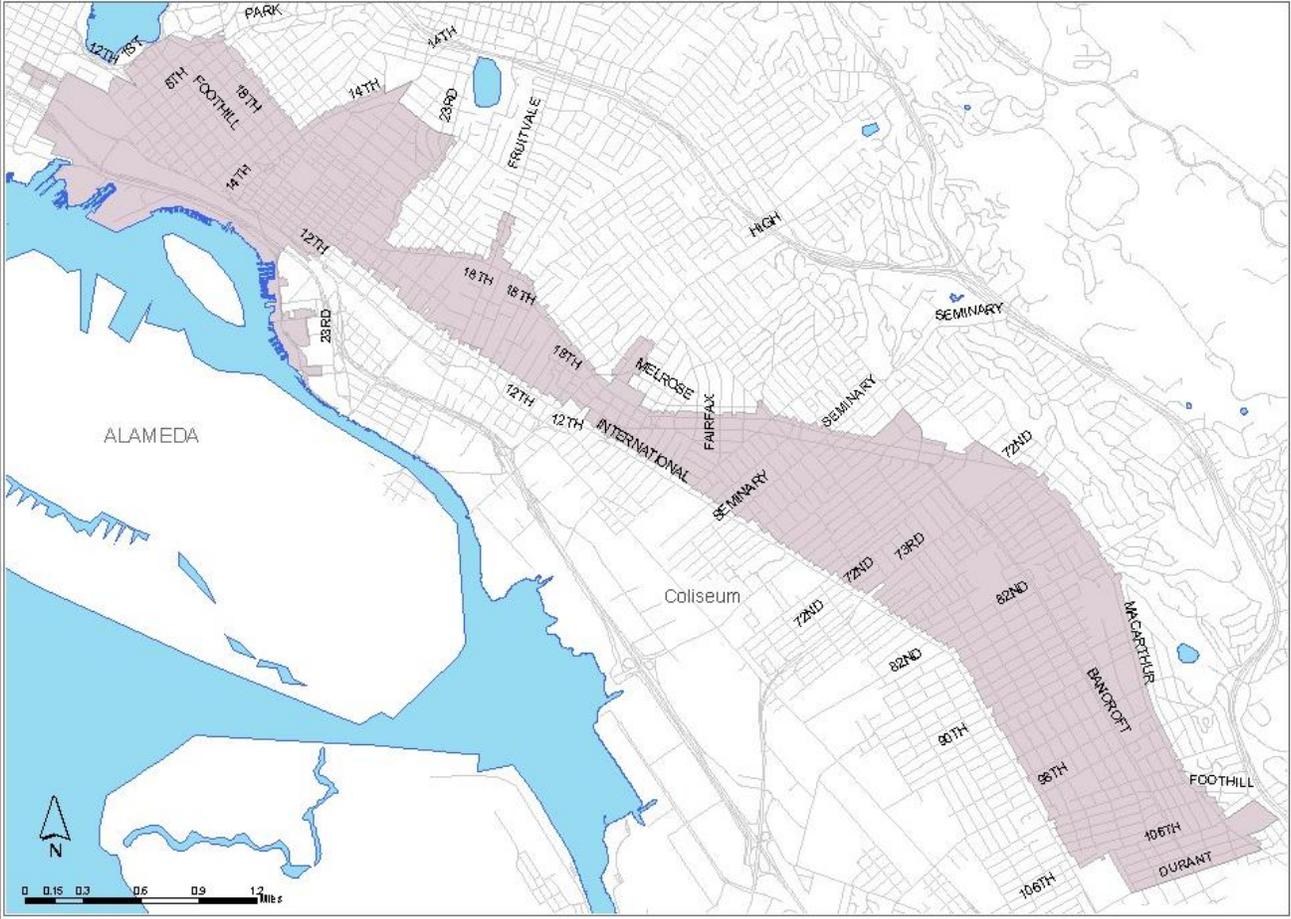
[C] \$0.05 million for Oracle appropriated from operating fund each year.

[D] Remaining \$8.9 million in carryforward represents balance of bond proceeds from 2006 and 2010 issuances.

PROJECTS & ACTIVITIES

NOTES

**CENTRAL CITY EAST
REDEVELOPMENT PROJECT AREA**



PROJECTS & ACTIVITIES

Central City East Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	5,702,950	-	5,817,009	-
Capital Funds	-	-	-	-
Misc. Sources [A]	91,500	-	91,500	-
Subtotal Sources	5,794,450	-	5,908,509	-
USES				
Personnel Services & Overhead	2,391,114	-	2,497,596	-
Operations & Programs	521,956	-	121,956	-
Capital Projects	-	-	-	-
Tax Increment Debt	5,121,524	-	5,120,737	-
Other Debt	-	-	-	-
Subtotal Uses	8,034,594	-	7,740,289	-
Transfer to/(from) Fund Balance	(2,240,144)	-	(1,831,780)	-
Estimated Beginning Fund Balance	10,505,082	180,230	8,264,937	180,230
Estimated Year-End Fund Balance	8,264,937	180,230	6,433,157	180,230

[A] Miscellaneous Sources include interest income.

PROJECT AREA STATISTICS	
Size	3,339 acres
Plan Adoption Date	7/29/2003
Debt Incurrence Deadline	1/1/2023
Plan Activity Deadline	1/1/2033
Debt Repayment/Increment Collection	1/1/2048
Tax Increment Limit	No Limit

Background

The Central City East (CCE) Redevelopment Project Area includes portions of the Eastlake, Fruitvale, Central East Oakland, and Elmhurst neighborhoods of central and east Oakland. The CCE Redevelopment Project Area is the second largest Redevelopment Project Area in the City of Oakland and covers approximately 3,339 acres. The boundaries of the CCE Redevelopment Project extend from the southern border of the Downtown Central District Redevelopment Project Area, east of Lake Merritt to Durant Street and generally between International, Foothill, and MacArthur Blvd. The goals of the (CCE) Redevelopment Plan focus on the elimination of blight and improving the physical and economic environment as well as to address the needs for affordable housing through the revitalization of waterfront, commercial, and residential areas in the CCE Project Area.

The CCE Redevelopment Project Area and an initial Five-Year (2003-2008) Implementation Plan were adopted on July 29, 2003. Redevelopment efforts within the CCE Redevelopment Project Area are guided by a Project Area Committee (PAC), an advisory body to the Agency. The second Five-Year (2008-2013) Implementation Plan for the CCE Project Area was adopted on June 29, 2008. The CCE Redevelopment Plan includes eight major commercial streetscape improvement projects, Façade and Tenant Improvement Programs, an Opportunity Sites Program that targets the redevelopment of key infill parcels along commercial transit corridors, a Homeownership Rehabilitation Program, and assistance for both Public and Private Development.

Highlights

There were various major accomplishments throughout FY 2009-11 in the Central City East (CCE) Project Area. Highlights of these accomplishments included the completion of acquisition, design, and construction of Fire Station #18, the identification and acquisition of twenty parcels of land as part of the CCE Opportunity Sites Program and other project area initiatives.

As a next step to the adopted City-wide Retail Strategy, the Redevelopment Agency issued a Notice of Development Opportunity (NODO) to the development community to encourage infill development at specific retail nodes identified in a City-wide Retail Strategy along the Foothill and MacArthur Boulevard Corridors in the Central City East Redevelopment Project Area. Six CCE opportunity sites were included in the NODO, the development community responded to two of the opportunity sites, Foothill and Seminary and 73rd Avenue and Foothill. Selected developers entered into Exclusive Negotiation Agreement (ENA) in July and November 2010. The purpose of the ENA is to enable the Agency and developers to further evaluate feasibility of the proposed development of Agency-owned parcels. Developer would also utilize the ENA period to complete California Environmental Quality Act (CEQA) review, and to, if appropriate, negotiate the terms of a Disposition and Development Agreement.

Agency and City staff also undertook the improvement of publicly owned properties which included completing design and construction of Josie de la Cruz Park, completion of design and construction documents for Cesar Chavez Park, completion of the Melrose Library window replacement program, completion of exterior upgrades to Fremont Pool, and completion of the planning phases for the Eastmont and Bancroft libraries.

Grant funding applications and awards included \$2 million dollars in Proposition 84 funds for construction of the Cesar Chavez Park improvements; \$1.7 million dollars and \$2.2 million dollars in grant funding from MTC for the construction of MacArthur Boulevard and Foothill/High Streetscape Improvement projects, respectively.

Agency and City staff completed the 35% to 100% design phases for seven streetscape projects including the MacArthur Boulevard, 23rd Avenue, Foothill/Fruitvale, East 18th Street, and Fruitvale Alive projects. Construction for the Fruitvale Alive streetscape project was completed. 23rd Avenue is under construction and East 18th Street was bid and a contractor was selected in April 2011. Other Central City East projects include funding for the MacArthur Boulevard Utility Undergrounding project; the stabilization of a hillside and demolition of blighted properties on Wallace Street and 2777 Foothill Boulevard.

Ten Façade Improvement Projects and three Tenant Improvement Projects that impacted the commercial corridors were completed. In addition, nine Neighborhood Project Initiative projects were funded throughout CCE which will lead to the improvement of five parks (San Antonio Lighting project, East 20th Street Roadway Transition project, FM Smith Park Fence project, Morgan Plaza Park project and Cesar Chavez project), one recreation center (Arroyo Recreation Center project), one small business district (East 18th Street Banners project), a tree planting program

PROJECTS & ACTIVITIES

(CCE Tree Planting project) and the supplemental beautification portion of a streetscape project (Elmhurst Improvement project).

Finally, CCE Affordable housing funds were provided for five Affordable housing developments throughout the Redevelopment Area: Effie's House (rehabilitation of 21 units of housing); Marin Way Court (rehabilitation of 20 units of housing); MacArthur Apartments (new construction of 32 units of housing); 720 East 11th Street (new construction of 55 units of housing); and Kenneth Henry Court (rehabilitation of 51 units of housing).

Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$15,672,819. The Agency will continue to work with the CCE PAC to further develop a shared vision for each of the four sub-areas and planning around identified major areas of focus. The CCE Series 2006A Bonds (issued as \$61.5 million taxable and \$14.1 million tax-exempt) were issued to finance various redevelopment activities to benefit the Central City East Project Area. The taxable bonds are being used to encourage private development including property acquisition, retail recruitment, and direct development assistance and the tax-exempt bonds are being used to fund public infrastructure projects including streetscape design and construction projects, park renovation, and library facility upgrades.

The Agency will continue implementation and construction of the following streetscape improvement projects - MacArthur Boulevard, 23rd Avenue, Foothill and High Street, Foothill and Seminary, East 18th Street, Melrose & Bancroft, 14th Avenue, and Foothill High & Melrose.

The Agency will also work on the ongoing Facade and Tenant Improvement Programs, and will carry on development of the Notice of Development Opportunity sites along the major commercial corridors in the CCE area. Work on the two year process will continue on the development of Specific Plans for the Lake Merritt BART station and Estuary Waterfront (in partnership with BART and Peralta College).

For FY 2011-12, the City will sell the Kaiser Convention Center to the Agency totaling \$28.3 million. These funds could come from a combination of Central District and Central City East project areas. Staff recommends Central District and Central City East share all revenues generated by the Kaiser property, which may include tax increment revenue, lease review or proceeds from the sale of Kaiser to a third party on a proportional basis to the amount contributed from each project area for its purchase.

Central City East Redevelopment Project Area Capital Project and Program Descriptions

PROJECT AREA- PROGRAMS

Commercial Façade Improvement Program

The Central City East Façade Improvement Program (FIP) offers business and property owners in target areas matching grants of up to \$30,000 for approved exterior renovations to commercial and mixed-use properties, as well as complimentary architectural assistance. The maximum amount of the grant depends on the size of the property. The program offers matching grants on a one-to-one basis for improvements to storefronts including new signage, window repair, and exterior painting. During FY 2009-11, ten FIP projects were completed in the CCE Project Area.

Commercial Tenant Improvement Program

The Central City East Tenant Improvement Program (TIP) offers up to \$45,000 per vacant storefront and up to \$5,000 per property for design services for tenant improvements to commercial properties in the CCE Redevelopment Area. The Tenant Improvement Program is an incentive program that offers business owners matching grants on a dollar for dollar basis for tenant improvements to the interiors of vacant retail spaces. The program is designed to assist property owners in attracting retail businesses to locations that are difficult and costly to renovate, and serves as an incentive for new retail businesses to locate within the Project Area. During FY 2009-11, four TIP projects were completed in the CCE Project Area.

CCE Commercial Revolving Loan Program

The Central City East Commercial Revolving Loan Program will be available for eligible candidates interested in capital improvement loans to rehabilitate, develop or build commercial property within the Central City East Redevelopment Project Area. The program will still be administered by the Oakland Business Development Corporation with prior year carry forward funds with maximum loan amounts not to exceed \$250,000.

Opportunity Sites Program and Infill Development

The purpose of the Opportunity Sites Program is to address the re-use and development of blighted underutilized properties in the Central City East Redevelopment Project Area. The acquisition of these properties will benefit the Central City East Redevelopment Project Area by creating future development opportunities to better serve area residents and businesses and improve physical conditions in the Central City East Redevelopment Project Area. Agency staff worked to identify a list of blighted and/or vacant sites within the Redevelopment Area that would be targeted for development. Staff created a substantial list of 40 sites varying in size, location, number of parcels, etc. and identified them as CCE Opportunity Sites. Numerous key opportunity sites were purchased in FY 2009-11. In FY 2011-13 staff plans to purchase additional key sites for development.

PROJECTS & ACTIVITIES

STREETSCAPE AND INFRASTRUCTURE IMPROVEMENT PROJECTS

There are eight major Streetscape Projects in various stages of development in the Central City East Redevelopment area. The CCE bonds will be used to implement streetscape projects that are ready for construction in FY 2011-13.

MacArthur Boulevard

Construction documents are expected to be 100% complete by June 2011. The start of construction on the Project is scheduled to commence in the fall of 2011. Two gateway structures are planned at MacArthur Boulevard and 73rd Avenue, and MacArthur Boulevard and Durant Avenue. Artwork will be installed by local artists as a separate project once the gateway structures are completed. On January 14, 2011, the City held a community meeting with Central City East Elmhurst and Central East Oakland Project Area Sub-Committee Members to hold further discussion on community involvement for the artist selection process for the gateway structures component of the Project; artist selection is expected to be completed by June 2011.

23rd Avenue

The project area includes 23rd Avenue between East 12th Street and Foothill Boulevard between 23rd and 22nd Avenues. The Agency held several community meetings working with the Lower San Antonio group and the 23rd Avenue Collaborative on the final design for this streetscape. The 100% construction documents were completed in early 2010. The bid award process was completed in 2010 with the contract awarded to Ray's Electric for \$1,876,021. Construction commenced for the 23rd Avenue streetscape project in April 2011 and is expected to be completed by December 2011. The streetscape improvements include demolition and removal of sidewalks and asphalt paving, removal of asphalt top, new concrete sidewalks, and elongated bulb outs, curb and gutter, colored and scored concrete crosswalks, landscaping, and new street lights from East 12th Street to Foothill Boulevard and Foothill Boulevard from 23rd to 22nd avenues. A plaza will be constructed on the corner of Foothill Boulevard and 23rd Avenue. Since this streetscape project spans both CCE and Coliseum project areas, costs will be shared between the two project areas.

Foothill/Fruitvale

This project area is located on Foothill Boulevard from Sausal Creek/Rutherford Street to High Street. The project has two separate phases planned. Phase I covers High Street to 35th Avenue and Phase II covers Rutherford to 35th Avenue. Phase I is funded with CCE bond funds and Phase II is funded with CCE bond funds and a Metropolitan Transportation Commission Transportation for Livable Communities grant for \$2.2 million. Phase I is expected to commence in the summer of 2011. The streetscape improvements include new medians, curb bulb-outs, intersection reconfigurations, gateways, improved crosswalks, landscaping, sidewalk tree wells, and pedestrian street lighting from Sausal Creek/Rutherford Street to High Street.

Foothill/Seminary

Design for the Foothill / Seminary Streetscape Project is 35% complete. The estimated construction cost of the Project is approximately \$4.5 million. Funding for the project is committed from current Agency funding. The Foothill and Seminary Streetscape Project is one of several City streetscape projects that are expected to be expedited through a Design/Build process. The Design/Build process would enable the project to be complete by fall 2012.

14th Avenue

The project area is located on 14th Avenue between East 8th Street and East 27th Street and East 12th Street between 14th Avenue and 16th Avenue. Several community meetings were held with residents, business owners, property owners and other stakeholders in the area to address and make recommendations for improvements to this corridor. The planned streetscape improvements include modifications to sidewalks traffic calming measures, bulb-outs and upgrades to the street medians. 35% construction documents are completed and construction costs are estimated at \$5 million for the project. The project is targeted for construction during FY 2011-13.

East 18th Street

The East 18th Street Streetscape Improvement Project covers East 18th Street from Lakeshore Avenue to Park Boulevard and along Park Boulevard from 5th Avenue to Newton Avenue. It forms the core of the East 18th Street Lake Merritt commercial district. The East 18th Street Improvement Project will provide physical enhancements that improve pedestrian and vehicular circulation and access. These enhancements include increased lighting, new paving, a new traffic signal on the corner of Newton Avenue and Park Boulevard, street trees and plants, improved crosswalks, sidewalk bulb outs, and median landscaping and irrigation improvements. The new pedestrian level lights will not only aid in illuminating the street within the commercial segment, but will also create a festive atmosphere for holidays or other special events. The planned improvements include corner bulb-outs, sidewalk, curb ramps, curbs, gutters, decorative crosswalks, pedestrian level lights, landscaping, trees, asphalt paving, traffic striping, and other ancillary work as indicated on the plans and specifications. Construction documents were completed during FY 2009-11. The project was bid out and will be awarded for \$1,682,879 to Ray's Electric for the construction of the E. 18th Street Improvement Project

Foothill/High/Melrose

This project area includes two separate nodes. The first node is located on Foothill Boulevard from 42nd Avenue to 45th Avenue and on High Street from Bancroft Avenue to Ygnacio Avenue. The second node is located on Foothill Boulevard from Congress Avenue to Cole Street, on Bancroft Avenue from Fairfax to Cole Street, and on Fairfax Avenue from Foothill Boulevard to Bancroft Avenue. The Foothill High Melrose Project consists of capital improvements in the two nodes, including new bulb-outs, sidewalk, curb and gutter, curb ramps, crosswalks, street repaving from curb to curb, permeable pavement, traffic striping, storm drainage, street & pedestrian lighting, street furniture, medians, landscaping, and irrigation. The project is estimated to cost \$3.3 million. The project is targeted for construction in FY 2011-13.

PROJECTS & ACTIVITIES

DEVELOPMENT PROJECTS

Foothill/Seminary

The Agency completed the purchase of 11 contiguous parcels of land totaling approximately 1.69 acres (73,428 square feet). These parcels are located at the northwest corner of Foothill and Seminary. The developer for the "Seminary Point" redevelopment project has proposed development of a new neighborhood commercial retail center of approximately 25,000 gross square feet. The term of the ENA period is two six-month terms with a three-month extension option.

Foothill and 73rd Avenue

The Agency completed the purchase of approximately 1.22 acres (53,143 square feet). This parcel of land is located at the northwest corner of Foothill and 73rd Avenue adjacent to Eastmont Towne Center. In 2009, the Agency was approached by the Peralta Community College District with interest in sharing ground floor space with the library and developing a satellite campus for Merrit College, which would emphasize life long learning, coupled with independent senior housing. Design of the amended development program continued through 2010 until the District withdrew from the Project in February 2011. The developer is currently evaluating a mixed use development that would include relocation of the Eastmont Branch Library, and senior housing with limited ground floor retail. The term of the ENA period is one year with a six-month extension option.

Foothill Square

MacArthur Boulevard Associates, the Owner / Developer for the Foothill Square Shopping Center submitted a Master plan that included the demolition of three buildings and a portion of a fourth, construction of five new commercial buildings including a 71,950 square-foot Foods Co. supermarket, construction of a gas station at 10605 Foothill Blvd., minor additions and exterior renovations to existing structures, construction of a new vehicle ramp at Foothill Blvd., tree removal and replacement, new fences and gates, landscaping, illumination, and signage throughout the project site.

Work continues to turn the existing 13-acre center into much needed retail and services to the mall, located between MacArthur and Foothill boulevards and 108th Avenue. The new center will be anchored by two National retail chains, Foods Co and Ross. Foods Co. is proposing to open a 72,000-square-foot store in early 2012 in a newly constructed stand alone building. Ross will make use of newly renovated space formerly occupied by Albertson's. Tenant interest also includes many other clothing retailers and services. Permits for new construction are scheduled to be issued during the summer of 2011. The total project will result in an increase of 43,274 gross square feet for a total building area of just over 200,000 gross square feet of new and renovated retail space.

28th & Foothill

The site is made up of two parcel located on the corner of 28th Avenue and Foothill Boulevard. In FY 2009-11, Agency and City staff acquired an additional site to increase the lot size of the property. The property located at 2759 Foothill Boulevard was purchased and the building was demolished in April 2011. The Agency will lease the site to an interim use that will maintain the property until it is developed. Agency staff has recently received interest from a private developer for the site and is working on the feasibility of the development. A feasibility analysis of this site was undertaken by Vernazza Wolfe Associates, Inc. The analysis provided for the highest and best use for residential, commercial, and retail development.

36th & Foothill

In 2009, the Agency purchased two sites located on the corner of 36th Avenue and Foothill Boulevard. In FY 2009-11, Agency staff worked on purchasing the adjacent properties to assemble land and increase the size of the opportunity site for new development. These sites did not receive any proposals during the Notice of Development Opportunity (NODO) process.

10451 MacArthur Boulevard

This Agency-owned site consists of a 23,000 square foot rectangular level lot with major frontage along the MacArthur Boulevard commercial corridor. The property is adjacent to an automotive use parcel to the left, small commercial parcel to the right and residential properties to the rear. The property is served well with three AC Transit bus lines and is also located approximately one block north of the Foothill Square Shopping Center and only a few blocks west of Hwy 580.

Oak-to-Ninth

The Oak-to-Ninth Project was approved by the City Council on July 18, 2006. The project site is approximately 64 acres of waterfront property bounded by Embarcadero Road, Fallon Street, Tenth Avenue and the Estuary. The project as adopted includes up to 3,100 residential units including 465 affordable housing units, 200,000 square feet of ground-floor commercial space, a minimum of 3,950 parking spaces, approximately 32 acres of parks and public open space, two renovated marinas (total 170 boat slips), and an existing wetlands restoration area. The existing buildings on the site will be demolished with the exception of the Jack London Aquatic Center, a portion of the Ninth Avenue Terminal shed building, and a portion of the Ninth Avenue Terminal wharf structure. The project does not include approximately six acres of privately-held property along the east of Fifth Avenue that contain a mix of commercial and industrial uses, as well as a small community of work/live facilities. The project will be constructed in four phases over a seventeen year period. CEDA Housing as well as CCE would be involved in the financing of the affordable housing and infrastructure portions of the project.

Victory Court – Baseball Stadium

The proposed ballpark consists of a baseball stadium with 39,000 seats, located east of Fallon Street, with adjacent development including up to 180,000 square feet of retail, up to 540,000 square feet of office and up to 700 residential units and approximately 2,500 off-street parking spaces. Approximately ½ of the proposed Victory Court site lies within the CCE project area. As such, the CCE project area has been in discussions as a potential funding partner to the project.

PROJECTS & ACTIVITIES

Central City East Project Area Capital Spending Plan

Project	FY 2010-11 Estimated Carryforward	Available to Reprogram	FY 2011-12 Adopted	FY 2012-13 Adopted	FY 2011-13 Project Total
Streetscape, Facilities and Infrastructure Projects					
Central City East Land Acquisition [A]	\$22,281,314	(\$1,500,000)	(\$1,500,000)	\$0	\$20,781,314
Clinton Park	100,000	-	-	-	100,000
Cesar Chavez Park	109,596	-	-	-	109,596
Façade Improvement Program [B]	97,658	-	-	-	97,658
Fire Station 18	295,095	-	-	-	295,095
Josie De La Cruz Park	31,840	-	-	-	31,840
Melrose Library Windows	75,317	-	-	-	75,317
Sunshine Court [B]	156,384	-	-	-	156,384
Wallace Street Properties	508,425	-	-	-	508,425
Oracle Corp Software License [C]	-	-	50,000	50,000	100,000
Subtotal	\$23,655,629	(\$1,500,000)	(\$1,450,000)	\$50,000	\$22,255,629
Streetscape Improvement Projects					
East 18th Street	2,273,790	-	-	-	2,273,790
MacArthur Blvd [D]	3,000,000	-	500,000	-	3,500,000
23rd Avenue	2,748,567	-	-	-	2,748,567
Foothill/Fruitvale Phases I & II [E]	5,702,630	-	500,000	-	6,202,630
Foothill/Seminary	4,208,522	-	500,000	-	4,708,522
Eastlake 14th Ave.	5,996,430	-	-	-	5,996,430
Foothill/High/Melrose	3,977,562	-	-	-	3,977,562
Subtotal	27,907,501	\$0	\$1,500,000	\$0	\$29,407,501
GRAND TOTAL [F]	\$51,563,130	(\$1,500,000)	\$50,000	\$50,000	\$51,663,130

[A] \$16 million of land acquisition funds reserved for Kaiser Convention Center purchase from the City in FY 2011-12.

Remaining funds of \$4.8 million will be used for opportunity site purchases and streetscape contingencies.

[B] \$0.3 million carryforward from non-bond capital fund (tax increment is the source of funds).

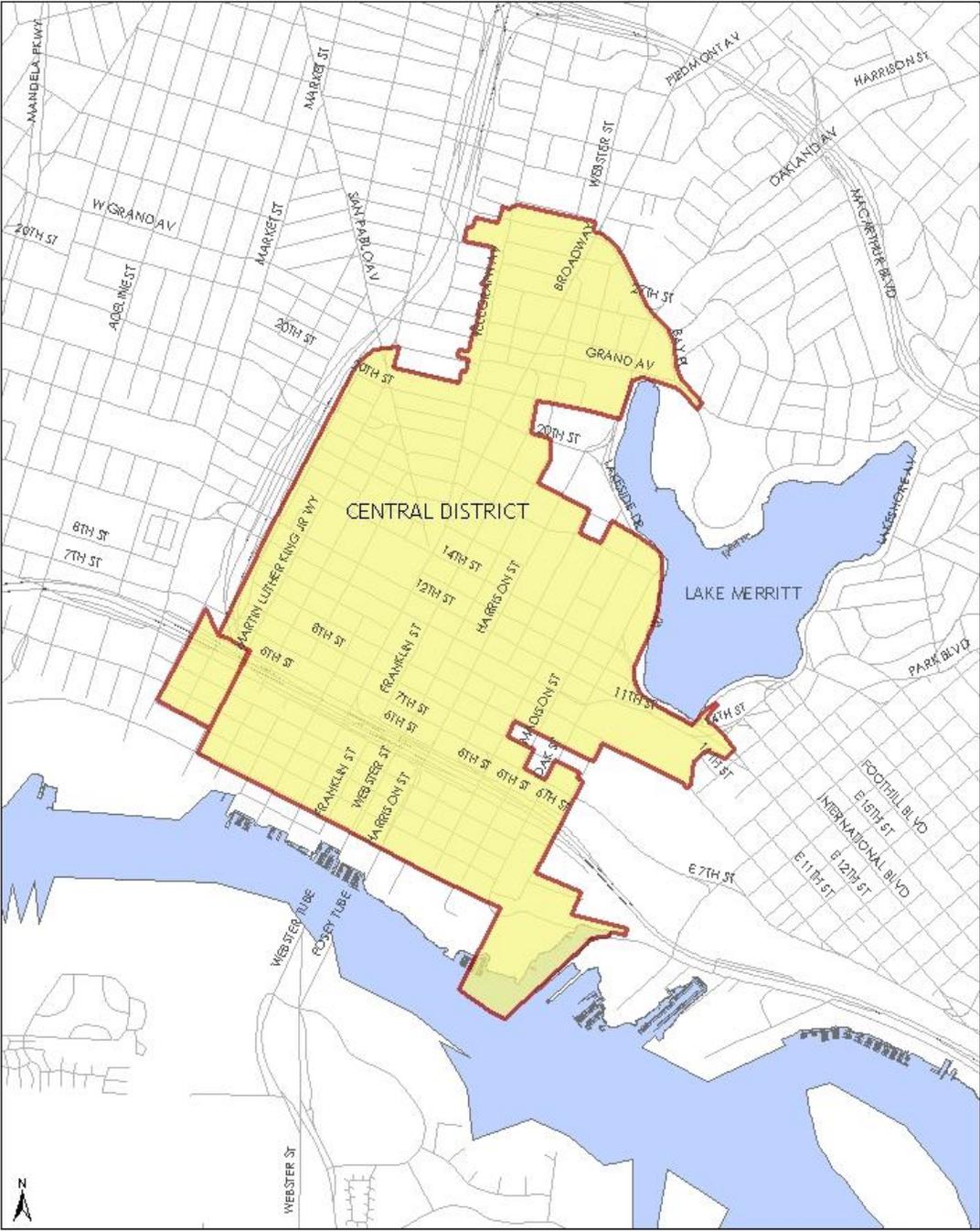
[C] \$0.05 million for Oracle appropriated from operating fund each year.

[D] Additional non-ORA funding through MTC grant totaling \$1.7 million and \$2.8 million in capital funds.

[E] Additional non-ORA funding through MTC grant totaling \$2.2 million.

[F] Remaining \$51.2 million in carryforward represents balance of bond proceeds from 2006 issuance.

**CENTRAL DISTRICT
REDEVELOPMENT PROJECT AREA**



PROJECTS & ACTIVITIES

Central District Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	35,064,332	-	32,726,582	-
Capital Funds	-	8,532,503	-	8,473,613
Interfund Transfer [A]	350,000	-	350,000	-
Misc. Sources [B]	269,000	-	269,000	-
Subtotal Sources	35,683,332	8,532,503	33,345,582	8,473,613
USES				
Personnel Services & Overhead	7,714,169	-	7,444,208	-
Operations & Programs	2,062,183	-	2,091,292	-
Capital Projects [C]	12,300,000	11,767,693	-	8,651,637
Tax Increment Debt	25,854,880	-	26,033,337	-
Other Debt	-	-	-	-
Subtotal Uses	47,931,232	11,767,693	35,568,837	8,651,637
Transfer to/(from) Fund Balance	(12,247,900)	(3,235,190)	(2,223,255)	(178,024)
Estimated Beginning Fund Balance	13,271,336	5,486,503	1,023,437	2,251,314
Estimated Year-End Fund Balance	1,023,437	2,251,314	(1,199,818)	2,073,290

[A] Includes a transfer of \$350,000 in each fiscal year from Low Moderate Income Housing Fund for acquisition of the Henry J. Robinson Multi-Service Center.

[B] Miscellaneous Sources include interest income and other miscellaneous revenue.

[C] \$12.3 million from operating fund balance to purchase Kaiser Convention Center from the City.

PROJECT AREA STATISTICS	
Size	827 acres
Plan Adoption Date	6/12/1969
Debt Incurrence Deadline	N/A
Plan Activity Deadline	6/12/2012
Debt Repayment/Increment Collection	6/12/2022
Lifetime Tax Increment Collected through 6/30/10	\$786,126,324
Tax Increment Limit	\$1,348,862,000

Background

The Central District Project Area consists of three components originally adopted between 1969 and 2001. The Central District Project Area covers approximately 250 city blocks (827 acres) in an area generally bounded by I-980, Lake Merritt, 27th Street and the Embarcadero. Within the Project Area, four major redevelopment activity areas, City Center, Chinatown, Old Oakland and the Uptown area have served as the geographical focus of redevelopment activities for the Agency. The Project Area is a major economic and transportation hub in the San Francisco-Oakland Metropolitan Area and includes approximately 10.7 million square feet of office space. The Project Area is also at the center of the Bay Area Rapid Transit (BART) system, with three stations (12th Street Oakland City Center, 19th Street Oakland and Lake Merritt) located within its boundaries. More than 40 AC Transit bus lines connect the Central District Project Area with other parts of Oakland and nearby communities.

Highlights

The following major projects were completed in FY 2009-11:

Citywalk (252 residential units and 3,000 square feet of retail) – In March of 2010, the Agency authorized a market rate construction loan in the amount of \$5 million to Wood Partners, the new project developer. This gap financing that was needed to resume and complete construction of the residential project, which had stopped in 2007. Project construction resumed in June of 2010 and is scheduled for completion in December of 2011. Wood Partners received a temporary certificate of occupancy for the first 80 rental units in June of 2011.

Downtown Façade Improvement Program (FIP) – The FIP was created in 1999 and encompasses the Uptown, Old Oakland/Chinatown and the Lower Broadway areas. The Downtown FIP provides matching grants and design assistance to existing businesses and property owners for the purpose of making storefront and façade improvements. During FY 2009-11, 102 façade projects were completed, and 5 are under construction.

Downtown Tenant Improvement Program (TIP) – The TIP, which is part of the City’s business CARES (creation, attraction, retention and expansion) program, provides incentives to attract businesses to targeted locations in the downtown area. The TIP offers property and business owners matching grants of up to \$99,000 for tenant improvements to the interior of retail spaces. During FY 2009-11, 93 tenant improvement projects were completed.

Fox Theater Master Plan, Renovation and Maintenance – The Fox Theater Master Plan called for the renovation and adaptive reuse of a major historic landmark in downtown Oakland into a performing arts center and educational facility for the Oakland School for the Arts. The Fox has become the most popular concert venue in the Bay Area since its opening in February of 2009. Accomplishments for FY 2009-11 include execution of a lease with “Rudy’s Can’t Fail”, a late night bar and restaurant, which will occupy the last vacant retail space in the building. Plans for FY 2011-13 include on-going administration of the Agency-established non-profit public benefit corporation, Fox Oakland Theater, which oversees the management of the Fox, as well as the build-out and opening of the new restaurant in June of 2011.

1800 San Pablo Avenue – The Agency owns a parcel located at 1800 San Pablo Avenue. In October of 2009, the Agency issued a request for proposals for the site and selected Sunfield Development, LLC. Upon Council approval, the Agency entered into an Exclusive Negotiation Agreement (ENA) with the developer in July of 2010. Plans for 2011-13 include entering into a Disposition and Development Agreement (DDA) or Ground Lease with Sunfield, and working towards the start of construction of a new mixed-use project on the site.

Public Parks and Facilities

As the population in the Central District is growing and public use of parks and facilities is increasing, there is a need to address deferred maintenance issues at certain public parks and facilities within the Project Area. As a result, in FY 2009-2011 the Agency provided up to \$2 million in grants to improve the following parks and public facilities:

PROJECTS & ACTIVITIES

Chinese Garden Park (7th and Harrison Streets) – Improvements to the Chinese Garden Park include repairs to pathways, concrete pad at the pavilion, re-sod of the lawn, tree planting and irrigation systems. Construction was completed in March 2010.

Henry J. Kaiser Memorial Park – In 2010, the Agency provided a grant of \$182,000 to the Oakland Chamber of Commerce Foundation to pay toward the cost of installing the sculptural monument titled “Remember Them: Champions for Humanity” by Mario Chiodo. Completion and installation of at least 3 components of the sculpture at the Park is anticipated to occur in September of 2011.

Jefferson Square Park (618 Jefferson Street) – Improvements to Jefferson Park include an upgrade to its tot lot, the addition of a new dog park with separate areas for small and large dogs, the relocation of an existing full-sized basketball court, and general landscaping improvements. Construction started in 2010 and was completed in November 2010. In 2011, installation of historical marker panels and ADA parking will complete the work at Jefferson Park.

Lincoln Square Park (261-11th Street) – The Lincoln Square Park modernization project will provide a new synthetic turf field connecting the park to the adjacent Lincoln Elementary School. The school, as well as four day-care centers and two Head Start Programs use Lincoln Square Park as an additional play area. Improvements include new landscaping and irrigation, fencing, game tables, benches, site lighting and ornamental walls. The project adds approximately 1/3 acre of developed open space to the existing park. Start of construction occurred in March 2011 with a completion date of fall 2011.

Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$71,200,069. Adopted new capital funding for the Central District is \$35.3 million (two-year total) for a total capital budget of \$80 million. The Agency’s efforts in the Project Area will largely focus on the completion of City Walk, public improvements at Lincoln Square Park, capital improvements at the Malonga Casquelourd Art Center, starting construction at 1800 San Pablo Avenue, completing public art installations at the 17th Street BART Station and Parcel 4, completing major capital improvements at the George P. Scotlan Memorial Convention Center, completion of the Basement Backfill and Repair Program and obtaining Council approval for a 17th Amendment to the Central District Project Redevelopment Area Plan to extend the term of the plan by 10 years. The Agency will continue to provide public parking, start and/or complete 75 building façades and start and/or complete 75 tenant improvement projects. The Agency will also focus on continuous improvements to the financial performance of the OIC and the George P. Scotlan Memorial Convention Center. In addition, the Agency is participating in an interdepartmental effort to create a specific plan for the Broadway Retail Corridor and the Lake Merritt BART station that provide for urban mixed use, mixed-income developments with major retail and high density housing. These specific area plans also include preparation of required environmental impact reports.

As part of the FY 2011-13 budget, the City will sell the Kaiser Convention Center to the Agency for \$28.3 million. These funds will come from a combination of Central District and Central City East project areas. Staff recommends Central District and Central City East share all revenues generated by the Kaiser property, which may include tax increment revenue, lease review or proceeds from the sale of Kaiser to a third party on a proportional basis to the amount contributed from each project area for its purchase. Plans for FY 2011-13 include enlisting the services of a real estate brokerage firm to assist the Agency in marketing the historic building.

Central District Project Area Capital Project and Program Descriptions

DISTRICT-WIDE PROGRAMS

1.5 Percent Public Art Program

The Agency's Public Art Program authorizes the allocation of 1.5 percent of Agency capital construction project funding for the commissioning of public artwork. Current projects include:

BART Entrance at 17th Street

Staff has worked with BART on the installation of a major public art piece at the 17th Street BART entrance that will complement the surrounding Uptown Arts and Entertainment District. This project will require Agency grant funds of up to \$750,000 and Public Art funds of up to \$600,000. Construction is scheduled to start in June of 2012.

Uptown Parcel 4 - Temporary Rotating Art Display

Staff is planning to use the perimeter of the future development site at 1911 Telegraph, also known as Parcel 4, as a temporary location for a rotating art display that will display the works for local artist. Funding will be provided with a grant from the National Endowment for the Arts of \$200,000 and Agency public arts funds in the amount of \$250,000. Construction is scheduled to start in May of 2012.

Basement Backfill and Repair Program

The Basement Backfill and Repair Program (BBRP) offers financial assistance to property owners for the repair of their deteriorated and unsafe sub-sidewalk basement spaces in specific areas of downtown Oakland (Old Oakland and the Uptown). The purpose of this program is to correct structural problems associated with these "vault" spaces under the sidewalk in order to make them safe for heavy loads, such as delivery vehicles, mechanical equipment or fire trucks, and to permit the Agency to proceed with construction of two key streetscape projects included in the Downtown Streetscape Master Plan. The Agency is funding the program with an allocation of \$2,922,000.

Broadway Corridor Small Business Retail Loan Program

The Small Business Retail Loan Program is a revolving loan fund that is made available to small retail and commercial business and property owners along the Broadway corridor. The fund provides capital for physical improvements, including life-safety and façade enhancements. The program will be capitalized with \$474,000 during FY 2011-13.

Business Improvement District/Community Benefit District

The purpose of a Business Improvement District (BID) (also known as a Community Benefit District (CBD)) is to generate revenues from special assessments that are used to finance extra benefits and services to the assessed districts beyond the baseline services already provided by the City in order to improve the public perception of Oakland's commercial and mixed-use neighborhoods, including the Central Business District. Within the Central District, there are three BIDs: Koreatown/Northgate CBD, which was formed in July 2007, and the Downtown Oakland and Lake Merritt/Uptown CBDs, which were established in July 2008. Collectively, these three districts generate approximately \$2.2 million per year to pay for additional services and benefits.

Central District Redevelopment Plan Amendment

This effort includes the adoption of an amendment to the Redevelopment Plan that will include extending the time limit for plan effectiveness over the Project Area for ten years from June 12, 2012 to June 12, 2022; extending the time limit for tax increment collection from the Project Area for ten years from June 12, 2022 to June 12, 2032; increasing

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the limit on the amount of tax increment revenue that the Agency can claim from the Project Area from the current limit of \$1.3 billion to a proposed revised limit of \$3.0 billion; extending the time limit for eminent domain authority for up to 12 years, but no longer than the plan effective limits for the Project Area; and updating various text provisions to conform to the requirements of the California Redevelopment Law (CRL) in connection with the time extension amendments, including extending the affordable housing area production obligation to the entire Project Area and increasing the set-aside to the Agency's Low and Moderate Income Fund to 30% (other than the 2001 Area).

The Agency has allocated \$479,000 for this effort. The Preliminary Report documenting remaining blight conditions in the Project Area (required by CLR) and the EIR for this effort have been completed. Plan extension adoption is expected to occur in September of 2011.

Downtown Façade Improvement Program

The Downtown Façade Improvement Program (FIP) was created in 1999 and encompasses the Uptown, Old Oakland/Chinatown and the Lower Broadway areas. The Downtown FIP provides matching grants and design assistance to existing businesses and property owners for the purpose of making storefront and façade improvements. The FIP is intended to restore the exterior of historic buildings, update and modernize the exterior of older buildings for reoccupation, promote retail activity, improve the pedestrian experience and help support other redevelopment projects by enhancing the general appearance of surrounding properties. The program currently has funds of approximately \$1.5 million and is expected to receive another \$1.5 million during FY 2011-13.

Downtown Tenant Improvement Program (Retail Entertainment Catalyst Project)

The Downtown Tenant Improvement Program (TIP), which is part of the City's business CARES (Creation, Attraction, Retention and Expansion) program, provides incentives to attract businesses to targeted locations in the downtown area. The TIP offers property and business owners matching grants of up to \$99,000 for tenant improvements to the interior of retail spaces. The program currently has funds of approximately \$940,000 and is expected to receive another \$1.5 million during FY 2011-13.

Downtown Streetscape Master Plan

The Streetscape Master Plan calls for the construction of various public improvements to complement existing and future redevelopment projects, and to attract new public and private investment into the Project Area. No streetscapes were completed during the 2009-11 fiscal year. Staff was redeployed to initiate and implement the BBRP in order to facilitate future streetscape projects.

Property Management

Fox Theater – The Fox Theater Master Plan called for the renovation and adaptive reuse of a major historic landmark in downtown Oakland into a performing arts center and educational facility for the Oakland School for the Arts. Project construction was completed in February of 2009 for the theater and school portions, but a small restaurant space is still under construction. Plans for 2011-13 include completion and opening of the restaurant and management of the property and the various entities set up to develop the project.

Oakland Ice Center – The Oakland Ice Center (OIC) greatly supports the Agency's redevelopment efforts in the Uptown Area by providing a recreational ice skating facility that attracts people to this part of downtown Oakland, especially on evenings and weekends. The OIC contributes to the establishment of the Uptown Area as a cultural and entertainment center. In July of 2007, the Agency hired San Jose Arena Management (SJAM) to maintain and operate the facility. The Agency negotiated a 5-year extension of SJAM's contract during 2010.

Public Parking – The Agency is developing and implementing parking optimization strategies that include administering contracts with operators for 5 public garages and three surface parking lots. The public parking facilities include the Franklin 88, UC Office of President, Telegraph Parking Plaza, City Center Garage West, the George P. Scotlan Memorial Convention Center, and surface lots located at 2330 Webster and 2315 Valdez Street, 490 Thomas L. Berkeley Way and 1800 San Pablo Avenue.

PROJECTS

1800 San Pablo Avenue

The Agency owns a parcel located at 1800 San Pablo Avenue. In October of 2009, the Agency issued a request for proposal and selected Sunfield Development, LLC. The Agency entered into an ENA with the developer in July of 2010. Plans for 2011-13 include CEQA compliance, entering into a DDA or Ground Lease and working towards the start of construction of a new mixed-use project on the site. The Agency will allocate up to \$6.4 million for the development of a public parking garage as part of the project.

Broadway/Valdez Corridor Retail Strategy

In December 2007, the Oakland City Council reviewed recommendations from the *Upper Broadway Strategy – A Component of the Oakland Retail Enhancement Strategy*. The report identifies the Broadway/Valdez Retail Corridor (BRC), which is partially located in the Project Area, as a key area in Oakland for comparison/life-style retail, office and housing mixed use development. The Agency is participating in an interdepartmental effort to create a specific plan for the BRC that provides for an urban mixed-use, mixed-income development with major retail and high density housing components and the appropriate accompanying environmental impact report (EIR).

During FY 2009-11, the Agency acquired two strategic parcels located at 2330 Webster and 2315 Valdez Street. The Agency will continue operation of these properties as public surface parking lots until the economy improves sufficiently for the implementation of the Broadway/Valdez Retail Strategy.

City Center Site Preparation

Originally, this project included four large properties located in the City Center area of downtown, of which one, located at 555 12th Street, was developed into an office tower by the Shorenstein Company. Another one of the four properties was acquired by Wood Street Partners in 2010, after a previous developer halted construction in July of 2007. The Shorenstein Company also purchased the site located at 601 12th Street (known as T12) in December of 2007 from the Agency, and started construction of an office building in November of 2008. Shorenstein halted project construction in January of 2009, and requested an extension of the completion date by 36 months. In 2010, the Agency and Shorenstein negotiated a 13th Amendment to the City Center DDA extending the date to complete construction of the project from April of 2012 to April of 2015, with two additional extension options that could extend completion of construction until 2017. Shorenstein also had an option to acquire T-5/6 located at 12th Street and Clay Street, which it terminated in 2010. This site is now available for development and the Agency will prepare a development strategy for the property during FY 2011-13.

City Walk (252 residential units and 3,000 square feet of retail)

The Agency is working with a new developer, Wood Partners, to complete construction of the project, which was halted in July of 2007. In March of 2010, the Agency authorized a market rate construction loan in the amount of \$5 million to a new project developer. Project construction is scheduled for completion in December of 2011.

George P. Scotlan Memorial Convention Center

In June 2010, the Agency and the City of Oakland entered into a 12-year sublease for the George P. Scotlan Memorial Convention Center to develop appropriate marketing strategies and a capital improvement program for the renovation and modernization of the aging facility in order to enhance its appearance, marketability and long-term economic success. The sublease authorizes lease payments of \$2 million in FY 2009-10, and \$2 million in FY 2010-11. In July 2010, the Agency committed \$4 million to renovate the facility and in June 2011 the Agency committed an additional \$3.75 million for a total investment of \$7.75 million. The initial scope of work for the project addressed cosmetic upgrades to the property, new furniture and fixtures, and remodeled bathrooms to make them ADA accessible. The additional scope includes upgrades to the Energy Management System, replacement and repair of

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older and damaged airwalls, technology upgrades, additional ADA compliance, updating the kosher kitchen, and changing office space into meeting space. Construction began in October 2011.

Key System Building – 12th & Broadway

This project consists of the renovation of the historic Key System building on the corner of 11th Street and Broadway and its integration into a new mixed-use 20-story office tower with 310,285 sq. ft. of office and 9,810 sq. ft. of ground floor retail space to be developed on an adjacent vacant site. The project includes an Owner-Participation Agreement between the Agency and SKS Broadway LLC, and a purchase and sales agreement between the Agency and SKS Broadway, LLC for a 145-space public parking garage located in the adjacent University of California Office of the President (“UCOP”) garage located at 409 – 12th Street. The garage is valued at over \$5 million at this time.

Lake Merritt Station Area Plan

The Lake Merritt Station Area Plan is a plan prepared by the City of Oakland, BART and the Peralta Community College District, which will identify actions the City and other public agencies should take to improve the area and establish regulations for development projects on private property. The Plan will consider land use, buildings, design, circulation, BART improvements, streetscape improvements, parks and public spaces. The project also involves the preparation of an Environmental Impact Report for the Station Area Plan.

Downtown Capital Project Support

The purpose of this program is to provide equipment, promotional materials and professional services in support of redevelopment activities throughout the Project Area during the next budget cycle. During FY 2011-13, funding from Downtown Capital Support will be used to (1) purchase new computer work stations, (2) provide training for downtown staff, (3) pay for the Public Works Agency’s project management support on the Agency’s Streetscape Improvement District projects, (4) provide funding for consultant contracts related to an amendment to the Redevelopment Plan for the Central District to extend the time limits relating to the Plan’s effectiveness, (5) provide funding for the Broadway Shuttle and Broadway Streetcar study; (6) provide capital support for Agency-owned facilities, (7) litigation support, and (8) funding for the Lake Merritt Specific Plan.

Public Parks and Facilities

As the population in the Central District is growing and the public’s use of parks and facilities is increasing, there is a need to address deferred maintenance issues at certain public parks and facilities within the Project Area.

Henry J. Kaiser Convention Center – The adopted budget includes the purchase of Henry J. Kaiser Convention Center by the Agency from the City. The first step will be to hire a real estate broker or a real estate marketing firm to find the optimal buyer, operator, tenant, or group of tenants for the building. The optimal buyer, operator, tenant or group of tenants would provide a return on the Agency investment in the property, while at the same time maintaining the historical integrity of the building and finding the highest and best use for the property. Plans for 2011-13 include entering into an agreement with the brokerage firm, marketing the property, identifying a user and completing a necessary documentation and legislation to sell or lease the building.

Henry J. Kaiser Memorial Park – The Agency, with financial assistance from the City, worked with Forest City to create Henry J. Kaiser Memorial Park, a new 25,000 square-foot public park in the Uptown area. The park was completed in October of 2008. In 2010, the Agency provided a grant of \$182,000 to the Oakland Chamber of Commerce Foundation to pay toward the cost of installing the sculptural monument titled “Remember Them: Champions for Humanity” by Mario Chiodo. Completion and installation of at least 3 components of the sculpture at the Park is scheduled to occur in September of 2011.

Lincoln Square Park (261-11th Street) – The Lincoln Square Park modernization project will provide a new synthetic turf field connecting the park to the adjacent Lincoln Elementary School. The school, as well as four day-care centers and two Head Start Programs use Lincoln Square Park as an additional play area. Improvements include new landscaping and irrigation, fencing, game tables, benches, site lighting and ornamental walls. The project adds

PROJECTS & ACTIVITIES

approximately 1/3 acre of developed open space to the existing park. Start of construction occurred in March 2011 with a completion date of fall 2011. The Agency is contributing \$771,000 for this effort. Start of construction occurred in March 2011 with a projected completion date of fall 2011.

Malonga Casquelourd Art Center Rehabilitation – The Agency is providing funding assistance toward the rehabilitation of the Malonga Casquelourd Art Center. The Agency is contributing \$911,000 for this work. Plans for 2011-13 include completion of the work in the spring of 2012.

Touraine Hotel/Henry J. Robinson Multi-Service Center – The Henry J. Robinson Multi-Service Center (HRMSC) provides economic benefits to homeless persons and families by operating major supportive housing services through the operation of a two-year transitional housing program, an emergency shelter and drop-in services. The HRMSC provides transitional housing for up to 54 families at a time, and gives homeless individuals the opportunity to stabilize their lives while completing, through case management, the necessary work needed to become productive citizens. The Center also provides 8 emergency housing units, a drop-in center, and an award-winning program for children.

Uptown Project Parcel 4 – The Agency will prepare a strategy for permanent development for the remaining property in Uptown, select a developer and begin development of the project.

Victory Court – The Agency has been in discussions with Major League Baseball (MLB) over the potential development of a new ballpark for the Oakland A's in the Victory Court area near Jack London Square. The Agency has undertaken initial planning efforts, including preparation of an Environmental Impact Report and evaluating site assembly and infrastructure requirements for the stadium. If the project goes forward the Agency would complete the EIR, negotiate and execute a Disposition and Development Agreement with the A's and MLB, complete site acquisition and relocation of existing tenants, complete environmental remediation, and initiate demolition, site preparation and constructing off-site infrastructure during FY 2011-13. The Agency may provide up to \$18 million in current bond funds and another \$84 million in future bond funds from the Central District.

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Central District Project Area Capital Spending Plan

Project	FY 2010-11 Estimated Carryforward	Available to Reprogram	FY 2011-12 Adopted	FY 2012-13 Adopted	FY 2011-13 Project Total
CENTRAL DISTRICT WIDE					
10K Housing	\$19,000	(\$19,000)	(\$19,000)	\$0	\$0
14th & Broadway Transit Center	319,000	-	-	-	\$319,000
I 880 Broadway Underpass	-	-	1,050,000	-	\$1,050,000
Basement Backfill Program	2,922,000	-	-	-	\$2,922,000
Business Improvement District (BID)	65,000	-	-	-	\$65,000
Central District Public Facilities - Scotlan Lease Payment 2011-12	2,000,000	-	-	-	\$2,000,000
- Lincoln Rec Center Pub Facility	771,000	-	-	-	771,000
- Malonga Public Facility	611,000	-	300,000	-	911,000
- Jefferson Sq. Public Facility	39,000	-	-	-	\$39,000
- Scotlan Capital Improvement	4,000,000	-	-	-	\$4,000,000
Downtown Capital Project Support	2,284,000	-	-	-	\$2,284,000
Downtown Historic Façade Program	331,000	-	-	-	\$331,000
Downtown Façade Improvement Program	1,578,000	-	1,500,000	695,000	3,773,000
Downtown Streetscape Master Plan	2,777,000	-	-	-	\$2,777,000
Land Acquisition - Kaiser Convention Center [A]	-	-	12,300,000	-	\$12,300,000
Merchant Promo District 2 & 9	60,000	-	10,000	10,000	\$80,000
Oracle Corp Software License	15,000	-	200,000	200,000	\$415,000
Public Art	1,500,000	-	-	-	\$1,500,000
Retail/Entertainment Catalyst Project	104,000	-	805,000	-	\$909,000
Retail/Entertainment Catalyst Project - Façade Improvement Project	402,000	-	-	-	\$402,000
Retail/Entertainment Catalyst Project- Tenant Improvements	940,000	-	1,779,160	-	\$2,719,160
Small Business Retail (Broadway) Loan Program	123,000	-	179,000	172,000	474,000
Victory Court EIR	750,000	-	-	-	750,000
Subtotal	\$21,610,000	(\$19,000)	\$18,104,160	\$1,077,000	\$40,791,160

PROJECTS & ACTIVITIES

Central District Project Area Capital Spending Plan (continued)

Project	FY 2010-11 Estimated Carryforward	Available to Reprogram	FY 2011-12 Adopted	FY 2012-13 Adopted	FY 2011-13 Project Total
UPTOWN					
1800 San Pablo Parking Garage	\$0	\$0	\$6,400,000	\$0	\$6,400,000
Broadway - West Grand - ORA	64,000	-	-	-	\$64,000
Central District Parking Garage Dev.	14,982,500	-	1,015,500	-	\$15,998,000
Central District Site Acquisition	470,000	-	-	-	\$470,000
Development Assistance Program	1,500,000	(1,500,000)	(1,500,000)	-	\$0
Fox Courts DDA	132,000	(100,000)	(100,000)	-	\$32,000
Fox Theater Master Plan, Maintenance, Retail/Office	18,100	-	-	-	18,100
Oakland Ice Center	2,315,000	(64,934)	(64,934)	2,010,000	4,260,066
Oakland Ice Center Capital Improvements	6,400	-	-	-	\$6,400
Touraine Hotel/HRMSC	438,000	-	98,113	98,113	\$634,226
Telegraph Phase I ORA	157,000	-	-	-	\$157,000
Telegraph Plaza Garage Operations	156,000	-	-	-	\$156,000
Uptown Façade & Streetscape	500	-	-	-	\$500
Uptown - Retail Entertainment Catalyst Project	153,000	(100,000)	(100,000)	-	53,000
Uptown Forest City Residential	265,000	(265,000)	(265,000)	-	\$0
Uptown Retail Entertainment	3,000	-	-	-	\$3,000
Uptown - Forest City DDA	159,500	(159,500)	(159,500)	-	\$0
Uptown- Forest City Residential	666,000	(666,000)	(666,000)	-	\$0
Uptown Garage (21st and Telegraph)	3,300,000	(1,229,270)	(1,229,270)	260,900	2,331,630
Subtotal	\$24,786,000	(4,084,704)	3,428,909	2,369,013	\$30,583,922
DOWNTOWN					
City Center West Garage Operations	\$2,151,000	(\$2,151,000)	\$2,055,000	\$2,055,000	\$4,110,000
Franklin 88 Garage Operations	214,000	-	27,624	27,624	\$269,248
Scotlan Convention Center Operations	-	-	2,517,000	2,638,000	\$5,155,000
Telegraph Parking Plaza	325,000	-	305,000	305,000	\$935,000
UCOP Garage Operations	181,000	-	180,000	180,000	\$541,000
Subtotal	2,871,000	(2,151,000)	5,084,624	5,205,624	\$11,010,248
GRAND TOTAL [B]	\$49,267,000	(\$6,254,704)	\$26,617,693	\$8,651,637	\$82,385,330

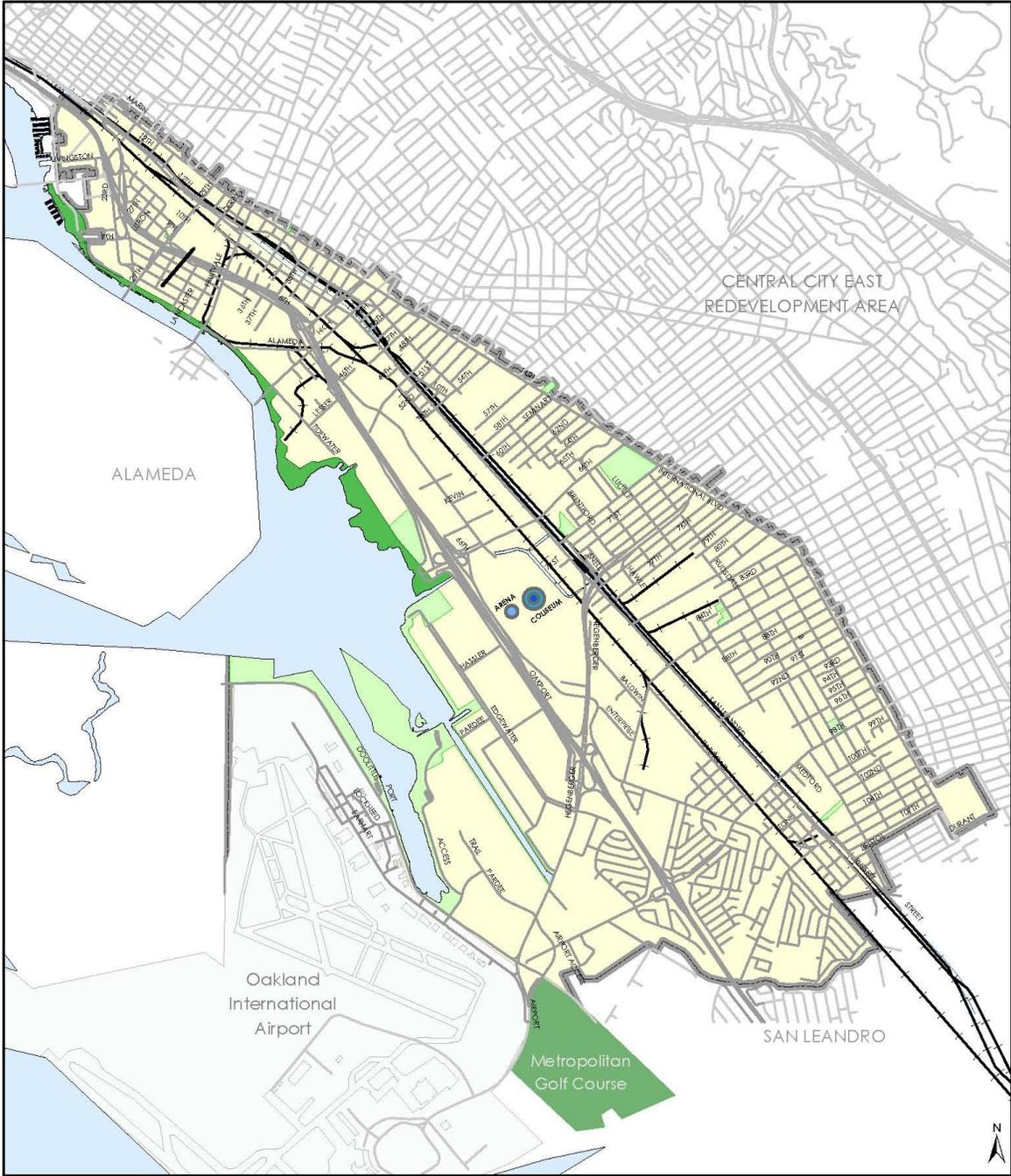
[A] \$12.3 million new appropriation from Central District operating fund balance.

[B] Carryforward balances represent \$32.5 million from bond funds held with trustee and \$16.8 million from other capital funds for garages and other facilities.

PROJECTS & ACTIVITIES

NOTES

COLISEUM REDEVELOPMENT PROJECT AREA



March 2005

PROJECTS & ACTIVITIES

Coliseum Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	13,561,532	-	13,713,869	-
Capital Funds	-	-	-	-
Misc. Sources [A]	176,970	-	176,970	-
Subtotal Sources	13,738,502	-	13,890,839	-
USES				
Personnel Services & Overhead	4,621,482	-	4,842,496	-
Operations & Programs	2,272,502	-	2,205,380	-
Capital Projects	-	-	-	-
Tax Increment Debt	6,844,518	-	6,842,963	-
Other Debt	-	-	-	-
Subtotal Uses	13,738,502	-	13,890,839	-
Transfer to/(from) Fund Balance	-	-	-	-
Estimated Beginning Fund Balance	10,360,580	2,145,394	10,360,580	2,145,394
Estimated Year-End Fund Balance	10,360,580	2,145,394	10,360,580	2,145,394

[A] Miscellaneous Sources include interest income.

PROJECT AREA STATISTICS	
Size	6,764 acres
Plan Adoption Date	7/25/1995
Debt Incurrence Deadline	7/29/2017
Plan Activity Deadline	7/25/2027
Debt Repayment/Increment Collection	7/29/2042
Tax Increment Limit	No Limit

Background

The Coliseum Redevelopment Project Area includes 6,764 acres bounded by 22nd Avenue, International Boulevard, the Oakland-San Leandro city border, and the Oakland International Airport and Estuary. Approximately 75 percent of the total project area consists of commercial, industrial, and airport related uses and the remaining 25 percent is residential.

The principal objective of the Coliseum redevelopment plan is the abatement of physical and economic blight through the redevelopment of vacant and underutilized properties and the replacement of obsolete infrastructure. The Coliseum project contains six target areas of activity: Coliseum Shoreline; Coliseum BART Station area; Hegenberger Gateway / Oakland Airport area; Fruitvale BART Station Area; Neighborhood Project Initiative, an expanded focus on neighborhood capital projects; International Boulevard and major corridors.

Highlights

During FY 2009-11, the Coliseum Project Area witnessed a number of infrastructure improvements throughout the project area. Sunshine Court received major upgrades with new paving including drainage with new curbs and gutters. The Hegenberger East streetscape improvements were completed that upgraded the section along Hegenberger from I-880 towards San Leandro Street. In addition, Airport Access Road and Doolittle Drive improvements were completed with the latter being completed in partnership with the City of San Leandro. Finally, the San Leandro Street Utility Undergrounding Project was completed along San Leandro Street between 66th and 75th Avenue.

During FY 2009-11, the Coliseum project area also benefited tremendously from a number of redevelopment programs. The area leveraged over \$2 million in private investment with over \$1 million in grants by completing 22 projects through the Coliseum Façade and Tenant Improvement programs. In addition, in cooperation with Building Services Division, approximately 100 code violations were cited through the Tough on Blight Campaign. Approximately \$1,000,000 in business attraction and retention loans were underwritten through the Coliseum Commercial Loan Program. The Coliseum area also continued funding OPD's Neighborhood Enforcement Team (NET) that covers expanded patrols along International Boulevard and the 8L18 Program that covers night and weekend patrols in the Hegenberger Airport Business Park vicinity. In addition, the Coliseum area continued its support of the Community Cleanup Corps (CCC) with Department of Human Services using Operation Dignity as the homeless training coordinator. The area also implemented a CiviCorps contract in job training and graffiti abatement to address blight issues along the major corridors. The area continued its support of smaller community-initiated projects through the Neighborhood Project Initiative Program as well as its financial support of Rebuilding Together Oakland.

The Coliseum Project Area also had a number of highlights related to infill and transit-oriented development during FY 2009-11 such as receiving an \$8.5 million state Proposition 1C Transit-Oriented Development (TOD) infrastructure grant for Coliseum BART Transit Village Project. In partnership with the Real Estate Division, several parcels were acquired for the Coliseum BART Station CTV Transit Corner and Coliseum Transit Village replacement parking on San Leandro Street. The Agency was also successful in acquiring a 3.4 acre BART parking lot at Fruitvale BART Station for Fruitvale Transit Village II. With respect to new projects and public facilities, the area has benefited tremendously from the grand opening of the 21,000 square foot 81st Avenue Community Library which is the largest branch library in Oakland. The project area also witnessed the re-design completion of the Greenman Sports Field at 66th Avenue. The Coliseum Project Area has benefited from the completion of Willie Wilkins Park improvements on 98th Avenue and construction of a water catchment system and gardens at the East Oakland Boxing Association. Finally, the project area realized the completion of the East Oakland Sports Center which features an indoor recreational swimming pool and fitness center on Edes Avenue.

Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$27,629,341. In November 2006, the Agency issued the Coliseum Redevelopment Project Area Tax Allocation Bonds Series 2006B, which include \$28.77 million in tax exempt bonds and \$7.882 million in taxable bond funds. A portion of the 2006B Bond proceeds were used for defeasance and refund of the Series 2003

PROJECTS & ACTIVITIES

Bonds, leaving a balance of \$23.5 million available for projects. The Coliseum Redevelopment Tax Allocation bonds will provide funds to implement project efforts during the next several years.

Plans for the Coliseum project area for FY 2011-13 are centered around several major categories: Transit-Oriented Developments; Land Acquisitions and Developments; General Infrastructure and Streetscape Improvements; and Neighborhood and Business Corridor Revitalization Programs.

The Coliseum Project Area will further Transit-Oriented Development (TOD) projects such as transit villages at both the Coliseum and Fruitvale BART station areas. The Agency will also undertake strategic specific planning efforts around the Coliseum Stadium area with efforts to improve around mass transit centers. The assembly, demolition and development at Agency-owned parcels will also be an objective. Coliseum will further develop key Notice of Development Opportunity (NODO) sites such as 66th and San Leandro Street and continuing to develop vacant and underutilized sites with income generating uses.

Infrastructure improvements will be a major focus during FY 2011-13 with activities such as major streetscapes such as S. Coliseum Way/Edes, 23rd Avenue, 66th Avenue and Railroad Ave Phase II; Coliseum infrastructure and plaza improvements centered on the Coliseum BART station area; and general Coliseum industrial infrastructure improvements will be undertaken in key business areas.

Neighborhood and business corridor revitalization programs during FY 2011-13 shall include attracting and leveraging private investment in the project area through the Coliseum Façade and Tenant Improvement programs. The Coliseum Business Revolving Loan Program will continue. Neighborhood revitalization efforts will be coordinated through the Weed and Seed program. Commercial and industrial security measures, including OPD public safety programs such as NET and 8L18 targeted patrol programs, will continue to curb illegal activities. Anti-blight mural projects and graffiti abatement contracts will be executed. Tough on Blight enforcement activities with CEDA Building Services will also be coordinated by the Agency.

Coliseum Project Area Capital Project and Program Descriptions

NEIGHBORHOOD PROMOTION AND IMPROVEMENT

Façade Improvement Program

The Coliseum Façade Improvement Program (FIP) offers business and property owners in target areas matching grants of up to \$30,000 for approved exterior renovations to commercial and mixed-use properties, as well as free architectural assistance. The maximum amount of the grant depends on the size of the property. The program offers matching grants on a one-to-one basis for improvements to storefronts including new signage, window repair, and exterior painting. During FY 2009-11, fourteen FIP projects were completed in the Coliseum Project Area.

Tenant Improvement Program

The Coliseum Tenant Improvement Program offers up to \$45,000 per vacant storefronts and up to \$5,000 per property for design services for tenant improvements to commercial properties. The Tenant Improvement Program is an incentive program that offers business owners matching grants on a dollar for dollar basis for tenant improvements to the interiors of vacant retail spaces. The program is designed to assist property owners in attracting retail businesses to locations that are difficult and costly to renovate, and serves as an incentive for new retail businesses to locate within the Project Area. During FY 2009-11, ten TIP projects were completed in the Coliseum Project Area.

Infill Development Incentives Program

This program offers developers and property owners up to \$15,000 in matching funds for predevelopment analysis. The program is intended to encourage the exploration of residential and nonresidential development options for infill areas in the Coliseum Redevelopment Project Area. Major corridors are a particular focus of the program. The program will still be offered in the project area with prior year carry forward funds.

SECURITY AND BLIGHT ABATEMENT

Security Enhancement Program

Coliseum Area Redevelopment funds support OPD activities in the project area commercial corridors through the Neighborhood Enforcement Team (NET) program and the 8L18 Enhanced Patrol Area, which funds overtime costs for extra police patrols in commercial/industrial areas on nights and weekends. During FY 2011-13 a total of \$1.9 million will be allocated for the OPD NET program and a total of \$350,000 will be allocated for the OPD 8L18 program.

Graffiti Abatement Programs

The Coliseum Redevelopment Project abates graffiti through three different programs: an apprenticeship program employing individuals to paint over graffiti, a mural program for highly visible properties where artists work to create murals with at-risk youth, and through the implementation of “green walls”, where trellises and plantings cover walls that are frequently vandalized. For FY 2011-13, \$60,000 will be allocated each year to these efforts.

PROJECTS & ACTIVITIES

Coliseum Tough on Blight Operation

This program is an enhanced blight enforcement operation that aggressively pursues blighted properties and blighting conditions within the Coliseum Project Area in cooperation with the Building Services Division. For FY 2011-13 approximately \$78,000 will be allocated for this program.

The Community Cleanup Corps

Individuals transitioning out of homelessness alleviate blight in Oakland redevelopment areas through a 16-week education, training and paid work experience program. Program participants learn life skills, work readiness skills and safety skills in a classroom setting, and perform field work activities, including light clean-up, weed and blight abatement and limited vegetation management activities. The program alternates days of unpaid formal classroom instruction and paid on-the-job training and work activities. For FY 2011-13, a total of \$100,000 will be allocated for this program.

CAPITAL PROJECT SUPPORT

Citywide Technology Capital Improvement Project

The Citywide Technology Capital Improvement Project allocation covers costs for the Agency's share of the Oracle System. This technology supports redevelopment activities. The costs are shared among all redevelopment project areas. The Coliseum Capital fund will provide \$90,000 annually for technology capital improvements.

Site Acquisitions

The Agency will continue to explore site acquisition strategies to facilitate replacement parking for the development of residential housing on the existing Coliseum BART surface parking; development of a major mixed-use commercial center within the area bounded by 66th Avenue, Interstate 880, Hegenberger Road and San Leandro Street; continued development of the Coliseum Auto Mile; infill projects on International Boulevard; neighborhood shopping center sites with grocery store anchors in locations such as San Leandro Street and 66th Avenue; and greater retail attraction to the project area.

FRUITVALE AREA

Fruitvale BART Transit Village

The Fruitvale Transit Village, located west of East 12th Street between 33rd and 35th Avenues, is a major mixed-use development project that has revitalized the Fruitvale BART Station area between 33rd and 35th Avenues west of International Boulevard.

Three out of four phases, as well as a major public pedestrian plaza that connects the BART station with International Boulevard, have been completed. Phase I included the construction of Las Bougainvilleas, a 68-unit senior housing development. Phase II comprised demolition, utility realignment, and streetscape improvement along East 12th Street. Phase III saw the construction of two major mixed-use buildings flanking the pedestrian plaza. In this phase, the Fruitvale Development Corporation (FDC) provided space for a new senior center, a day care center, senior and family housing, a community resource center, a health clinic, and a shopping and public pedestrian plaza. Phase IV, planned for construction on the East 12th Street BART supplemental parking lot, will include 275 units of market rate rental housing to complement the transit village's existing mix of retail and community services.

PROJECTS & ACTIVITIES

HEGENBERGER / I-880 GATEWAY

South Coliseum Way/Edes Avenue Streetscape Design

This project is intended to provide a stronger link between the hotels on Edes Avenue and the Coliseum entertainment complex and may include ornamental streetlights, banners and trees. It will extend from the south entrance of McAfee Coliseum to 85th Avenue along South Coliseum Way and Edes Avenue.

COLISEUM BART STATION AREA

Coliseum BART Station Transit Village

The Coliseum Transit Village is a mixed use transit-oriented development at the Coliseum BART Station. Currently, the Agency and BART are working with the Oakland Economic Development Corporation for the first phase of the development, which will replace approximately 1.3 acres of the Coliseum BART parking lot with 100+ units of housing and approximately 5,000 square feet of neighborhood-serving retail. The project, together with Lion Creek Crossings Phase IV, was awarded \$8.5 million in Transit-Oriented Development (TOD) funding from the California Department of Housing and Community Development.

Coliseum City “Oakland Live”

This effort will undertake a comprehensive specific planning process around the immediate vicinity of the stadium and arena site that will study alternative proposals for a master planned sports and entertainment based development similar to the “LA Live” concept. The Oakland Coliseum complex is immediately surrounded by large surface parking lots to the north and south. Along the entire perimeter, the Agency currently controls a number of major parcels that can be included in the entire development as part of the larger vision.

Lion Creek Crossings (formerly Coliseum Gardens HOPE VI) Project

The Oakland Housing Authority, in partnership with EBALDC and Related Companies of California, is developing a mixed-income housing project on 20 acres at San Leandro Street between 66th and 69th Avenues. The project, which received \$34.5 million of HUD HOPE VI funding and a \$4 million Agency contribution, replaces the Coliseum Gardens public housing project that was demolished in 2004. Phase I, with 115 units, was awarded both the California Redevelopment Association Award for Excellence in Residential New Construction and the National Association of Housing and Redevelopment Officials' National Award for Excellence in Project Design. To date, 366 affordable rental units in Phases I, II and III have been completed. Phase IV recently received \$7.5 million in Transit Oriented Development funding from the California Department of Housing and Community Development. The entire five-phase project, 466-unit project, including 28 units for home buyers, two new streets, a City park and the restoration of a portion of Lion Creek, is expected to be completed by December 2012. The Agency provided OHA with a \$4 million grant for subdivision infrastructure improvements for Phases I through III, and will provide additional support for Phase IV.

NEIGHBORHOOD IMPROVEMENTS

International Boulevard Streetscape Improvement

Improvements are planned for three nodes comprising 23 blocks along the thoroughfare from 40th Avenue to 89th Avenue. The Agency and City are seeking regional, state and federal funding to complement existing City funding for the project. Coliseum Redevelopment funds will continue to support project design and administration costs for Public Works capital improvement of International Boulevard.

PROJECTS & ACTIVITIES

Railroad Avenue Street Improvement Phase II

Improvement of Railroad Avenue from Louisiana Street to 98th Avenue will complete Agency efforts to reduce dumping activities and drainage problems on the roadway. Phase I successfully enhanced the appearance and function of Railroad Avenue from 85th Avenue to Louisiana Street for the businesses along that section of the road. Phase II, financed with approximately \$2 million of Coliseum Redevelopment funds, will provide the same level of improvements for the residents along the southern portion of Railroad Avenue. Phase 2 is scheduled to commence summer 2011.

23rd Avenue

The project area includes 23rd Avenue between East 12th Street and Foothill Boulevard between 23rd and 22nd Avenues. The Agency held several community meetings working with the Lower San Antonio group and the 23rd Avenue Collaborative on the final design for this streetscape. The 100% construction documents were completed in early 2010. The bid award process was completed in 2010 with the contract awarded to Ray's Electric for \$1,876,021. Construction commenced for the 23rd Avenue streetscape project in April 2011 and is expected to be completed by December 2011. The streetscape improvements include demolition and removal of sidewalks and asphalt paving, removal of asphalt top, new concrete sidewalks, and elongated bulb outs, curb and gutter, colored and scored concrete crosswalks, landscaping, and new street lights from East 12th Street to Foothill Boulevard and Foothill Boulevard from 23rd to 22nd avenues. A plaza will be constructed on the corner of Foothill Boulevard and 23rd Avenue. Since this streetscape project spans both CCE and Coliseum project areas, costs will be shared between the two project areas.

Industrial Zone Improvements: General Coliseum Infrastructure Project

The General Coliseum Infrastructure project will provide infrastructure investments in targeted industrial areas to increase jobs in the Coliseum area. Components include utilities and lighting equipment, surface and street improvements, landscape amenities, trees and signage. Targeted areas include the Melrose-Coliseum, Woodland-81st Avenue and Tidewater industrial zones.

Parks and Open Space

This project will renovate and upgrade various parks throughout the Coliseum Redevelopment Area to minimize the hazards of outdated and overused park structures and make these public sites more safe and pleasant for community use. This investment in parks will also increase surrounding property values and eliminate blight. The Agency has contributed \$200,000 to advance the re-design of Tyrone Carney Park in the heart of the Sobrante neighborhood. Improvements to Sobrante Park at 470 El Paseo Drive will include a new restroom structure and utility connections as well as handicap accessible pathways.

Public Buildings and Facilities

The Coliseum Redevelopment Area has many public facilities that are in need of renovations to meet current City Building & Safety standards. With previous years budgeted funds, the project area will continue working on refurbishing and upgrading various recreation centers and libraries to make these buildings more usable to the community and more relevant to current activities.

PROJECTS & ACTIVITIES

Coliseum Project Area Capital Spending Plan

Project	FY 2010-11 Estimated Carryforward	Available to Reprogram	FY 2011-12 Adopted	FY 2012-13 Adopted	FY 2011-13 Project Total
Hegenberger Gateway / Oakland Airport					
Doolittle Drive Streetscape	\$6,239	(\$6,239)	(\$6,239)	\$0	\$0
S. Coliseum Way and Edes Streetscape	2,674,944	-	-	-	2,674,944
Hegenberger East Streetscape	40,205	(40,205)	(40,205)	-	-
Airport Access Road Streetscape	56,964	(56,964)	(56,964)	-	-
Airport Connector	684,306	-	-	-	684,306
Airport Gateway	68,054	-	-	-	68,054
Zhone Technology	9,283	-	-	-	9,283
Subtotal	\$3,539,995	(\$103,408)	(\$103,408)	\$0	\$3,436,587
Coliseum BART Station Area					
Coliseum Transit Village Infrastructure	\$2,074,877	(\$8,967)	(\$8,967)	\$0	\$2,065,910
66th Avenue Streetscape	892,165	(27,769)	(27,769)	-	864,396
Coliseum Transit Hub Streetscape	6,734	(6,734)	(6,734)	-	-
Building Demolition at 66th Ave	1,286,485	-	-	-	1,286,485
Intercity Rail Platform Coliseum Bond	1,090	(1,090)	(1,090)	-	-
Coliseum Gardens Hope VI Infrastructure	23,017	-	-	-	23,017
Subtotal	\$4,284,368	(\$44,560)	(\$44,560)	\$0	\$4,239,808
Fruitvale BART Station Area					
Fruitvale Village	\$27,500	\$0	\$0	\$0	\$27,500
Fruitvale Alive	52,969	-	-	-	52,969
Subtotal	\$80,469	\$0	\$0	\$0	\$80,469
Neighborhood Improvements					
Sunshine Court Improvements	\$1,050,000	\$0	\$0	\$0	\$1,050,000
International Boulevard Streetscape	1,000,000	-	-	-	1,000,000
Railroad Avenue Phase II	1,396,733	-	-	-	1,396,733
Railroad Avenue Phase I	22,032	(22,032)	(22,032)	-	-
NCR Coliseum	80,049	-	-	-	80,049
Merchant Promo District 4	20,000	-	-	-	20,000
Merchant Promo District 5	20,000	-	-	-	20,000
Merchant Promo District 7	20,000	-	-	-	20,000
Neighborhood Project Initiative	14,889	-	-	-	14,889
Subtotal	\$3,623,703	(\$22,032)	(\$22,032)	\$0	\$3,601,671

PROJECTS & ACTIVITIES

Coliseum Project Area Capital Spending Plan (continued)

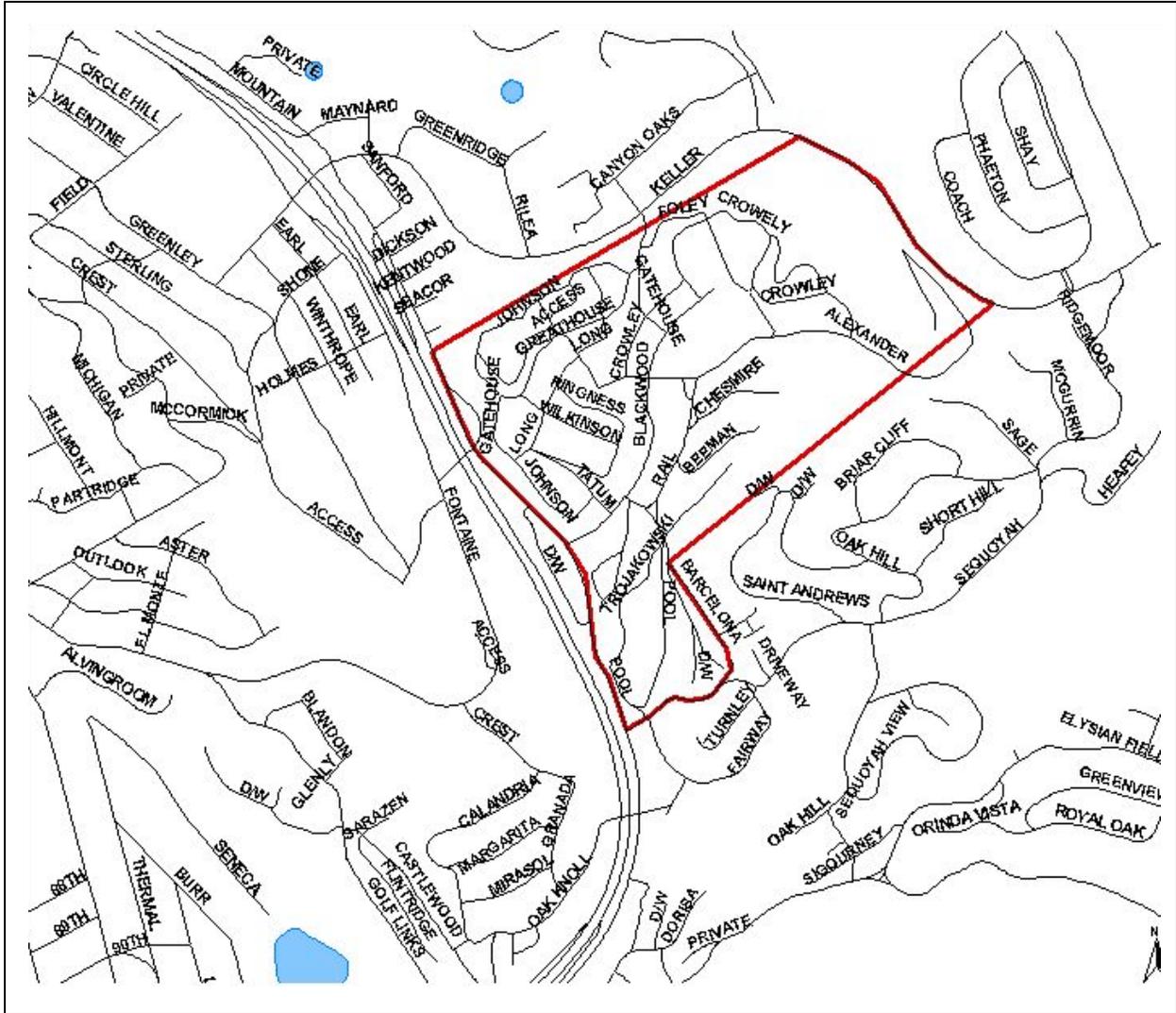
Project	FY 2010-11 Estimated Carryforward	Available to Reprogram	FY 2011-12 Adopted	FY 2012-13 Adopted	FY 2011-13 Project Total
Public Facilities					
Brookfield Library	\$105,080	\$0	\$0	\$0	\$105,080
Martin Luther King Jr. Library	297,633	-	-	-	297,633
Sobrante Park Restroom	129,271	-	-	-	129,271
Tyrone Carney Park	200,000	-	-	-	200,000
East Oakland Sports Complex	-	-	170,000	-	170,000
District 5 Teen Center	507,035	-	-	-	507,035
School Set-Aside	255,563	-	-	-	255,563
81st Avenue Library	266,436	-	-	-	266,436
Subtotal	\$1,761,018	\$0	\$170,000	\$0	\$1,931,018
Coliseum Area-Wide Projects					
Coliseum Capital Contract Contingency	\$400,000	\$0	\$0	\$0	\$400,000
General Coliseum Infrastructure	1,675,000	-	-	-	1,675,000
Coliseum Land Acquisition [A]	14,426,477	-	-	-	14,426,477
Oracle Corp Software License [B]	4,220	-	90,000	90,000	184,220
Subtotal	\$16,505,697	\$0	\$90,000	\$90,000	\$16,685,697
GRAND TOTAL [C]	\$29,795,250	(\$170,000)	\$90,000	\$90,000	\$29,975,250

[A] \$3.4 million is programmed to purchase City-owned property in FY 2012-13.

[B] \$0.09 million for Oracle appropriated from operating fund each year.

[C] Carryforward balances represent \$24.8 million from bond funds held with trustee and \$5 million from non-bond capital funds, including the School Set-Aside fund (tax increment is the source of funds).

OAK KNOLL
REDEVELOPMENT PROJECT AREA



PROJECTS & ACTIVITIES

Oak Knoll Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	737,715	-	745,090	-
Capital Funds	-	-	-	-
Misc. Sources	-	-	-	-
Subtotal Sources	737,715	-	745,090	-
USES				
Personnel Services & Overhead	405,387	-	420,287	-
Operations & Programs	332,328	-	324,803	-
Capital Projects	-	-	-	-
Tax Increment Debt	-	-	-	-
Other Debt	-	-	-	-
Subtotal Uses	737,715	-	745,090	-
Transfer to/(from) Fund Balance	-	-	-	-
Estimated Beginning Fund Balance	182,695	-	182,695	-
Estimated Year-End Fund Balance	182,695	-	182,695	-

PROJECT AREA STATISTICS	
Size	183 acres
Plan Adoption Date	7/14/1998
Debt Incurrence Deadline	7/14/2018
Plan Activity Deadline	7/14/2028
Debt Repayment/Increment Collection	7/14/2043
Lifetime Tax Increment Collected through 6/30/10	\$3,386,779
Tax Increment Limit	\$1,500,000,000

Background

The Oak Knoll Redevelopment Area spans roughly 183 acres of hillside property north of Highway 580 between Keller Avenue and Golf Links Road. The former Naval Hospital was decommissioned in 1996 and was designated as a Redevelopment Area that same year. Following several efforts to convey the property, the Department of the Navy sold 167 acres of Oak Knoll to SunCal Oak Knoll, LLC for \$100.5 million. The remainder of the land was conveyed to Seneca Center, Sea West Credit Union and the Redevelopment Agency, which owns 5.45 acres on the site.

Highlights

City and Agency staff worked extensively with the developer, SunCal Company, on the master planning process for a community of 960 housing units of various types and sizes. The site was to also include more than 80,000 square feet for commercial retail, a refurbished mission style club house for community uses, a restored and day-lighted creek, trails, parks and playfields. Planning had reached the point where SunCal commenced abatement on more than 90 buildings on the site, including the 11-story hospital. Staff had assembled a team of consultants to begin the formation process for a Community Facilities District. The terms for the sale of the Agency's property at market rate were finalized, and the conditions of an Owner Participation Agreement were being completed. The project had been before the Planning Commission several times and is slated to return to the Planning Commission and City Council for final approvals. In November 2008 SunCal Oak Knoll, LLC declared bankruptcy. Nonetheless, the Agency and City worked with the bankruptcy trustee and SunCal Company to exact more than \$6 million from the Lehman Brothers bankruptcy court to secure the Oak Knoll property and demolish more than 90 vacant, blighted buildings on the site, including the 11-story former Oak Knoll Naval Hospital. The Agency also demolished 18 vacant and blighted duplexes on its 5.45 acre parcel. The site is secured with around-the-clock guards, and the vegetation is being managed.

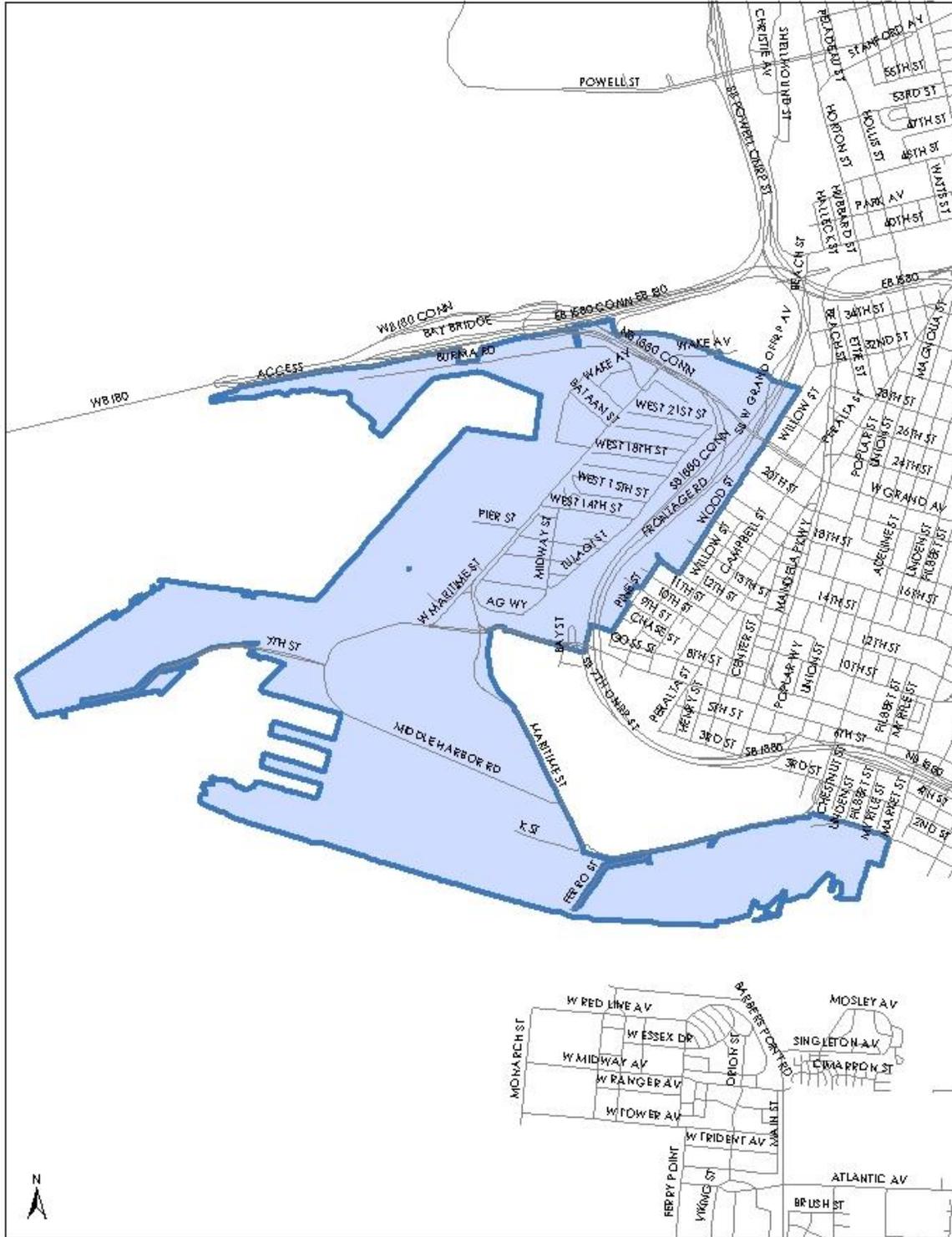
Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$1,482,805. Staff will continue to monitor the property and work with the Fire Services Agency and SunCal Company to ensure the property is secure and safe. Staff will also continue to gather information and present options for how the Agency can assist in the resumption of development activities on the site, including options for the development of its 5.45 acre parcel.

PROJECTS & ACTIVITIES

NOTES

OAKLAND ARMY BASE REDEVELOPMENT PROJECT AREA



PROJECTS & ACTIVITIES

Oakland Army Base Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	5,044,435	-	5,094,881	-
Capital Funds	-	-	-	-
Interfund Transfer	(1,500,000)	1,500,000	(1,500,000)	1,500,000
Misc. Sources [A]	2,417,440	-	2,417,440	-
Subtotal Sources	5,961,875	1,500,000	6,012,321	1,500,000
USES				
Personnel Services & Overhead	2,206,487	-	2,309,378	-
Operations & Programs	5,618,702	-	3,793,726	-
Capital Projects	-	1,500,000	-	1,500,000
Tax Increment Debt	-	-	-	-
Other Debt	-	-	-	-
Subtotal Uses	7,825,189	1,500,000	6,103,104	1,500,000
Transfer to/(from) Fund Balance	(1,863,314)	-	(90,783)	-
Estimated Beginning Fund Balance	1,984,294	-	120,981	-
Estimated Year-End Fund Balance	120,981	-	30,198	-

[A] Miscellaneous Sources includes interest, rental and lease income.

PROJECT AREA STATISTICS	
Size	1,200 acres
Plan Adoption Date	7/11/2000
Debt Incurrence Deadline	6/30/2022
Plan Activity Deadline	6/30/2033
Debt Repayment/Increment Collection	6/30/2048
Lifetime Tax Increment Collected through 6/30/10	\$31,248,109
Tax Increment Limit	\$506,400,000

Background

The Oakland Army Base Redevelopment Area is comprised of the former Oakland Army Base, plus adjacent areas, totaling approximately 1,800-acres. On July 11, 2000, the Oakland City Council adopted the Oakland Army Base Redevelopment Area Plan by Ordinance No. 12259 C. M. S. The Oakland Army Base Redevelopment Area is divided into three major sub-districts: 16th & Wood Street Sub-district, the Maritime Sub-district, and the Oakland Army Base (OAB) Sub-district. Each area experienced redevelopment activity in the past fiscal cycle.

On August 7, 2006, the Oakland Redevelopment Agency took ownership of 170 acres of former Oakland Army Base land, to develop as the Gateway Development Area. An additional 220 acres was transferred to the Port of Oakland for its Port Development Area. These actions fulfilled the August 7, 2003 Economic Development Conveyance Agreement with the U.S. Army, of former Oakland Army Base property to the Oakland Base Reuse Authority on behalf of the City of Oakland, the Oakland Redevelopment Agency and the Port of Oakland. Redevelopment of the former Army Base property (including both the Redevelopment Agency and the Port land) is expected to generate 8,000 new jobs, hundreds of millions of dollars of private investment, major expansion opportunities for the Port of Oakland, a mixed-use commercial development along the waterfront, a new waterfront park and other community benefits.

Currently, the Redevelopment Agency is in an Exclusive Negotiating Agreement (ENA) with Prologis/California Capital Group Oakland Global, LLC (Prologis/CCIG) for the master development of up to 137 acres of the Gateway Development Area. The Agency is working with Prologis/CCIG CCIG alone through the ENA to prepare, respectively, the environmental analysis required for project approval under the California Environmental Quality Act (CEQA) and the infrastructure master plan for the Army Base. In conjunction with the CEQA work and master planning, the Agency is negotiating a Lease Disposition and Development Agreement (LDDA) with Prologis.CCIG to develop a trade and logistics center, including Class A office, research and development facilities, and project-serving retail.

The City, Redevelopment Agency and Port are working collaboratively on a number of joint requirements, which include environmental remediation, operation of a joint utility program, planning for infrastructure improvements, and fulfillment of mitigation measures stipulated in the Mitigation Monitoring and Reporting Program (MMRP) of the 2002 Oakland Army Base Redevelopment Area Plan Environmental Impact Report.

The first phases of a private mixed-use residential, commercial, and civic use project are being developed on a 29.2-acre site in the 16th & Wood Street Sub-district. The project sponsors will construct 1,570 residential units, renovate the historic 16th Street Train Station, and develop commercial/retail and public open spaces. The project was approved in June 2005. An important aspect of this project is the restoration and re-use of the historic Train Station at 16th and Wood Streets.

Highlights

The Agency entered into an ENA with with Prologis/CCIG for the master development of up to 137 acres of the Gateway Development Area. Through the ENA, the Agency initiated CEQA review and infrastructure master planning and design for the Army Base.

Environmental cleanup and reporting under the \$13 million Environmental Services Cooperative Agreement (ESCA) among the Agency, the Port of Oakland, the Army, the State Department of Toxic Substances Control (DTSC) and the Regional Water Quality Control Board (RWQCB) has been completed. The Agency established the Joint Environmental Remediation Account Fund (JERAF) to continue implementing the Remedial Action Plan/Risk Management Plan (RAP/RMP) and related environmental remediation activities to clean up contamination on the former Army Base property. The Agency and the Port each contributed \$5.75 million to the JERAF.

The Agency negotiated a Cost Sharing Agreement with the Port of Oakland. In return for the Agency's initial commitment of \$32 million toward Army Base environmental remediation, infrastructure master planning and design, and improvements, the Port will reimburse the Agency through the Trade Corridor Improvement Fund up to \$62 million for certain construction costs. The Agency's commitment includes \$16.3 million from the Joint Infrastructure Development Fund (JIDF), established to fund the planning, design, and construction of infrastructure for the Army Base; \$5.75 million from the JERAF; \$1.6 million in TIGER II U.S. Department of Transportation grant funding awarded to the Agency for master planning Army Base infrastructure; and \$8.4 million in future tax increment.

PROJECTS & ACTIVITIES

The Agency completed a number of studies to assist with planning decisions. They include a market study for recycling uses in the North Gateway Development Area; conceptual site plans to explore the feasibility of alternative locations for a 15-acre maritime trucking services center; a sanitary sewer assessment to determine the best alignment for a new sanitary sewer line to serve future development; a feasibility study for restoring the 16th Street Train Station, which led to a phased rehabilitation plan; and an Initial Study/Addendum (for an aggregate recycling and fill project in the Central Gateway) to the 2002 Environmental Impact Report (EIR) and 2006 Supplemental EIR. The Agency also participated in a multi-agency planning process, which culminated in a Project Study Report for open space amenities near the eastern touchdown of the San Francisco/Oakland Bay Bridge.

Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$16,928,293. The Agency will be constructing the first phase of public infrastructure improvements after completing the infrastructure master plan for the Army Base, the CEQA analysis required for project development, and the negotiation and execution of an LDDA for the master development of up to 137 acres of the Gateway Development Area. The Agency and community will reach a consensus on the benefits that should be associated with development of the Army Base and which will be part of the LDDA negotiations with the master developer.

The Agency will complete land use planning and initiate development agreements for the remainder of Gateway areas not in the master development area. Included in this exercise is the resolution of the Oakland Terminal Rail easement in the North Gateway Area and completion of Phase 2 of the State Lands Commission Public Trust exchange.

The first two phases of the Train Station rehabilitation plan will be completed.

PROJECTS & ACTIVITIES

West Oakland Project Area

Funding Sources and Uses Fiscal Year 2011-13

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Net Tax Increment	2,725,470	-	2,779,980	-
Capital Funds	-	-	-	-
Misc. Sources [A]	38,200	-	38,200	-
Subtotal Sources	2,763,670	-	2,818,180	-
USES				
Personnel Services & Overhead	1,452,058	-	1,521,657	-
Operations & Programs	1,298,168	-	1,283,079	-
Capital Projects	-	-	-	-
Tax Increment Debt	-	-	-	-
Other Debt	13,444	-	13,444	-
Subtotal Uses	2,763,670	-	2,818,180	-
Transfer to/(from) Fund Balance	-	-	-	-
Estimated Beginning Fund Balance	1,673,810	-	1,673,810	-
Estimated Year-End Fund Balance	1,673,810	-	1,673,810	-

[A] Miscellaneous Sources include interest income.

PROJECT AREA STATISTICS	
Size	1,565 acres
Plan Adoption Date	11/18/2003
Debt Incurrence Deadline	11/18/2023
Plan Activity Deadline	11/18/2033
Debt Repayment/Increment Collection	11/18/2048
Tax Increment Limit	No Limit

Background

The West Oakland Redevelopment Project was adopted on November 18, 2003. This is the fourth and newest of the four redevelopment areas in West Oakland. The West Oakland Redevelopment Project Area comprises 1,565 acres and is divided into the three sub areas. The sub-areas are Prescott/South Prescott, Clawson/McClymonds/Bunche and West MacArthur/Hoover. The 2008-2013 Five-Year Implementation Plan contains goals and objectives that will aid in the elimination of blighted conditions in the Project Area through planning, redesign, reconstruction and rehabilitation.

The City Council adopted Resolution No. 76841 C.M.S. in 2001, authorizing the formation of the West Oakland Project Area Committee (WOPAC), which advises the City Council on redevelopment activities throughout the Project Area. The WOPAC has met monthly since its inception, and has also met in subcommittees to address specific issues.

Highlights

During FY 2009-11, the Agency continued to work closely with the WOPAC to set Redevelopment priorities and support WOPAC outreach efforts, including an annual newsletter and picnic. Many projects and programs the WOPAC recommended funding in previous years became further refined if not completed in FY 2009-11. In addition, many more proposals were heard and considered via the WOPAC approval process, but were deemed unfit for Redevelopment funding.

The Façade Improvement Program, the Tenant Improvement Program and the Neighborhood Project Initiative Program are small grant programs that provide opportunities for property owners, business owners and community members to access Redevelopment funds to alleviate blight (i.e. beautify facades, decrease commercial vacancies, and improve neighborhood physical conditions). These Programs were actively managed by Redevelopment staff who continuously receive and review applications and worked closely with project sponsors to implement projects. Seven façade projects, ten tenant projects (including Mandela Foods Cooperative) and five NPI projects were completed in FY 2009-11; another eight facade, eleven tenant and seventeen NPI projects are underway for FY 2011-13.

In addition, in FY 2009-11, Redevelopment staff received Agency approval and moved forward on other smaller-scale projects WOPAC recommended funding: a \$100,000 construction job training grant to the Alliance for West Oakland Development was completed; \$100,000 for the construction of Fitzgerald Community Farm is near completion; \$40,000 for a West Oakland Street Tree Master Plan is under development; the West Oakland Works website was launched; an Infrastructure Assessment Study was completed; and the design and construction drawings of an existing building at 3233 Market Street (which will become the West Oakland Teen Center) was completed with \$500,000. Staff subsequently applied for and was awarded a \$5 million State grant for construction and WOPAC approved a match of \$1.098 million for the construction funding gap, which will allow construction to begin in late 2011.

The WOPAC also monitored new development in the Project Area, including the review of projects seeking NOFA funding. Staff worked with WOPAC to refine the guidelines for housing programs that are now approved by the Agency and are active and accepting applications: \$250,000 for an automatic gas shut-off valve program; Vacant Housing Acquisition/Rehab/New Construction Program; Owner Rehab Program; and a Mortgage Assistance Program. In addition, WOPAC approved \$48,000 for Grid Alternatives to install solar panels on four qualified homes; construction was completed in late 2009.

Streetscape projects moved forward for three major streets identified as priorities by WOPAC: Construction of Phase One of the 7th Street Streetscape Plan began, after WOPAC approved \$650,000 for the construction funding gap. Staff issued an RFP and selected a consultant team to lead the design of Master Streetscape Plans for Martin Luther King Jr. Way and Peralta Street. Design and planning is underway with active WOPAC and community participation.

WOPAC approved \$310,000 to match a \$400,000 federal grant (TIGER II from HUD and DOT) to prepare a West Oakland Specific Plan. The development of opportunity sites around the West Oakland BART station and Mandela/Grand area will be facilitated with the preparation of a West Oakland Specific Plan. The Agency issued a RFP and contract execution with selected consultant team is underway. In regards to land acquisition near West Oakland BART station, WOPAC allocated Redevelopment funds for this general purpose and approved \$100,000 for the Agency

PROJECTS & ACTIVITIES

purchase of LISC note on “7th and Campbell” properties; the loan purchase closed in June 2010 and Agency purchase of property will begin soon. In addition, WOPAC approved another \$160,000 to purchase “7th and Peralta” sites.

Plans for FY 2011-13

Adopted funding for FY 2011-13 is \$5,581,850. The Agency will complete WOPAC- and Agency-approved projects underway and continue to work closely with WOPAC to set Redevelopment priorities and engage larger West Oakland community.

The West Oakland Specific Plan is planned for adoption by the end of 2013. This Plan will provide a blueprint for public and private investment in the West Oakland Redevelopment Area. Particular attention will be given to key parcels surrounding the West Oakland BART station and vacant and underutilized sites around Mandela and Grand.

Construction will begin on Phase 1 of the MLK Jr. Way and Peralta Street Streetscape Plans as well as Phase II of 7th Street; Construction for Phase I of 7th Street will be completed. Construction of the West Oakland Teen Center is expected to be completed. Also to be completed in FY 2011-13 are the West Oakland Street Tree Master Plan and the construction of the Fitzgerald Park Community Farm.

Funding and implementation of the Façade and Tenant Improvement Programs, and the NPI Program for 2012 and 2013 are planned to continue; and the 17 NPI projects and 19 FI/TI currently underway will be completed.

Funding for the West Oakland Housing Programs will continue and WOPAC will continue to review and approve NOFA projects within Project Area, as well as monitor other major developments not necessarily seeking public funding.

Low-Moderate Income Housing

**Funding Sources and Uses
Fiscal Year 2011-13**

	FY 2011-12 Adopted Budget		FY 2012-13 Adopted Budget	
	Operating	Capital	Operating	Capital
SOURCES				
Tax Increment	27,043,075	-	29,835,649	-
Capital Funds	-	-	-	-
Interfund Transfer [A]	(350,000)	-	(350,000)	-
Misc. Sources [B]	350,000	-	350,000	-
Subtotal Sources	27,043,075	-	29,835,649	-
USES				
Personnel Services & Overhead	6,804,792	-	7,207,423	-
Operations & Programs	9,028,318	-	10,512,338	-
Capital Projects	-	-	-	-
Tax Increment Debt	-	-	-	-
Other Debt	11,209,965	-	12,115,888	-
Subtotal Uses	27,043,075	-	29,835,649	-
Transfer to/(from) Fund Balance	-	-	-	-
Estimated Beginning Fund Balance	-	-	-	-
Estimated Year-End Fund Balance	-	-	-	-

[A] Includes a transfer of \$350,000 in each fiscal year to Central District for acquisition of the Henry J. Robinson Multi-Service Center.

[B] Miscellaneous Sources include interest income.

HOUSING PROGRAM

LOW AND MODERATE INCOME HOUSING PROJECTS

Background

Beginning in FY 1988-89, the Agency, in accordance with State law, commenced setting aside in a separate fund, 20 percent of all tax increments received for the development of low to moderate income housing throughout the City. Beginning in FY 2002-03, the Agency increased that amount to 25 percent pursuant to Agency Resolution 01-85 adopted on December 11, 2001. The Agency's low and moderate income housing program consists of the use of the set aside funds for various housing projects and programs that provide for preservation and construction of adequate housing and expansion of first-time homeownership opportunities.

Highlights

During FY 2009-11, the Agency used Low and Moderate Income Housing Funds, including proceeds of an Agency affordable housing bond issued in FY 2005-06 for affordable housing activities. Because of the State-mandated SERAF transfer, some or the entire voluntary 5% portion was suspended in FY 2009-10 and 2010-11. Low/Mod funds are used for the First Time Homebuyer program, the annual housing development NOFA, and several housing rehabilitation programs in Central City East and West Oakland. Over 25 percent of the budget is allocated to debt service on past bond issues, and a little over 20% is allocated for staff costs in both CEDA and non-CEDA departments. As of early 2011, over 1,700 units of Agency-financed affordable housing were either in predevelopment or under construction (see table at end of this section).

Progress continues on the preservation of the portfolio owned by the failed nonprofit, Oakland Community Housing, Inc. (OCHI). Several of their most recent projects were transferred seamlessly to new nonprofit owners. Four properties were acquired by private owners who foreclosed and eliminated all City/Agency investments, but they have agreed to modest rent/income restrictions and appear to be doing a good job of rehab and management. The remaining properties will be acquired and rehabilitated by other nonprofits with extended affordability terms and deeper targeting to very low income families.

Plans for FY 2011-13

Adopted funding in FY 2011-13 is \$56.9 million. Depending on the outcome of pending legislation, the Agency may not make the full deposit to the LowMod fund in order to make payments that would be required under AB1X 27. Revenue is expected to increase in FY 2012-13 if the Central District redevelopment plan time limits are extended by 10 years. If that occurs, State law requires that the mandatory deposit to the LowMod fund be increased to 30 percent of gross tax increment revenue from that project area. \$24 million of the total budget is dedicated to debt service payments for the 2006 and 2011 Housing Set Aside Bonds and partial payment of Central District bonds for the Henry J. Robinson transitional housing facility for the homeless. The 2011 bonds were issued to support Wood Street, Oak-to-Ninth and MacArthur BART housing developments.

The additional debt service requirements for the 2011 bonds severely limit the amount available for annual NOFA. A total of just \$14.5 million is available for (a) the City-wide NOFA for housing development, (b) operations support (mortgage payments) for the East Oakland Community Project transitional housing facility, and (c) various housing programs identified in the Five-Year Implementation Plans for the Central City East and West Oakland Project Areas. This amount is about half of the amount available during the last two-year budget. (The Redevelopment Plans for the West Oakland and Central City East Project Areas restrict the use of low and moderate income housing funds generated from those areas to activities in those areas, including development, rehab and homebuyer assistance).

During FY 2011-13, a total of \$5 million in funding for the Mortgage Assistance Program will be provided in order to make 70 homes affordable to new homeowners.

Costs for personnel amount to \$14 million over the two-year period, representing 25 percent of total. Of that amount, over 45 percent (\$6.2 million) is for personnel costs in departments other than CEDA. Personnel costs in CEDA represent approximately 14 percent of total funding.

HOUSING PROGRAM

Low/Mod Housing Funds – Active Projects (as of Feb 2011)

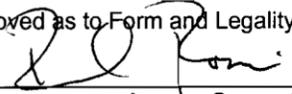
Project Name	Location	Units
6 th & Oak Senior Housing	609 Oak Street	70
720 E 11th St	720 E. 11 th Street	55
94th & International	94 th Ave and International Blvd	54
Redwood Hill	4858-68 Calaveras Ave	17
California Hotel Rehab	3501 San Pablo Ave	150
Cathedral Gardens	688 21 st Street	100
CCE Homebuyer Program	Central City East	n/a
CCE Owner Rehab	Central City East	n/a
Drachma Rehab	Scattered sites in West Oakland	14
Drasnin Manor	2530 International Blvd	26
Edes B Ownership	10800 Edes Avenue	28
Effie's House Rehab	829 E 19 th St	21
Eldridge Gonaway Rehab	1165 3 rd Avenue	40
Emancipation Village	3800 Coolidge Ave	30
Fairmount Apts	401 Fairmount Ave	31
First-Time Homebuyer Program	Citywide	n/a
Golf Links Road	Scattered near 82 nd Ave & Golf Links Road	3
Harrison Senior Housing	1633 Harrison St	73
Hugh Taylor Rehab	1935 Seminary Ave	43
James Lee Court Rehab	690 15 th Street	26
Jefferson/Oaks Hotel Rehab	587 15 th Street / 1424 Jefferson St	102
Lion Creek Crossings IV	881 69 th Avenue	72
Macarthur Apts	9800 MacArthur Blvd	32
Oakland Point Rehab	1448 10 th Street	31
Posada De Colores Rehab	2221 Fruitvale Ave	100
Project Pride Transitional Housing	2577-79 San Pablo Ave	20
PSE Downpayment Assistance	Citywide	n/a
Sausal Creek	2464 26 th Ave	17
Slim Jenkins Court Rehab	700 Willow Street	32
St. Joseph's Senior Housing	2647 International Blvd	84
St. Joseph's Family Rental	2647 International Blvd	62
Tassafaronga	919 85 th Ave	137
West Oakland Homebuyer Program	West Oakland	n/a
Wood St Homebuyer Loans	Central Station Development	n/a

HOUSING PROGRAM

NOTES

APPROVED BY THE CITY CLERK
JUL 16 PM 5:31

Approved as to Form and Legality

By: 
Agency Counsel

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

Resolution No. 2011 - 0052 C.M.S.

**AGENCY RESOLUTION AUTHORIZING THE FISCAL YEARS 2011-13
BIENNIAL BUDGET AS THE FINANCIAL PLAN FOR CONDUCTING THE
AFFAIRS OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND
AND APPROPRIATING CERTAIN FUNDS TO PROVIDE FOR THE
EXPENDITURES PROPOSED BY SAID BUDGET**

WHEREAS, the Agency has reviewed project and activity budgets in public hearings in view of estimated resources available for Fiscal Years 2011-13; and

WHEREAS, the Agency has given careful consideration to the adoption of a budget and financial plan for the use of funds for Fiscal Years 2011-13 as set forth in the "FY 2011-13 Adopted Budget of the Oakland Redevelopment Agency" presented to the Agency Board and Exhibit A, attached to this Resolution, reflecting Agency Board modifications, which together constitute the "FY 2011-13 Oakland Redevelopment Agency Adopted Budget;" and

WHEREAS, the City of Oakland and the Agency entered into a Cooperation Agreement on July 1, 2004, which governs the provision of assistance and the payment of funds between the two agencies, subject to budget authorization; and

WHEREAS, the Cooperation Agreement provides for an annual accounting of costs incurred by the City in rendering activities or services to the Agency; and

WHEREAS, the City has provided the required accounting to the Agency as part of the City budget proposal; now, therefore, be it

RESOLVED: That the Agency Administrator is hereby authorized to expend, in accordance with the laws of the State of California and the City of Oakland on behalf of the Agency, new appropriations for projects and activities as incorporated in the FY 2011-13 Oakland Redevelopment Agency Adopted Budget; and be it

LEGISLATION

FURTHER RESOLVED: That the Redevelopment Agency hereby finds and determines that the planning and administrative expenses to be funded from the Low and Moderate Income Housing Fund under the FY 2011-13 Oakland Redevelopment Agency Adopted Budget (1) are necessary for the production, improvement, and preservation of low- and moderate-income housing in the City of Oakland, (2) are an eligible use of Low and Moderate Income Housing Funds, and (3) are otherwise consistent with the standards and requirements set forth in the California Community Redevelopment Law, including Health and Safety Code Section 33334.3(d); and be it

FURTHER RESOLVED: That the Agency Administrator may transfer operating appropriations between projects and activities during each of the budget years; and be it

FURTHER RESOLVED: That the Agency hereby authorizes transfers between operating funds, debt funds and capital funds within a single redevelopment project area to correct deficits in any of the funds; and be it

FURTHER RESOLVED: That the Agency hereby authorizes the closing of inactive funds and transfers of residual balances from these inactive funds between operating funds, debt funds and capital funds within a single redevelopment project; and be it

FURTHER RESOLVED: That the Agency Administrator is authorized to reimburse or otherwise make payments to the City for all costs incurred, services rendered and payments made by the City pursuant to the Cooperation Agreement.

IN AGENCY, OAKLAND, CALIFORNIA, JUN 30 2011, 2011

PASSED BY THE FOLLOWING VOTE:

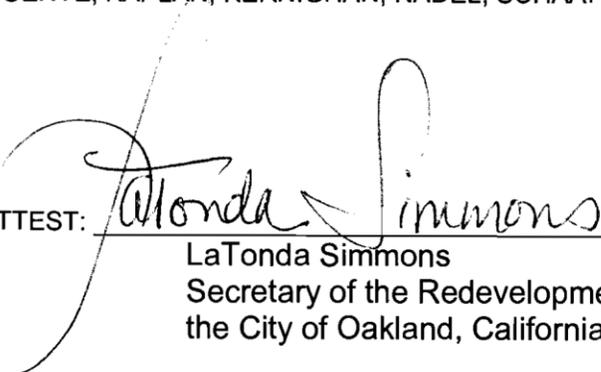
AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, AND
CHAIRPERSON REID - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST:



LaTonda Simmons
Secretary of the Redevelopment Agency of
the City of Oakland, California

REDEVELOPMENT AGENCY
AND THE CITY OF OAKLAND

2011 JUN 24 PM 1:27 AGENDA REPORT

TO: Office of the City Administrator
ATTN: P. Lamont Ewell, Interim City Administrator
FROM: Budget Office
DATE: June 28, 2011

RE: Purchase Of Kaiser Convention Center Property: A City and Agency Resolution Consenting To The Use Of Central District And Central City East Redevelopment Funds For The Purchase Of The Henry J. Kaiser Convention Center Property

SUMMARY

The proposed budget for FY 2011-13 includes one-time revenue derived from the sale of Kaiser Convention Center property from the City of Oakland to the Oakland Redevelopment Agency. The purchase price included in the budget is \$28.3 million and is based on a replacement value appraisal. A revised proposal would increase Central District's contribution for the purchase from \$12.3 million to \$17.8 million and lower the Central City East contribution from \$16.0 million to \$10.5 million.

FISCAL IMPACT

The original proposal included the purchase price be shared between Central District and Central City East due to the benefits derived from the rehabilitation and reuse of a large and prominent vacant, underutilized, and inadequate public improvement located within Central District and contiguous to Central City East. Based on unrestricted funding available, Central District allocated \$12.3 million using operating reserves and Central City East allocated \$16.0 million utilizing taxable bond funds.

A revised proposal has been submitted that shifts the ratio of the purchase price to \$17.8 million being paid by Central District and \$10.5 million coming from Central City East taxable bond funds. The additional funding from Central District of \$5.5 million was identified as follows:

- \$3.5 million in repayments owed from other project areas related to project area establishment costs and other borrowing by the Oak Knoll project area.
- \$2.0 million from the reallocation of net revenue from facility operations that would otherwise be allocated for parking garage development.

In addition, the 23rd Avenue Streetscape project that is currently being funded out of Central City East will now be funded out of Coliseum redevelopment funds, as the majority of the streetscape is in that project area, thereby freeing up funds in Central City East for the Kaiser purchase. As a

Item: 9
Special City Council
June 28, 2011

LEGISLATION

P. Lamont Ewell, Interim City Administrator
Budget Office: Purchase/Sale of Kaiser Convention Center

Page 2

result of this funding reallocation, the net impact of the Kaiser purchase to Central City East will be approximately \$8.5 million.

BACKGROUND

The Henry J. Kaiser Auditorium and Convention Center has been vacant since 2005, is not code compliant, suffers from serious deterioration, and requires significant upgrades and replacements of its major systems and other improvements to return the facility to productive use. The facility is an underutilized, substandard and inadequate public improvement and constitutes blight within the meaning of redevelopment law.

On March 3, 2011, the City Council authorized the sale of the Kaiser Convention Center property, among other City properties, to the Redevelopment Agency (Ordinance No. 13062 C.M.S.). The City and the Redevelopment Agency entered into a Purchase and Sale Agreement with Leaseback Option on March 3, 2011, for the purchase of the Kaiser Convention Center property by the Redevelopment Agency for its rehabilitation and reuse.

KEY ISSUES AND IMPACTS

Given the size and prominence of the facility, its current state is a major blighting influence on nearby properties and businesses in both the Central District and Central City East and negatively impairs the value of those properties and the economic viability of those businesses.

Central District and Central City East will share all revenues generated by the property, which may include tax increment revenue (to the extent legally possible), lease revenue, or net proceeds from the sale to a third-party on a proportional basis to the amount contributed from each project area for its purchase. No Streetscape projects will be affected by this proposal.

SUSTAINABLE OPPORTUNITIES

Economic: Any future project on the property is subject to City and Agency program goals for Local and Small Local Business Enterprises and other standard programs. A future project will improve neighborhood conditions and make the neighborhood area more attractive to current and prospective tenants and businesses that can provide employment within Oakland.

Environmental: Contractors for future rehabilitation projects will be required to make every effort to reuse clean fill materials and use recyclable concrete and asphalt products.

Item: _____
Special City Council
June 28, 2011

Social Equity: The proposed acquisition will provide a positive stimulus to the neighborhood for growth and stability.

DISABILITY AND SENIOR CITIZEN ACCESS

Seniors and people with disabilities will benefit from the improved design, and access that the future projects will provide.

ACTION REQUESTED OF THE CITY COUNCIL

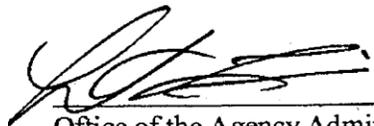
Adopt the attached City and Agency resolutions consenting to the use of Central District and Central City East funds for the purchase of the Kaiser Convention Center.

Respectfully submitted,



Sabrina Landreth
Budget Director

APPROVED AND FORWARDED TO THE
CITY COUNCIL:



Office of the Agency Administrator

Item: 9
Special City Council
June 28, 2011

LEGISLATION

FILED IN 2011-0053
2011 MAR 13 PM 5:46

Approved as to form and legality:



Agency Counsel

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

2011 - 0053

RESOLUTION No. _____ C.M.S.

**AGENCY RESOLUTION APPROVING THE USE OF CENTRAL DISTRICT AND
CENTRAL CITY EAST REDEVELOPMENT FUNDS FOR THE PURCHASE OF THE
HENRY J. KAISER CONVENTION CENTER PROPERTY**

WHEREAS, the City of Oakland owns or will own real property located at 1000 Oak Street in the Central District Redevelopment Project Area and adjacent to the Central City East Redevelopment Project Area now occupied by the Henry J. Kaiser Auditorium and Convention Center (the "Kaiser Convention Center property"); and

WHEREAS, the Henry J. Kaiser Auditorium and Convention Center has been vacant since 2005, is not code compliant, suffers from serious deterioration, and requires significant upgrades and replacements of its major systems and other improvements to return the facility to productive use; and

WHEREAS, the Henry J. Kaiser Auditorium and Convention Center is an underutilized, substandard and inadequate public improvement and constitutes blight within the meaning of redevelopment law; and

WHEREAS, given the size and prominence of the facility, the Henry J. Kaiser Auditorium and Convention Center in its current state is a major blighting influence on nearby properties and businesses in both the Central District and Central City East and negatively impairs the value of those properties and the economic viability of those businesses; and

WHEREAS, on March 3, 2011, the Redevelopment Agency authorized the purchase of the Kaiser Convention Center property, among other City properties, by the Agency (Resolution No. 2011-0024 C.M.S.); and

WHEREAS, the City and the Redevelopment Agency subsequently entered into a Purchase and Sale Agreement with Leaseback Option on March 3, 2011, for the purchase of the Kaiser Convention Center property, as well as other City properties, by the Redevelopment Agency for its rehabilitation and reuse; and

WHEREAS, Health and Safety Code Section 33220 authorizes any public body, upon

LEGISLATION

terms and with or without consideration as it determines, to sell property to a redevelopment agency to promote redevelopment projects; and

WHEREAS, Health and Safety Code Section 33391 authorizes a redevelopment agency to purchase any real property within a survey (project) area or for purposes of redevelopment; and

WHEREAS, Section 33445 of the California Health and Safety Code authorizes a redevelopment agency to pay all or a part of the value of real property that is publicly owned and is located inside or contiguous to a project area, if the legislative body has consented to such funding and has made certain findings; and

WHEREAS, the proposed biennial budget of the Redevelopment Agency for Fiscal Years 2011-2013 has identified funding from both the Central District Redevelopment Project and the Central City East Redevelopment Project to fund the Agency's purchase of the Kaiser Convention Center property; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby approves the use of funding from both the Central District Redevelopment Project and the Central City East Redevelopment Project to fund the Agency's purchase of the Kaiser Convention Center property; and be it further

RESOLVED: That the Redevelopment Agency hereby finds and determines as follows:

- 1) That the acquisition of the Kaiser Convention Center property by the Redevelopment Agency will benefit the Central District Redevelopment Project Area by helping to eliminate blight in the Central District by (1) facilitating the rehabilitation and reuse of a vacant, underutilized, and inadequate public improvement within the Central District, and (2) enhancing neighboring property values and the viability of businesses in the Central District and thus encouraging greater investment in and redevelopment of other properties located in the Central District; and
- 2) That the acquisition of the Kaiser Convention Center property by the Redevelopment Agency will benefit the Central City East Redevelopment Project Area by helping to eliminate blight in Central City East by (1) facilitating the rehabilitation and reuse of a large and prominent vacant, underutilized, and inadequate public improvement located contiguous to Central City East, and thereby (2) enhancing neighboring property values and the viability of businesses in Central City East and thus encouraging greater investment in and redevelopment of other properties located in Central City East; and
- 3) That, given the scale of the transaction and the limited and decreasing revenues available to redevelopment project areas in Oakland including the Central District and Central City East, no one Oakland project area has the capacity to finance the purchase of the Kaiser Convention Center property, and therefore no other reasonable means of financing the purchase of the Kaiser Convention Center

LEGISLATION

property are available to the City or the Redevelopment Agency other than a combination of funding from both the Central District and Central City East; and

- 4) That the transaction is consistent with the implementation plans adopted for the Central District Redevelopment Project and the Central City East Redevelopment Project.

JUN 30 2011

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2011

PASSED BY THE FOLLOWING VOTE:

AYES— BRUNNER, KERNIGHAN, NADEL, SCHAAF, DE LA FUENTE, ~~BRUNNER~~,
KAPLAN, AND CHAIRPERSON REID - 7

NOES— 0

ABSENT— 0

ABSTENTION— Brooks - 1

ATTEST



LATONDA SIMMONS, Agency Secretary,
Redevelopment Agency of the City of Oakland,
California

LEGISLATION

GLOSSARY

Assessed Value	The value of real property determined by the County Tax Assessor for tax purposes. Assessed value multiplied by the tax rate determines property tax.
Base Year	A term used in tax increment financing that refers to the taxable assessed value of the project area at the time a redevelopment project is established. The “base year” assessed value and the property tax revenue resulting from it continue to be available to all local taxing agencies that shared property tax revenue prior to establishment of the redevelopment area.
Blight	A combination of physical and economic conditions that prevent private enterprise from occurring, which may benefit from redevelopment in the interest of the health, safety, and general welfare of the people of the community. Blighted conditions could include: unhealthy or unsafe buildings, adjacent incompatible commercial uses, high crime, excessive residential crowding, abnormally high commercial vacancies, and stagnant or declining property values. Agencies must show blighted conditions in a geographic area as a requirement of redevelopment project area designation.
California Environmental Quality Act (CEQA)	The California Environmental Quality Act (CEQA), enacted in 1970, requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible. CEQA applies to projects undertaken, funded or requiring an issuance of a permit by a public agency. CEQA is a self-executing statute. Public agencies are entrusted with compliance with CEQA and its provisions are enforced, as necessary, by the public through litigation and the threat thereof. While the State of California Resources Agency is charged with the adoption of CEQA Guidelines, and may often assist public agencies in the interpretation of CEQA, it is each public agency’s duty to determine what is and is not subject to CEQA.
California Community Redevelopment Law (CCRL)	Redevelopment Law of the State contained in California Health and Safety Code, Division 24, Part 1 (Section 33000 et seq).
Disposition and Development Agreement	An agreement between a redevelopment agency and a developer for the sale and development of property in the project area. Common elements of a DDA include: sale of land, development, architectural review, agency assistance (such as public financing), financing provisions, use covenants and remedies. The DDA contains all terms and conditions relating to the sale and development of property. It becomes the legally binding instrument that governs the relationship between the agency and developer until development is complete.
Environmental Impact Report (EIR)	A report that thoroughly describes and analyzes the known significant environmental effects of a proposed project, and discusses approaches to mitigating or avoiding those effects.

GLOSSARY

Exclusive Negotiating Agreement (ENA)

While not legally required, redevelopment agencies and developers enter into Exclusive Negotiating Agreements (ENAs) to provide structure to the negotiation process. ENAs define specific time periods within which agencies and developers negotiate terms of the sale and development of certain property within a redevelopment area or DDAs (see above). The developer, is therefore reassured that it can invest its time and money to determine a project’s feasibility without fear that a competitor will seize the opportunity. Agencies typically require developers to make good faith deposits in connection with the execution of an ENA. In this way, the agency is reassured of the developer’s commitment to the proposed development. Some agencies use good faith deposits to recoup staff and consultant time expended during negotiations. Although an ENA should be formally approved by the agency, it does not require a public hearing.

Fiscal Year

The Agency’s fiscal year is July 1 through June 30.

Frozen Assessed Value

A term used in conjunction with tax increment financing that refers either to the base year assessed value (frozen base), or to the assessed value increment that results from increases in assessed value over the base year and which increment is reserved (frozen) until all redevelopment indebtedness has been repaid.

Housing Set-Aside

Requires that twenty percent (20%) of gross tax increment be set aside to improve the quantity and/or quality of housing for very low-, low- and moderate-income families. The Agency voted to increase the low- and moderate-income housing set-aside to 25 percent of gross tax increment.

Infrastructure

Public improvements which support development, including street lighting, street construction, storm drain systems, utility lines, etc.

Project Area Committee (PAC)

A committee elected by and composed of residential and commercial property owners and tenants, as well as community organizations in a proposed redevelopment project area. If a PAC is a required condition of redevelopment project area adoption, then the Agency must consult with the PAC during after plan adoption.

Project

The term “Project” with a capital P means the undertaking of the Agency pursuant to a specifically adopted Redevelopment Area Plan. The term “project” with a lower case p refers to an undertaking or action within a Project. This terminology is used frequently in the Central District Project with its individual action areas or projects.

Project Area

That area within a city or county for which a redevelopment plan has been adopted by the local legislative body.

Redevelopment Agency

State statutes prescribe for the establishment of redevelopment agencies by cities and counties. An agency must first be activated through the adoption of an ordinance by the City Council or the County Board of Supervisors. The authority to engage in redevelopment activities, to incur debt, and to utilize tax increment financing is provided to the redevelopment agency.

Redevelopment Plan	The written plan adopted and approved by the Agency, which describes the actions to be taken by the Agency in redeveloping the project area defined in the Plan. It is a legal document setting forth project boundaries, development objectives, general land use plan, planning criteria, renewal techniques, land acquisition, land disposition, development controls, duration of controls and plans, and methods of financing.
Supplemental Educational Revenue Augmentation Fund (SERAF)	A fund into which a portion of property tax revenue (from local entities including redevelopment agencies) is shifted to provide increased local support for public schools. ERAF was enacted in FY 1992-93 to help the State balance its General Fund Budget while maintaining its commitment to fund public education under Proposition 98 but later ruled unconstitutional by the State court system. SERAF was enacted in FY 2009-11 through ABX4-26, which transfers funds only to schools within redevelopment areas.
Survey Area	Geographic area found by the legislative body to qualify for redevelopment study purposes. A redevelopment project area must be formed from within a survey area (see above).
Tax Allocation Bonds	Bonds issued by a redevelopment agency and secured solely and directly by the pledge of tax increments from the redevelopment project.
Tax Increment	Property taxes collected from the portion of the net assessed value (NAV) of the Project Area that represents the difference between the “base value” of that Project Area and the total NAV for that Area. The “base value” refers to the taxable assessed value of the project area at the time a redevelopment project is established. When the redevelopment project is established, the base value becomes frozen, and the property tax revenue generated from this base value continues to be available to all local taxing agencies (e.g. the City, the School District, the County, etc.), while the revenue growth accrues to the Redevelopment Agency (net of applicable transfers and pass throughs).
Tax Increment Financing	A method of financing authorized by the State constitution and Statutes as a way of repaying indebtedness incurred by local redevelopment agencies to carry out projects. As a financial tool, it provides that the assessed value of a redevelopment project area may be frozen upon establishment of a project. The frozen base continues to be available to all local taxing agencies through the duration of the redevelopment project. However, any growth in assessed value over the frozen base is reserved for the repayment of indebtedness incurred by the redevelopment agency in redeveloping the area. The property tax rates of local agencies continue to apply to this assessed value increment but the revenue resulting there from is not available to other local taxing agencies until all project indebtedness has been retired.
Taxing Entity	Any city, county, school district, or special district which levies property taxes to raise revenues.

GLOSSARY

NOTES