

OAKLAND OVERSIGHT BOARD

MEMORANDUM

TO: Oakland Oversight Board

FROM: Fred Blackwell &
Gregory Hunter

SUBJECT: Former Oakland Redevelopment
Agency Real Property Currently Owned
by the City of Oakland

DATE: June 18, 2012

ITEM: #5

Successor agency staff have prepared this report to begin discussions with the Oversight Board to review and approve real property development and disposition plans on key properties in the City, as well as an overall property disposition plan. Some of these properties are currently held by the City as successor agency and some are held by the City under its own auspices.

On March 3, 2011, the City Council authorized the sale of various real properties from the Redevelopment Agency to the City. The sale of 79 properties to the City was completed prior to dissolution of the Redevelopment Agency on February 1, 2012, and these properties are now held by the City under its own auspices. Another 35 Redevelopment Agency properties were not sold to the City and were transferred to the City as successor agency upon Agency dissolution by operation of law.

On April 24, 2012, the City received a form letter from State Controller John Chiang, which was apparently issued to all cities, counties and other public agencies in the state, signaling the beginning of what has been described as the "claw back" process. Under the so-called "clawback" provision of the dissolution statute (Health and Safety Code Section 34167.5), the State Controller has the authority to review transfers of funds and assets from redevelopment agencies to cities (or other public agencies) occurring after January 1, 2011, and potentially reverse some of those transactions. The real properties sold to the City by its former Redevelopment Agency during the relevant time period are potentially subject to this process, and could be transferred to the City as successor agency for ultimate disposition under the direction of the Oversight Board.

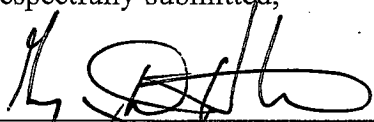
The dissolution statute requires successor agencies to dispose of assets and properties of the former redevelopment agency under the direction of the oversight board (Health and Safety Code Sections 34177(e) and 34181(a)). Disposition is "to be done expeditiously and in a manner aimed at maximizing value." Proceeds from asset sales that are no longer needed for approved development projects or to wind down the affairs of the former agency are subject to distribution to taxing entities.

The charge to dispose of assets both "expeditiously" and "in a manner aimed at maximizing value" is in some ways contradictory. In many cases, the value or return to the various taxing entities would be much greater if the property is developed under a negotiated development sale, versus immediately sold to the highest bidder without development covenants. In the City's opinion, disposition of properties to developers subject to negotiated development requirements would be in many cases be a win-win, leading to more ongoing sales and property tax revenues for the taxing entities while promoting economic growth and the reduction of blight for the City. Simply selling parcels to the highest bidder in the current depressed real estate market through a hasty "fire sale" would only yield a one-time distribution of sales proceeds to the taxing entities.

The dissolution statute also provides that an oversight board may direct the successor agency to transfer assets constructed and used for a governmental purpose (such as roads, school buildings, parks, and fire stations) to the appropriate public jurisdiction pursuant to any existing agreements related to the construction or use of such asset. (Health and Safety Code Section 34181(a).) A number of properties sold to the City by the Redevelopment Agency, or retained by the City as successor agency, are currently in governmental use.

Staff plans to bring specific proposals with quantitative data that estimates revenues from a "fire sale" versus revenues resulting from negotiation development dispositions. At the next Oversight Board meeting, staff would like to bring forward two priority development deals on former redevelopment parcels. This will be followed by a comprehensive property development/disposition plan for remaining parcels. Attached, please find a summary of former Oakland Redevelopment Agency properties summarized by category.

Respectfully submitted,



Gregory Hunter
Deputy Director,
Office of Neighborhood Investment



Fred Blackwell,
Assistant City Administrator

Analysis of Former Redevelopment Agency Real Estate

No.	Address	Area	Property Description		Book Value	Source of Funds
			Use	Size SqFt		
City Parcels						
1) City - Housing Successor Agency						
1	1707 WOOD STREET	Army Base	Vacant Lot	10,978	\$8,012,504	TB
2	WOOD STREET	Army Base	Vacant Lot	136,103	part of 310-7-7 above	TB
3	1529 CLAY STREET	Central District	Transitional Housing	6,000		NA
4	LEONA CREEK DR	Coliseum	Residential	9,951		NA
5	2824 82ND AVENUE	Central City East		3,034		NA
6	8327 GOLF LINKS RD	Central City East	Vacant Lot	20,850		NA
7	GOLF LINKS RD	Central City East	Vacant Lot	3,881		NA
8	8329 GOLF LINKS RD	Central City East	Residential	7,307		NA
9	9418 EDES AVE	Coliseum	Commercial	17,414	\$603,001	TI
10	606 CLARA ST	Coliseum	Commercial	8,897	\$281,201	TB
11	BARCELONA STREET	Oak Knoll	Vacant Lot	205,337		O
12	8280 MacArthur Blvd.	Central City East	Former Hsg site	6,720	\$230,000	NA
Subtotal Housing Successor Agency				436,472	\$9,126,706	
2) Oakland Army Base						
1	WAKE AVENUE	Army Base	Maritime/Caltrans	728,882	\$48,939,425	O
2	WAKE AVENUE	Army Base	Caltrans/Bridge	758,743	part of 507-1-7 above	O
3	WAKE AVENUE	Army Base	Maritime/Caltrans	413,820	part of 507-1-7 above	O
4	WAKE AVENUE	Army Base	Maritme	65,340	part of 507-1-7 above	O
5	WAKE AVENUE	Army Base	Surface Truck Parking and Warehouses	4,171,442	part of 507-1-7 above	O
6	WAKE AVENUE	Army Base	Baldwin Yard sliver	0	part of 507-1-7 above	O
7	WAKE AVENUE	Army Base	Baldwin Yard	503,758	part of 507-1-7 above	O
8	WAKE AVENUE	Army Base	Subaru Lot sliver	75,010	part of 507-1-7 above	O
9	WAKE AVENUE	Army Base	Subaru Lot	644,506	part of 507-1-7 above	O
Subtotal Oakland Army Base				7,361,501	\$48,939,425	
3) City Owned - Public Facilities						
10	UNION STREET	Oak Center - Wade Johnson Park	Park	1,249		NA
11	12TH ST	Oak Center - Wade Johnson Park	Park	10,080		NA
12	POPLAR STREET	Oak Center - Wade Johnson Park	Park	28,582		NA
13	1205 POPLAR STREET	Oak Center - Wade Johnson Park	Park	4,563		NA
14	1316 E 12TH ST	Oak Center - Wade Johnson Park	Park	4,216		NA
15	1224 KIRKHAM CT	Oak Center - Wade Johnson Park	Park	4,295		NA
16	1228 KIRKHAM CT	Oak Center - Wade Johnson Park	Park	1,223		NA
17	LEONA CREEK DR	Coliseum	Park	217,872		NA
18	SUNSHINE COURT	Coliseum	Street	1,084		NA
19	SUNSHINE COURT	Coliseum	Street	17,182		NA
20	540 17TH STREET	Central District - Ice Center	Ice Center	70,567	\$10,588,072	TEB
21	521 19TH STREET	Central District - Fox Theater	Theater	64,697		NA
22	1260 M L KING JR WAY	Central District - City Center West Garage	Garage	140	\$21,446,577	O
23	M L KING JR WAY	Central District - City Center West Garage	Garage	78,103	part of 27-6-3 above	O
24	1111 FRANKLIN	Central District - UCOP Garage	Garage	0	\$2,419,000	TEB
25	9TH ST	Central District - Franklin 88 Garage	Garage	13,406	\$2,818,000	O
26	2100 TELEGRAPH AVENUE	Central District - Telegraph Plaza Garage	Garage	72,398	\$781,911	TB
Subtotal Public Facilities				589,657	\$38,053,560	

Analysis of Former Redevelopment Agency Real Estate

No.	Address	Area	Property Description		Book Value	Source of Funds
			Use	Size SqFt		
4)	Development Agreements					
27	524 16TH STREET	Central District (17th St Garage DDA)	Surface Parking	6,697		NA
28	490 TOMAS L BERKELEY WAY	Central District - Sears DDA	Sears Parking	10,766	\$2,744,125	TEB-TB
29	2016 TELEGRAPH	Central District - Sears DDA	Sears Parking	9,370	part of 649-9 above	TEB-TB
30	1911 TELEGRAPH AVENUE	Central District - Uptown DDA	Housing	76,599	\$6,022,384	TEB-TB-O
31	1911 TELEGRAPH AVENUE	Central District - Uptown DDA	Housing	54,868	\$4,313,844	TEB-TB-O
32	1911 TELEGRAPH AVENUE	Central District - Uptown DDA	Housing	73,879	\$5,808,532	TEB-TB-O
33	901 WASHINGTON STREET	Central District - Swans DDA	Surface Lot	0		NA
34	901 WASHINGTON STREET	Central District - Swans DDA	Surface Lot	0		NA
Subtotal Development Agreements				232,179	\$18,888,885	
5)	Pending Development Agreements					
35	521 19TH STREET	Central District - 1800 San Pablo	Surface parking	44,347	\$1,329,077	TEB-O
36	905 66TH AVE	Coliseum	Foods Co	274,428	\$7,819,857	TB
37	915 66TH AVE	Coliseum	Foods Co	274,428	part of 4056-4 above	TB
38	5859 FOOTHILL BLVD	Central City East	Seminary Point	2,827	\$472,929	TB
39	2521 SEMINARY AVENUE	Central City East	Seminary Point	6,276	\$1,376,241	TB
40	2529 SEMINARY AVENUE	Central City East	Seminary Point	9,580	part of 3182-2 above	TB
41	5844 BANCROFT	Central City East	Seminary Point	3,238		NA
42	5803 FOOTHILL BLVD	Central City East	Seminary Point	18,127	\$1,115,000	TB
43	5805 FOOTHILL BLVD	Central City East	Seminary Point	2,324	part of 3182-20 above	TB
44	FOOTHILL BLVD	Central City East	Seminary Point	6,638	part of 3182-20 above	TB
45	5833 FOOTHILL BLVD	Central City East	Seminary Point	15,755	part of 3182-20 above	TB
46	5835 FOOTHILL BLVD	Central City East	Seminary Point	2,555	\$441,352	TB
47	5847 FOOTHILL BLVD	Central City East	Seminary Point	3,773	\$695,000	TI
48	5851 FOOTHILL BLVD	Central City East	Seminary Point	2,253		NA
49	E. 12TH STREET	Coliseum	Fruitvale BART pkg lot		\$6,020,000	TB
50	E. 12TH STREET	Coliseum	Fruitvale BART pkg lot	148,539	part of 2177-21 above	TB
Subtotal Pending Development Agreements				815,088	\$19,269,456	
6)	Coliseum City					
51	73RD AVE	Coliseum	Amtrak Parking	2,766	\$337,332	TB
52	73RD AVE	Coliseum	Amtrak Parking	35,000	\$332,403	TB
53	796 66TH AVE	Coliseum	RV Site	197,327	\$5,606,841	TB
54	66TH AVE	Coliseum	Sod Farm	47,480	1	TB
55	8000 SOUTH COLISEUM WAY	Coliseum	Malibu Site	383,328	\$1,400,000	TB
56	73RD AVENUE	Coliseum	Former dog Kennel	13,730		NA
57	728 73RD AVENUE	Coliseum	Former dog Kennel	15,200	\$365,000	TB
58	710 73RD AVENUE	Coliseum	Metz Site	22,800		NA
59	633 HEGENBERGER RD	Coliseum	Commercial/Parking	538,837	\$13,740,608	TB
Subtotal Coliseum City				1,337,960	\$21,782,185	

Analysis of Former Redevelopment Agency Real Estate

No	Address	Area	Property Description		Book Value	Source of Funds
			Use	Size SqFt		
7)	Potential Development Agreements					
60	2315 VALDEZ STREET	Central District	Surface Parking	17,200	\$4,072,803	TEB-TB
61	2330 WEBSTER STREET	Central District	Surface Parking	44,866	part of 668-4 above	TEB-TB
62	1911 TELEGRAPH AVENUE	Central District - Uptown Phase II	Vacant Lot	45,121	\$3,547,514	TEB-TB-O
63	822 WASHINGTON STREET	Central District	Parking lot	7,580		NA
64	11TH ST	Central District	Vacant Lot	29,901		NA
65	11TH ST	Central District	Vacant Lot	14,603		NA
66	11TH ST	Central District	Vacant Lot	10,011		NA
67	10451 MACARTHUR BLVD	Central City East	Housing-Mixed Use	23,000	\$743,829	TB
68	3050 INTERNATIONAL BLVD	Coliseum	Vacant	23,500	\$2,815,867	TB
69	DERBY STREET	Central City East	Parking	9,000	\$392,400	TB
70	73rd AVE & FOOTHILL BLVD	Central City East	Eastmont-Vacant Lot	53,160	\$2,218,233	TB
71	3600 FOOTHILL BLVD	Central City East	Commercial	10,625	\$1,023,049	TB
72	3566 FOOTHILL BLVD	Central City East	Commercial	6,541	part of 2084-51 above	TB
Subtotal Potential Development Agreements				1,059,214	\$14,813,694	
8)	Other					
73	3229 SAN LEANDRO STREET	Coliseum	Vacant	9,125	\$1,202,783	TB
74	3301 SAN LEANDRO STREET	Coliseum	Industrial	15,915	part of 2187-33-1 above	TB
75	7318 INTERNATIONAL BLVD	Coliseum	Corner Vacant Lot	3,670		NA
76	73RD AVE	Coliseum	Corner Vacant Lot	1,765	\$474,168	TB
77	EDGEWATER DR	Coliseum	Vacant Rail Spur	1,696		NA
78	EDGEWATER DR	Coliseum	Vacant Rail Spur	22,359		NA
79	8296 MACARTHUR BLVD	Central City East	Former 4-plex site	6,000	\$204,656	TB
Subtotal Return To SRA				60,530	\$1,881,606	
Total Transferred to City				11,892,601	\$172,755,516	

Analysis of Former Redevelopment Agency Real Estate

No.	Address	Area	Property Description		Book Value	Source of Funds
			Use	Size SqFt		
Successor Redevelopment Agency Parcels						
9)	SRA Properties- Public Facilities					
1	SUNSHINE COURT	Coliseum	Street	3,010	\$10,434	TI
2	615 High Street (note comment)	Coliseum	Commercial	14,574	\$1,045,702	TB
3	3801 East 8th Street	Coliseum	Vacant Land	30,557		TB
4	LION WAY	Coliseum	Creek Right-of-way	20,772		NA
Subtotal SRA Properties- Public Facilities				68,913	\$1,056,136	
10)	SRA Potential Development Agreements					
Coliseum City						
5	7001 Snell Street	Coliseum	Commercial	51,008	\$278,438	TB
6	711 71st Avenue	Coliseum	Commercial	53,000	\$1,335,000	TB
7	6775 (7001) Oakport Street	Coliseum	Commercial	157,905	\$1,710,652	TI
8	695 Hegenberger RD	Coliseum	Commercial	9,385	\$1	TB
9	66th Oakport	Coliseum	Vacant Land	25,000		NA
12th Street Remainder Site						
10	East 12th Street Remainder Parcel	Central District	Commercial	40,300		TB
Hill Elmhurst						
11	9409 International Blvd	Coliseum	Commercial	6,317	\$1,221,000	NA
12	9415 International Blvd	Coliseum	Commercial	5,125	part of 4967-2 above	NA
13	9423 International Blvd	Coliseum	Commercial	5,000	part of 4967-2 above	NA
14	9431 International Blvd	Coliseum	Commercial	2,500	part of 4967-2 above	NA
15	9437 International Blvd	Coliseum	Commercial	5,000	part of 4967-2 above	NA
16	1361 95th Avenue	Coliseum	Commercial	3,150	part of 4967-2 above	NA
17	95th Avenue	Coliseum	Commercial	1,710	part of 4967-2 above	NA
Funeral Home						
18	8TH STREET	West Oakland - (Parking Funeral Home)	Parking	9,385		NA
Kaiser Convention Center						
19	1000 Oak Street	Central District	Kaiser Convention C	227,653		TB-TI-O
36th & Foothill						
20	3614 Foothill Blvd.	Central City East	Commercial	5,000	\$342,296	TI
21	3550 Foothill Blvd	Central City East	Commercial	11,893	\$692,349	NA
Subtotal SRA Potential Development Agreements				1,157,222	\$5,579,736	
11)	Fair Market Sales					
22	14TH STREET	Oak Center	Vacant Lot	1,250		NA
23	1606 CHESTNUT STREET	Oak Center	Remainder	1,509		NA
24	1608 CHESTNUT STREET	Oak Center	Remainder	1,509		NA
25	2777 FOOTHILL BLVD	Central City East	Commercial	17,818	\$1,058,303	TB
26	2759 FOOTHILL BLVD	Central City East	Commercial	4,626	\$241,000	TB
27	1449 Miller Street	Central City East	Former Library	12,423		TB
28	1270 93rd Avenue	Coliseum	Old Fire Station	13,225		TB
Subtotal Fair Market Sales				52,360	\$1,299,303	
12)	Non-Developable Sites					
29	1327 BROADWAY	Central District	BART Entry	18,971		NA
30	12TH ST	Central District - City Center	BART Entry	407		NA
31	MARKET ST	Oak Center	Remainder	109		NA
32	MAGNOLIA STREET	Oak Center	Remainder	360		NA
33	14TH STREET	Oak Center	Remainder	139		NA
34	1333 ADELIN STREET	Oak Center	Remainder	348		NA
35	MYRTLE ST	Oak Center	Remainder	199		NA
Subtotal Non-Developable Sites				20,533	\$0	
Total Remaining with SRA				1,299,028	\$7,935,175	
Total for all parcels				13,191,629	\$180,690,691	

* Source of Funds: Taxable Bonds ("TB"), Tax Exempt Bonds ("TEB"), Tax Increment ("TI") & Other ("O").