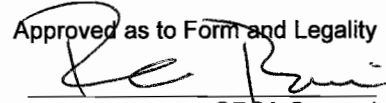


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OAKLAND

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Approved as to Form and Legality

ORSA Counsel

OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

Resolution No. 2012.009

A RESOLUTION ADOPTING AN AMENDMENT TO THE FIVE-YEAR IMPLEMENTATION PLAN, 2009-2014, FOR THE CENTRAL DISTRICT REDEVELOPMENT PROJECT TO ADD THE FOLLOWING PROJECTS: 1800 SAN PABLO AVENUE, 2330 WEBSTER AND 2315 VALDEZ STREET, CITY CENTER T-5/6 (1114 CLAY STREET AND 498 11TH STREET), HENRY J. KAISER CONVENTION CENTER (1000 OAK STREET), 12TH STREET REMAINDER PARCEL, UPTOWN PARCEL 4 (1901 TELEGRAPH AVENUE), AND THE TELEGRAPH PLAZA GARAGE (2100 TELEGRAPH AVENUE)

WHEREAS, on December 8, 2009, (Resolution No. 2009-0106 C.M.S.) the Redevelopment Agency of the City of Oakland (the "Redevelopment Agency") approved and adopted the 2009-2014 Implementation Plan for the Central District Redevelopment Project (the "Implementation Plan"); and

WHEREAS, the Oakland Redevelopment Successor Agency ("ORSA") as successor agency to the Redevelopment Agency has taken over the obligations of the former Redevelopment Agency, including obligations related to adoption, review and amendment of implementation plans; and

WHEREAS, the ORSA Administrator has prepared and presented to ORSA an amendment to the Implementation Plan that would add certain projects and make other changes; and

WHEREAS, ORSA has held a noticed public hearing and received comment of the proposed amendment as required by law; now, therefore, be it

RESOLVED: That ORSA hereby adopts the amendment to the Implementation Plan as incorporated into the First Amended and Restated Five-Year Implementation Plan, 2009-2014, for the Central District Redevelopment Project attached to this Resolution as Exhibit A; and be it

FURTHER RESOLVED: That ORSA authorizes the ORSA Administrator or her designee to administer the programs and projects in the Implementation Plan as amended, and take whatever other action is necessary with respect to the amendment consistent with the Resolution and its basic purposes.

IN SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, DEC 4 2012

PASSED BY THE FOLLOWING VOTE:

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

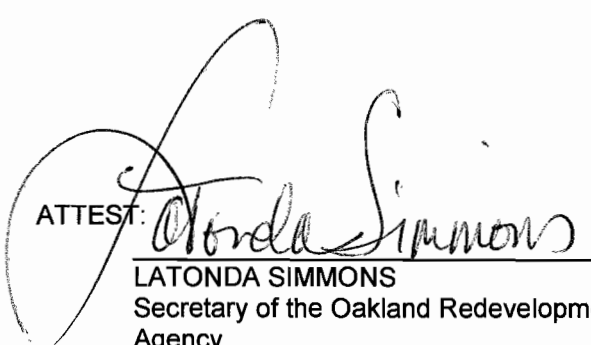
NOES - 0

ABSENT - 0

ABSTENTION - 0

Excused - Brunner - 1

ATTEST:


LATONDA SIMMONS

Secretary of the Oakland Redevelopment Successor
Agency

EXHIBIT A

First Amended and Restated Five-Year Implementation Plan, 2009-2014, for the Central
District Redevelopment Project

(attached)

**CENTRAL DISTRICT REDEVELOPMENT PROJECT
FIRST AMENDED AND RESTATED FIVE -YEAR IMPLEMENTATION PLAN
2009-2014**

INTRODUCTION

Since 1994, the California Community Redevelopment Law ("CRL") requires redevelopment agencies to adopt an implementation plan for each five-year period that the Redevelopment Plan is effective. This 2009-2014 First Amended and Restated Implementation Plan for the Central District Redevelopment Project (the "Implementation Plan") is a policy statement that has been prepared to guide and set priorities for redevelopment activities for the 2009-2014 period. This Implementation Plan covers both the original Central District Redevelopment Project Area adopted in 1969 and the territory added to the Project Area by amendments in 1982 and 2001, and as such, references to the "Project Area" in this report include all three areas. The existing Implementation Plan, adopted in 2009, has been amended in connection with that 17th Amendment to the Central District Urban Renewal Plan ("CDURP" or "Redevelopment Plan") that proposes to extend the time limits for Redevelopment Plan effectiveness and receipt of tax increment revenues by eleven years (pursuant to SB 211, codified at California Health and Safety Code Section 33333.10, et seq., and Health and Safety Code Section 33331.5), extend the time limit for use of eminent domain authority, and increase the dollar cap on tax increment revenue.

This Implementation Plan includes two separate components: the Redevelopment and Housing Components. The Redevelopment Component revisits the goals and objectives of the Redevelopment Plan, presents the programs, projects, and expenditures (other than those related to low- and moderate-income housing) that have been or will be implemented to achieve the Agency's goals and objective. It also describes how these programs, projects, and expenditures eliminate blight within the Project Area. The Housing Component describes how the Agency has implemented and will continue to implement various CRL requirements regarding low- and moderate-income housing; how the Redevelopment Plan goals and objectives for housing preservation and production will be implemented; and how the statutory requirements for the expenditure of tax increment set-aside funds for housing purposes will be met.

The Redevelopment Agency is required to prepare a mid-term review of the Implementation Plan and conduct a public hearing between the second and third year after the Implementation Plan has been adopted. New issues and opportunities may be encountered in the course of administering the Implementation Plan during the five-year period. Therefore, this Implementation Plan may be amended, if necessary, to effectuate changes in Agency priorities. Any such amendments will be reflected in the mid-term review of the Implementation Plan.

A. BACKGROUND

On June 12, 1969, the Oakland City Council adopted the CDURP, and subsequently amended or supplemented it the following dates: January 21, 1971; May 29, 1973; December 16, 1975, December 12, 1978; June 12, 1979, August 3, 1982, October 2, 1984; June 11, 1985; March 27, 1990; February 18, 1997; October 27, 1998; July 24, 2001; January 6, 2004;

The Project Area covers approximately 250 city blocks (828 acres) generally bounded by I-980, Lake Merritt, 27th Street and the Embarcadero. Refer to Figure 1 for the map of the Project Area.

The area added in 2001 is known as the 2001 Brush & MLK Amendment Area. Within the Project Area, the four major redevelopment activity areas are as follows: City Center, Chinatown, Old Oakland and the Uptown. The Project Area is a major economic and transportation hub in the San Francisco-Oakland Metropolitan Area and includes 24 Class A and 51 Class B office buildings with 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 Oakland) located within its boundaries. More than forty AC Transit bus lines connect the Project Area with other parts of Oakland and nearby communities. A map of the Project Area is attached to this report.

The Agency's ability to address the Project Area's conditions of blight is directly linked to the Project Area's time limits for incurring and repaying debt, completing Redevelopment Plan activities, and collecting tax increment. Therefore, these time limits must be considered as an integral part of the overall Redevelopment Plan.¹ Table 1 presents existing Redevelopment Plan effectiveness and fiscal limits as well as those proposed as part of the 17th Amendment under consideration:

¹ In July 2009, the California legislature passed legislation to balance the State's budget deficit, including ABX4-26, which authorized the funding of a Supplemental Educational Revenue Augmentation Fund (SERAF) using revenue generated by redevelopment agencies from across the state. The Agency's mandated contribution for FY 2009-10 is \$41,074,866, and \$8,497,000 for FY 2010-11. Under CRL Section 33331.5, agencies are entitled to a one-year extension on plan effectiveness and receipt of tax increment time limits if SERAF payments are made. The California Redevelopment Association filed a lawsuit challenging the SERAF requirement, which is currently under appeal. If the appeal is unsuccessful, the Central District Project will be entitled to a one-year extension of its time limits, subject to Council approval by ordinance, meaning that the Plan's effectiveness/activity time limit, and tax increment collection time limit would be extended by one year. Similarly, the same time limits for the 2001 Brush & MLK Amendment Area would be extended by one year.

Table 1
Summary of Existing and Proposed Time and Fiscal Limits
Central District Project Area

	Central District (Original Area)	Central District (1982 Area)	Central District (2001 Area)
Background Information			
Date Adopted	June 12, 1969	August 3, 1982	July 24, 2001
Base Year	FY 1968/69	FY 1982/83	FY 2001/02
Base Year Assessed Value	\$275,241,000	\$0 ^a	\$15,780,702
Existing Time Limits			
Incurring Debt	Eliminated ^b	Eliminated ^b	July 24, 2021
Eminent Domain	June 12, 2009 ^c	June 12, 2009 ^c	July 24, 2013
Plan Effectiveness	June 12, 2012 ^d	June 12, 2012 ^d	July 24, 2032 ^e
Tax Increment Receipt	June 12, 2022 ^d	June 12, 2022 ^d	July 24, 2047 ^e
Proposed Time Limits			
Incurring Debt	No Change	No Change	No Change
Eminent Domain	June 12, 2022	June 12, 2022	June 12, 2022
Plan Effectiveness	June 12, 2022 ^f	June 12, 2022 ^f	No Change
Tax Increment Receipt	June 12, 2032 ^f	June 12, 2032 ^f	No Change
Existing Fiscal Limits			
Combined Tax Increment Cap ^g	\$1,348,862,000		
1982 Area Tax Increment Cap ^g	N/A	\$75,000,000	N/A
Incurring Debt	N/A	\$100,000,000	N/A
Proposal Fiscal Limits			
Tax Increment Cap ^h	\$3,000,000,000		
Incurring Debt	No Change	\$100,000,000	No Change

Note: N/A = Not applicable.

a. Estimated to be \$0 as all parcels within the 1982 Area were publicly owned at the time the 1982 Area was added to the Central District.

b. The incurring debt limit for the Central District Original Area and 1982 Area was eliminated in by Ordinance 12570 C.M.S. in 2004, as authorized by the CRL.

c. Re-established and extended per Ordinance 12090 C.M.S.

d. Ordinance 12617 C.M.S. extended these time limits by one year per SB 1045, and Ordinance 12641 C.M.S. extended these time limits by two years per SB 1096

e. Ordinance 12641 C.M.S extended these time limits by one year per SB 1045.

f. Per SB 211, the time limits for plan effectiveness and tax increment receipt for pre-1994 plans are proposed to be extended by ten years.

g. The limit of approximately \$1.3 billion applies to the entire Central District Project Area. The 1982 Area has an individual cap of \$75 million.

h. The Plan Amendment proposes to eliminate the \$75 million limit for the 1982 area and increase the Project Area's overall limit on Tax Increment collection to \$3 billion.

Source: Redevelopment Agency of the City of Oakland.

B. CONDITIONS OF BLIGHT

CRL Sections 33030-33039 outline the legal framework for establishing a redevelopment area. The law states that redevelopment may be required in the interest of the health, safety, and general welfare of people in communities that are plagued by blighted areas, which constitute physical and economic liabilities. The blight must also cause a reduction or lack of proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment. In order to establish a redevelopment area, the CRL Law requires that blighting conditions in the area must be substantiated by at least one physical as well as one economic condition as defined by the law.

The City Council found evidence of blight at the time of plan adoption and applicable plan amendments that required evidence of remaining blight, and concluded that redevelopment was necessary to effect the public purposes declared in the CRL. The blighting conditions in the Project Area have included:

- Deteriorated and dilapidated buildings – At the time of the Original Area Plan Adoption on June 12, 1969, over a third of the buildings in the area were previously documented as seriously deficient. The Plan Amendment in 1982, which added the 1982 Area, included the Henry J. Kaiser Convention Center, which due to age and building deterioration needed substantial rehabilitation that could not be alleviated by private investment. Parcels in the 2001 Area had dilapidated and deteriorated buildings including unreinforced masonry buildings.
- Underutilized and vacant land or abandoned buildings – At the time of the Original Area Plan Adoption, low intensity pattern of construction with an extremely low floor area ratio was a hindrance to the private market to capitalize on the area's location potential.
- Lots of irregular form and shape and inadequate size – Extensive fragmented ownership, parcelization and subdivision of the interiors of structures prevented private investment in the Project Area at the time of the Plan Adoption.
- High vacancy rates – Nearly 45 percent of the total usable floor space in the Original Project Area was vacant at the time of the plan adoption in 1969.
- Obsolete design – The majority of the Original Project Area suffered from obsolete design due to technological progress and modern building techniques. The existing building stock in the 2001 Area failed to satisfy the needs of modern industrial users for availability of parking, outside storage, on-site truck access, and loading dock facilities.
- Inadequate public infrastructure – Inadequate vehicle and pedestrian infrastructure in the Project Area caused congestion and disrupted traffic flow in the Project Area at the time of Plan Adoption. The City added the 1982 Area in order to properly and efficiently plan and implement traffic improvements. The 2001 Area suffered from inadequate/substandard streets, curbs and/or gutters.

The Agency's redevelopment program has included projects and activities that span the entire Project Area as well as those that have focused on City Center, Chinatown, Old Oakland and

Uptown. Since the adoption of the Project Area, the Agency has facilitated or assisted in the implementation of numerous major projects and developments that alleviated blighting conditions and catalyzed development in the Project Area. However, while many parcels in the Project Area are no longer blighted as a result of the Agency's Redevelopment Program and private investment stimulated in part by public investment in the area, significant blight remains within a large portion of the Project Area. The following blighting conditions remain:

- Unsafe or Unhealthy Buildings
- Conditions Hindering the Viable Use of Buildings or Lots
- Depreciated or Stagnant Property Values
- Impaired Property Values Due to Hazardous Wastes
- Indicators of Economically Distressed Buildings
- Excess of Problem Businesses
- High Crime Rate

C. GOALS AND OBJECTIVES FOR THE PROJECT AREA

Generally, it is the objective of the Agency to assist in the improvement of the Project Area, which is in need of redevelopment and private reinvestment to correct health and safety concerns and to address economic and physical blighting conditions. The following specific goals and objectives are included in the CDURP:

- Strengthening of the Project Area's existing role as an important office center for administrative, financial, business service and governmental activities.
- Revitalization and strengthening of the Oakland Central District's historical role as the major regional retail center for the Metropolitan Oakland Area.
- Establishment of the Project Area as an important cultural and entertainment center.
- Re-establishment of residential areas for all economic levels within specific portions of the Project Area.
- Provisions of employment and other economic benefits to disadvantaged persons living within or near the Project Area.
- Restoration of historically significant structures within the Project Area.
- Improved environmental design within the Project Area, including creation of a definite sense of place, clear gateways, emphatic focal points and physical design which expresses and respects the special nature of each sub-area.
- Provision of adequate infrastructure such as public parking, sidewalks and traffic control.
- Utilization of key transit nodes to support transit-oriented development.

One of the primary functions of this Implementation Plan is to illustrate how the Agency's efforts during the five-year term of this Implementation Plan will continue to eliminate blighting conditions throughout the Project Area. The goals above are considered with each action the Agency takes, so that all expenditures go towards supporting the programs and projects that will address blighting conditions and attract private investment to the Project Area. The next section provides a description of those activities planned for the term of this Plan.

D. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

This section of the Implementation Plan identifies programs projects, and expenditures to be used in the realization of the goals and objectives over the term of the Plan. The elements of this Redevelopment Component of the Implementation Plan are interrelated to accomplish the alleviation of blight remaining in the Project Area. The means for achieving the goals and objectives of the Redevelopment Component are the programs, projects and expenditures the Agency intends to undertake over the five-year term. By implementing these projects and programs, the Agency will continue to abate blight in the Project Area despite the challenging economic environment created by the national recession with its weak real estate, financial and employment markets.

The following table outlines the projected tax increment revenues for the Project Area over the five-year period of this Implementation Plan. These figures assume an annual growth rate of one percent over the 2009 assessed property valuation. These projections are subject to change based on actual revenue receipts and potential specified payments that will be required if the City approves legislation to comply with the "Voluntary Redevelopment Program" as specified in ABx1 27 (the "Voluntary Program Act").

Table 2
Projection of Tax Increment Revenue
Fiscal Years 2009/10-13/14
Project Area (including Amendment Area)
(\$'000s)

	2009-10	2010-11	2011-12	2012-13	2013-14	TOTAL
Gross Tax Increment Revenue*	57,605	56,515	53,830	54,368	54,911	277,229
Housing Set-Aside Req't **	(11,526)	(12,619)	(13,457)	(16,310)	(16,473)	(70,385)
AB 1290 Pass-through	(5,029)	(4,881)	(4,274)	(4,382)	(4,490)	(23,056)
Debt Service	(25,420)	(25,839)	(25,855)	(26,033)	(26,768)	(129,915)
TI Rebates	(1,288)	(1,317)	(1,346)	(1,377)	(1,423)	(6,751)
State Education Funds (SERAF)***	(7,039)	(3,052)	0	0	0	(10,091)
City Staff & Overhead	(8,276)	(8,275)	(7,789)	(7,529)	(7,273)	(39,142)
Net Tax Increment Revenues	(973)	532	1,109	(1,263)	(1,516)	(2,111)

* Net of County Administrative Fee

** Low-/Moderate Income Housing Set-Aside 1) includes FY 2010-11 voluntary contribution of 2.4% and FY 2011-12 voluntary contribution of 5.0% in addition to the CRL-required 20%; 2) requirement increased to 30% starting FY 2012-13 per Health and Safety Code Section 33333.10(g) and assuming proposed 17th Amendment under consideration is approved.

*** Any potential payments required pursuant to ABx1 27 have not been included in this calculation because the total amount of the remittance, if any, or the Project Area's proportional share has not been determined.

There will not be any net tax increment revenue available in the Capital Projects Fund for Agency activities in the Project Area between FY 2009-10 and FY 2013-14. Total funding for the set-aside into the Low and Moderate Income Housing Fund during FY 2009-10 to FY2013-14 is estimated to be approximately \$70.4 million.

The proposed projects and program expenditures for the next implementation period will be funded from projected net tax increment revenues (as described in Table 2), capital funds (including bond proceeds and revenue from capital projects), sales proceeds, fund transfers and miscellaneous sources (including interest and rental income). Table 3 below outlines the amount of capital allocated to each of the projects and programs in fiscal year 2009-11 within certain geographic areas.

Table 3
Projection of Capital Expenditures
Central District Project Area
Fiscal Years 2009/10 - 13/14

Capital Project Descriptions	Fiscal Year 2009-10	Fiscal Year 2010-11	Fiscal Year 2011-12	Fiscal Year 2012-13	Fiscal Year 2013-14	Total
Commercial Development						
1800 San Pablo Parking Garage	\$0	\$0	\$6,400,000	\$0	\$0	\$6,400,000
Business Improvement District (BID)	\$0	\$0	\$65,000	\$0	\$0	\$65,000
Central District Site Acquisition - City Walk	\$2,030,000	\$2,970,000	\$470,000	\$0	\$0	\$5,470,000
Downtown Façade Improvement Program	\$449,000	\$1,180,000	\$1,902,000	\$0	\$0	\$3,531,000
Downtown Historic Façade Program	\$0	\$331,000	\$0	\$0	\$0	\$331,000
Fox Courts DDA	\$0	\$0	\$52,000	\$0	\$0	\$52,000
Retail/Entertainment Catalyst Project-Tenant Improvements	\$873,000	\$646,000	\$1,500,000	\$0	\$0	\$3,019,000
Small Business Retail (Broadway) Loan Program	\$110,843	\$0	\$311,000	\$179,000	\$0	\$600,843
Uptown - Retail Entertainment Catalyst Project	\$0	\$0	\$57,000	\$0	\$0	\$57,000
Victory Court	\$0	\$0	\$36,747,500	\$53,000,000	\$0	\$89,747,500
Community Enhancement						
- Chinese Garden	\$335,000					
- Jefferson Sq. Public Facility	\$0	\$661,250	\$0	\$0	\$0	\$661,250
- Lincoln Rec Center Pub Facility	\$0	\$0	\$787,000	\$0	\$0	\$787,000
- Malonga Public Facility	\$0	\$0	\$920,000	\$0	\$0	\$920,000
- Scotlan Capital Improvement	\$0	\$0	\$4,000,000	\$0	\$0	\$4,000,000
1-1/2% Public Art	\$418,967	\$0	\$753,000	\$753,000	\$0	\$1,924,967
14th & Broadway Transit Center	\$0	\$0	\$0	\$318,000	\$0	\$318,000
Basement Backfill Program	\$0	\$280,000	\$2,552,000	\$0	\$0	\$2,832,000
Broadway - West Grand - ORA	\$336,000	\$0	\$64,000	\$0	\$0	\$400,000
Central District Public Facilities - Scotlan Lease Payment 2011-12	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$4,000,000
Downtown Streetscape Master Plan	\$0	\$0	\$0	\$2,847,000	\$0	\$2,847,000
I 880 Broadway Underpass	\$0	\$0	\$0	\$1,050,000	\$0	\$1,050,000
Telegraph Phase I ORA	\$0	\$0	\$157,000	\$0	\$0	\$157,000
Upper Broadway Retail Strategy	\$4,000,000	\$0	\$10,470,000	\$10,000,000	\$15,030,000	\$39,500,000
Uptown Garage (21st and Telegraph)	\$182,000	\$0	\$3,300,000	\$0	\$0	\$3,482,000
Downtown Capital Project Support/ Planning	\$0	\$631,000	\$1,000,000	\$400,000	\$253,000	\$2,284,000
Total	\$10,734,810	\$8,699,250	\$71,507,500	\$68,547,000	\$15,283,000	\$174,436,560

The redevelopment activities the Agency has planned over the five years focus on rehabilitation and enhancement of the Project Area's infrastructure and buildings, while facilitating new mixed-use and infill development, attracting new businesses to the downtown and operating

public facilities in support of these efforts. Economic development is also made a priority, as evidenced by the specific retail plan for the Broadway/Valdez district, as well as continuous and comprehensive marketing efforts in the areas of overall image enhancement; business attraction marketing; city promotion; visitor marketing (through the Oakland Convention & Visitors Bureau contract); and film, special events and cultural arts to enhance vitality and fuel continued revitalization of the area. Private sector activities will additionally contribute to blight abatement within the Project Area. The projects and programs will generally be implemented either throughout the Project Area.

I. Commercial Development

a. Property Acquisition, Site Preparation and Disposition, Projects and Activities

10K Downtown Housing Initiative

In 1999, former Mayor Jerry Brown and the City Council launched the 10K Downtown Housing Initiative. This major downtown redevelopment effort aimed to attract 10,000 new residents to the Central District by marketing the area, identifying opportunity sites, preparing Agency-owned properties for disposition via issuance of a Request for Proposals, and working with private developers during the project approval process to build new housing. As of August 2010, 4,274 housing units were completed, 371 units are under construction, 1,670 units have planning approvals and 1,439 units are in planning. Although the 4,645 units completed or under construction have not met the goal of the 10K initiative since it would take approximately 6,000 units to accommodate 10,000 new city dwellers, the initiative significantly contributed to developing a substantial amount of in-fill housing in the Central District in a relatively short time, while positioning downtown Oakland as a desirable area to live. The severe downturn in the local housing market and the national credit crisis cast doubt on the near-term prospect of starting those residential projects that are not yet under construction. As a result, the Agency is no longer implementing the 10K strategy. However, the Agency will work with the developers of those projects that have secured planning approvals or which are still in the planning phase in order to move these projects toward construction during the implementation period. Other plans for FY 2010-14 include completion of Domain, formerly Citywalk (264 rental apartments and 3,000 square feet of retail), which resumed construction after being idle for over three years after the Agency authorized a market-rate construction loan in the amount of \$5 million to the new project developer. The loan represented gap financing that was needed to resume and complete construction of the project. Project construction restarted in June of 2010 and is scheduled for completion in December of 2011.

1800 San Pablo Avenue

The Agency owns a parcel bounded by San Pablo Avenue, 18th Street, 19th Street and the Fox Courts Project. In October of 2009, the Agency issued a request for development proposal for the site and selected Sunfield Development, LLC as the developer for the site. Upon Council approval, the Agency entered into an ENA with the developer in July of 2010. Plans for the 2009-10 through 2013-14 implementation period include entering into a DDA or Ground Lease and working towards the start of construction of a new mixed-use project on the site.

The proposal is to sell the site for a mixed-use retail and entertainment project and use the sales proceeds and bond funds to purchase approximately 200 public parking spaces in the project. The parking will be owned by the City of Oakland.

Broadway Corridor Retail Strategy – Site Assembly and Preparation **2330 Webster and 2315 Valdez Street**

The Upper Broadway Retail Strategy – A Component of the Oakland Retail Enhancement Strategy report identifies the Broadway 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 Retail Strategy. The proposal is to sell the sites for a major retail development or a development with street level retail, housing and public parking and use the sales proceeds and bond funds to purchase public parking spaces in the project or near by the project. The parking will be owned by the City of Oakland. Goals for 2010-14 include identification and purchase of opportunity sites necessary for the implementation of the plan, including identification of opportunity sites to provide new parking garages and other amenities in the area, and working with developers and property owners on the implementation of the strategy.

City Center Site Preparation **T5/6 (1114 Clay Street And 498 11th Street)**

This project consists of 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 in 2002. The Shorenstein Company also purchased the site located at 661 12th Street (known as T12) in December of 2007 from the Agency, and started construction of an office building in November of 2008. After removal of all hazardous soils from the property, which was overseen and paid for by the Agency, 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. At this time, Shorenstein has stabilized the site, and is paying for an art project that would beautify the fence surrounding the vacant site.

Shorenstein also had an option to acquire T-5/6 located at 11th Street and Clay Street, which the company terminated in 2010. This site is entitled for development as a 580,000 square feet office building with 7,500 square feet ground floor retail. The City will identify a developer for the property during FY 2010-14.

Wood Street Partners acquired another of the City Center properties (T10) in 2010, after a previous developer halted construction on the site in July of 2007. In March of 2010, the Agency authorized a market-rate construction loan in the amount of \$5 million to the new developer to provide gap financing that was needed to resume and complete construction of the residential project. Project construction restarted in June of 2010 and is scheduled for completion in December of 2011.

Key System Building – 12th & Broadway

This project consists of the renovation of the historic Key System building on the corner of 12th Street and Broadway, and its integration into a new mixed-use 20-story office tower with 310,000 square feet of office and 9,810 square feet of ground floor retail space to be developed on an adjacent vacant site. The project also includes a purchase and sales agreement between the Agency and SKS Broadway, LLC, the developer for the site, 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. In 2010, the Agency executed 1) an amendment to the Amended and Restated Owner Participation Agreement (OPA) and 2) an amendment to the purchase and sale agreement between the Agency and SKS for 145 spaces. The amendment to the OPA will extend the deadlines for SKS to complete a number of activities, including commencement of construction by June of 2013. The amendment to the PSA will extend the deadline for SKS to purchase the UCOP Parking to June 2014. Other plans for FY 2010-14 include working with SKS to identify potential tenants that would result in an acceleration of the development schedule.

Uptown Project (Parcel 4, 1901 Telegraph Avenue)

In December of 2009, Forest City, Inc. and its affiliates completed the redevelopment of a 6.5 acre site located in the Uptown Area. The Uptown apartment complex includes a transit-oriented development consisting of 665 mixed-income rental apartments, of which 25 percent (166 units) are affordable to low and moderate income households, 9,000 square feet of neighborhood-serving retail and a 25,000 square-foot public park, known as Henry J. Kaiser Memorial Park.

The Agency pursued redevelopment of the last parcel at 1901 Telegraph Avenue, which was scheduled to start construction in October of 2008, with Forest City, but the company did not proceed because of the deteriorating conditions in the local housing market and the national financial crisis. Plans for FY 2010-14 include the development of a temporary rotating art display to showcase the works of local artists on the site. The Agency will also prepare a strategy for permanent development for the property during the implementation period and issue a Request for Proposals. The site is eventually proposed for large format retail and public parking garage, with residential or commercial development above in proximity to public transportation.

The proposal is to redevelop the site for large format retail and a larger public parking garage, with residential or commercial development above. The Agency is looking for a developer with control of adjacent properties to create a regional shopping district. The Oakland Retail Strategy identified public parking as one of the key redevelopment investment strategies and the Agency budgeted significant bond funds for this use.

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 2010-14.

Lake Merritt Channel (12th Street Remainder Site and the Henry J. Kaiser Convention Center (1000 Oak Street))

This project consists of two sites adjacent to the Lake Merritt Channel, where the City of Oakland has committed major funds for open space and other improvements. The project has created a new parcel from realigned streets east of the channel and south of Lake Merritt, commonly referred to as the 12th Street Remainder Parcel. The City also owned the vacant Henry J. Kaiser Convention Center just west of the channel and immediately adjacent to the Measure DD improvements along the Lake. The Agency purchased the 12th Street Remainder Parcel and the Henry J. Kaiser Convention Center to promote redevelopment of both properties. Since both properties are in proximity to the Lake Merritt BART Station, they will be designed to maximize access to public transport, and incorporates features to encourage transit ridership.

The 12th Street Remainder is being considered for a primarily residential mixed-use project with ground floor retail and/or community uses. The project should enhance and complement the City's improvements around Lake Merritt and along the Lake Merritt Channel.

The Henry J. Kaiser Convention Center located at 1000 Oak Street is a multi-purpose arena and theater that opened in 1914. The property is a Designated City of Oakland Historic Landmark A1+ and is on the California Register of Historic Resources. The facility underwent renovation in 1985, but has been closed since 2005 due to problems with life safety and building systems. The building measures approximately 396 feet long by 196 feet across, and contains approximately 214,969 square feet of floor area on four levels inclusive of the full basement. The main spaces are: 1) a ±4,500 seat arena (total seating capacity including floor is ±6,000); 2) an approximately 1,900 seat formal theater; and 3) three conference rooms. The plans for the property include finding an experienced operator for the facility that would participate in funding and completing required building improvements in order to put the property back into productive public use.

Telegraph Parking Plaza (2100 Telegraph Avenue)

The Agency acquired Telegraph Parking Plaza located 2100 Telegraph Avenue from the City during FY 2008-09. The proposal is to redevelop the site for large format retail and larger public parking garage, with residential or commercial development above.

b. Planning

Broadway 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 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 funding and 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); Goals for 2010-14 include completion of the specific plan and the EIR. Once completed, the Broadway Corridor Retail Strategy is a major effort by the Agency to attract, retain and expand retail in the Project Area.

Lake Merritt Bart Station Area Plan

The City of Oakland, the Agency, BART and the Peralta Community College District, through a grant from the Metropolitan Transportation Commission, have come together to prepare a Station Area Plan for the area around the Lake Merritt BART Station. The Plan will consider land use, buildings, design, circulation, BART improvements, streetscape improvements, parks, public spaces and other established plans. It will identify actions the City and the other public agencies should take to improve the area, and it will establish regulations for development projects on private property. The project also involves the preparation of an Environmental Impact Report (EIR) for the Station Area Plan. Plans for 2010-14 include completion of the plan and the EIR.

c. Commercial Attraction, Retention, and Expansion

Broadway Corridor Small Business Retail Loan Program

The Small Business Retail Loan Program provides a revolving loan fund that is made available to small retail and commercial business and property owners along the Broadway corridor. The loan fund is intended to provide capital for physical improvements, including those related to life safety and façade enhancement. The City of Oakland's Community and Economic Development Agency's Commercial Lending division has contracted with the Oakland Business Development Corporation (OBDC) to assist small businesses and property owners in the Broadway Corridor Target Area, and provides hands-on business assistance throughout the commercial loan application process. During FY 2009-11, OBDC made two loans to qualifying businesses. During FY 2010-14, OBDC will continue to provide direct loan packaging and underwriting of loan program funds.

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

additional services to assessed districts beyond those already provided by the City, thereby improving the public perception of Oakland's commercial and mixed-use neighborhoods, including the Central Business District, as a place to work, shop, live and conduct business. Within the Central District, there are three BIDs, the Koreatown/Northgate Community Benefit District which was formed in July 2007, and the Downtown Oakland and Lake Merritt/Uptown Community Benefit Districts which were established in July 2008. Collectively, these three districts generate approximately \$2.2 million in special assessments per year.

BID activities include, but are not limited to private security and ambassador services, enhanced landscaping, sidewalk cleaning, special events, district branding and other marketing activities to support the economic vitality of the district. The BID program may also provide, as needed, technical information and advice to staff from other economic development divisions, including the Oakland Merchant Association Assistance Program (MAAP) responsible for facilitating BID service delivery on the district level and/or for assessing the readiness of new groups interested in exploring the possible future formation of a BID within their commercial district in the Central District.

Plans for FY 2010-14 include working with community representatives interested in exploring the possible formation of a BID and facilitating the development of policies and procedures which support an effective coordination of efforts between various City divisions (e.g. Public Works, Environmental Services, Oakland Police) and the three existing downtown BIDs.

Downtown Façade Improvement Program

The Downtown Façade Improvement Program (FIP) was created in 1999 and includes 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. Eligible work includes the following:

- Painting/wall repair/cleaning • New awnings/canopies
- Renovation or repair of windows • Landscaping and exterior seating and lighting
- Rehabilitation of historic facades • Doors and storefront systems
- Improvement & removal of safety grilles • Removal & replacement of signage

The goal for FY 2010-14 is to start and/or complete 200 projects. FIP staff will continue to identify new eligible applicants and work closely with property owners during the implementation of each Façade project during implementation of the program.

Downtown Tenant Improvement Program

The Downtown Tenant Improvement Program (TIP) provides incentives to attract businesses to targeted locations in the downtown area. While the market for retail in Downtown has improved

over the last few years, in many cases the building spaces that are available require substantial tenant improvements to meet the needs of retailers and restaurant operators. Some property owners are unable to improve their properties in order to attract premium tenants and customers. The TIP is part of the City's business CARES strategy (creation, attraction, retention and expansion.) The TIP offers property and business owners matching grants on a dollar-for-dollar basis of up to \$99,000 for tenant improvements to the interior of retail spaces. Under the TIP 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
- Interior décor and historic restoration of interior materials
- The primary focus of the TIP will be helping to design the interior of vacant retail spaces

The goal for FY 2010-14 is to start and/or complete 150 tenant improvement projects.

Economic Development Program

The Agency is supporting the Economic Development Division's Economic Development Program to increase investment in Oakland in a way that contributes to the prosperity of businesses, provides sustainable job opportunities for Oakland residents and builds a diverse economy in Oakland. The Economic Development Division is now organized into three primary service areas: Strategic Economic Development Services, Business Services and Workforce Development Units. The program serves not only the Central District Project Area and I-880 corridor, but also other commercial areas and business districts of the city. For FY 2010-14, the Economic Development Program will focus on the following major initiatives:

- Continued implementation of the ***Citywide Retail Enhancement Strategy***
- The ***Downtown Development Strategy*** is focused on the attraction of new, financially secure and experienced investors into Oakland's downtown market.
- The ***Industry Clusters Strategy Program*** is a new program that will focus on implementation of key projects in identified targeted industry sectors: Clean & Green, Creative & Innovation Services, Trade & Logistics, Health & Life Sciences, Manufacturing & Processing, especially Specialty Food production.
- Continued implementation of the ***Oakland Business Services Strategy***, the City and Redevelopment Agency's overall efforts to offer a coordinated, comprehensive program of business development services to Oakland's existing and new businesses. The Business Services Center has become a key component of this strategy.
- The ***Workforce Development Program*** was re-established in late 2010 and is primarily responsible for administering the Workforce Investment Board Program and contracts.
- The ***Oakland Green Business*** activities focus on helping businesses improve their environmental performance; and attracting and expanding businesses that offer environmental products or services.

Marketing & Special Events Program

The Marketing & Special Events Program positions Oakland and the Project Area as a center for business in the Bay Area through a comprehensive marketing strategy in the following areas: image enhancement; business attraction marketing; city promotion; visitor marketing (through the Oakland Convention & Visitors Bureau contract); and film, special events and cultural arts. Major functions include creating and implementing marketing campaigns; production of marketing collateral, high-profile special events and business support activities; promoting Oakland and the Project Area at key trade shows and conventions; generating positive publicity, including business-related media coverage; providing marketing technical assistance for small businesses and key cultural attractions; and promoting Oakland and the Project Area as a prime destination for shopping, dining, arts and entertainment. Goals for FY 2010-14 include launching a comprehensive, two-year marketing campaign promoting Oakland and the Project Area as a regional center for business and the arts.

Public Safety and Police Services Program

The Agency will continue to provide targeted and enhanced police services to commercial districts in the Project Area above standard police patrol levels. The goal of the Program is to facilitate increased commercial investment and redevelopment activities in the Project Area by reducing crime and improving safety and security for property owners, businesses, workers and patrons

d. Business Rehabilitation and Modernization Program

Downtown Façade and Tenant Improvement Programs

The Agency will continue to implement the Downtown Façade Improvement Program (FIP) and the Tenant Improvement Program (TIP) as described in more detail above since these programs are essential components of the Agency's business rehabilitation and modernization program.

II. Community Enhancement

a. Public Improvements

George P. Scotlan Memorial Convention Center

In June 2010, the Redevelopment 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. The scope of the project focuses mainly on cosmetic upgrades to the property, new furniture and fixtures, and remodeled bathrooms to make them ADA accessible. Construction management for the renovation is being handled by ISC, the property management company for the Scotlan

Convention Center. Goals for FY 2010-14 include construction bidding to be completed by July 2011, permits secured in September 2011, and renovation to be completed by early 2012.

Public Parking

The Agency is developing and implementing parking optimization strategies that include administering contracts with operators for 4 public garages, two surface parking lots, the Oakland Ice Center and the George P. Scotlan Memorial Convention Center. These public parking facilities include the Franklin 88, UC Office of President, Telegraph Parking Plaza, City Center City Center Garage West and surface lots located at 2330 Webster and 2315 Valdez Street, and 490 Thomas L. Berkeley Way. The Agency may sell any of these facilities to enhance other redevelopment activities.

- **Franklin 88** - This 135-space garage serves Chinatown and was completed in October of 2004. The garage also provides overflow parking for the adjacent Courtyard by Marriott Hotel per a parking license agreement with the Agency. In 2010, Agency staff, in cooperation with the Home Owners Association at Franklin 88 hired Pacific Park Management to lease the facility. This new management company has improved the financial performance of the garage and eliminated the need for Agency subsidies. Plans for FY 2010-14 include administration of the parking operation agreement, and working with the operator and the home owners association on further improving the performance of this Agency asset.
- **City Center Garage West** - This garage continues to provide parking for offices and commercial tenants and workers in the City Center area, including workers in the Federal Building, the State Building, the City Administration Complex, Preservation Park and many other buildings near City Center. During FY 2010-2014, the Agency plans to continue to enhance parking operations and improve the financial performance of the garage.
- **UC Office of President Parking Operations** - The Agency owns and operates public parking in the UCOP Building at 11th, 12th and Franklin Streets. It is anticipated that this public parking garage will generate approximately \$320,000 per year in gross income during FY 2011-13. The garage is expected to operate without a subsidy in FY 2010-14. The Agency is under contract with SKS Broadway LLC to sell the garage once SKS has commenced construction of the Key System project currently scheduled for 2013.
- **Telegraph Parking Plaza** - The Agency acquired Telegraph Parking Plaza from the City during FY 2008-09. During FY 2011-13 the Agency will analyze the need for capital improvements at the garage and work with the Parking Division to issue a Request for Proposals for a new operator to improve the financial performance of the facility. The garage generated approximately \$470,000 in gross revenues per year during FY 2009-11. Plans for 2010-14 include evaluation to upgrade or replace garage with mixed-use project.

- **2330 Webster and 2315 Valdez Street** – The Agency acquired the surface lot in 2010 as part of the site assembly for the implementation of the Broadway Retail Strategy. During FY 2010-14, the Agency will evaluate future development of the site into a mixed-use project that includes a significant parking component in support of the Broadway Retail Strategy.

Touraine Hotel/Henry J. Robinson Multi-Service Center

The Henry J. Robinson Multi-Service Center (HRMSC) provides economic benefits to disadvantaged persons living within or near the Project Area by operating major supportive housing services to eliminate homelessness for struggling families through the provision of a two-year transitional housing program, an emergency shelter and drop-in services for the homeless population in Oakland. 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. The programs at the HRMSC are funded by grants, with the Department of Housing and Urban Development (HUD) funding the Supportive Housing Program at the Center. The Redevelopment Agency receives income from leasing the Center, and the funds are utilized for capital improvements and maintenance repairs at the facility.

The housing and services provided at the HRMSC feed into the City of Oakland's Permanent Access To Housing (PATH) Strategy to end homelessness in Oakland. Major accomplishments at the HRMSC during the 2009/10 program year included the provision of transitional housing and other supportive housing services for 67 families with 101 children, emergency shelter for 349 adults and children for 8,552 bed nights. 39 families exited the program and moved into permanent housing. 10 families secured other transitional housing.

For FY 2010-14, based on past performance, it is anticipated that 75% of all program participants who come in from the streets or from shelters will move into transitional housing and improve their residential stability, 100% of program participants will take part in skill development programs (vocational training, educational enrollment, life skills and money management), and 75 percent of all participants will increase their personal skills in the areas of budget management, decision-making and problem solving.

b. Circulation, Street Improvements and Streetscapes

Basement Backfill and Repair Program

The Central District Basement Backfill and Repair Program ("BBRP") is a program that was initiated by the Agency in 2008 to assist private property owners with the repair of their deteriorated sub-sidewalk basement spaces in specific areas of the Project Area. The purpose of this program is to correct the problems associated with these deteriorated basements –such as leaking and rusted elevator access doors, deteriorated structural elements, rusted rebar, and leaking skylights and sidewalk grilles – so that the Agency can proceed with construction of several streetscape projects included in the Downtown Streetscape Master Plan. Plans for 2010-

14 include: Executing engineering contracts; completing designs; obtaining building permits; engineering utilities; and completing construction of the improvements.

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. The recommendations of the Streetscape Master Plan were guided by the objective of improving the appearance of selected sub-areas of the Project Area. The planned improvements will achieve this goal by creating a definite sense of place, clear gateways, emphatic focal points and an attractive physical design. The improvements consist of repair and/or restoration of existing pavement, widening existing sidewalks, constructing pedestrian bulb-outs, introducing new landscaping such as street trees, improving signage and striping, installing new lighting, modifying existing traffic lane patterns, and creating bicycle lanes. Agency funds for the implementation of the Streetscape Master Plan are complemented with local Alameda County Transportation Improvement Authority Measure B grant funding, local Alameda County Congestion Management Agency grant funding, and state grant funding via a voter-approved Proposition 1C bond measure. During 2004-5 through 2008-9, 100% plans, specifications and cost estimates were completed for the following projects: Broadway Phase II and III, Latham Square, Telegraph Avenue, Telegraph Phase One, Old Oakland, 11th Street and Broadway-West Grand. Construction was completed for the following projects: Broadway Phase II and III (Broadway 12th to 20th), Telegraph Phase One (the west side of Telegraph Avenue from 18th Street to 20th St., 11th Street between Broadway and Clay Street, Broadway-West Grand (Broadway from West Grand to 24th Street). Plans for 2009-10 through 2013-14 include completing design and construction of the Old Oakland Streetscape Improvement Project, the Telegraph Avenue Streetscape Improvements, and Latham Square.

The Agency will investigate the need for additional streetscape projects throughout the Project Area based on an evaluation of existing conditions, planned projects and intensity of use of the streets in any given area. Priority will be given to heavily utilized streets around important public and private buildings, such as, for example, the Alameda County Superior Court building, Broadway/Valdez Retail Area or the Victory Court area. It is the Agency's goal to coordinate its work with Alameda County, the Peralta Community College District and BART to provide streetscapes that are safe, clean and attractive to businesses and the general public.

c. Recreational, Entertainment, Cultural and Arts Facilities and Improvements

Marketing & Special Events Program

The Marketing & Special Events Program promotes Oakland by organizing key cultural attractions, such as the on-going production of the annual Art & Soul festival which attracts 50,000 visitors to the Central District and generates extensive positive publicity. Plans for FY 2010-15 include continued production of the Art & soul festival, the Oakland Marathon and other cultural events.

Oakland Ice Center

The Oakland Ice Center (OIC) supports the Agency's redevelopment efforts in the Uptown Area by providing a recreational ice skating facility that attracts families 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. The facility has been managed by San Jose Arena Management (SJAM) since 2007. Since then, SJAM has substantially improved the financial performance of and community involvement at the OIC. In 2010, the Agency negotiated a 5-year extension of SJAM's contract. SJAM has noticeably increased the ethnic, gender, and economic diversity of OIC patrons and within the various skating program. The Agency also negotiated and entered into a ground lease with SJAM to improve and operate an existing surface parking lot next to the OIC. This parking lot will satisfy a demand for off-street parking next to the OIC as voiced by many of its patrons. Plans for 2010-14 include continued facility upgrades and to present a diverse program to Oakland residents and the public at large. Fox Theater Management

The Fox Theater Master Plan

The Fox Theater was vacant for many years and represented a blighting influence on the surrounding area. 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 commenced in September of 2006 and was completed in February of 2009. Another Planet Entertainment manages the facility, which includes the nightclub "Den". The Fox has become the most popular concert venue in the Bay Area. Accomplishments for FY 2009-11 include execution of a lease with "Rudy Can't Fail", a late night bar and restaurant, which will occupy the last vacant retail space in the building. Plans for FY 2010-14 include continued build-out and opening of the new restaurant and continued support of the Agency-established non-profit public benefit corporation, Fox Oakland Theater which oversees the management of the theater.

Public Art Program

The Agency's Public Art Program allocates 1.5 percent of Agency capital construction project funding for the commissioning of public artwork. Agency funds will be used for artwork that is part of the Agency's Streetscape Improvement projects and for public art installations on publicly-owned properties. Plans for 2010-14 include the following:

- ***BART Entrance at 17th Street*** - Staff has worked with BART and a visual artist on an installation at the 17th Street BART entrance that will complement the surrounding Uptown Arts and Entertainment District. During FY 2009-11, staff selected the artist, obtained approval from BART and the Public Art Advisory Committee and started work on the design of the piece. Completion of the project is scheduled for August 2012.
- ***Uptown Parcel 4*** - Temporary Rotating Art Display: Staff plans to use the perimeter of the future development site at 1911 Telegraph as a temporary location for a rotating art display showcasing the works of local artist. During FY 2009-11, staff secured a \$200,000 grant from the National Endowment for the Arts for this project. Staff also

hired an architect to design the art display area along 19th Street, Telegraph and Henry J. Kaiser Memorial Park. Plans for 2011-13 include final design, construction and opening of the display space in the winter of 2011. The Public Art Program will commission new work, both permanent and temporary, for this site. A Request for Qualifications for artists will be released in spring 2011 with a 12-month timeline to commission and fabricate new projects for debut at Parcel 4. Existing artwork will also be placed on site supported by stipends paid to the artists. Exhibitions will be rotated on a staggered basis every six to twelve months, so that the display is frequently refreshed for viewers.

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 made available \$3 million in grants to improve the following parks and public facilities. Plans for FY 2010-14 include the following projects:

- **Chinese Garden Park (7th and Harrison Streets)** - Improvements to the Chinese Garden Park include repairs to pathways, concrete pad at the pavilion, re-sodding of the lawn, tree planting and irrigation systems. Construction was completed in March 2010.
- **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 not to exceed \$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)** - Jefferson Park was subject to a major renovation to upgrade its tot lot, add a new dog park with separate areas for small and large dogs, relocate an existing full-sized basketball court, and complete general landscaping improvements. Construction started in 2010 and was completed in November 2010. In 2011, installation of historical marker panels and ADA parking will be completed.
- **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 as well as 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. The school, as well as four day-care centers and two Head Start Programs use Lincoln Square Park as additional play area. The contract for the work has been bid and awarded. Start of construction occurred in March 2011 with a completion date of late July 2011.
- **Malonga Casquelourd Art Center Rehabilitation** - The Agency is providing funding assistance toward the rehabilitation of the Malonga Casquelourd Art Center. Plans for 2010-14 include completion of the work in the spring of 2012.

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The Agency proposes to continue to focus its activities in the next three to five years on eliminating physical and economic blight conditions through the construction of public improvements and utilities, and assisting the private sector in developing vacant and/or underutilized properties. It is the Agency's intent that the Implementation Plan as proposed will encourage further private sector investment in both commercial and residential designated areas.

The Agency will focus on three categories of activities in order to eliminate blight in the Central District. These are:

1. Assemble blighted and underutilized properties into sites suitable for new development. Such land assembly would likely take place in response to property owner, developer or Agency-initiated efforts to assemble property needed for the expansion of existing uses or for the creation of sites suitable of development for new uses. Through an Owner Participation Agreement (“OPA”) or Disposition and Development Agreement (“DDA”), the Agency may provide land write-downs or may grant or loan money to assist new retail, commercial, housing, and entertainment development, or facilitate the expansion of existing facilities. Projects that include this activity could be located within the Upper Broadway Retail Strategy area or Victory Court. The Agency may use its power of eminent domain during the implementation of these projects and programs.
2. Supply low cost loans, grants, subsidies and directly improve blighted structures, including the Fox Theater, the Uptown Project, the Façade Programs, the Downtown Historic Façade Program and the Downtown Tenant Improvement Program. By eliminating physical deterioration, and improving the substandard or functionally obsolescent condition of retail and commercial buildings, more businesses will be attracted to the area, which will improve retail sales, property values and property taxes. The increased business activity should attract new patrons to the Project Area.
3. Provide infrastructure improvements covering a variety of public works projects ranging from installation of utilities, traffic capacity projects, mass-transit improvements, parking facilities, new streets, under grounding overhead distribution and communication lines, storm drainage and sanitary sewers, bridges and under- or over-crossings, flood control improvements, pedestrian and bicycle friendly areas, traffic calming, and freeway noise walls. This may also include streetscape projects including construction of new curbs, gutters and sidewalks; planting street trees and shrubs; constructing both decorative and handicapped accessible crosswalks; constructing new medians with landscaping; adding visual and safety improvements to existing medians; installing street furniture, such as trash receptacles and newspaper racks; and improving area lighting by increasing the number of luminaries, increasing the wattage of individual streetlights or adding pedestrian streetlights.

Improving the infrastructure will help to attract development to the Project Area by eliminating costs that might otherwise be born by the private sector. This should help to increase building activity and improve property values. Furthermore, public improvements such as parking structures will improve the viability of commercial property, helping to compensate for

individual property site deficiencies, and lighting improvements will create a safer environment in which to shop and reduce graffiti. The proposed Agency programs for these activities include the Streetscape Master Plan, including Streetscape Improvements in Uptown, Old Oakland/ Chinatown and Lower Broadway, the Broadway Improvement Program, Victory Court, and the continued operation and possible new construction of public parking facilities.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE-INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the CRL . (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the Project Area that deal with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low and moderate ("low-mod") income. Low-mod income is defined in the CRL by reference to Section 50093 of the Health and Safety Code, which specifies the following income levels:

- Moderate income, which is defined as household income of 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low income, which is defined as income of 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very-low income, which is defined as income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low Income	30% of 50% of AMI	30% of 50% of AMI
Low Income	30% of 60% of AMI	30% of 70% of AMI
Moderate Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving a community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the Project Area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below.

1. Production of Housing Based on Activities in the Project Area:

AREA HOUSING PRODUCTION REQUIREMENTS. In project areas adopted after January 1, 1976, at least 30 percent (30%) of all new and substantially rehabilitated dwelling units developed by a redevelopment agency must be available at affordable housing cost to persons and families of low and moderate income and shall be occupied by these persons and families (Section 33413(b)(1)). At least 15 percent (15%) of all new residential dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the Agency must be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families (Section 33413(b)(2)). At least 15 percent (15%) of all substantially rehabilitated units that have received agency assistance must be available at affordable housing cost to persons and families of low or moderate income and shall be occupied by these persons or families (Section 33413(b)(2)(iii)).

For pre-1976 plans that adopt a 10-year time extension amendment under SB 211, the area production requirements become applicable and must be applied prospectively to new and substantially rehabilitated dwellings for which building permits are issued on or after the effective date of the time extension amendment (Sections 33333.10(i) and 33413(d)(1)).

- **REPLACEMENT HOUSING REQUIREMENTS.** Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project

contained in the Implementation Plan (Section 33490(a)(3)).

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- At least 20 percent of tax increment revenues must be set aside into a low and moderate income housing fund to increase, improve or preserve the community's supply of low and moderate income housing (Section 33334.2).

For agencies that adopt a 10-year time extension amendment under SB 211, beginning the first fiscal year commencing after the adoption of such amendment, the agency is required to set aside at least 30 percent of tax increment revenues into the low and moderate income housing fund (Section 33333.10(g)(1)).

- The law requires the proportional expenditure of these housing funds on moderate, low, and very-low income housing (Section 33334.4). For agencies that have adopted an SB 211 time extension amendment, the proportionality requirements change after amendment adoption and again after the original plan time limit for receipt of tax increment revenues is reached (Section 33333.10(f)).
- The law requires the transfer of housing funds to other public entities producing housing in the community in some cases if the low and moderate income housing fund has excess surplus (a possible outcome of the provisions of Sections 33334.12 *et seq.*).
- The law requires the proportional expenditure of housing funds on the same proportion of the households population over the age of 65 as reported in the most recent U.S. census (Section 33334.4).

3. Additional Requirements:

The implementation plan must include estimates of the balances and deposits into the low and moderate income housing fund; a housing program identifying expenditures from the Housing Fund; an indication of housing activity that has occurred in the project area; and estimates of housing units that will be produced in the project area for each of the various income categories.

For project areas that are within six years of the time limit on the effectiveness of their redevelopment plan, the implementation plan must show the ability of the agency to comply with its replacement housing and area production requirements and the disposition of the remaining monies in the low and moderate income housing fund prior to the time limit (Section 33490(a)(4)).

B. Applicable Low and Moderate Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the practical applicability of the various housing provisions of the CRL. The low-mod housing provisions as applied to the Central District Project Area are discussed below:

a. Replacement Housing Obligation

The Agency is required to meet replacement-housing obligations pursuant to the CRL Section 33413(a). This Section requires the Agency to replace, on a one-for-one basis, all units removed from the low and moderate income housing stock caused by Agency activities in the Project Area. Article 16.5 requires that if an implementation plan contains projects that could result in the removal of low-mod housing units, the plan must identify locations suitable for the replacement of such housing.

The Agency does not anticipate undertaking or assisting any actions in the Project Area that would result in the demolition or removal from the market of low and moderate income housing. Therefore there is no replacement housing obligation at present and no need to identify potential locations for replacement dwellings.

b. Housing Production Obligation

Because the Redevelopment Plan was adopted prior to 1976, the Agency was not required to comply with the housing unit area production requirement of the CRL Section 33413(b) prior to the 10-year SB 211 time extension amendment.

Beginning on the date of approval of the 17th Amendment to the Plan adopting the SB 211 time extension, the Central District is required to meet the affordable housing area production requirement for new and substantially rehabilitated dwelling units for which building permits are issued on or after the date of the Amendment.

The Agency does not plan to develop housing in the next five years, rather the Agency will assist in private sector affordable housing development. Thus, the Agency is not anticipated to incur any obligations under the 30% area production requirement of the CRL.

The Agency anticipates some continued private, unassisted and assisted development of housing in the Central District. As a result, following the date of adoption of the 17th Amendment, the Agency will need to create low and moderate housing in order to comply with the provisions of subparagraph (2) of Section 33413(b). Subparagraph (2) requires that 15 percent (15%) of all housing developed in the Project Area (inclusive of restricted units) be low-mod income housing. Of these low-mod units, at least 40 percent (40%) must be affordable to persons and families of very-low income.

To determine the number of units that must be developed in order to comply with this requirement, and to identify how much of this requirement will be satisfied by the

activities included in this Implementation Plan, a brief review of the anticipated housing development activity in the Project Area is presented below.

c. Estimate of Future Housing Construction Activity in the Project Area

The Agency estimates that between the date of the time extension amendment and 2021, as many as 2,109 units of housing may be newly constructed, substantially rehabilitated, or acquired with affordability covenants.

**Central District Project Area
Projected Housing Production, 2011 – 2021**

Project Name	Units	Type	Year Completed	Affordability Level			
				Very Low	Low	Mod	Above Mod
1538 Broadway	69	TBD	TBD				69
17 th & Broadway (aka 1640 Broadway Mixed Use Project)	254	TBD	TBD				254
1701 Martin Luther King Jr. Way	12	TBD	TBD				12
188 11 th Street	287	TBD	TBD				287
2538 Telegraph Avenue	97	TBD	TBD				97
377 2 nd Street	96	TBD	TBD				96
459 23 rd Street	70	TBD	TBD				70
528 Thomas L. Berkley Way	18	TBD	TBD				18/
6 th and Oak Apartments	70	TBD	TBD	69			1
630 Webster Street	27	TBD	TBD				27
632 14 th Street	40	TBD	TBD				40
Broadway West Grand (aka Negherbon Mixed Use Project, Broadway Grand Phase 2)	367	TBD	TBD				367
Domain at Alta (formerly City Walk)	264	TBD	TBD				264
Harrison Senior Apartments	74	Senior	TBD	73			1
Harrison Towers	98	TBD	TBD				98
Jackson Center Two (235 12 th Street)	110	TBD	TBD				110
Jefferson Oaks Apartments	102	TBD	TBD	101			1
Victory Place (aka 1417-1431 Jefferson Street)	54	TBD	TBD				54
Total	2,109			243			1,866

d. Estimated Number of Units Required for Housing Production Obligation

If the allowed 2,109 units are built during this Implementation Plan period, this would generate a housing production obligation of at least 317 units affordable to very-low, low or moderate income households. Of these, at least 127 units would be required to be affordable to and restricted for occupancy by very-low income households.

e. How the Housing Production Obligation Will be Met

As noted in section d above, if all projected housing units are built, there will be approximately 317 units of low- and moderate income units (inclusive of that total, 127 units would be required for occupancy by very-low income households) that need to be constructed. To the extent there is a deficit of affordable units constructed, the Agency will identify projects and if necessary provide financial assistance to ensure that the required number of low- and moderate-income units are developed or otherwise made available.

Central District Project Area
Affordable Unit Production Requirements Based on Completed/Underway Projects

	Total	Total Affordable^a	VLI Only
Total Units Completed/Underway	2,109	243	243
Less Required Affordable Units (15% total, 6% VLI)		317	127
Surplus/(Deficit)		(74)	116

a. Includes units for very low, low and moderate income households.

2. Applicable Provisions Regarding Low and Moderate Income Housing Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 requirement to allocate 20 percent of the gross tax increment (“Set-Aside”) to affordable housing activities. The Set-Aside is required to be deposited into the Agency’s Low and Moderate Income Housing Fund (the “Housing Fund”) created to hold the monies until expended.

The Redevelopment Agency has adopted a general policy that 25 percent of all tax increment be allocated to the Housing Fund, subject to certain conditions. The projections of deposits into the Housing Fund that are included in the following section assume that the 25 percent Set-Aside will be deposited into the Housing Fund in each of the years covered by the Implementation Plan except for 2009-10 and 2010-11, where some or all of the voluntary five percent (5%) increase has been used to make State-mandated payments to the Supplemental Educational Revenue Augmentation Fund if that requirement survives a pending legal challenge.

Starting in fiscal year 2012-2013 (i.e., the first fiscal year commencing after the date of adoption of the 17th Amendment), the Agency must deposit at least 30 percent of all tax increment from the Central District into the Housing Fund.

b. Proportional Expenditures of Housing Fund Monies

The Project Area is subject to the Section 33334.4 requirement that the Agency expend Housing Fund monies in accordance with an income proportionality test and

an age restriction proportionality test. These proportionality tests must be met every ten years, in the case of the income proportionality test, and over the duration of the implementation plan in the case of the age test, through the termination of the Redevelopment Plan life. The proportionality requirement went into effect on January 1, 2002 and must be met every ten years. For plans adopted prior to 1994, the initial compliance period is actually from January 1, 2002 through December 31, 2014 (CRL Section 66490(a)(2)(A)(iii)), and for ten year periods thereafter. These tests do not have to be met on an annual basis.

Starting on the date of the SB211 plan amendment in 2011, the proportionality requirements will change. Following are how those expenditures will be made.

1. Very-Low and Low Income Housing Expenditures

The income proportionality test requires the Agency to expend Set-Aside funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2008 Regional Housing Needs Allocation (RHNA) Plan prepared by the Association of Bay Area Governments. Based on the 2008 RHNA, the City's minimum required allocation for very-low and low-income expenditures and maximum moderate income housing expenditures are:

Category	RHNA	Threshold
Very-Low Income	1,900	At least 27%
Low Income	2,098	At least 29%
Moderate Income	3,142	No more than 44%
Total	7,140	

Therefore, the CRL requires for Oakland that at least 27 percent of the Housing Fund monies dedicated to projects and programs be spent on housing for very-low income households. In addition, at least 29 percent of these funds must be spent on housing for low-income households, and no more than 44 percent of the funds may be spent on housing for moderate-income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very-low income households, and to subtract a commensurate amount from the low and/or moderate-income thresholds. Similarly, the Agency may provide a disproportionate amount of funding for low income housing by reducing the amount of funds allocated to moderate-income households. In no event may the expenditures targeted to moderate-income households exceed the established threshold amount.

The Agency will allocate and expend its funds in such a way that these percentages are met over the period from January 1, 2002 through December 31, 2014 (CRL Section 33490(a)(2)(A)(iii)). In addition, the City or other entities may provide assistance for the construction of units affordable to very low and

low income households that may also be counted toward meeting the proportionality requirements of Section 33334.4.

2. SB 211 Moderate Income Housing Expenditures

Redevelopment law requires that this implementation plan address SB 211 requirements for a plan amendment that extend an area's time limit (CRL Section 33490(a)(2)(A)). This provision has two rules that impact the use of funds for low-mod housing development. The first rule states that from the date of adoption of the plan amendment to the former deadline for the receipt of tax increment, the agency may only spend 15% of the housing tax increment on moderate income housing. In addition, those moderate income units must be a part of a project that has at least 49% of the units affordable to very low- or low-income households. An exception to this rule is if an additional 5% of the amount deposited in the low-mod housing fund is used for moderate income housing, then, at minimum, a comparable amount must be spent on housing affordable to extremely low-income households (CRL Section 33333.10(f)(2)). The second rule requires that during the ten year extended period for receipt of tax increment revenue under the plan amendment, an agency may spend low mod housing fund monies during a five year sub-period for moderate income housing production only in an amount lesser of (1) the amount spent on extremely low-income housing, or (2) 15% of the amount deposited in the low-mod housing fund during a five year period. Not that the agency cannot make expenditures to assist production of moderate-income housing units than the number of extremely low-income housing units (CRL Section 33333.10(f)(1)).

3. Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the low income population under age 65 bears to the total number of low income households in the City as reported in the most recent census of the United States Census Bureau. According to the U.S. Department of Housing and Urban Development, 2000 CHAS Data Book, derived by the 2000 Census indicates that 82 percent of the City's low income households are under 65 years of age. As such, at least 82 percent of the Agency expenditures on affordable housing projects must be spent to assist projects that do not impose age restrictions on those households. The following summarizes the allocation of housing fund monies.

Age Category	Percentage of Funds
Senior	18% Maximum
Unrestricted	82%
Total	100.0%

The Agency will ensure that for the period beginning with the date of the SB211 plan amendment in 2011 through December 31, 2014 (CRL Section

33490(a)(2)(A)(iii)), not more than 18 percent of its expenditures on affordable housing projects are for projects exclusively serving seniors.

4. Excess Surplus

The Housing Fund is subject to CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area under certain circumstances. For example, such transfers could possibly occur if the Housing Fund had "excess surplus." Excess surplus means any unexpended and unencumbered amount in a Project Area's Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Housing Fund during the preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Project Area life.

3. Housing Goals and Objectives of the Implementation Plan

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this proposed Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production requirement, if applicable, must be met every ten years, while the proportionality tests must be achieved over the next five or ten years, and then again through the end of the Project Area life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the term of the Project Area, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Housing Fund. As shown below, \$71,512,217 in revenues are projected to be available over the five-year term of this Implementation Plan.

Estimate Housing Set-Aside Revenue 2009-2014

Plan Year	Fiscal Year	Housing Set Aside
1	2009-10 ²	\$11,526,000
2	2010-11 ³	\$12,619,000
3	2011-12	\$13,457,000
4	2012-13	\$16,310,000
5	2013-14	\$16,473,000
Total	2009-14	\$70,385,000

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to provide, improve and preserve affordable housing such as the following:

a. Production

The Agency can make loans and grants from the Low and Moderate Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

b. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improves the neighborhood. Additionally, such programs can be extended to owners of rental properties to make repairs to affordable rental housing. In either

² This number represents actual expenditures in fiscal year 2009-10. Note that in fiscal year 2009-10 the Agency deposited only 20% -- instead of 25% -- tax increment set-aside into the Housing Fund due to the State of California's requirement that Redevelopment Agencies make an additional deposit to fund education -- into the "Supplemental" Educational Revenue Augmentation Funds (SERAF) account.

³ This number represents budgeted expenditures for fiscal year 2010-11. Note that this represents approximately 22.5% of the tax increment set-aside into the Housing Funds.

case, covenants must be recorded to keep these properties affordable for the time period required by CRL.

c. Affordability Assistance

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very-low to moderate income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

d. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund (except for West Oakland and Central City East, both of which restrict the use of housing funds to their Project Areas). The Agency has made findings that affordable housing activities in any part of the City are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance for the development, improvement and preservation of affordable housing.

The tables on the following pages provide information for the previous implementation plan period, 2004-2009, regarding:

- the amounts of Low and Moderate Income Housing Fund moneys utilized to assist units affordable to, and occupied by, extremely low income households, very low income households, and low-income households, including units available to families with children; and
- the number, the location, and level of affordability of units newly constructed with other locally controlled government assistance and without Agency assistance and that are required to be affordable to, and occupied by, persons of low, very low, or extremely low income for at least 55 years for rental housing or 45 years for homeownership housing

Redevelopment Agency Assisted Housing Activities Completed or Underway, 2004 - 2009

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
1574-1590 7th Street	Homeownership	Underway	West Oakland			2	3	\$ 127,327
3701 Martin Luther King, Jr. Way	Homeownership	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 109,909
3829 Martin Luther King, Jr. Way	TBD	Underway	Broadway/MacArthur	TBD	TBD	TBD	TBD	\$ 52,000
6 th & Oak Streets	Seniors	Underway	Central District		69			\$ 3,699,656
720 E. 11 th Street Project	Families	Underway	Central City East	30	24			\$ 4,859,833
Altenheim Phase I	Senior	2007	None	39	53		1	\$ 4,084,660
Altenheim Phase II	Seniors	Underway	None	48	32		1	\$ 1,753,000
Byron Avenue Homes	Homeownership	Underway	Central City East	4	4	2		\$ 386,550
California Hotel	Special Needs	Underway	West Oakland	149				\$ 600,000
Drachma, Inc (14 unit scattered site)	Families	Underway	West Oakland	14				\$ 840,000
East Side Arts and Housing	Families	2006	Coliseum	4	12		2	\$ 1,130,000
Eastmont Court	Disabled or HIV/AIDS	2005	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes, Phase A	Homeownership	2008	Coliseum		26			\$ 2,517,000
Edes Avenue Homes, Phase B	Homeownership	Underway	Coliseum		13	15		\$ 3,601,000
Effie's House	Families	Underway	None	4	17			\$ 1,257,000
Eldridge Gonaway	Families	Underway	Central City East		39		1	\$ 1,655,000
Emancipation Village	Special Needs	Underway	None	35			2	\$ 1,652,000
Fairmount Apartments	Families	Underway	None	30			1	\$ 3,400,000
Faith Housing	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Foothill Plaza Apartments	Families	Underway	Central City East	53			1	\$ 2,910,000
Fox Courts	Families	2009	Central District	40	39		1	\$ 4,950,000
Golf Links	Homeownership	2009	None			3	7	\$ 584,000
Harrison Senior	Senior	Underway	Central District		73			\$ 5,133,000
Hills Elmhurst Plaza Senior Housing	Senior	Underway	Coliseum		63		1	\$ 6,032,000
Hugh Taylor	SRO	Underway	Central City East	42				\$ 1,222,000
Ironhorse at Central Station	Families	2009	Oakland Army Base		98		1	\$ 8,379,000
Jack London Gateway	Senior	2009	Acorn	24	36		1	\$ 4,900,000
Lincoln Court	Senior	2006	None	81			1	\$ 2,000,000
Lion Creek Crossings, Phase I	Families	2005	Coliseum	14	56			\$ 1,500,000
Lion Creek Crossings, Phase III	Families	2008	Coliseum		58		1	\$ 3,000,000
Lion Creek Crossings, Phase IV	Families	Underway	Coliseum	50			1	\$ 2,980,547
MacArthur Homes (3801-3807 MLK Jr. Way)	Homeownership	Underway	Broadway/MacArthur	TBD	TBD	TBD	TBD	\$ 800,000
Madison Street Lofts	Families	2008	Central District	78			1	\$ 4,522,915
Mandela Gateway Rental	Families	2005	West Oakland	60	60		2	\$ 2,500,000
Mandela Gateway Townhomes	Families	2008	West Oakland		8	6		\$ 1,479,100
Marin Way Court	Families	Underway	Coliseum		19		1	\$ 1,200,000
Mortgage Assistance Program	Homeownership	multiple	Citywide	47	242	2	1	\$13,451,314

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
Oak Park Homes	Families	2004	Central City East	34			1	\$ 3,419,000
Oak Street Terrace Senior	Senior	2004	Central District	16	22		1	\$ 2,072,000
Oaks Hotel	SRO and Special Needs	Underway	Central District	85				\$ 1,100,000
Orchards on Foothill	Senior	2008	Central City East	64			1	\$ 1,025,000
Palm Court	Homeownership	2005	Acorn		12			\$ 855,400
Palm Villas Residential Project	Homeownership	2005	Central City East			78		\$ 5,353,000
Percy Abrams Jr. Senior	Senior	2006	None	44				\$ 1,000,000
Posada de Colores	Senior	Underway	Central City East	99			1	\$ 450,000
Project Pride	Transitional	Underway	West Oakland	42				\$ 1,600,000
Redwood Hill	Homeownership	Underway	None		8	9		\$ 2,310,000
Saint Joseph's Family Phase IIb	Families	Underway	Coliseum	54	4			\$ 3,019,656
Saint Joseph's Family Phase IIa	Families	Underway	Coliseum			16		\$ 3,584,000
Saint Joseph's Senior	Senior	Underway	Coliseum	42	25		1	\$ 4,639,000
Saint Patrick's Terrace	Senior	Underway	West Oakland		65			\$ 753,600
Sausal Creek	Homeownership	2008	None			17		\$ 3,980,000
Seven Directions	Families	2009	Coliseum	23	12		1	\$ 3,289,000
Slim Jenkins	Families	Underway	West Oakland	27		3	2	\$ 1,920,000
Southlake Towers	Seniors	2004	Central District	26	103		1	\$ 445,300
Tassafaronga Homeownership	Homeownership	Underway	Coliseum		17	5		\$ 1,868,000
Tassafaronga Village Rental Phase I	Families	Underway	Coliseum		50			\$ 3,000,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 2004.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Low & Moderate Income Housing Financing, 2004
- 2009**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level			
				Very Low	Low	Moderate	Above Moderate
Lion Creek Crossings, Phase II	Families	2007	Coliseum	63	29		
Nathan A. Miley Senior Housing Community	Senior	2007	Central City East	50	19		
Uptown Project – Parcel 1	Families	2008	Central District	55		15	185
Uptown Project – Parcel 2	Families	2007	Central District	44		9	140
Uptown Project – Parcel 3	Families	2008	Central District	34		9	174
Wang Scattered Site – 901 70 th St.	Homeownership	2004	Coliseum		1		
Wang Scattered Site – 1311 Campbell Street	Homeownership	2005	West Oakland		1		

* Not all of these projects received locally-controlled government assistance