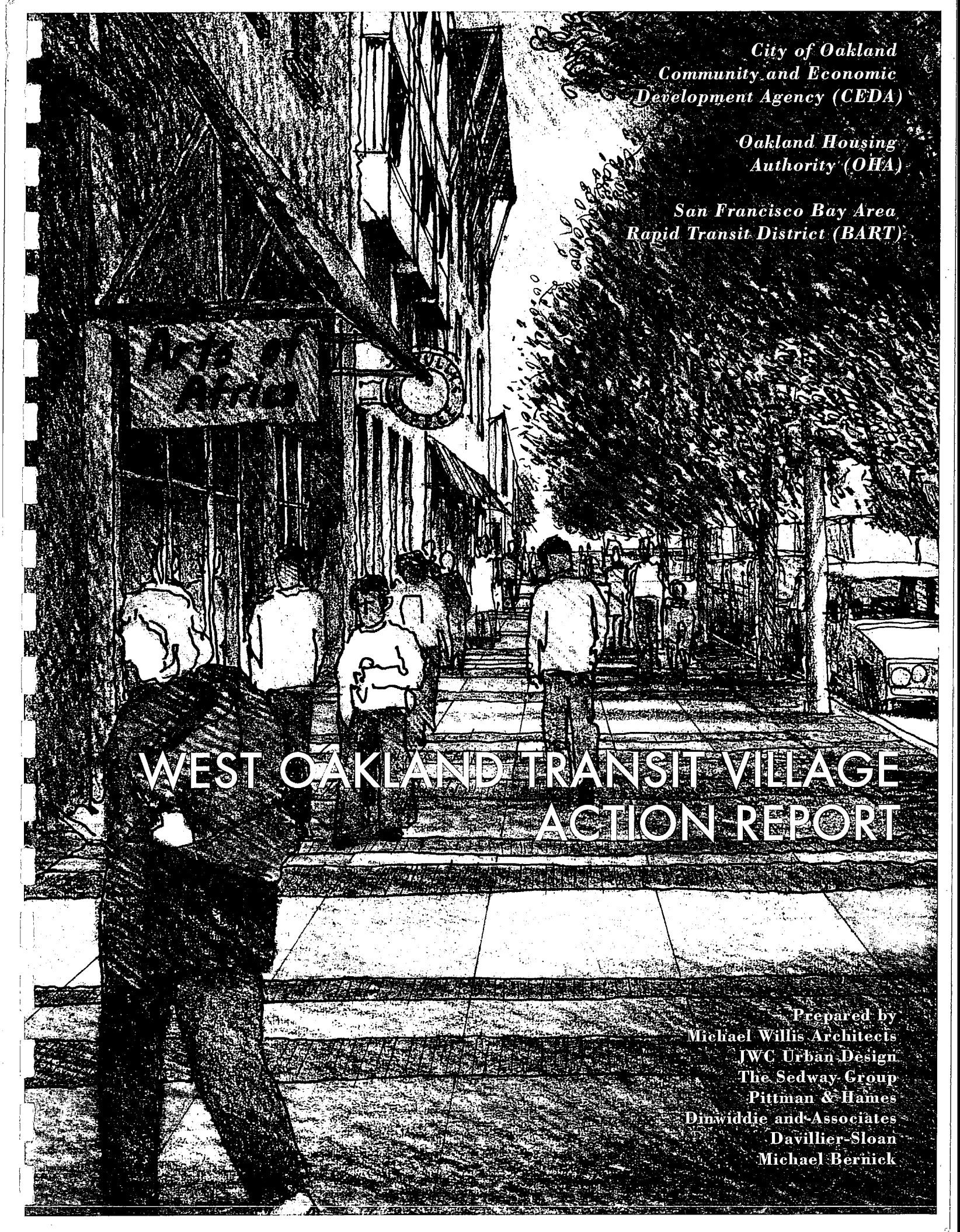




*City of Oakland
Community and Economic
Development Agency (CEDA)*

*Oakland Housing
Authority (OHA)*

*San Francisco Bay Area
Rapid Transit District (BART)*

WEST OAKLAND TRANSIT VILLAGE ACTION REPORT

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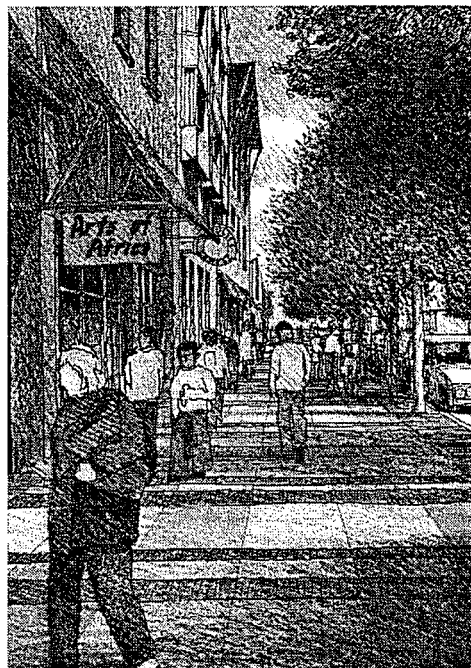
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EXECUTIVE SUMMARY

west oakland transit village action report



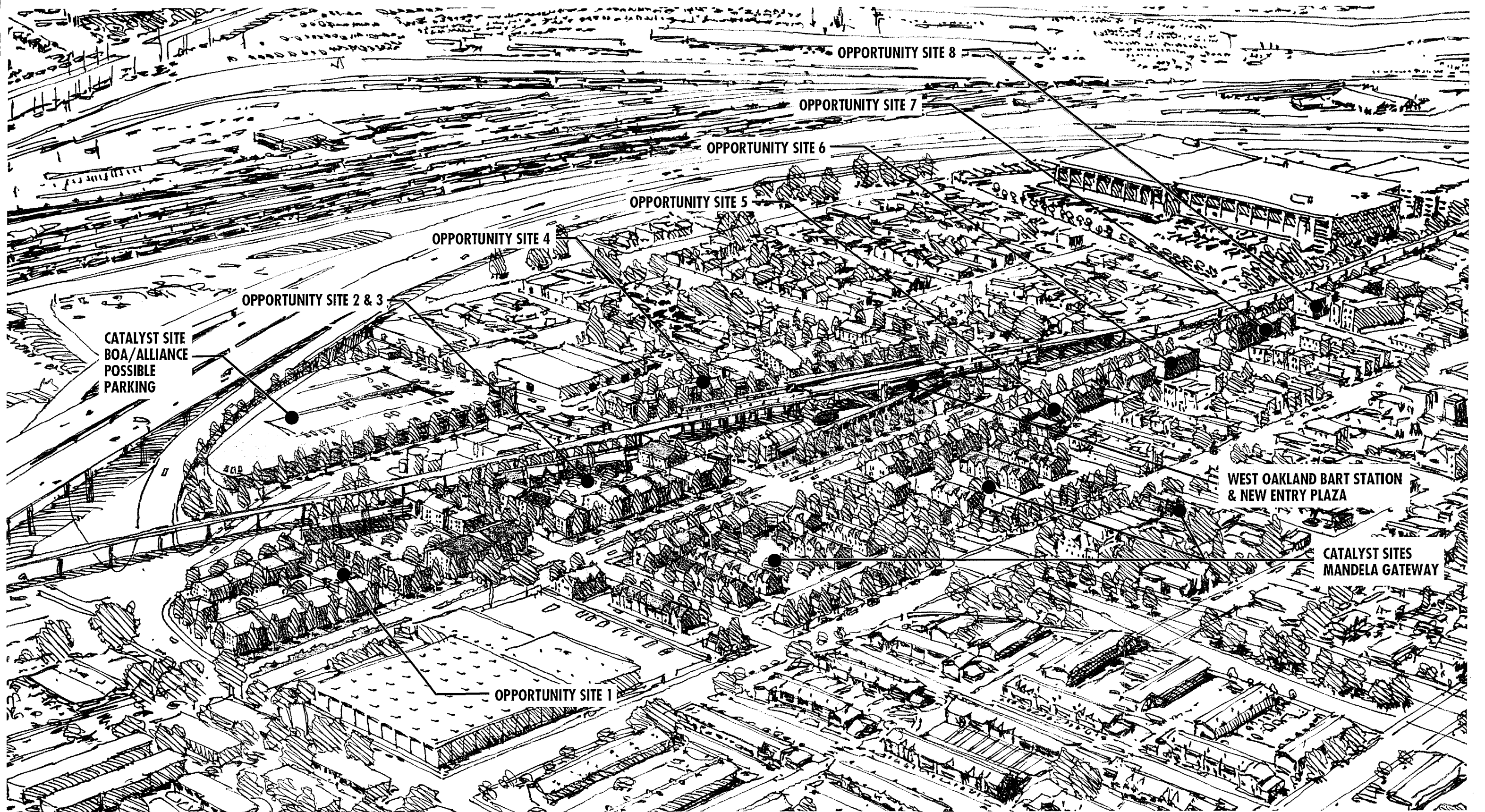


Figure A: **CONCEPTUAL TRANSIT VILLAGE CENTER
WEST OAKLAND TRANSIT VILLAGE**

471 Ninth Street
Oakland, CA
94607

tel: (510) 287 9710
fax: (510) 287 9713

Michael
Willis
Architects

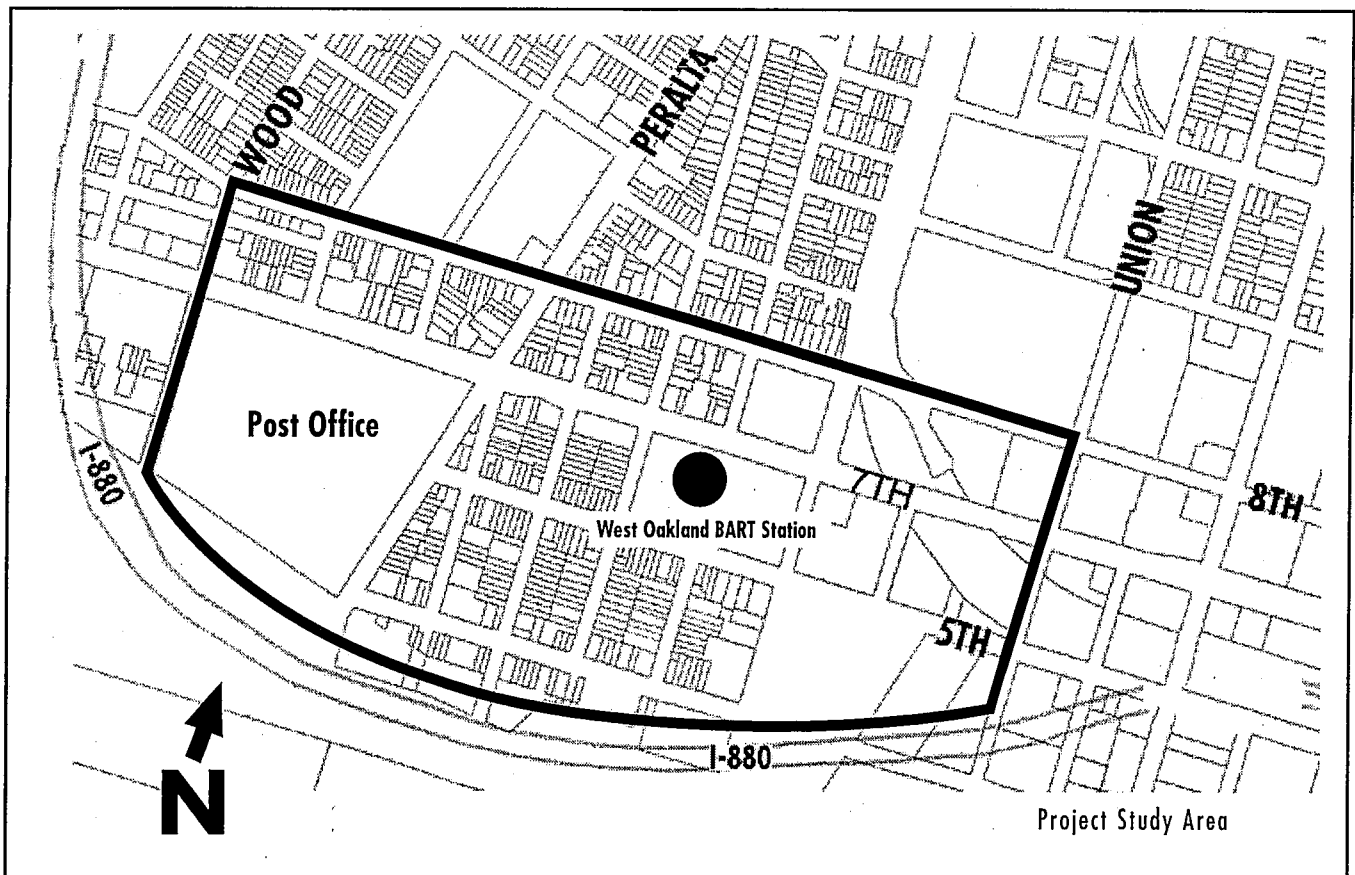


A MOMENTOUS TIME FOR WEST OAKLAND:

West Oakland's time has come. Dedicated residents have invested years of effort in contributing to a body of community-based plans and studies for revitalizing neighborhoods, improving infrastructure and services and attracting desirable new development. Intact blocks of irreplaceable, turn-of-the century homes await renovation. In the last year, the prices for many of these properties have almost doubled, to the benefit of those local residents who own their homes (approximately 20%) and to the concern of the larger percentage who are renters. Old warehouses and industrial buildings, as well as large underutilized and vacant parcels, are available to help meet new Bay Area housing and workspace demands. No longer divided by an elevated freeway, West Oakland is being taken seriously by major development

interests. With some of the best freeway access in the region and with a BART Station that is uniquely served by all transbay lines, West Oakland is virtually at the heart of the Bay Area's urban core.

As described in the Report document, a unique opportunity exists in West Oakland to create an intensely used transit village at the BART Station that must not be lost. Public sector actions to create the transit village framework for the Study Area, including infrastructure reinvestment, are critical in attracting new development as are recommended programs to stabilize neighborhoods by increasing opportunities for home ownership and by maintaining an adequate supply of affordable income rental housing.



TRI-AGENCY SPONSORSHIP:

The Tri-Agency West Oakland Transit Village Study was commissioned by the City of Oakland's Community and Economic Development Agency (CEDA), the Oakland Housing Authority (OHA) and the San Francisco Bay Area Rapid Transit District (BART) to provide a blueprint for guiding both public and private development at and around the West Oakland BART Station. Four community representatives selected by the 7th Street/

McClymonds Initiative Board in West Oakland participated with the three agencies in selecting the consultant, refining the scope of work and in giving initial direction for the study. The Study Area was defined by CEDA, OHA and BART as extending to 8th Street on the north, Union Street on the east, the I-880 freeway on the south and Wood Street on the west.

COMMUNITY BASED DEVELOPMENT AND DESIGN CONCEPTS:

The Study process included two Community Workshops. In addition to using established mailing lists, special outreach efforts were made to contact residents and property owners in the immediate neighborhoods surrounding the BART Station. The first Workshop provided an opportunity for the community to voice its concerns and to describe alternative visions for new transit village development, including locations and types of projects. The second Workshop gave the community an opportunity to review and discuss a preliminary, conceptual transit village development plan designed to be responsive to the community vision for the area described in the first Workshop, to current market and economic considerations, and to both existing and planned transportation infrastructure needs.

A synopsis of major community issues raised by new development, as identified through the workshop process includes:

- potential economic displacement of existing residents
- need for competitively priced, neighborhood serving retail stores
- need for more landscaped public space, including street trees
- height and scale of development that is in character with the older buildings in the neighborhoods
- reduction in truck traffic and noise
- continued actions to remove all environmental hazards

REPORT CONTENT:

1. An analysis of existing conditions and prior studies of the Study Area.
2. A status report on new and pending public and private development projects.
3. A general description and analysis of the existing and planned transportation infrastructure.
4. A definition and description of the transit village concept as a focus for neighborhood revitalization.
5. A discussion of community organizations and core issues.
6. A status report on funded projects.
7. A descriptive overview of existing opportunities for new transit oriented development.
8. A market overview of feasible development in the Study Area.

PRIMARY FINDINGS AND ASSUMPTIONS:

Recommended development programs, concepts and policies are based on several primary findings and assumptions developed as part of the study, including:

1 The strongest current development market is for housing which, to remain affordable, will require public subsidies. Construction of new affordable income housing, both rental and for-sale, is crucial to preventing the economic displacement of existing residents given the large percentage of renters (80%) and the recent trend of converting rentals to market-rate, for-sale units.

2 The demand for retail is secondary to and dependent upon building more housing and increasing the resident population density. At present, there are very few shops providing household serving goods and services located within the Study Area in particular and West Oakland in general.

3 Largely because of its access to transportation, the Study Area and all of West Oakland is becoming one of the most important opportunities for residential and certain types of commercial development both in the East Bay and in the Bay Area.

DEFINITIONS OF KEY CONCEPTS:

Catalyst Project: A development, either existing or proposed (if funded and in the process of being implemented), which, with coordinated planning and design, has the potential to attract and support new, private sector development and to further the dynamic of a "transit village."

Opportunity Site: A property in the immediate vicinity of the BART station that is either vacant or greatly underutilized and that has the potential to become available in the short term for new development.

Primary Opportunity Site: One that, because of its larger size and/or location, has the immediate potential to attract additional new development and to significantly influence the creation of a "transit village."

Secondary Opportunity Site: One that, because of its smaller size or more peripheral location, is assumed to have a more incremental impact on the formation of a "transit village."

Transit Village: A compact, visually defined, pedestrian oriented district centered around a transit station. Typically, walkable access to transit supports a higher intensity of development within a quarter-mile of the station. Other defining characteristics include:

- 1) mixed-use residential, office and retail development;
- 2) an environment not dominated by cars and parking lots (parking located in structures or in smaller surface lots, ideally at the periphery of the district);
- 3) pedestrian scale, quality architecture and a high level of streetscape amenities, including public art;
- 4) strong perception of public safety;
- 5) well defined central public space with attractive places for people to gather that are visible from the transit station;
- 6) public space designed to encourage social interaction and to accommodate such activities as entertainment or food sales; and
- 7) clearly understood, visible access to transit station.

RECOMMENDED ACTIONS:

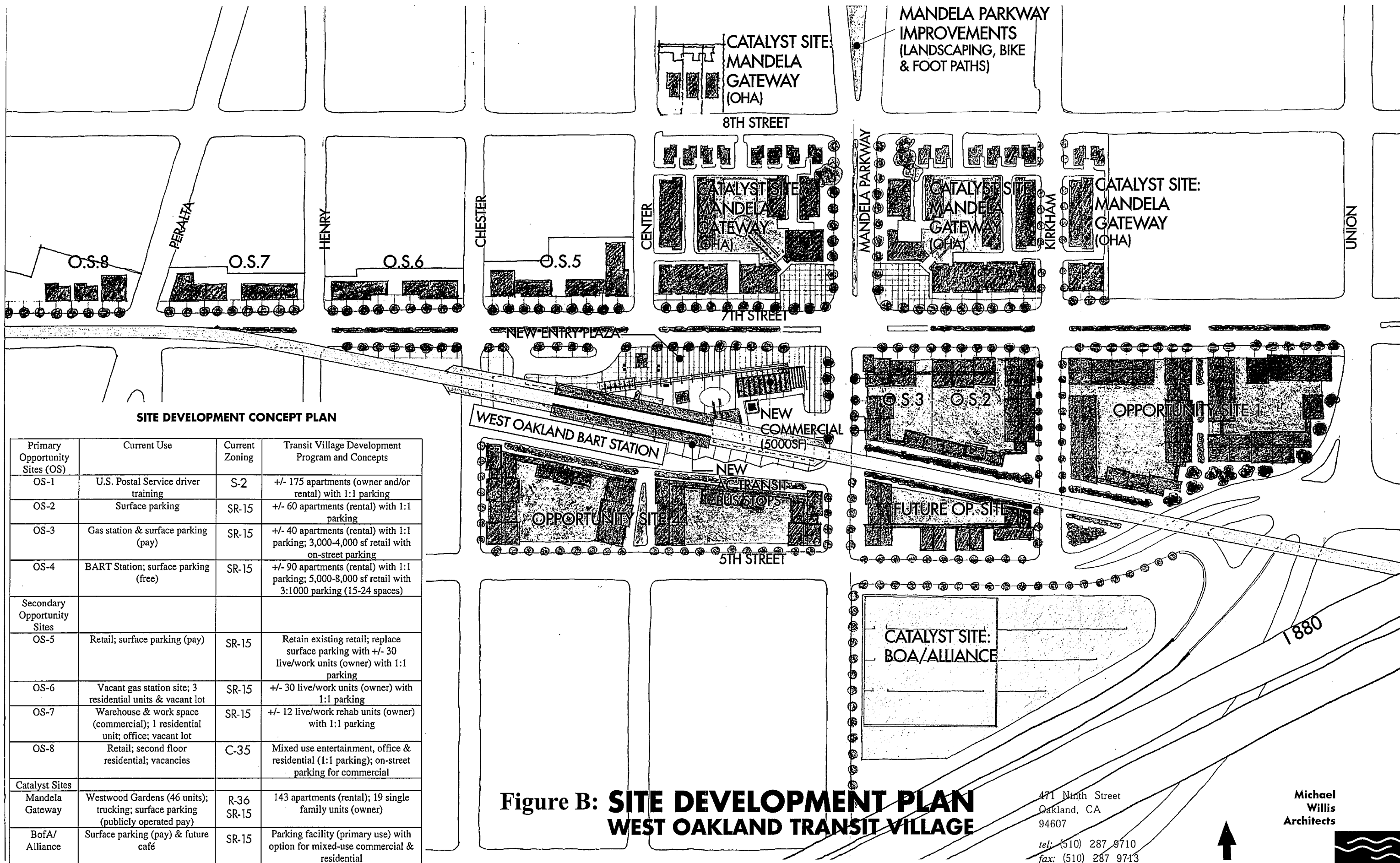
The Mandela Gateway development, which is being planned by OHA and funded with a secured federal HOPE VI grant, is the driving force, or catalyst, for beginning implementation of a transit village at the West Oakland BART Station. Acquisition of the two large, Caltrans-owned properties that remain from the old Cypress Freeway right-of-way, along with an adjacent, privately owned parcel, are critical to implementation of both the Mandela Gateway project and the transit village concept. Control over future development of these two properties by the City or a community oriented master developer is very important in achieving two major goals:

- 1) an optimum development sequence that minimizes disruption to public parking and
- 2) managing the housing mix and type to maximize affordability.

These goals and other top priority recommendations for near-term actions, as summarized below, are discussed in detail in the Report document:

- 1 City and/or OHA control over land use and development on the two large Caltrans properties in order to best direct future transit village development.
- 2 City-initiated streetscape master plan for 7th Street corridor between Union and Peralta Streets that provides a recommended program of high quality, pedestrian amenities conducive to future transit village development and activity.
- 3 City and/or BART to promote and support development of a large capacity public parking structure within easy access of the BART station, possibly as part of a mixed-use project on one of the properties at 5th Street and Mandela Parkway.
- 4 City and community programs to better manage and calm the volume of truck traffic through the Transit Village Study Area.
- 5 City, OHA and public/private partnership initiated policy framework and subsidies designed to stabilize adjacent neighborhoods and to control the potential economic displacement of existing residents.
- 6 City and BART initiatives to maintain and manage an adequate supply of public parking in the Study Area, including formation of a transit village parking district.
- 7 City support for relocating existing industrial land uses that currently deter new residential development.
- 8 City, BART and OHA continuation of a scheduled process for ongoing dialogue between all public agencies with special interests in the vicinity of the BART station, and encouragement of continued interaction with the area's residents and business owners.

A recommended site development concept plan, which is responsive to the community vision for the Study Area as identified through the Workshop process, is illustrated in Figure B, together with a list of recommended site development principles.



Opportunity Sites: Recommended Development Principles

- 1 3-4 story building height; 50 du/acre average residential density
- 2 Enclosed podiums or under-the-units parking preferred (more secure and less disruptive to site landscaping)
- 3 Buildings located at or near street frontage property line to define street edge
- 4 Enclosed, landscaped courtyards and outdoor lawn areas for resident use (gated access to street edge)
- 5 Landscape buffer between residential development and adjacent overhead BART tracks or freeway with sound mitigation for all units
- 6 Retail frontage concentrated on 7th Street (the historic entertainment, shopping corridor) with some future retail on Mandela Parkway (especially across from the BART Station area)
- 7 Retail development and public plaza connecting to station entry located at Mandela, 7th Street corner of BART site)
- 8 Mixed-use residential and retail development on opportunity sites near 7th Street and Mandela Parkway and along 7th Street west of Center Street (O.S. 2, 3, and 5-8)
- 9 Residential-only (if proposed) more appropriate for large site on 7th Street between Union and Kirkham Streets (O.S. 1) and for a portion of the BART Station area fronting 5th Street adjacent to existing South Prescott neighborhood
- 10 Landscaped courtyards on BART property fronting 5th Street can occupy more of the street edge as a way to better integrate with the existing, lower density housing along that portion of South Prescott
- 11 Building articulation and offsets create a finer, more village-like scale for development projects
- 12 Large-scale parking facilities located away from 7th Street and at edges of neighborhoods (prime parking structure location being part of mixed-use development of 5th Street and Mandela Parkway catalyst site)
- 13 Space for community facilities considered interchangeable with ground floor retail space, especially in the initial development period. (Given rent subsidies, storefront space made available on interim basis to public service agencies for a variety of uses, including health care, continuing education, and community assistance programs such as legal aid and City sponsored community development, as well as for public art galleries and community meeting space)



I. EXISTING CONDITIONS



A. LAND USE

1. Current Zoning and Predominant Uses

Background:

In 1998, the City of Oakland adopted the new Land Use and Transportation Element of the General Plan. The Plan envisions specific, transit-oriented development (TODs) occurring at each of the BART stations, with the BART station being the center of a mixed-use, transit-oriented district. The Plan element also includes several policies promoting transit-oriented development around BART stations.

These priorities include:

- Policy T2.2 (Guiding Transit-Oriented Development):

Transit-oriented development should be pedestrian oriented, encourage night and day time use, provide the neighborhood with needed goods and services, contain a mix of uses and be designed to be compatible with the character of surrounding neighborhoods.

- Policy T2.3 (Promoting Neighborhood Services):

Promote neighborhood serving commercial development within one-quarter to one-half mile of established transit routes and nodes.

- Policy T2.4 (Linking Transportation and Economic Development):

Encourage transportation improvements that facilitate economic development.

- Policy T2.5 (Linking Transportation and Activities):

Link transportation facilities and infrastructure improvements to recreational uses, job centers, commercial nodes and social services (i.e., hospitals, parks or community centers.)

West Oakland BART Station Area:

For the area around the West Oakland BART Station, the General Plan envisions that the intensity of use will increase now that the new I-880 freeway has been completed. The area between 8th and 5th Street is designated as being appropriate for increased growth and change. It also discusses the possible development of a "Mandela Parkway Transit Village," which would include retail stores and the vital community services that could also help to revitalize the 7th Street corridor near the station. Additionally, the Plan anticipates that the South Prescott neighborhood will be strengthened by the development of compatible housing.

To facilitate the anticipated change, several new land use designations are assigned to the area near the West Oakland BART Station. The majority of the proposed transit village area has a land use designation of Mixed Housing Type Residential, which allows approximately 30 units per gross acre. Along 7th Street between Peralta and approximately Kirkham Streets, the land use is Neighborhood Center Commercial, which allows retail, housing services, and community facilities as a development density of 125 units per gross acre, or a non-residential floor area ratio (FAR) of 4.0. According to the Land Use and Transportation Element, the intent of the Neighborhood Center Commercial designation is to “improve the Mandela Parkway corridor, to develop a neighborhood based commercial area, and retain the nearby South Prescott area.” Additionally, the South Prescott neighborhood is earmarked for performance-based zoning, which would allow a wide variety of live-work and other home based businesses that meet the “good neighbor” policy. The area between the BART tracks and I-880, and Center and Union Streets is designated Business Mix, which allows light industrial, research and development and low-impact manufacturing uses. The allowable FAR is 4.0. Live-work is allowed along the edges of this land use designation.

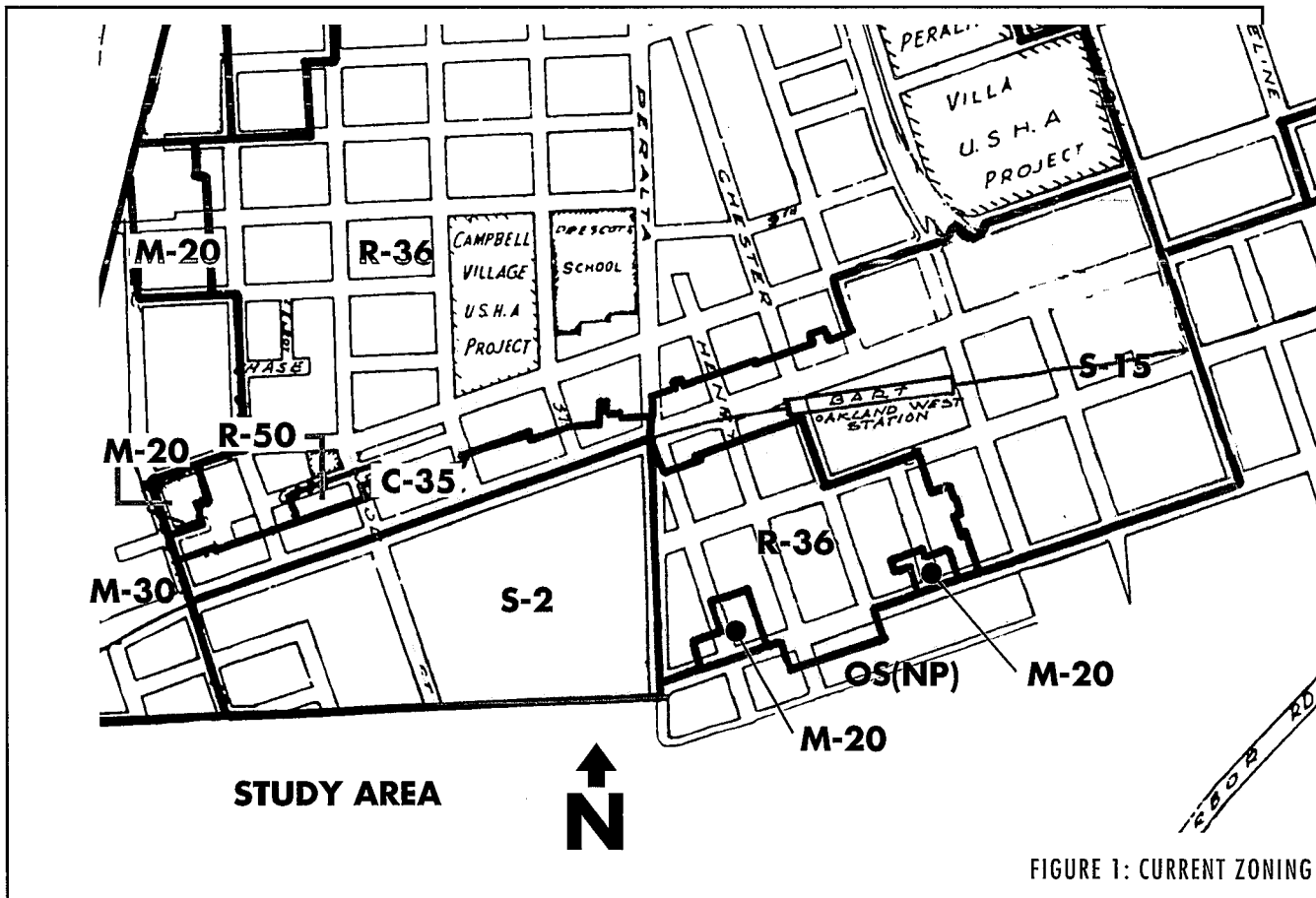


FIGURE 1: CURRENT ZONING

Existing Zoning:

Existing zoning in the West Oakland Transit Village Study Area is shown on the accompanying map (Figure 1). The Study Area boundaries were established by the sponsors of the Study, a tri-agency partnership that includes the City of Oakland’s Community Economic Development Agency (CEDA),

the San Francisco Bay Area Rapid Transit District (BART) and the Oakland Housing Authority (OHA), together with four community representatives selected by the 7th Street/McClymonds Initiative Board. Existing land uses are predominately residential with a mix of commercial and industrial uses, both along 7th, and south and east of the Mandela Parkway/7th Street intersection.

Currently, there are four zoning designations in the proposed West Oakland Transit Village area:

(1) C-35, District Shopping Commercial Zone, (the area along 7th Street between Wood and Peralta.):

The C-35 District is intended "to create areas with a wide range of retail establishments serving both short and long term needs in compact locations oriented toward pedestrian comparison shopping and is typically appropriate to commercial clusters near intersections of major thoroughfares". The C-35 District allows housing densities of one unit for every 450 square feet of lot area or 97 per gross acre and the permitted FAR for non-residential is 3.0. There is no general height limit for commercial development. The height limit for residential development is 40 feet. The intent of the C-35 zoning designation appears to be inconsistent with the current land use designation.

(2) S-2, Civic Center Zone, (the Postal Service Facility at 7th and Peralta Streets):

The S-2 District is intended to "create, preserve, and enhance areas devoted primarily to major public and quasi-public facilities and auxiliary uses." The Federal Postal Service facility, which occupies the entire District, is considered such an auxiliary use.

(3) S-15, TOD, Transit Oriented Development, (formerly zoned C-35 and M-20 properties in Study Area east of Peralta Street):

To accommodate the development proposed in this Plan and to meet the intent of the Land Use and Transportation Element of the General Plan, the City has recently rezoned the non-residentially zoned portion of the proposed Transit Village Area to the S-15, Transit Oriented Development District, which also is being used for the Fruitvale BART Station Area. The intent of S-15 zoning designation is to "create, preserve and enhance areas devoted primarily to serve multiple modes of transportation and to feature high-density residential, commercial, and mixed-use developments and to encourage a balance of pedestrian-oriented activities, transit opportunities, and concentrated development." The S-15 maximum permitted residential density is the same as for the R-70 zone or one unit for every 450 square feet of lot area (approximately 97 per gross acre) and the maximum non-residential floor area ratio is 4.0. The maximum height permitted is 45 feet and may be extended to 55 feet under certain criteria. These densities would allow the development concepts proposed for the West Oakland Transit Village area. The West Oakland Transit Village Study and Action Plan concept assumes residential densities of 50-60 units per acre (which are less than those described for the S-15 District), and 50-foot height limits.

(4) R-36, Small Lot Residential Zone, (the remaining portion of the Study Area):

The R-36 District is intended to "foster development of small lots that are less than 4,000 square feet in size and/or less than 45 feet in width". Two dwelling units are allowed on lots 4,000 to 4,999 square feet in size, which would be a density of between 18 to 22 units per acre. The maximum building height permitted is 30 feet. This zoning allows for lower density development than proposed under the land use designation and may be inconsistent.

Residential:

While a significant number of residences were built in and adjacent to the Study Area before the end of the 19th century, many have been restored and are well-maintained. Significantly, however, a larger number of these homes are in poor condition from years of deferred maintenance. Some industrial buildings have been converted to residential use. In the South Prescott neighborhood, along Lewis and Henry Streets, there are several newly constructed infill units and the new linear South Prescott Park is being constructed along the edge of the I-880 freeway fronting 3rd Street. At the northwest corner of 7th Street and Mandela Parkway, there is a 46-unit public housing development, Westwood Gardens, owned by the Oakland Housing Authority (OHA). This property is slated for redevelopment in the near future as part of a HOPE VI-funded improvement effort, Mandela Gardens.



Turn of the Century Houses along 8th Street at Mandela Parkway

Commercial:

There are some active neighborhood retail uses, mostly along 7th Street. Between Center and Chester Streets, directly across from the BART Station, there is a cluster of businesses, including a donut and sandwich shop, a cafe, a glass repair, a beauty shop, and a paid space surface parking lot. On the west end of 7th Street, between Willow and Wood Streets, there is another cluster of businesses that include a liquor store and club, a cafe and catering service and a surface parking lot. Slim Jenkins Court, a non-profit mixed-use development on 7th Street between Campbell and Willow Streets is located just across from the U.S. Postal Services Facility. The development includes residential units over a restaurant and several other storefront spaces providing public service programs, such as job placement, and youth education. Nearby, there are a number of vacant storefronts. Within the adjacent neighborhoods, a number of "Mom and Pop" convenience stores can still be found. However, the availability of fresh foods and household items is very limited.



Corner Convenience Market at 8th and Center Streets is a Valued Neighborhood Resource

Industrial:

Industrial uses in the Study Area run the gamut from manufacturing to institutional. Some of the industrial uses, such as Pacific Paper Tube, Inc., and Armored Transport, are contained within buildings. Others, such as J&A Trucking, Cable Moore and California Soda, have open lot storage areas surrounded by chain link fencing. The Red Star Yeast Company manufactures yeast products on a daily basis. Finally, the Postal Service operates a large mail sorting and distribution facility that occupies most of the southwest portion of the Study Area. These and other industrial uses in the larger West Oakland area, including the activities of the Port of Oakland, generate a considerable volume of truck traffic into and through the Study Area. This traffic, however, is incompatible with the scale and pedestrian oriented character of a transit village.

"Interplay" and Co-existence:

Large-scale industrial uses are located adjacent to finely grained, intimate residential neighborhoods, as shown on the accompanying aerial map (Figure 2). Numerous blocks of newer, publicly subsidized housing dominate some neighborhood areas, especially east of the new Mandela Parkway. Other neighborhoods, such as those near the West Oakland BART Station, are strongly defined by a large stock of individually owned, intact, turn-of-the-century homes. New, contextual residential and commercial infill development, together with larger scale residential developments such as Campbell Village (an OHA development), is beginning to fill some of the vacant properties throughout the area.

The current "interplay" between industrial, commercial and residential land uses is not unlike that found in many older parts of American cities that are adjacent to port and rail facilities. However, in the case of West Oakland, the construction of the elevated Cypress Freeway in the 1950s negatively impacted many once-viable neighborhoods and set the stage for additional intrusions of non-compatible uses and blight. Some industrial uses, such as the Red Star Yeast plant, pre-date much of the residential development. Other, more recent industrial uses have been able to allow their operations to spill out into open service yards and even onto portions of the public streets.

Several former industrial buildings in the southwest corner of the Study Area along 3rd, Lewis and Henry Streets have been skillfully converted into residences and studio space. Most of the commercial uses are located along 7th Street and, to a lesser extent, at corners along the blocks north of 7th Street. With the exception of the large Postal Facility that dominates the southwest corner of the Study Area, the majority of the industrial uses are located east of the new Mandela Parkway and across 5th Street from the BART Station. Demolition of the Cypress Freeway following the 1989 Loma Prieta earthquake has left a swath of vacant property, a portion of which is currently used for surface parking and driver training by the U.S. Postal Service.



- 1 Slim Jenkins
- Ground Floor
- Willow Head Start
- Good will job Placement
- Canton City Restaurant
- (Corner at Willow)
- 2 Luck Leguinn Property
- Corner Peralta to Campbell Street
- J & A Bargain Center
- Vacant
- Residential over Closed
- Vacant (Performance Space)
- World Videos (1634)
- Vacant
- 3 Multiple Tenant
- T.H.CO. Glass
- El Blanco Restaurant
- Salvadorean / Mexican Food
- Expressions Barber & Beauty
- 4 Note: No ground floor commercial Henry to Peralta
- Closed store fronts to Residential
- 5 Barn Restaurant & Catering
- Esters Liquors & Orbit Room
- "Breakfast Club"
- Res. - Ground, Storage
- State Liquors/Res.
- West Side Church
- Western Workers Service Assoc.
- Boys / Girls Club
- Private School
- BART
- Jubilee West
- Coopers
- Zions 1st Church of God
- Kays Donuts & Subs
- Automotive Service
- J & A Trucking
- Oakland, People, Elmwood, Neighborhood (O.P.E.N. INC.)
- Cable Moore
- California Soda
- Buss Automotive Parts
- BART
- Cable Moore

PARKING
VACANT
RESIDENTIAL
INDUSTRIAL



Figure 2: **EXISTING CONDITIONS**
WEST OAKLAND TRANSIT VILLAGE

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 tel: (510) 287 9710
 fax: (510) 287 9713

Michael
 Willis
 Architects



2. Description of Existing Neighborhoods and their Characteristics

Primary Characteristics and Uses:

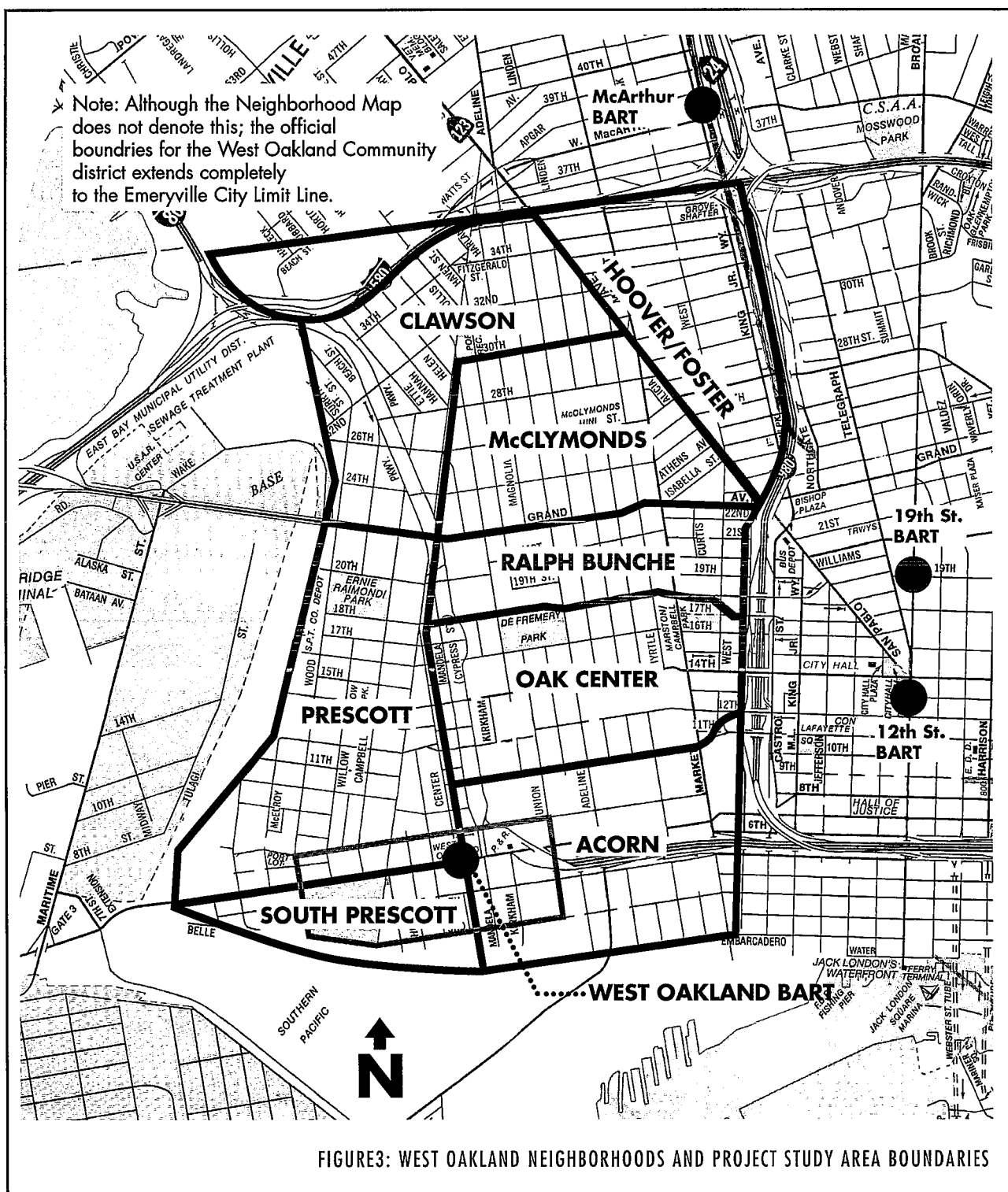
The 7th Street/McClymonds Corridor Neighborhood Improvement Initiative, completed in May of 1999, provides a comprehensive portrait of existing neighborhood conditions. This information includes demographics, educational facilities, transportation infrastructure, health and social services, public safety, housing, jobs, cultural facilities, land use and environmental conditions, and community organizations and networks. The West Oakland Transit Village Study has drawn heavily upon the Initiative's Report for information about existing conditions within and around the Study Area, recognizing in particular the following important social and economic characteristics:

- ♦ Households subsist on incomes substantially below those in most of the Bay Area;
- ♦ Households are larger than average, making per capita incomes much lower;
- ♦ A disproportionate number of households are on welfare and receive AFDC;
- ♦ A disproportionately small number of households own their homes (less than 20%);
- ♦ Many households are headed by seniors with particularly low incomes;
- ♦ Overall, the population is relatively young with a concentration of children under 18;
- ♦ SAT scores in local schools are substantially below the City, County and State averages;
- ♦ Job growth has exceeded population growth significantly in recent years with the greatest increases being in transportation, communication, utilities, finance, insurance and real estate, with the greatest declines being in construction and manufacturing; and
- ♦ Once the center of African American culture in the Bay Area, West Oakland has become an increasingly diverse community.

A few general observations about neighborhood setting and specific descriptions of conditions follow that supplement the information contained in the Initiative's Report. These observations are directly related to implementation of a transit village in the vicinity of the West Oakland BART Station.

Place Names:

Place names offer important clues to people's perceptions and become a significant tool in promoting or denigrating the image of an area. West Oakland is a large and diverse place made up of seven designated neighborhoods: Clawson, Hoover/Foster, McClymonds, Ralph Bunche, Oak Center, Acorn, Prescott and South Prescott (Figure 3). However, few people in the Bay Area or even in Oakland, apart from local residents, their families and friends, know where any of these neighborhoods are located, what their boundaries are or how they could be characterized. When reported on by the popular media, the entire area of the City west of the 980 freeway tends to be uniformly stereotyped with mostly



negative reports of poverty and crime. In reality, many of the neighborhoods are stable, safe places to live, as evidenced by the residents whose parents and grandparents also live nearby. Many residents demonstrate a strong degree of pride in their neighborhood and a commitment to keeping it a good place to live. In the last year or two, the West Oakland area has begun to receive attention as a potential gold mine of development opportunities.

Mandela is a place name that is growing in popularity and is beginning more and more to be associated in a positive sense with West Oakland. The Oakland Housing Authority has named their HOPE VI-funded development, "Mandela Gateway." This will replace the old Westwood Gardens public housing site, which is located on 7th Street across from the BART Station. The old elevated Cypress Freeway has been demolished and replaced by the newly named Mandela Parkway.

Following the the 1989 Loma Prieta earthquake, local residents recognized the demolition of the elevated freeway structure as an opportunity to reshape and revitalize the West Oakland community. The City's planning and design process for the new parkway within the Old Cypress right-of-way was part of a proposed Mandela Specific Plan Area that extended north from 7th Street to 34th Street and included sub-areas along the corridor that took in much of the central portion of West Oakland. While the Specific Plan, begun in 1996, was not completed, the efforts, nonetheless, became the Mandela Parkway project. As such, it carries a community-endorsed, richly symbolic place name that represents, for many community participants, the unity and healing that this and other public reinvestment projects are meant to achieve.

Other development entities have proposed the use of the Mandela place name. Over the last five years, for example, the Alliance for West Oakland Development (The Alliance), a community-based non-profit corporation, has promoted its "Mandela Village", a mixed-use development project with a Pan-African design theme. The development program for the project includes a community-oriented retail complex, a cultural arts facility, a day-care facility and housing. Initially, six sites in various parts of West Oakland were under consideration by the Alliance. Three of the six sites are in the West Oakland BART Station area, including: (1) the station property itself; (2) the Caltrans-owned property identified by OHA as part of the Mandela Gateway project; and (3) the Caltrans-owned property on the south side of 7th Street, currently leased to the Postal Service for use as a driver training facility. The Mandela Village Study, which received Enhanced Enterprise Community (EEC) funding from the Oakland Community and Economic Development Agency, was completed in 1999. The Study evaluated the six West Oakland sites as well as the economic feasibility of the project. The recommended location for the Mandela Village Project was one or more of the three BART Station Area sites.

Some, in recognition of the strategic location of the West Oakland BART Station, have begun to use the term "transit village." Generally, "transit village" is a generic place name used by urban planners for areas that have been developed to take advantage of their immediate proximity to transit, usually rail. In practice, there are many types of transit villages. Although it lacks the density and is

compromised by industrial uses and too many surface parking lots, much of what is already in place around the West Oakland BART Station has aspects of a transit village in terms of being a walkable area with relatively small blocks consistently developed with visually interesting, human-scaled buildings. However, at this stage, the name "West Oakland Transit Village" can only be said to be a planning concept and not an actual place. Transit Village characteristics are described in more detail in Section II, B. Infrastructure.

Perceived Quality or Condition of Properties:

No surveys were conducted that provide data on how various groups of people perceive different properties and areas in West Oakland. However, current place names can provide insight into the highly subjective way in which different people may perceive the quality and condition of properties in West Oakland. Interestingly, some of the revitalization projects that are recently completed or that are underway in West Oakland have been given names by the developer that, for the broader market, are either neutral in meaning, such as the West Clawson Lofts located in the renovated Clawson Elementary School building, or that refer to adjacent and more successful areas, such as the recently revitalized Acorn Shopping Center, which has been renamed Jack London Gateway. One conclusion is that schools and churches in the neighborhoods provide locally recognized, non-controversial place names that do not carry negative connotations for outsiders. Retail revitalization may use a place name that forms an identification with a more successful, adjacent area.

There have been a growing number of articles reporting on the hot real estate market in Oakland and, in particular, the strategic importance of large, underutilized portions of West Oakland occupied by aging industrial buildings. However, West Oakland does not yet have the name recognition of a trendy new development area comparable to the South of Market (SOMA), South Park or Media Gulch areas in San Francisco. The conscious effort to create new place names in West Oakland, including the southern portion that contains the Study Area, suggests that properties there still are perceived as being higher risk locations for new development. By comparison, the success of Jack London Square has made people more confident in identifying properties by that place name, which was not the case a few years ago.

Presence or Lack of Amenities that Contribute to or Detract from Favorable Impressions:

Perhaps the greatest Study Area amenity is its central location within the transportation infrastructure connecting the City of Oakland to the rest of the Bay Area. Direct access to both high capacity freeways and BART make West Oakland and, in particular, the Transit Village Study Area, one of the best connected districts in the region. There also are opportunities for innovative renovations of cohesive blocks of historic homes and conversions of old industrial buildings to residential use. The Study Area also has direct access to the future Middle Harbor ecological reserve and future community resource facilities being planned for the nearby Army base. The latter, in particular, are longer-term amenities that do not yet exist, however.

For many at this time, it is the greater number of missing amenities that combine to create an overall unfavorable impression of the Study Area. Indeed, at the first Community Workshop, participants quickly developed a list of those amenities that they felt were important to be added with future development, including more open space and landscaping, elimination or mitigation of noisy and polluting land uses such as the yeast factory and the exposed overhead BART tracks. It is an area that residents criticized as being overly exposed to truck traffic and that lacks adequate social and cultural resource facilities. On the positive side, participants at the community workshops cited the growing involvement among residents to create positive change in the neighborhoods as one of the area's greatest strengths.

3. Quality of Housing Stock, Rents, New Projects and Market Trends

General Comments about Existing Housing Conditions:

The largely intact fabric of turn-of-the-century buildings in and immediately north of the Study Area presents a major historic preservation opportunity. Oakland Point, north of the Study Area, already has been extensively surveyed by the City's Historic Preservation Coordinator using the established methodology for identification of historic resources. Appropriately established, a preservation district could provide funding opportunities that are needed to conserve, restore and maintain the physical character of what already is understood locally as a group of well-defined neighborhoods. The age of many of the buildings underscores the need that current residents and property owners may have for home improvement loans and grants if they are to be able to afford to adequately maintain the housing stock.

In the South Prescott neighborhood, several open-plan apartments have been built between Henry and Lewis Streets that demonstrate how new, attractive infill housing can be designed to be in keeping with the existing scale and character of the older adjacent homes. Creation of a historic preservation district would not necessarily prevent such creative types of new development. As demonstrated by the development concepts for the identified primary and secondary opportunity sites, the older homes establish a scale and character that can be incorporated successfully into the design of new buildings on the larger sites surrounding the BART Station.

General Comments about Costs, Rents, Vacancy Rates and Other Market Considerations:

Generally, housing in West Oakland has remained more affordable than in other parts of the City. Some of the reasons for the lower housing prices include perceptions of crime, the number of public and/or low-income housing projects, proximity to relatively heavy industrial land uses and, prior to its demolition and removal, the long-standing division of the area by the elevated Cypress Freeway. However, real estate figures show that, in the last year, prices for single-family homes in West Oakland have almost doubled with a number of recent sales in the mid-\$300,000 range. The increase is a reflection of the general Bay Area housing market more than it is of a change in general conditions in West Oakland.

West Oakland is an area with numerous existing and planned affordable residential developments. Descriptions of some of the primary existing affordable housing developments are provided as follows:

- ♦ **Morh I Housing** is a 126-unit townhome project consisting of 56, two-story, three-bedroom/two bathroom units (averaging 1,130 square feet) and 70, two-story, four-bedroom/two bathroom units (averaging 1,345 square feet). Located immediately adjacent to the eastern edge of the Study Area on portions of three separate city blocks fronting 7th Street, Morh I extends from 7th and Filbert streets to 7th and Union streets. Oakland Housing, Ltd. (Westport Housing Corporation, General Partner) has owned the project since 1978. The project was originally developed in 1972 and is operated as an affordable multifamily rental project. The units are affordable to low-income households through a Section 8 project-based rental assistance contract for 125 units. The remaining unit is used as a management office.
- ♦ Bordering the Morh I project further to the east are three 12-story, Section 8-subsidized towers known as **Apollo Housing**. Across from Morh I's 8th Street frontage (extending west along 8th from Filbert to one-half block past Adeline) is the Acorn rental residential development. Two hundred units of the development are currently being rehabilitated by Bridge Housing. In each unit, Bridge is installing high-speed fiber-optic cable and network computers. An interactive job training program will be the focal point of the community's social programs, designed to give residents the skills they need to re-enter or advance in the work force.
- ♦ At 8th and Market streets to the east of the Study Area, Oakland Community Housing, Inc. (OCHI) and East Bay Asian Local Development Corporation (EBALDC) recently completed a joint venture to redevelop a former portion of Acorn's eastern side. Known as "**Bayporte Village**," the planned development includes seventy detached, single-family homes with three and four bedrooms, two-car garages, and front and rear yards.

Single-Family, Market-Rate Re-Sale Market:

West Oakland has a large supply of older single-family homes that are an alternative to the limited supply of new affordable, for-sale housing. Most of these vintage homes were built in the late-1800s to early-1900s and are in the Victorian, Patternbook, or Arts and Crafts style. In particular, many of the Victorian homes, while often suffering from neglect, are in their original condition and have become popular targets for those seeking inexpensive "fixer-uppers" to restore.

Sedway Group researched single-family home sales recorded within West Oakland from 1998 through August 2000. Like everywhere in the San Francisco Bay Area, average home prices in West Oakland have been increasing over the last three years. There were 21 recorded home sales in 1998, with prices averaging \$91,395 and ranging from \$42,500 to \$180,000. Sales were substantially stronger the following year, with 17 sales recorded, averaging \$112,765. Although the sales price range was similar in 1999 (\$40,000 to \$170,000), the average sale price over the previous year represented a 23.4 percent increase. In the first 8 months of 2000, more sales have been recorded (16 thus far) and have averaged \$122,250. This represents an 8.4 percent increase over the previous year, and nearly a

34 percent increase overall since 1998. The most expensive home sold in West Oakland to date was recorded in August 2000 for \$232,000.

Rental Market:

Gauging demand for a new market-rate apartment product in West Oakland is challenging, due to the fact that few new market-rate projects have been built anywhere in Oakland in recent years. The last sizable apartment complex built in the city was the 365-unit **Skyline Hills**, completed in 1987. This 13-year-old complex is located at 500 Canyon Oaks Road near the former Oak Knoll Naval Medical Hospital. Thus, no new market-rate rental projects of a sizeable nature were developed anywhere in Oakland during the 1990s.

Overall, 86 percent of Oakland apartment buildings (reported in existing data sources as those buildings with 50 or more units) were built in the 1970s or earlier, illustrating the age of the city's apartment housing stock. The remaining 14 percent were built in the 1980s. The situation in West Oakland is even more severe, with the existing stock of rental apartments generally of average to poor quality. Moreover, institutional-grade investment properties are virtually non-existent in West Oakland (i.e., characterized by more than 50 units, quality construction, professional management, high amenity levels, etc.). Notwithstanding this, select multifamily rental units in duplexes or quadruplexes in the general West Oakland market are renting for approximately \$1,200 to \$1,400 monthly.

Any market-rate project built in the present market would be assumed to be institutional-grade (i.e., over 50 units, etc.). No other type of development could be successfully financed with today's capital markets. To assess potential market demand and rents for a new project in West Oakland, it is appropriate to look at reasonably comparable projects. Product and pricing recommendations would then be prepared for West Oakland by comparing potential development sites to the sites of comparable properties, with adjustments for relative locational strengths and weaknesses.

As the newest apartment project developed in Oakland (**Skyline Hills**) is relatively distant from West Oakland and is nestled in the Oakland Hills, it is not an appropriate comparable project for new West Oakland development. Therefore, it is necessary to examine some apartment projects outside of Oakland to determine what rents could be used to support a new project in the Study Area. In addition, overall Oakland rental market statistics can provide a general benchmark for new development.

Oakland is not the only East Bay community with a lack of new market-rate rental housing stock, especially in urban, somewhat industrial locations similar to West Oakland. Therefore, only two recently constructed apartment complexes are presented as comparables for a new West Oakland apartment development. These projects are both in nearby Emeryville, and include **EmeryBay Apartments**, built in 1989 and 1993, and **Bridgecourt Apartments**, built in 1998. Detailed information pertaining to these projects follows (Exhibit 1).

Exhibit 1
SURVEY OF SELECT COMPARABLE APARTMENT PROJECTS (1)
 Emeryville, CA
 June 2000

Project	Year Built	Occupancy	Units	Unit Type	Size Range (Sq. Ft.)	Rent Range	Rent Per Square Foot	Parking (\$/Month)	Comments/ Project Amenities
Bridgecourt Apartments 1325 40th Street	1998	100.0%	36	Jr 1 bd	520 - 554	\$1,120 - \$1,150	\$2.15 - \$2.08	One space per unit included; \$25 for each additional space	Units: Dishwasher, disposal, in-unit laundry hook- ups, nine-ft. + vaulted ceilings, walk-in closets, gas- burning fireplace, private deck/patio, subterranean parking w/ remote. Complex: Gated, sauna, pool, fitness center, rec. room, business center.
			70	1 bd/1ba	760 - 788	\$1,445 - \$1,475	\$1.90 - \$1.87		
			36	2 bd/2 ba	965 - 1,015	\$1,670 - \$1,700	\$1.73 - \$1.67		
			50	2 bd/2 ba	1,000 - 1,088	\$1,750 - \$1,775	\$1.75 - \$1.63		
			<u>28</u>	2 bd loft	1,179 - 1,268	\$1,950 - \$2,050	\$1.65 - \$1.62		
			220						
EmeryBay Apartments (2) 6400 Christie Avenue	1989/1993	100.0%	197	Studio	530 - 635	\$1,085 - \$1,115	\$2.05 - \$1.76	One space per unit included in rent	Units: Dishwasher, disposal, microwave, fireplace, patio/balcony, secured parking. Complex: Controlled access, clubhouse, fitness center, saunas, laundry facilities, pool & spas, playground & barbecue area, 24-hour security, concierge services.
			232	1 bd/1ba	660 - 861	\$1,345 - \$1,375	\$2.04 - \$1.60		
			39	2 bd/1 ba	935 - 935	\$1,570 - \$1,600	\$1.68 - \$1.71		
			141	2 bd/2 ba	985 - 1,105	\$1,600 - \$1,625	\$1.62 - \$1.47		
			<u>75</u>	3 bd/2 ba	1,120 - 1,340	\$1,855 - \$1,900	\$1.66 - \$1.42		
			684						
Notes: (1) Institutional-quality projects over 50 units. (2) This is an eight-building complex owned jointly by two developers. EmeryBay Club & Apartments, owned by The Martin Group, was built in 1989 and consists of 424 units in five buildings. EmeryBay Apartments II, owned by BRIDGE Housing Corporation, was built in 1993 and consists of three buildings and 260 units, 40 percent of which are below-market-rate units. Sources: RealFacts; leasing agents; and Sedway Group. H:\1999\06099-MichaelWillis\Jay Claiborne\Apartment Market.xls\Exhibit 1\RPD]									

14-Sep-00

EmeryBay Apartments, Emeryville. The EmeryBay Apartments consist of two complexes – EmeryBay I with 424 units, built in 1989, and EmeryBay II with 260 units, built in 1993. The developments are located adjacent to the EmeryBay Cinema and Emeryville Public Market, and across the street from the Sybase offices. Highway access is good and the Amtrak station is located approximately two blocks away. The development is not a particularly high-quality project. Despite this, the units exhibit strong occupancy rates in the range of 99 percent. Forty percent of the EmeryBay II units are designated affordable. Base monthly rental rates are as follows:

- ♦ \$1,085 for a 530-square-foot studio unit, or \$2.05 per square foot.
- ♦ \$1,345 for a 660-square-foot, one-bedroom unit, or \$2.04 per square foot.
- ♦ \$1,570 for a 935-square-foot, two-bedroom unit, or \$1.68 per square foot.
- ♦ \$1,855 for a 1,120-square-foot, three-bedroom, two-bathroom unit, or \$1.66 per square foot.

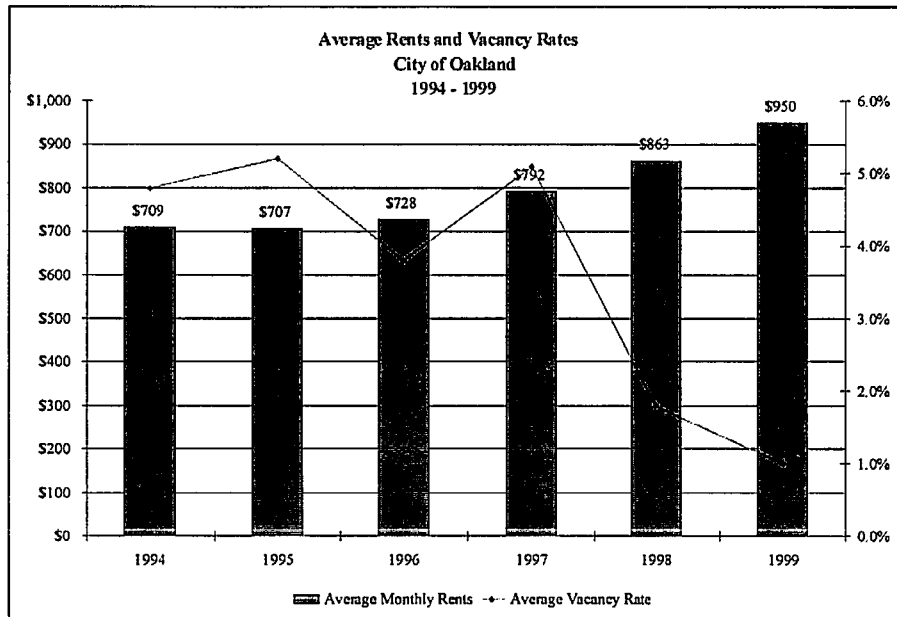
Bridgecourt Apartments, Emeryville. Built by Catellus in 1998, Bridgecourt Apartments are located along 40th Street in Emeryville, at the rear of the East Bay Bridge Power Retail Center. The attractive orange, yellow, and red stucco buildings contain 220 units, forty percent of which are affordable. Despite a location sandwiched between a major thoroughfare and expansive parking lot, the project has been very successful, with a near-100 percent occupancy rate since opening. The two-bedroom units experience the least turnover and have the lowest vacancy rates. The junior one-bedroom units typically have a longer waiting list than the standard one-bedroom units. Base monthly rental rates are as follows:

- ♦ \$1,120 for a 520-square-foot, junior one-bedroom unit, or \$2.15 per square foot.
- ♦ \$1,445 for a 760-square-foot, one-bedroom unit, or \$1.90 per square foot.
- ♦ \$1,670 for a 965-square-foot, two-bedroom unit, or \$1.73 per square foot.
- ♦ \$1,950 for a 1,179-square-foot, two-bedroom townhouse loft unit, or \$1.65 per square foot.

The information on these Emeryville projects indicates strong demand for apartment projects. All are priced over \$1,000 monthly, and even approach almost \$2,000 monthly at the upper end for the larger units. Market statistics for Oakland's rental housing stock also indicate strong apartment demand. Thus, while specific rental projects in Oakland are not instructive relative to new West Oakland development, overall market trends in Oakland and Emeryville are relevant, nonetheless. A new project would be certain to be evaluated by prospective renters relative to the entire area rental market. Therefore, the following citywide apartment market statistics provide benchmark information.

Within the City of Oakland, there was an upward surge in rents over the last several years. Using data compiled by RealFacts, RealData Inc., and other sources, trends can be tracked in average apartment rents and vacancy rates between 1994 and May 2000 (see Exhibit 2). The data are based on a survey of 2,530 units in Oakland, all in developments with over 50 units (i.e., institutional-grade).

**Exhibit 2:
Average Rents and Vacancies**



The data indicate that from 1996 to 2000, rents in Oakland increased at a very strong rate of over eight percent per year, consistently five to six percentage points higher than annual inflation rates. Inflation-adjusted average rents increased by 17.3 percent over this period. The increases were led by larger unit types: specifically, inflation-adjusted three-bedroom-unit rents increased by 40 percent (13 percent annually) and two-bedroom, two bath-unit rents by 28.6 percent (9.5 percent annually). By May 2000, average apartment rents in Oakland were approximately \$870 monthly for a one-bedroom unit, \$930 to \$1,720 monthly for a two-bedroom unit, and \$1,930 for a three-bedroom unit. By May 2,000, for the first time, overall unit average rents were in excess of \$1,000. Concurrent with rent increases in Oakland, vacancy rates declined significantly, from a high of 5.2 percent in 1995, to 1.1 percent in 2000. This drop occurred rapidly, as vacancies plummeted from 5.1 percent in 1997 to 1.8 percent in 1998. Figure 2, above, also graphically displays Oakland's rising rents and shrinking vacancy rates over the past six years.

In addition to a rapidly improving economy over this time period, much of the rise in Oakland rents and increased demand can be attributed to pressures in the rental apartment market across the Bay in San Francisco. As San Francisco vacancy rates dropped to well under four percent in the mid-1990s and rents increased dramatically (e.g., 21 percent from 1995 to 1996), the East Bay has increasingly benefited from renter households looking to relocate from higher-cost areas to areas with more reasonably priced apartments.

It is important to note that rents in San Francisco continue to rise strongly, with an increase of 12.6 percent from 1998 to 1999. The average rent in San Francisco in 1999 was \$2,077 per month, well above Oakland's \$950 monthly figure. Similarly, vacancy rates remained extremely low at two percent in 1999. The effect of high and rising rents and low vacancy rates in San Francisco will be a strong, long-term market demand for quality apartment units in the Oakland area.

Comments about Ongoing or Pending Developments, including Noteworthy Trends or Strategies:

(1) Proposed HOPE VI, Mandela Gateway development

Particularly noteworthy is the Oakland Housing Authority's plan to redevelop Westwood Gardens, a 46-unit multifamily public housing development at 7th Street and Mandela Parkway directly across from the West Oakland BART Station. The proposed "**Mandela Gateway**" development will use HUD's HOPE VI funds to provide replacement units for all Westwood Gardens residents. It will make use of the existing site and three adjacent properties to build a total of 143 rental units and 19 single-family for-sale townhouses, 10,000 square feet of retail space, and 4,000 square feet of community space. In terms of its scope, innovative mix of housing types and the transit oriented nature of its design, Mandela Gateway clearly will be a catalyst for other new housing development projects in the immediate area. It is currently in the early phases of site acquisition and feasibility analysis.

(2) Live/Work Loft Market

Loft housing has become a very successful alternative to traditional multifamily housing in the East Bay, particularly in the Berkeley, Emeryville, and Jack London Square areas. Buyers, who are typically young singles or couples without children, are attracted by the lifestyle and image the units represent, with their high-ceilinged open plans and artistic ambience. Unit sizes typically range from 800 to 1,600 square feet, and are priced from \$200,000 to \$400,000. West Oakland has captured a share of the live/work loft market, due in part to the diversity and mixed-industrial nature of the area. Much of the West Oakland loft development has been in small, discrete, live/work projects, typically rentals and converted from existing industrial or commercial buildings. By comparison, the neighboring Jack London Square loft market consists largely of for-sale projects, many of which are of new construction. The following are a few projects currently under construction or recently completed in the West Oakland area.

- **Peralta Studios** is a 41-unit conversion project located at 2121 Peralta Street at West Grand Avenue, approximately 0.9 mile from the West Oakland BART Station. The building has been renovated from its previous use as a PG&E truck maintenance facility. The units come with rough finishes (no appliances, kitchen cabinets, hardware, etc.) and are designed for the tenant to build-out. As a requirement of the conditional use permit, all tenants must obtain and keep a business license from the City of Oakland. At present, the development is fully leased. Rents range from \$975 to \$1,900 for 856- to 1,887-square foot units, or \$1.01 to \$1.14 per square foot.

- ♦ **Union Street Studios** is a recently completed project located at 1920 Union Street off West Grand Avenue, approximately 1.1 miles from the West Oakland BART Station. The former industrial building was renovated into 19 live/work units, ranging from 775 to over 2,000 square feet. Each unit has a full bathroom and kitchen, high ceilings, stainless steel appliances, garbage disposal, refrigerator, and a gas range. Rents average about \$1.10 per square foot.
- ♦ **West Clawson Lofts**, located at 3240 Peralta Street near the Emeryville border, approximately 1.8 miles from the West Oakland BART Station, is a recent renovation of the former Clawson Elementary School built around 1914. The 3-story building sat abandoned for nearly 20 years before it was converted into 28 live/work lofts in 1999. The project consists of twenty single-level lofts with one bathroom and eight two-level lofts with 1-2 bathrooms. Marketing began in December 1999, and 18 units were sold as of February 2000, indicating a strong absorption rate of about 9 units per month. The units range from 786 to 1,766 square feet, and range in price from \$199,000 to \$325,000 (averaging \$211 per square foot). Homeowners association dues range from \$196 to \$268 per month.
- ♦ **Phoenix Lofts** is a for-sale project that offers 17 live/work units ranging from 1,000 to 1,800 square feet. Located on 2nd Street between Brush and Castro, approximately 1 mile from the West Oakland BART Station and actually closer to Jack London Square, this project was completed in the spring of 2000. New Horizon's Properties LLC is the developer, and sale prices are in the \$225 to \$250 per square foot range.

(3) General Direction and Intensity of Local Real Estate Market

Much of what has been reviewed about land uses in the Study Area provides an understanding of the development potential within West Oakland in general and the Study Area in particular. Driven by a very active Bay Area real estate market, combined with its highly advantageous location within the transportation infrastructure, market interest in the West Oakland area has accelerated.

Housing:

The general direction of the market demand for new projects in West Oakland is focused primarily on housing, especially live-work loft units. A few of the more recent loft projects marketed include Calous Lofts, Peralta Studios, Phoenix Lofts, Union Street Studios, and West Clawson Lofts.

Office and Light Industrial:

In addition, there seems to be growing interest in West Oakland as a potential location for office and light industrial tenants finding it difficult to remain in the San Francisco and Emeryville submarkets. This interest has become evident with two recent projects proposed for the area: 1) a research and development "eco-park" at the former Oakland Army Base by Opus West Corp.; and 2) the new Central Station project proposed by Holiday Development. The latter plan, located on Wood Street between

14th and 20th streets, will entail rehabilitating the historic former Amtrak train station and development of approximately 1.2 to 1.4 million square feet of commercial office and/or distribution space. In addition, the 22.85-acre project will include a small amount of retail and/or community space within the renovated train station building, 300 to 500 loft units, and a telecommunications building of up to 400,000 square feet to provide fiber optic cable and other broadband capability to nearby office tenants.

Retail:

By comparison, present demand for retail space in West Oakland is more limited. The area immediately surrounding the West Oakland BART Station currently offers only a few, limited commercial services that meet the needs of area residents, workers, or BART commuters. The few retail establishments along 7th Street and elsewhere in the Study Area generally consist of small neighborhood-serving convenience stores. However, there are several adjacent shopping areas, both to the north and east. The closest is the recently renovated Jack London Gateway (formerly Acorn Center) at Market and 8th streets, which has a grocery store, shoe store, restaurant, and several other community-serving businesses. To the north, the City of Emeryville has several major shopping centers, including the East BayBridge Center, with a Pak and Save supermarket, Kmart, Home Depot, and numerous smaller shops. Also nearby in Emeryville is the Powell Street Plaza, offering apparel, electronics, home furnishings, and restaurants.

Neighborhood- or community-serving retail development is largely a function of population density and income. Previous recent studies have shown that the West Oakland community lacks the residential density and general income level required to support the additional retail sufficient to serve the area's residents. Preliminary analysis conducted by Sedway Group for the purpose of this study supports these past findings, especially given the recent openings of the new stores at nearby Jack London Gateway Shopping Center (formerly Acorn Plaza). Thus, until West Oakland supports a larger population base, substantial new community-serving retail is unlikely to have with sufficient market support. Limited opportunities, however, may exist for niche market retailers, such as the Pan-African concept or retailers seeking synergies with emerging special uses, such as artist studios. In addition, there may be a limited amount of retail demand for neighborhood convenience retail (e.g., food stores, household supplies, office supplies, restaurants, and cafes, etc.). These will be driven by other land use activities within West Oakland, such as residential and commercial uses.

Previous retail market studies of West Oakland have indicated that the demographics are insufficient to support a large grocery store, such as Safeway or Albertson's, based on typical grocery store site criteria, as well as other large increments of retail space. However, recent activity is indicative of renewed interest in the area by both property managers and retailers. As mentioned earlier for example, the Jack London Gateway Shopping Center (formerly Acorn Plaza) has undergone a change in property management and will soon be under new ownership. Along with this change, Gateway Foods, a family-owned Los Angeles-based grocery store, recently moved into the formerly vacant 27,000-square-foot anchor space at the center and is now open for business. EBALDC, West Side

Economic Development Corporation, and Portfolio Property Investors have formed a partnership called Community Plaza Development, LLC to purchase and rehabilitate the center. Additional retailers have indicated that they may be willing to return to West Oakland if the renewed Jack London Gateway Shopping Center development performs well and if the Center establishes a pleasant and safe shopping environment for the community.

Jack London Gateway Shopping Center, located at 900 Market Street at 7th Street, first opened in 1983. The 7.5-acre property includes 10 retail store spaces and 481 parking spaces. Rents at the shopping center range from about 90 cents to \$1.35 per square foot, triple-net. Expenses are currently 25 cents per square foot. In addition to Gateway Foods, other tenants include Angel's Discount Clothing, Athlete's Foot, Hong Kong Fast Food, IC Beauty Supply, KFC, Mama Rosa's Pizza, McDonalds, Shower of Flowers, and Starlight Donuts. Currently, a total of about 15,000 square feet is still available, making the 50,400-square-foot center about 70 percent occupied. According to the West Side Economic Development Corporation, however, interest in Jack London Gateway has increased substantially since the opening of Gateway Foods.

Because the focus of this study was on the introduction of transit-supportive land uses to facilitate creation of a pedestrian-oriented transit village, no analysis was conducted analyzing area potential for destination retail (i.e., retail opportunities that provide a unique shopping environment or goods not otherwise available within a certain geographic radius, typically in a large-scale setting). Examples of Bay Area destination retail centers or stores include the new IKEA in Emeryville, 4th Street in Berkeley, and Metreon in San Francisco. Typically, destination retail draws shoppers from a regional area. In only very rare cases, such as San Francisco's Union Square, such retail is not transit-dependent. Instead, destination retail shoppers generally shop via automobile, facilitating transport of large, multiple goods. This is another reason why destination retail is not an appropriate use near the West Oakland BART Station. Moreover, the station area has limited highway visibility, especially relative to other destination retail locations such as Emeryville, as well as a lack of suitable sites with strong visibility to support large-scale retail development.

B. GENERAL DISCUSSION OF CIRCULATION AND ACCESS:

1. On and Off-Street Parking

Demand for parking at the West Oakland BART station is extremely high. The station property contains approximately 350 spaces, which are routinely full by 6 a.m. on weekday mornings (the earliest "fill time" for any BART station). The large demand for additional parking, is met, to some extent, by nearby surface lots (both Caltrans and private). Most of these lots charge between \$2 and \$5.50 per day.

The high demand for parking at the West Oakland BART Station also is reflective of the high cost of parking in downtown San Francisco. In addition to the \$2.00 bridge toll, the cost of surface parking in San Francisco ranges from about \$6-8.00 per day up to as high as \$25.00 per day for structured

parking. Effectively, the West Oakland BART Station functions as a remote parking site for downtown San Francisco. This conclusion is reinforced by the fact that only 13 percent of passengers boarding at the West Oakland station are from the immediate neighborhood. With an estimated 3,100 weekday morning boardings, this implies that roughly 169 local residents board at the West Oakland BART station, with the remaining passengers residing outside of the area.

2. BART

The West Oakland BART Station occupies a central, two-block portion of the Study Area and serves a growing number of Bay Area commuters on a daily basis. Transit use generates a large demand for parking. In addition to free surface parking on the station area property, there also are a number of "for-pay" surface parking lots throughout the Study Area.

The West Oakland BART Station is unique within the BART system. It is served by all four transbay BART lines, meaning that West Oakland has the shortest headways (the amount of time between arriving trains) of any station in the East Bay. The ride to the Embarcadero Station, the first San Francisco stop, is only seven minutes. Finally, because of BART's distance-based fare system, a round-trip ticket to the Embarcadero station in San Francisco currently costs only \$4.10. By comparison, for example, a round-trip fare from the terminus at the Pittsburg/Bay Point station to the Embarcadero Station costs \$8.60.

As a result, the West Oakland BART Station attracts riders from throughout the East Bay. Recent BART data indicates that West Oakland BART patrons come from as far away as Pinole, Concord, and Hayward. Most of these patrons drive to the station. A 1998 BART survey also showed that 58 percent of patrons drive alone to the station, while another 14 percent are dropped off and 10 percent carpool.

3. AC Transit

Intermodal Facility:

(1) AC Transit Plans and Funding

AC Transit currently has preliminary plans and partial funding to develop an intermodal facility at the West Oakland BART station. Given the increase in the number of routes serving the BART station, it is currently estimated that seven sawtooth bus bays would be required to accommodate the anticipated service changes. One of the bays would be used primarily for paratransit vehicles. Several of the proposed bus bays would be needed to accommodate articulated coaches. The bus bays within the station would be used primarily by westbound buses and buses on layover; eastbound buses would continue to board on 7th Street in front of the BART station and layover in front of the U.S. Post Office Distribution Center on 7th between Peralta and Wood Streets. The AC Transit bus bay standard is illustrated in the accompanying figure. (Figure 4)

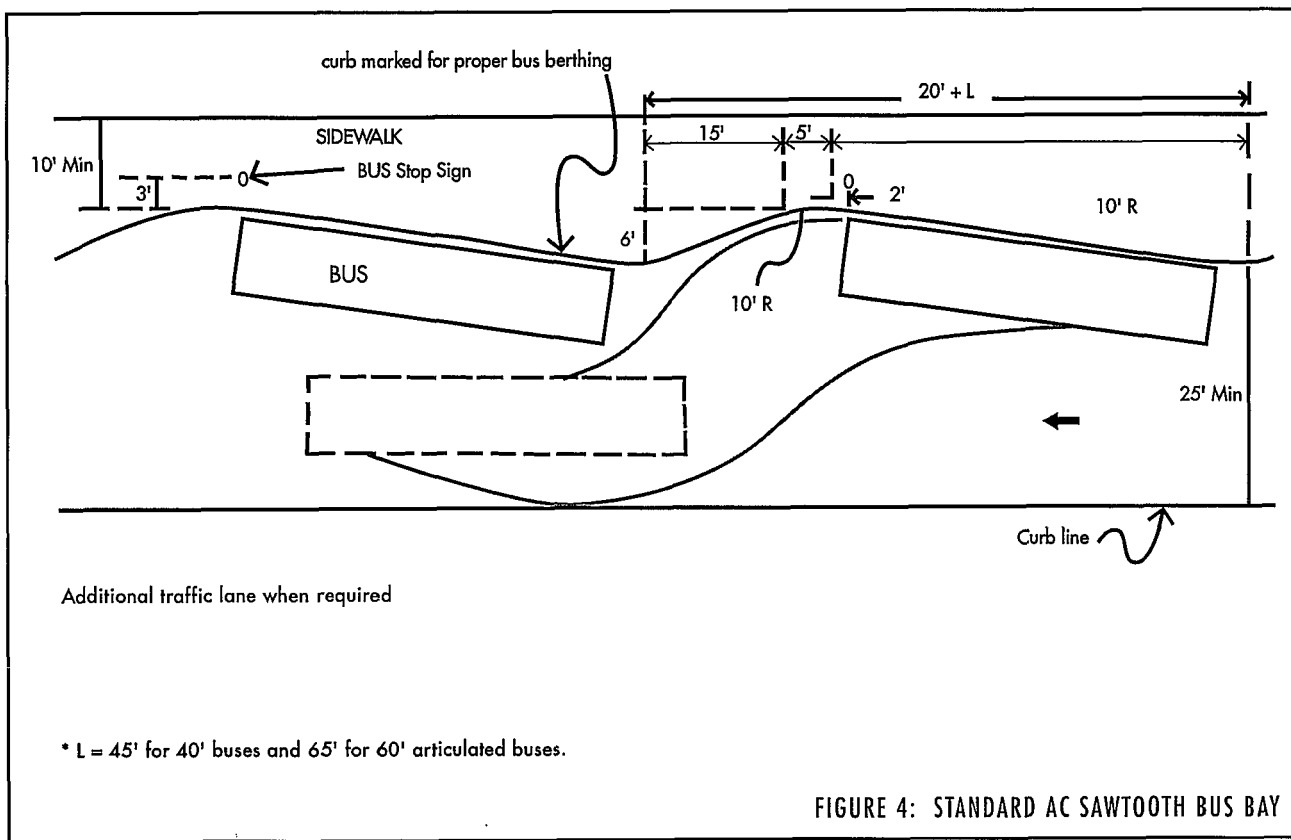


FIGURE 4: STANDARD AC SAWTOOTH BUS BAY

(2) On-BART Site v. Off-BART Site Locations

AC Transit Bus service is recognized as an important aspect of the future transit village dynamic at the West Oakland BART Station. Locating the intermodal facility on the West Oakland BART Station property, as shown in the Transit Village Concept Plan, should be recognized as creating constraints for future joint development opportunities, especially for housing. However, alternative locations were not considered for several reasons. a) It was assumed to be important to maintain a direct connection between BART and AC Transit, which could best occur at the station property. b) A greater emphasis was placed on promoting transit village development at all of the opportunity sites fronting on 7th Street than at the BART Station property because those sites are either not immediately adjacent to the BART Station or they can not be assumed to be easily available for development as an intermodal bus facility. c) Finally, capacity constraints and concerns over potential traffic conflicts, given the number of busses to be accommodated and the need for layovers, discouraged consideration of on-street locations for the entire intermodal facility.

From a joint development perspective, locating the intermodal bus facility adjacent to the station platform is not the best use of the BART site. Therefore, future consideration of alternative intermodal bus locations and layouts could benefit future joint development proposals for the BART Station Area

properties and should be studied for feasibility purposes as the opportunity may arise. The sites immediately adjacent to the BART station property at 5th Street and Mandela Parkway, the BofA/Alliance and the yeast factory properties, locationally and functionally are prime candidates for such study. Both properties are privately owned and are not available for such a use. However, the siting of intermodal uses, bus bays as pick-up and drop-off areas, etc., is not recommended as the highest use of the BART property. This issue should be reconsidered in the finalization and adoption of the Implementation Section of a future specific plan.

The concept plan for the AC Transit intermodal facility, as described in the Transit Village Report, has the endorsement of the City of Oakland's Public Works Agency. In order to maximize a future joint development parcel along the 5th Street frontage, the AC Transit bus bays are located primarily along the internal edge of the overhead platform. Westbound buses and buses on layover would use the sawtooth bus bays for passenger loading. Busses would enter from Mandela Parkway and exit onto Chester Street. Eastbound routes remain on 7th Street. The 7th Street edge of the station area near the Mandela Parkway intersection can continue to be used, in addition to the on-site bus facility, for additional bus access capacity. A new passenger pick-up and drop-off drive-through area is proposed for the portion of the BART frontage across from Chester and Center Streets.

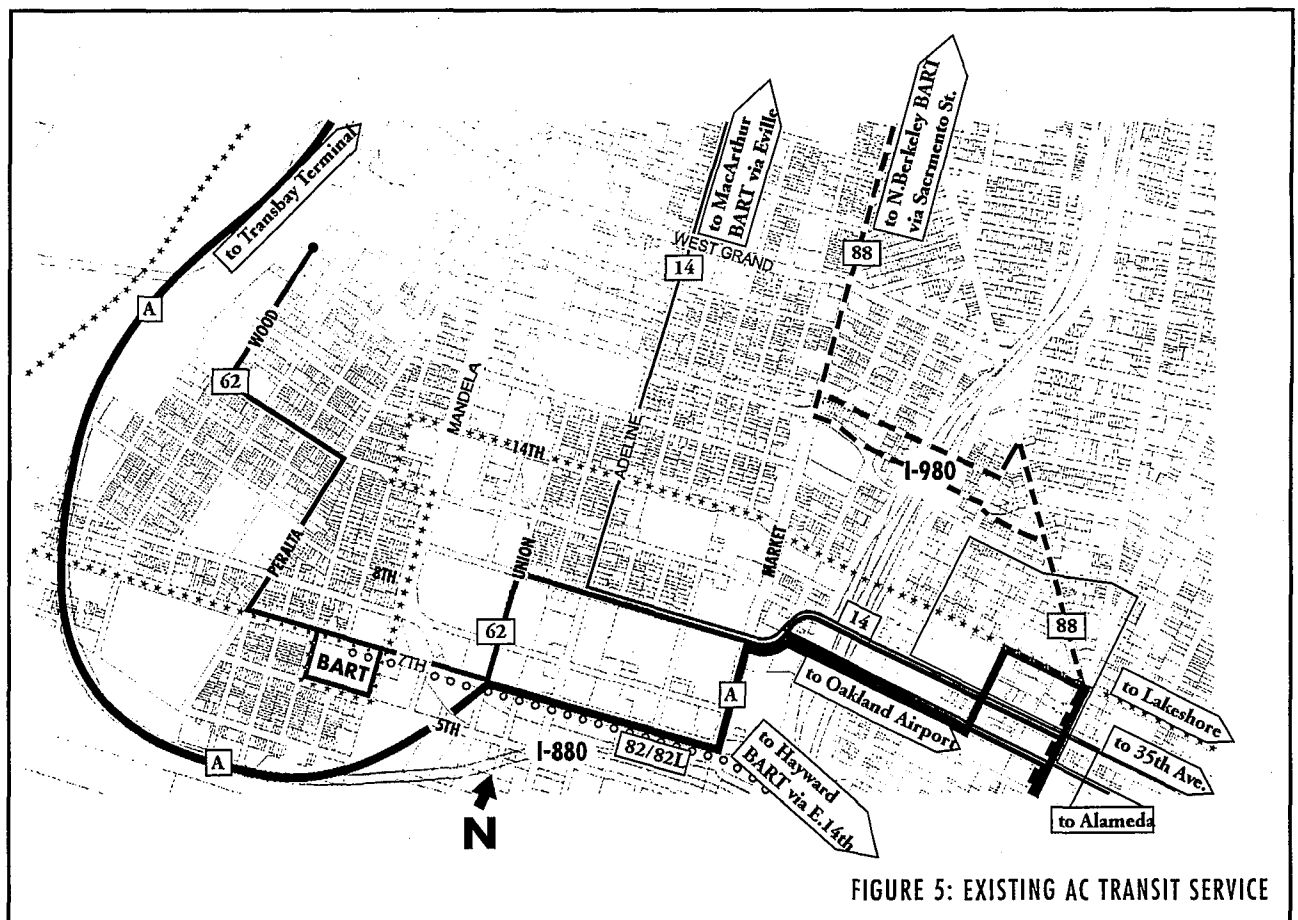


FIGURE 5: EXISTING AC TRANSIT SERVICE

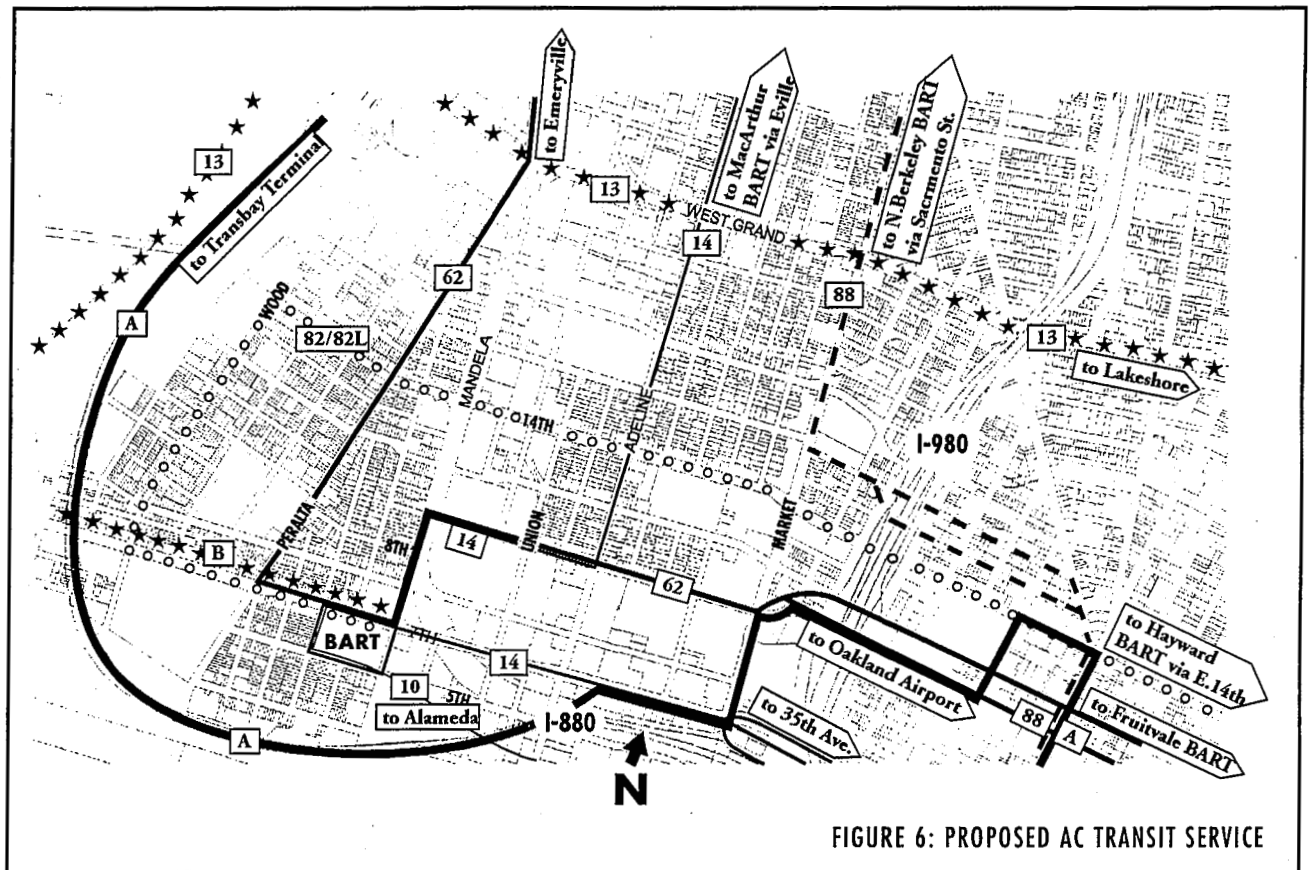
Bus service is more heavily utilized by local residents. AC Transit currently provides three routes that serve the BART Station area (Figure 5). The 13 line provides weekday service only. The route runs from the Oakland Army Base to the BART Station and continues to downtown Oakland. The 62 line provides seven-day service from 17th and Wood (near the former Amtrak Station) to the BART Station and continues to downtown Oakland and the Fruitvale BART Station. The 82 and 82L lines provide seven-day, 24-hour service from the West Oakland BART Station to downtown Oakland and along the East 14th Street corridor to the Hayward BART Station. In addition, the A line, introduced in October 1999, provides 24-hour express service from the San Francisco Transbay Terminal to West Oakland at 7th Street and Adeline, continuing to downtown Oakland and the Oakland International Airport. While the West Oakland A line stop at 7th Street and Adeline is two blocks outside the study area, it is mentioned because it provides an important night-time link to both San Francisco and the Oakland Airport area, which contains a large number of employers.

While AC Transit could not provide data on boardings specifically tracked or recorded in the transit village area, there are approximately 7,000 boardings per weekday for the three lines that serve the West Oakland BART Station. This total includes all stops between the terminal stop in West Oakland and downtown Oakland and encompasses an area considerably larger than the Study Area. BART reports that only 13% of the estimated 3,100 boardings per day (or 169) at the West Oakland BART Station are local residents. Given the much higher number of AC Transit boardings, even though they cover a much greater area, it is still safe to assume that more West Oakland and, subsequently, Study Area residents use the bus than they do BART, demonstrating the importance of bus transit to the area.

Bus to BART Connections:

Even though more people currently drive to the BART station than appear to take the bus, AC Transit connections at the station still are an important component of the station area's functional requirements, especially in the long term. Working with BART, AC Transit is planning improved service, which increases access to the station for neighborhood and City residents. A summary of proposed AC bus routes and access requirements at the station is provided as follows:

(1) AC Transit recently prepared a draft Service Plan for West Oakland. The 13, 62, and 82/82L lines would continue to serve the station area, although on modified routes. Two additional routes, the 10 and the 14, would be re-routed to serve the BART station as well. The 10, which currently runs from Alameda and terminates at Martin Luther King and 14th Street, would be extended to serve the BART station via 3rd Street. The 14 line, which currently turns north from 10th Street onto Adeline Street, will now travel via 7th Street to the BART station before turning back onto Adeline. The plan has not yet been adopted and will undergo public review. Proposed bus routes are illustrated in the accompanying figures (Figure 6).



- (2) Long-term changes in AC Transit service will be shaped, in part, by reuse of the Oakland Army Base. Future residential and employment at the Base will determine when full service improvements will be required. There are no current plans to introduce timed transfers in the area.
- (3) Ideally, bus stops in the area would include shelters, information kiosks, and small scale commercial uses. Ultimately, AC Transit plans to use automated vehicles locator (AVL) technology to supply real-time information to users by means of touch-screen kiosks, but plans are in the very early stages.

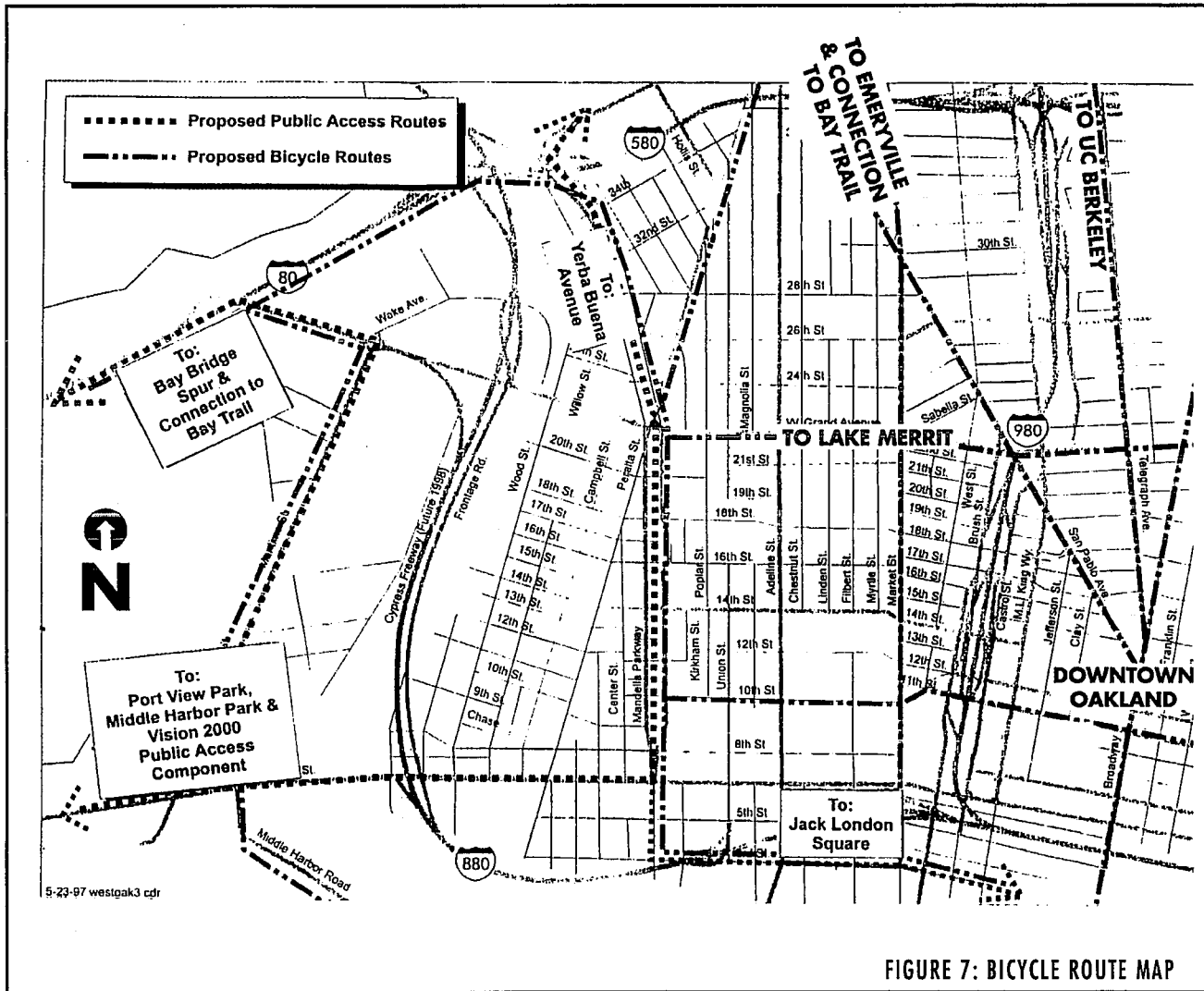
4. Pedestrian Travel

Both pedestrian and bicycle access is difficult within the Transit Village Study Area due to the high volume of vehicular traffic, particularly truck traffic. Residents complain that sidewalks are not well maintained and typically do not have street trees or adequate pedestrian lighting. There are only a few signalized pedestrian crossings. As discussed in the section of the Report on the status of funded, ongoing or pending projects, several streetscape improvement projects are scheduled for implementation in the near future.

5. Bicycle Use

Oakland Bicycle Master Plan:

In addition to those found in the Acorn Prescott Neighborhood Transportation Plan, recommendations for bikeways in West Oakland are contained in the Oakland Bicycle Plan. The Oakland Bicycle Plan identifies three bike corridors that are within the Transit Village Study Area (Figure 7).



The first identified bikeway is the Mandela Parkway facility, which will connect with 3rd Street once the connection is complete, forming part of the Bay Trail, a 400-mile regional trail network around the San Francisco Bay. This bikeway is considered a Class II facility (a separate striped lane). The second identified bikeway is along 8th Street.

The third identified bikeway is the proposed connection between the West Oakland BART station and the Middle Harbor Shoreline Park, which will be constructed on Port of Oakland property near piers 4 and 5. The 30-acre Middle Harbor Shoreline Park will replace the one-acre Middle Harbor Park on Ferro Street, which will become the site for a terminal expansion. While the Oakland Bicycle Plan locates this bikeway along 7th Street west of Mandela Parkway, the Bicycle Plan also indicates that, "The system and segments themselves will change over time as a result of changing bicycling patterns and implementation constraints and opportunities." The Port of Oakland will shortly release an RFP to study park access, including a proposed bikeway alignment.

6. Automobile Traffic

Based on traffic counts conducted by the Oakland Department of Public Works in March 1999, average daily (weekday) traffic (ADT) along 7th Street is in the range of 16,000 to 18,000 vehicles. During the morning peak, there are approximately 1,500 vehicles per hour; during the evening peak, roughly 1,200 to 1,400 vehicles. These counts were taken by the City of Oakland at the intersection of 7th and Union Streets. As a four lane roadway, 7th Street has more than adequate capacity for this volume of traffic. The data also shows that 15 to 20 percent of the westbound vehicles turn left onto Union Street (most likely to access I-880) and, therefore, do not continue west past the BART station area. Therefore, as part of the future streetscape improvement project for 7th Street, modifications to the width of the roadway west of Union Street could be feasible, including using the street for the bus bay, and should be considered.

7. Truck Traffic

Because of the nearby Port of Oakland and other industrial concerns in the area, there is also a high volume of truck traffic through the Study Area, especially along 7th Street. According to Public Works Department truck counts taken in April 1999, at the intersection of 7th and Mandela, there were approximately 130 heavy vehicles (i.e., trucks and busses) per hour in the morning and 75 per hour in the afternoon.

Truck traffic has been a major concern to West Oakland residents and has been discussed in several previous reports and studies, including extensive coverage in the 7th Street/McClymonds Corridor Neighborhood Improvement Initiative. The City drafted a West Oakland Truck Circulation Program in May 1999. (Figure 8) However, this program as yet has not been formally approved by the City.

Within the Transit Village Study Area, a through-truck prohibition north of 7th Street between Peralta and Mandela Parkway has been recommended by the City for trucks exceeding 4.5 tons. Mandela Parkway is designated as a through route for truck access to freeways and most destinations in or immediately outside West Oakland. According to the program, the truck route designation was removed from 7th Street because residential land uses abut a portion of 7th Street. However, removal of the truck route designation does not prohibit trucks from using 7th Street.

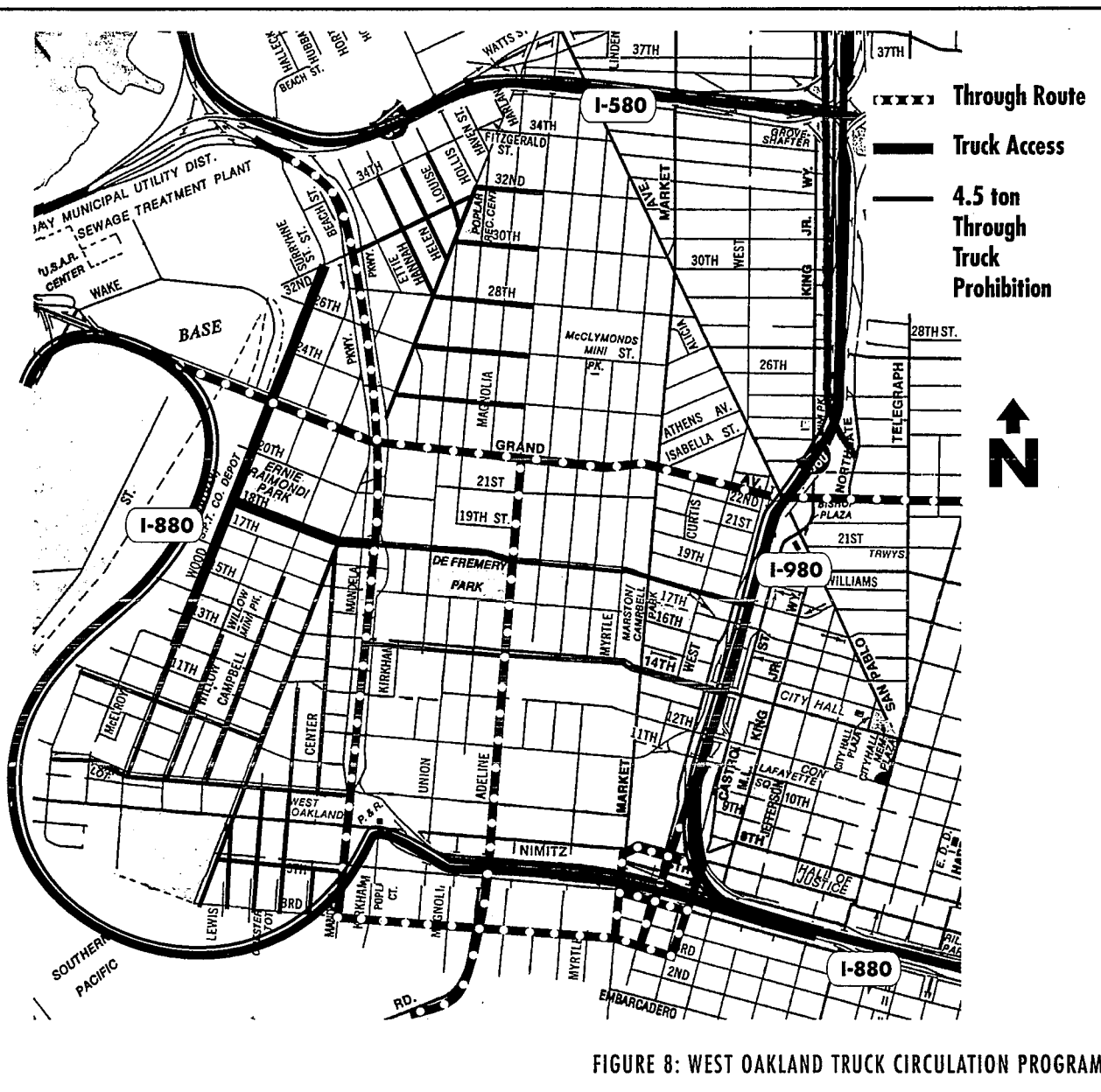


FIGURE 8: WEST OAKLAND TRUCK CIRCULATION PROGRAM

The Port of Oakland has begun a Trucking Study to assess which trucking activities, currently located within West Oakland neighborhoods, are essential to the Port. The study will take a look at the feasibility of relocating these activities to a site closer to the Port to ensure fewer impacts on the neighborhoods. In addition, the City Council has recently passed an ordinance that mandates the issuance of a conditional use permit for any new truck or truck related activity within West Oakland. A conditional use permit is not mandatory for those businesses within the newly adopted S-15 (TOD) District that have three or more trucks as an accessory use. The Agency will continue to assess the ongoing impacts of trucks within West Oakland and will seek strategies to limit truck traffic to certain identified arterials. While trucks will continue to use the Seventh Street corridor, truck traffic within the area's residential neighborhoods will be discouraged or prohibited.

C. STUDY AREA STRENGTHS AND WEAKNESSES

1. Amenities

Housing Costs, Market Upswing and Attraction of New Residents:

As discussed throughout the Report, the relative affordability of existing housing in West Oakland, including the Study Area as compared to the greater Bay Area, is an amenity which may quickly disappear. Unless a significant number of new units are built in the Study Area, housing costs will increase as new residents are attracted and the local demand for housing increases, which is already happening. The proximity of the Study Area to both transit and freeway access is an extremely valuable amenity, as is discussed in several sections of the Report. Combined with the growing regional demand for housing, its location and relative affordability make the Study Area increasingly attractive to new residents despite some of the deficiencies that have already been discussed. These deficiencies include a relative lack of services and open space, poor schools, and the blight caused by the presence of older industrial land uses within residential neighborhoods.

BART:

The Study Area presents one of the best opportunities in the Bay Area to create a vibrant, mixed-use, transit-oriented development district, a "transit village." The West Oakland station is unique within the existing East Bay BART system in that it serves all transbay routes, which means frequent service and short wait times. It is well located with respect to both downtown San Francisco and Oakland.

The West Oakland BART Station area enjoys excellent access from 7th Street, a four-lane arterial connecting West Oakland to Downtown Oakland, and from Mandela Parkway, the major north/south arterial for the area. The proposed transit village area also provides excellent access to public transportation and regional freeways, with entrances to major regional transportation corridors (e.g., Interstates 80, 580, 880, and 980) that provide very good vehicular access to and from the area. Furthermore, the BART Station frontage on both 7th Street and Mandela Parkway provides good visibility and local access that could be used to aid in any marketing efforts for transit village development.

Proximity to Growth Centers, Market Context:

West Oakland's comparative advantage in the Bay Area development market lies in its location, direct access to transit, and reasonable freeway access. The greater West Oakland area is situated between four key hubs of growing economic activity: the Port of Oakland; Jack London Square; downtown Oakland; and the City of Emeryville. This advantage is seen in the following:

- ♦ The Port of Oakland has begun an aggressive expansion of its operations in recent years in order to increase its capacity and competitive advantage over port facilities in Long Beach and Seattle.
- ♦ The Jack London Square area, with its increasing concentration of entertainment-oriented real estate development and a burgeoning live/work loft district, is about 10 blocks to the southeast of the West Oakland BART Station.
- ♦ Oakland's downtown has begun to change its reputation as a weak sister to San Francisco. The city's private office market has strengthened, attracting a number of high-tech and other types of companies seeking a lower cost alternative to downtown San Francisco's spiraling rents. In addition, the city's housing initiative to increase downtown Oakland's residential base has the potential to enliven downtown with a night-time population.
- ♦ The City of Emeryville is the strongest of the four hubs. The commercial base of Emeryville has grown substantially over the past 10 years, with major employers such as Chiron Corporation, Sybase, and Pixar (scheduled to relocate to Emeryville by the end of 2000). In addition, Wareham Development's new 265,000-square-foot EmeryStation will include a number of Internet-related companies and other tech-related companies. For example, Ask Jeeves plans to move to downtown Oakland in the spring of 2002.

Growth and development activity in each of the four surrounding hubs has the potential for spillover into West Oakland. The excellent vehicular and transit access makes many of the older industrial buildings and underutilized properties in West Oakland attractive to the regional market for new office and R&D development, especially in the areas more adjacent to Emeryville.

However, spillover demand from economic growth in the adjacent hubs, especially from Emeryville, is not limited to office or R&D products. The demand for housing is equally strong, if not stronger, given the close proximity to new jobs almost within walking distance. In fact, a very strong demand for housing in the general area has developed, as is clear from the steady increase in housing prices and rents in West Oakland, the success of loft housing in the Jack London Square area and the plan to create 10,000 new units in Downtown Oakland.

Of the four hubs, Emeryville is still has the largest number of job opportunities. According to the Association of Bay Area Governments (ABAG), Emeryville had 15,430 jobs in 1995 and is projected to have 19,300 jobs in 2000 (see Exhibit 3). Given the projected 4,600 employed residents in 2000, the jobs per employed residents ratio is 4.2:1. This ratio is a very strong indication that there is a significant employment base that would likely be interested in residing in the area. Emeryville's employment is projected to continue growing by an additional 2,030, or 10.5 percent, jobs in the ten-year period from 2000 to 2010,. Generally, the jobs that have been added in Emeryville have been high paying technology-related jobs.

**EXHIBIT 3
EMPLOYMENT
SUBJECT MARKET AREA
1990-2020**

	1990	1995	2000	2005	2010	2015	2020
Population							
Alameda	73,979	78,500	75,600	77,800	78,100	78,400	78,700
Berkeley	102,724	105,800	108,700	109,600	109,100	108,600	108,800
Emeryville	5,740	6,600	7,700	8,600	9,500	10,300	10,900
Oakland	<u>372,242</u>	<u>382,900</u>	<u>395,000</u>	<u>397,700</u>	<u>398,000</u>	<u>398,900</u>	<u>399,600</u>
Market Area	554,685	573,800	587,000	593,700	594,700	596,200	598,000
Market Area growth ¹	N/A	3.4%	2.3%	1.1%	0.2%	0.3%	0.3%
Oakland growth ¹	N/A	2.9%	3.2%	0.7%	0.1%	0.2%	0.2%
Total Jobs							
Alameda	37,450	31,420	32,370	35,300	40,550	44,980	49,220
Berkeley	71,950	68,860	70,360	73,430	75,110	77,640	78,520
Emeryville	13,840	14,550	16,370	20,500	22,050	23,250	24,180
Oakland	<u>170,200</u>	<u>166,470</u>	<u>174,010</u>	<u>181,430</u>	<u>189,760</u>	<u>192,340</u>	<u>196,120</u>
Market Area	293,440	281,300	293,110	310,660	327,470	338,210	348,040
Market Area growth ¹	N/A	-4.1%	4.2%	6.0%	5.4%	3.3%	2.9%
Oakland growth ¹	N/A	-2.2%	4.5%	4.3%	4.6%	1.4%	2.0%
Employed Residents							
Alameda	44,553	35,300	37,000	39,700	41,400	42,700	43,400
Berkeley	56,024	52,000	54,500	57,000	59,500	60,500	61,000
Emeryville	3,483	4,000	4,600	5,200	5,700	6,200	6,600
Oakland	<u>164,394</u>	<u>156,500</u>	<u>165,200</u>	<u>174,700</u>	<u>180,900</u>	<u>184,700</u>	<u>186,000</u>
Market Area	268,454	247,800	261,300	276,600	287,500	294,100	297,000
Market Area growth ¹	N/A	-7.7%	5.4%	5.9%	3.9%	2.3%	1.0%
Oakland growth ¹	N/A	-4.8%	5.6%	5.8%	3.5%	2.1%	0.7%
Jobs/Employed Residents Ratio							
Alameda	0.84	0.89	0.87	0.89	0.98	1.05	1.13
Berkeley	1.28	1.32	1.29	1.29	1.26	1.28	1.29
Emeryville	3.97	3.64	3.56	3.94	3.87	3.75	3.66
Oakland	<u>1.04</u>	<u>1.06</u>	<u>1.05</u>	<u>1.04</u>	<u>1.05</u>	<u>1.04</u>	<u>1.05</u>
Market Area	1.09	1.14	1.12	1.12	1.14	1.15	1.17

Note:

(1) Represents absolute growth over each five-year period.

Sources: ABAG Projections '98; and Sedway Group.

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West Oakland has had some success in attracting businesses that have been priced out of the San Francisco South of Market Area (SOMA), as well as neighboring Emeryville. Most of these businesses have been warehouse or service-oriented light-industrial companies, small distributors, or modest manufacturers. Much of this new activity has centered around the intersection of West Grand and Mandela Parkway, away from the West Oakland BART station. The area still lacks amenities such as attractive housing for employees within walking or biking distance, neighborhood retail, and parks. Moreover, the continued perception by many outsiders that the West Oakland BART Station Area is unsafe, despite the false nature of such a perception, is still an unfortunate deterrent.

Access:

One of the major strengths of the Study Area, as has been discussed in several sections of the Report, is the immediate access it has to the rest of the Bay Area. In addition to the almost unparalleled access it has to transit, both bus and rail, the Study Area also benefits from its easy access to the region's highway infrastructure as well as to jobs and to retail shopping and cultural amenities in downtown Oakland and Jack London Square.

- ♦ There is direct access to the recently completed I-880 freeway at Union Street and, further west, at 7th Street just beyond the Wood Street intersection. Access ramps for the I-980 freeway are located eastward along 7th Street just past the Market Street intersection.
- ♦ The Port of Oakland is immediately adjacent to the Study Area on both the southern and western edges, between the freeway and the Bay. In terms of providing a large variety of nearby jobs for Study Area residents, the Port also represents another type of amenity to the area despite the concentration of heavy industry. Downtown Oakland is easily accessible by foot, bicycle, bus or BART to the east along 7th and 8th Streets.
- ♦ Jack London Square is reasonably accessible to the east of the Study Area. Soon, it will be directly connected along Mandela Parkway to 3rd Street when construction is completed of the section of roadway underneath the elevated portion of the freeway. The growing retail activity of the Jack London Square area provides a nearby shopping and entertainment amenity that is becoming a major destination for the East Bay as well as for the region.
- ♦ The Study Area is directly connected along 7th Street to the soon-to-be-converted Oakland Army Base, where a wide range of educational, cultural, and neighborhood-serving activities are being planned. One of the uses being planned is the City's produce market, which is to be relocated from the blocks it currently occupies in the Jack London Square area.

Real or Perceived Decrease in Crime:

Incidents of reported crimes against property and individuals have decreased slightly in West Oakland and the Study Area, as measured by the accompanying figures (Exhibits 4.1-4.2). Exhibit 4.1 makes use of figures for part one offenses (violent) publicly available through the City's Crime Watch Program (www.oaklandnet.com). The two community beats, 2X and 2Y, include all or most of the South Prescott, Prescott and Acorn neighborhoods. Exhibit 4.2 is provided by BART Police Services and is specific to the West Oakland BART Station property.

**EXHIBIT 4.1: SELECTED TYPE ONE CRIME TOTALS FOR WEST OAKLAND NEIGHBORHOODS
IN THE VICINITY OF THE BART STATION (South Prescott, Prescott and Acorn)**

2X & 2Y (com beats)	TOTAL	HIGHEST	LARCENY	AUTO THEFT	ARMED ROBBERY	RES BRGLRY
City wide 1999-2000 measure	NA	Larceny	9571	4525	1571	2183
1999-2000	661	Larceny	182 (8.3%)	104 (2.3%)	53 (3.4%)	69 (3.2%)
1998-1999	880	Larceny	201	98	69	84
1997-1998	862	Larceny	217	100	55	77

Among local residents, as discussed in the Community Workshops, the perception is growing that the area is much safer than it was in the past. Such perceptions are very difficult to extend to those outside the local community. Nevertheless, the improvements in both real and perceived conditions concerning safety is an amenity, if only a somewhat fragile one at present.

EXHIBIT 4.2: OAKLAND WEST STATION, ALL CRIMES

Oakland West Station - All Crimes									
	1/1/98 - 12/31/98			1/1/99 - 12/31/99			1/1/00 - 7/31/00		
Crime	Oakland West	System-wide	% of total	Oakland West	System-wide	% of total	Oakland West	System-wide	% of total
Rape	1	2	50.00%	0	3	0.00%	0	1	0.00%
Robbery	7	169	4.14%	7	146	4.79%	0	66	0.00%
Aggravated Assault	1	19	5.26%	0	17	0.00%	2	13	15.38%
Battery	16	409	3.91%	14	402	3.48%	8	250	3.20%
Larceny (Theft)	32	1800	1.78%	51	2819	1.81%	18	992	1.81%
Auto Burglary	57	855	6.67%	31	691	4.49%	9	460	1.96%
Auto Theft	12	461	2.60%	12	418	2.87%	6	337	1.78%
Vandalism	25	1119	2.23%	25	832	3.00%	10	642	1.56%
Weapon Violations	2	47	4.26%	4	52	7.69%	0	20	0.00%
Bomb Threat	0	8	0.00%	1	5	20.00%	0	9	0.00%
Indecent Exposure	4	132	3.03%	3	98	3.06%	5	82	6.10%
Narcotics Violations	8	414	1.93%	12	367	3.27%	4	246	1.63%
Liquor Law Violations	16	400	4.00%	39	437	8.92%	40	420	9.52%
Drunk in Public	16	689	2.32%	23	571	4.03%	13	416	3.13%
Disturbing the Peace	7	390	1.79%	12	271	4.43%	5	184	2.72%
Vagrancy	19	2393	0.79%	17	1685	1.01%	6	1327	0.45%
Transit Crimes	268	14222	1.88%	468	14694	3.18%	279	10291	2.71%
Other Miscellaneous Crime	38	1511	2.51%	29	1832	1.58%	21	596	3.52%

Parking Demand, Market Trends:

Information regarding parking demand at the West Oakland BART Station suggests considerable potential for a quality parking structure. BART trains enter and exit the West Oakland BART Station approximately every 3 minutes, making it one of the busiest stations in the system. According to a 1998 BART survey, as noted earlier, the West Oakland BART Station's 350 free parking spaces are filled by 6:00 AM, Monday through Friday. As a result, there are several private commercial parking operations nearby, as well as numerous smaller ad hoc parking areas that have been created by local entrepreneurs and property owners. Current daily parking rates average \$5 per day for unenclosed, and often unpaved, surface parking spaces.

Average daily boardings (entries) at the West Oakland BART Station were nearly 3,100 persons per day, according to data collected on July 30, 1998, by BART for the 1998 Station Access Improvement Plan. The percent break out by mode access, using a 1992 Passenger Profile Survey, is summarized as follows:

Drive Alone	Carpool	Drop-off/Taxi	Walk	Bike	Transit
58% (1800)	10% (310)	14% (430)	10% (310)	0.5% (16)	7% (220)

Based on this data, which was the most recent available from BART at the time of this Study, only 670 of the 3100 riders entering the station did not need to park a car. Assuming that carpools average 2 persons per car, this data suggests that almost 2000 cars a day were being parked somewhere in the vicinity of the West Oakland BART Station at the time of the survey. Given that there are approximately 350 free parking spaces at the BART Station, the ridership figures and patterns suggest a daily parking need in the vicinity of the Station of approximately 1650 spaces. The calculation of these parking figures should be noted as being overly simplistic. Demand is limited to those currently using West Oakland BART. If there were more parking, it could be assumed that more riders might come to use the station. For comparison, the year 1999-2000 BART ridership figures for average daily boardings (entries) at the West Oakland Station are 4,400 persons per day, an increase of slightly more than 1,000.

As indicated by the pro forma in Section II of the Report, Sedway Group has determined that a parking garage with approximately 1600 spaces could be built with rates in the range of \$8.50 per day (assuming maximum utilization with no vacancies). This analysis is based on somewhat dated ridership levels, and may be conservative. Future parking demand will increase with BART's anticipated doubling of daily boardings at the West Oakland Station by 2005. Construction of the Mandela Gateway Hope VI development will decrease the existing supply of parking by approximately 240 spaces (the current OPEN parking lot on the Caltrans owned parcel planned for acquisition by OHA). Development of other sites may further reduce available spaces. The new BofA/Alliance parking

facility adds approximately 400 spaces, currently available at \$4.00 per day, but the facility may be replaced in the long-term with development more central to the social and business objectives of the partnership. While the proposed design concept for the intermodal bus facility on the BART Station property maintains and may even increase slightly the existing number of parking spaces at the BART Station, ideally, this parking would be relocated to better facilitate joint development of the station area property.

2. Deficiencies

Rising Real Estate Prices:

The growing market interest in the area is creating an increase in real estate prices. Whether such a condition is an amenity or a deficiency depends upon whether one owns or rents/leases a property. Generally speaking, however, rising real estate prices are considered a deficiency in the sense that they make it increasingly difficult to maintain affordable rental housing.

Rising real estate prices and the growing popularity of the Study Area as a place to live is creating a reduction in the supply of affordable income housing. Whether or not this condition becomes a significant deficiency for the area depends upon the ability of public sector interests to continue to construct a reasonable supply of affordable income units as a part of new housing development in the Study Area and in West Oakland. The feasibility analyses of the conceptual development programs for the opportunity sites identified for the purposes of this Report (see Section II) demonstrate that housing rents for market rate projects would not be affordable to most Study Area residents but would be attractive in the Oakland and East Bay housing market. Non-profit developers and public subsidies are necessary to maintain affordable income housing in the Study Area and in West Oakland. It also is important to note that an overly high proportion of low and very low-income housing can become another type of deficiency for the Study Area in terms of attracting a diverse mix of new residents. OHA's new Mandela Gateway is an important, mixed-income housing development model for the area.

Gentrification:

The growing market demand for housing, both in the Study Area and elsewhere in West Oakland, causes many local residents, especially the high percentage of renters, to be concerned that they will be priced out of their homes. Fear of economic displacement as their neighborhoods improve, what is commonly called "gentrification," was a prevalent theme of discussion at both of the Community Workshops, as it is in many of the community meetings where the future of West Oakland is being discussed.

The economic success of an area inevitably results in increased property values and rents. Property owners seldom view such a scenario as being a deficiency or a problem, especially when property taxes are controlled as they now are in California. The deficiencies that result when property values

increase occur where increased rents force residents on low or fixed incomes out of the neighborhood. Also, many lower profit but valued retailers no longer can afford to stay and begin to disappear. Quite simply, the concerns that are expressed when an area undergoes "gentrification" should focus on property ownership and the ability to control rent increases. The strong public sector involvement and reinvestment that has begun the revitalization of the Study Area as a transit village can help provide a balance to any potential deficiencies in the continued availability of a mix of affordable income housing and retail lease space.

A number of the recommendations in Section II of the Report discuss policies that can prevent the economic displacement of existing residents and encourage provision of valued community services. Funding mechanisms that assist homeownership are included as an appendix to the Report.

Prevalence of Abandoned or Poorly Maintained Housing:

As mentioned earlier in discussing the perceived quality and condition of properties in the Study Area, a significant number of houses were built in the late-nineteenth and early-twentieth centuries. Given the long period of economic decline in West Oakland, it is not surprising that many of these buildings have not been well maintained. A number of houses, especially adjacent to industrial uses, are vacant. Along 7th Street, much of the ground floor space is boarded up. On a drive through of the area, especially along 3rd Street in the vicinity of Mandela Parkway, one sees a number of properties that clearly appear to have code violations. The overall impression is that there are deficiencies in the physical condition of enough of the housing stock to meet the legal definition of blight and to qualify the area for home improvement grants and low-interest loans under a number of public assistance programs.

Inadequate Parking:

As described earlier in section on infrastructure conditions, the Study Area contains a number of surface parking lots, both paved and unpaved. These lots rent space on a daily basis primarily to BART patrons. These lots are usually full and most or all of the on-street parking is in use during the daytime. Resident parking permits are required for use of on-street spaces and violators are routinely ticketed. The feasibility analysis for a potential parking structure in the previous section of the Report on market trends for parking illustrates that parking demand continues to exceed the supply despite the negative impact they have on the visual appearance of the neighborhoods.

Level of Unemployment:

The 7th Street/McClymonds Corridor Neighborhood Improvement Initiative Report provides an excellent overview of the general level of unemployment in West Oakland. More focused data on the Study Area is not available. The statistics on the high level of unemployment are sobering. Only 41 percent of residents participate in the work force, as compared with 65 percent for the rest of Alameda County. Sixty percent of West Oakland public school students were from families on Aid for Dependent Children (AFDC). While the Port provides a large number of entry level and skilled jobs (approximately 6,000), more workers come from San Francisco than they do from Oakland. The Postal

Service Distribution Center is the second largest employer, with approximately 4,000 jobs. However, closure of the Army Base has significantly decreased employment activity within the region and it will be a number of years before re-use plans are implemented.

Lack of Area-Serving Amenities and Services:

A strong theme of discussion led by participants in the first Community Workshop was the lack of area-serving amenities and services. The public schools and the streets provide the only real open space in the area. The new Mandela Parkway will include a wide, landscaped median. A community park is planned for the northeast corner of the Parkway at 8th Street. In addition, a small linear park is under construction at the edge of the new I-880 freeway along 3rd Street in the South Prescott neighborhood. There are a few public service storefront spaces in Slim Jenkin's Court, on both the 7th and Willow Street frontages. There also are a number of churches that serve as the centers of much of the life of the community. In the visioning portion of the first Community Workshop, one of the strongest themes was the request for community meeting space.

Perceptions about Crime and Economic Disinvestment:

As has been mentioned throughout the Existing Conditions section of the Report, there is a continuing perception that West Oakland is unsafe, especially in the news media. For example, a recent article in the national report section of the New York Times (Tuesday, August 8, 2000) perpetuates the long-standing image of Oakland's second tier status. "The fact that Oakland has become so popular, already facing the same space shortage, skyrocketing rents and gentrification battles that plague the rest of the San Francisco Bay Area, is an extraordinary testament to the new economy." The article continues to play the old stereotypes while writing of the growth that is occurring. "Oakland still has a lot of its old problems too. Its crime rate, which has been dropping steadily, recently took an upturn. Poverty and homelessness, drug dealing and AIDS, all plague the city. And now, there are the new worries: skyrocketing rents, the condemnation of old buildings that have given refuge to the very poor and a growing sense of uneasiness on the part of many longtime residents, many of them African-Americans, that their city is now for sale." Many of the references and examples in the article, including an accompanying photograph, draw upon issues that are centered in West Oakland.

Clearly, such perceptions die hard, especially within the establishment culture and economy at large. The Study Area, as a part of West Oakland, will continue for some time to be seen as a high risk place for reinvestment. In terms of development financing, this perception probably will mean higher lending costs, at least until some of the early projects have a chance to prove themselves in the marketplace. The fact that OHA is in a position through the HOPE VI grant to provide public reinvestment in a critical new housing development, Mandela Gateway, provides a critical catalyst for change. Other public agencies within the city and public/private partnerships, such as Bank of America and the William and Flora Hewlett Foundation, also are committed to directing additional reinvestment funding to the area.

Multi-Jurisdictional Interests:

Another deficiency or difficulty, in terms of long-term planning, is the number of separate, relatively autonomous agencies and governmental departments that have jurisdictional interests affecting the Study Area. The coordination between the three agencies sponsoring the Transit Village Study stands as an example of the positive results that come from a multi-agency approach to the planning and development of such an area. To be effective, the development of a transit village around the BART Station will require continued close coordination, so that initial projects do not preclude certain critical future development opportunities.

An overview of agencies and departments with special interests in the Study Area is provided as follows:

(1) State of California Department of Transportation (Caltrans):

As discussed elsewhere in the Report, Caltrans currently owns two of the large properties in the Study Area that were part of the old Cypress Freeway right-of-way. These properties are critical to the transit village strategy and negotiations must address Caltrans criteria for acquisition. In addition, the street right-of-way in the vicinity of 5th and Union Streets is subject to Caltrans' review as part of the I-880 freeway access infrastructure.

(2) San Francisco Bay Area Rapid Transit District (BART):

BART has very specific interests in maintaining and operating the West Oakland Station as part of the overall regional transit system. In addition, it has been pursuing joint development opportunities that would make the station and the area around it more attractive for transit use. In particular, opportunities to meet parking demand for the station are limited. Without careful and creative coordination, new parking facilities in the area could have a negative impact on transit village development character. On the other hand, maintaining a critical level of parking, in addition to improved bus service, is necessary to attract BART patrons.

(3) Alameda/Contra Costa Transit District (AC Transit):

AC Transit provides bus service for all of Alameda County and has established criteria for working with local and county public works agencies as well as with BART. They must be included in all discussions regarding issues and design consideration that affect bus access as well as goals and objectives for levels of service to be maintained or improved.

(4) Port of Oakland:

The Port and the railroad companies have special interests in areas such as West Oakland, including the transit village study area, since they are adjacent to their service facilities. In particular, street access to the Port attracts truck traffic that, without intervention, impacts connecting arterials such as 7th Street. Land use decisions, including those being made for reuse of the Army Base, should have some level of coordination with the planning and development of the West Oakland transit village as an opportunity to greatly increase regional access.

(5) United States Postal Service:

The U.S. Postal Service facility occupies almost the entire southwest quadrant of the Transit Village Study Area and is a receiving and distribution center serving a large portion of the East Bay. In addition to several large service yards for postal vehicles, the facility includes a multi-level parking structure for its more than 4,000 employees. The Postal Service has special interests in maintaining access for the numerous trucks that serve the facility and, as mentioned elsewhere in the report, has a lease with Caltrans to use the property on 7th Street between Union and Kirkham Streets as a training area for drivers.

(6) Oakland Housing Authority (OHA):

OHA administers federal public housing, Section 8 leased housing, and other housing programs in the city of Oakland. It owns and maintains several properties in and adjacent to the Study Area, including Westwood Gardens and Peralta Villas. OHA's redevelopment plans for Westwood Gardens have been designed to support and attract additional transit village development in the area adjacent to the BART Station.

(7) City of Oakland (CEDA and PWA):

The City's Public Works Agency (PWA) administers and designs the public area improvement projects designated for the Study Area. The Community and Economic Development Agency (CEDA) addresses housing and community development, as well as long-range planning and zoning issues that affect the area.

3. Established Community Groups, Organizations and Core Issues

Alliance for West Oakland Development:

The Alliance for West Oakland Development (The Alliance) is a non-profit organization comprised of the Mandela Village Planning Team (TMVPT), the Federation of African-American Contractors (FAAC) and the Coalition for West Oakland Revitalization (CWOR). Some of the leaders in these groups have been active in several or all of the major West Oakland organizations at one time or another. Several are members of the Executive Advisory Board of the Alliance.

In the fall of 1999, Bank of America's Community Development Banking division formed a partnership with a coalition of West Oakland community groups, led by The Alliance, to "initiate, promote and facilitate economic development opportunities and private redevelopment of West Oakland neighborhoods." A stated, major priority of The Alliance is "to promote employment opportunities, small business development and housing opportunities for West Oakland residents." With funding from the Bank, the partnership has purchased the large property at the southeast corner of 5th Street and Mandela Parkway that formerly was owned by Union Pacific RR. The Alliance now operates a 400 space, for-pay, surface parking facility on the property and negotiations are underway to find a tenant to operate a cafe in the existing shed building. Longer-term plans for the property include a large rental housing development project.

CWOR:

The Coalition for West Oakland Revitalization (CWOR) has been in existence for approximately seven years and, according to one of its spokesmen, has long-promoted the idea of a transit village at the West Oakland BART Station through its community-based planning efforts. CWOR was a central participant in the 1994 West Oakland Visions and Strategies report, which contains a very useful overview of the history and character of West Oakland neighborhoods as well as a discussion of community organizations at that time. Today, CWOR and a number of other community organizations, as discussed above, function as part of an umbrella organization led by The Alliance.

7th Street /McClymonds Initiative Board:

The 7th Street/McClymonds Initiative Board has recently been formed to administer an approximately grant in the order of \$700,000 a year from the William and Flora Hewlett Foundation. The six-year grant provides implementation funds for a Community Plan which is "the product of an intensive, neighborhood-based Community Planning effort to develop a multifaceted, integrated approach for the revitalization of the 7th Street/McClymonds Corridor area in West Oakland, California." The corridor area, whose population is estimated at approximately 14,000, includes seven of the eight distinct neighborhoods that comprise West Oakland. Plan Actions are developed in the Initiative's Report, which has been cited numerous times. The stated vision of the Initiative provides insight into the nature of the Plan:

"We seek to recognize and build off the powerful history and culture of West Oakland, especially in its relation to the contribution of African Americans. We also celebrate our current diversity as West Oakland enters the 21st Century. We work in recognition of the technological and political realities facing our community and of the availability of those tools to help uplift our neighborhoods. In this context, we are working to bring about a West Oakland that is beautiful, safe, and interconnected. A place where it is exciting to live, work, learn and grow old. We are also working to strengthen the economic, environmental, physical, emotional, spiritual, and intellectual health of West Oakland Residents."

The newly appointed Initiative Board is in the process of setting priorities for future projects, many of which are focused on education, job training, and the development of high-priority community service facilities. While maintaining affordable income housing is a recognized community goal for the Initiative, at present funds are not being considered to assist in building new housing units. However, on-going coordination with the Initiative Board will be an important part of any planning and project development effort for the Study Area and for West Oakland.

4. Feedback from Community Workshops

Two Community Workshops were held as part of the planning process for the West Oakland Transit Village Study: one on December 13, 1999, and the other on March 9, 2000. A summary of the highlights provided by community participants follows.

First Community Workshop (December 13, 1999):

The following comments were made by individual participants at the First Community Workshop as part of a community input process to establish a wish list of preferences and to identify Study Area deficiencies:

- ♦ The Postal Service training site is the first preference for a start-up development project.
- ♦ Preferred uses include commercial activities such as those that would be BART/neighborhood-serving, flexible retail and entertainment/cultural uses, with housing as a next preference.
- ♦ Housing should be lower density with an emphasis on ownership while integrating low and moderate-income households, seniors, disabled, and families.
- ♦ All projects should be developed as part of a "master plan," which would be known as the "Mandela Transit Village."
- ♦ Plan features should include height limits of 3-4 stories, open space and parks, landscaping, underground parking, a school, a library, a pool, recreational space, a large community center and gated communities.
- ♦ West Oakland cultural history should be reflected in the design of open space, market areas, restaurants, music, and other included elements.
- ♦ A more pedestrian-oriented district is highly desirable with trucks diverted around the area, audible signals at signalized crossings, well-maintained street landscaping and relocation of the diesel gas station (located on the southeast corner of 7th Street and Mandlea Parkway).

- ♦ BART parking should be kept and increased and the station area should include bike parking. Other comments about parking included a desire for underground structures or parking garages with public restrooms. A fee for BART parking was seen as a way to help fund local community improvements.
- ♦ Other wishes included the provision of programs to train and prepare youth and to prepare them for employment, along with outreach programs for residents.

Second Community Workshop (March 9, 2000):

The recorded, individual responses received at the second Community Workshop were reactions to a presentation of development concepts designed to be sensitive to input received at the first Community Workshop. They are summarized as follows:

- ♦ General comfort with the scale and massing of development programmed for each of the opportunity sites as illustrated by pictures of comparable development in the Bay Area
- ♦ Concern for noise impacts from the overhead BART tracks, which residents cite as a general problem for the area and which caused a number of speakers to question the wisdom of recommending residential joint development for the BART Station property
- ♦ Strong recommendation by members of The Alliance that the retail development be orchestrated according to a Pan-African based theme and a general concern that there isn't an African identity represented in public art and design guidelines for private development.
- ♦ Desire for public input into the market study to question the consultant's assumptions and methodology that result in identification of the low, short-term demand for new retail space
- ♦ Interest in knowing how the West Oakland transit village will be different from the history of the Fillmore District in San Francisco and what is being done to prevent displacement of current residents
- ♦ Desire to incorporate a police substation into the plan
- ♦ Desire to make the Port of Oakland a part of the process
- ♦ Concern that there be a proposal to move more trucking and container operations out of the immediate area and to reduce truck traffic through the Study Area
- ♦ Interest in making new development compatible with the Victorian fabric that currently exists throughout many parts of the Study Area and West Oakland
- ♦ Interest in seeing more detail on future design of development at the intersection of 5th Street and Mandela Parkway

- ♦ Red Star Yeast requested more definition regarding the future of their property on 5th Street between Mandela Parkway and Kirkham Street. Community participants want Red Star Yeast to be treated fairly, but moved out of the Study Area
- ♦ Interest in knowing the recommendation for the block along Mandela Parkway between 5th and 3rd Streets (Cable Moore, CA Soda, etc.); the block once was all residential in use
- ♦ Emphasis should be on home ownership
- ♦ Interest in seeing more retail development in the plan
- ♦ Additional comment by one individual questioning the wisdom of not exploring higher density development for housing adjacent to the BART Station
- ♦ Must have senior and disabled housing in the plan; it cannot be excluded
- ♦ Opportunity Site 1 (OS-1) should include townhomes, split level units with an emphasis on owner ship; higher-end housing also should be included as part of a mixed-income program
- ♦ An offer by The Alliance to "swap" the Union Pacific railroad property for the BART Station Property as part of a joint development agreement

Most of the feedback received at the Second Community Workshop was focused on implementation requirements of the development concepts being presented, with certain important modifications. The requested modifications echo consistent themes from the First Workshop and are addressed throughout the Report document. These themes are outlined as:

- ♦ housing affordability;
- ♦ a mix of unit types;
- ♦ mixed-income developments;
- ♦ more retail development;
- ♦ reduced truck traffic; and
- ♦ elimination of industrial noise and pollution.

5. Summary of Prior studies and Approved Plans

There have been numerous studies and plans developed for all or portions of West Oakland. At present, there are a growing number of public actions that, in the context of a strong private sector market, are beginning to bring change to the area. This Report's Recommendations build upon many of the previous studies and planned projects to orchestrate the implementation of both public and private development improvements to create a transit village at the West Oakland BART Station (Exhibit 5).

**SUMMARY OF MAJOR INITIATIVES AND STRATEGIES IN OTHER
PLANS WITH RELEVANCY TO THE WEST OAKLAND TRANSIT
VILLAGE STUDY AREA**

Over the past several years, there have been a number of studies and initiatives, which proposed various types of development within West Oakland. The following summarizes the major initiatives and strategies, which have an impact on the West Oakland Transit Village Study Area.

PLAN/STUDY	PROPOSED ACTIVITY/PROJECT	STATUS
Mandela Gateway HOPE VI Application May 1999	• 143 Units of Rental Housing • 19 Single Family Residents • 10,000 sq. ft of Retail Space • 4,000 sq. ft of Community Space •	Project is in the early phases of site acquisition and feasibility analysis
Mandela Village Site Selection, Market and Feasibility Study March 1999	• 10,000 sq. ft. Cultural Arts Facility • 6,000 sq. ft. Open Air Market • 15,000 to 25,000 sq. ft. Retail & Other Space • 15,000 sq. ft Day Care • 10,000 sq. ft Service Uses/Small Retail • 1,400 space Parking Structure	Project is in the early phases of site acquisition and feasibility analysis
7 th Street/McClymonds Corridor Neighborhood Improvement Initiative May 1999	Discusses support for Westwood Gardens Supports 40 mixed income units in West Oakland By 2001, proposes that a long-term housing strategy regarding rental conversion to ownership be developed.	Draft Plan completed. Implementation and refinements are underway
Acorn Prescott Neighborhood Transportation Plan December 1998	Recommends a number of Street Improvements for 8 th Street and for the intersections of 7 th and Mandela Pkwy. and 8 th and Peralta St.	Plan is in the process of being implemented by Public Works Dept.
Draft West Oakland 2000 Transportation & Economic Development Study July 1999	Identifies the West Oakland BART Station and four opportunity sites (Caltrans Parking Lot, Caltrans Kirkham St lot, UP Site at 5 th Street and UP Site at 3 rd St.) for potential inclusion in Transit Village rezoning.	A draft of the Study has been presented to Council
Envision Oakland -- Land Use and Transportation Element of the General Plan February 1998	West Oakland BART Station is mentioned as a Future "transit village" South Prescott Neighborhood is designated for creation of performance based zoning	Both the West Oakland Transit Village Study and West Oakland Rezoning Study are underway.
Oakland Army Base Reuse Plan July 1998	No specific development recommendations for the Transit Village Study Area	Final Plan is being implemented.

A chronological, annotated listing of recent studies and plans affecting the Study Area is provided for purposes of reference:

- ♦ West Oakland Visions and Strategies, Phase I Report--"A Community Plan," prepared for the Coalition for West Oakland Revitalization, May 31, 1994.

An important attempt to identify and discuss revitalization opportunities and issues, including special issues such as the Army Base conversion and gentrification. The goals and strategies outlined have carried through to several subsequent planning efforts, including the 7th Street/McClymonds Initiative. In addition, the document is a valuable summary resource for West Oakland history.

- ♦ Mandela Parkway Corridor Plan: A Vision and Strategy Plan for the Former Cypress Freeway Corridor, prepared for CEDA, Strategic Planning Division, adopted April 1997.

A concept document documenting a two year planning process by City staff and an appointed Community Advisory Committee to establish a conceptual plan for working with CalTrans to determine the appropriate method for disposition of the Cypress Freeway right-of-way and other nearby surplus properties. In addition, the plan provides a framework for future improvement of the old freeway corridor.

- ♦ Mandela Parkway Corridor Plan: Landscape Guidelines for the Former Cypress Freeway Corridor, prepared for by Amphion Environmental Inc. for CEDA, February 1998.

Developed as part of the implementation of the Mandela Parkway Corridor Plan, the guidelines establish a design vision and conceptual program of improvements that include pedestrian and bicycle access trails, accommodation of the regional Bay Trail, and general circulation improvements for the area. The document is useful as a guide to the role that the Parkway may play in the future of this part of the City.

- ♦ Acorn/Prescott Neighborhood Transportation Plan, December 1999.

This report, developed through a six-month design process, provides an important overview of public area improvement needs and identified projects for the two West Oakland neighborhoods. The improvement projects include streetscape and pedestrian enhancements, AC Transit service improvement concepts and a description of a potential shuttle service. Program statements and order of magnitude cost figures are provided for each project for budget planning purposes.

- ♦ Focused Impact Studies for the Amtrak Kirkham Street Maintenance Facility, prepared for the City

of Oakland Planning Department by Dowling Associates, Inc., March 23, 1999 (amended final report).

The document provides a description and analysis of a future rail service facility planned for a large site immediately adjacent to the south edge of the Transit Village Study Area. While not a full environmental impact report (EIR), the report provides a description and analysis of identified major impacts on traffic, noise, and air quality which may impact the Study Area and other adjacent parts of the City.

- ◆ Envision Oakland, Land Use and Transportation Element of the Oakland General Plan, Adopted March 24, 1998.

As an updated portion of the City General Plan, the document contains valuable recent resource information on the West Oakland Area.

- ◆ Draft Final Reuse Plan for the Oakland Army Base for the Oakland Base Reuse Authority, July 27, 1998.

Like the General Plan Update, this is a technical planning document prepared by the designated local redevelopment authority for the transfer of a federally owned property to the City. It contains a great deal of useful information about the Base and surrounding uses, including a visionary program of potential future uses based on extensive, organized community outreach with the appointed West Oakland Community Advisory Group (WOCAG) its ancillary committee. The document is particularly valuable for its strong economic and community development approach. While much of the information in the report document is not directly specific to West Oakland, it is useful to the Transit Village Study for the overview it provided of the potential dynamic that may become an immediately accessible resource to that part of the City.

- ◆ Mandela Village Feasibility Study, prepared by Community Economic Redevelopment Corporation for The Alliance, March 1999.

The Study provides a recent and thorough economic market analysis focused on the West Oakland area.

- ◆ 7th Street/McClymonds Corridor Neighborhood Improvement Initiative, for the William and Flora Hewlett Foundation by Bay Area Economics and the San Francisco Foundation, May 24, 1999.

A thorough policy and economic planning document developed to meet budgetary planning requirements of the newly established community partnership with the Hewlett Foundation. It contains an excellent analysis of existing social and economic conditions in West Oakland and establishes a set of goals and objectives to guide Board members in funding future programs and projects in West Oakland.

- ◆ Mandela Gateway: Application to the U.S. Department of Housing and Urban Development for the Revitalization of Westwood Gardens under the Hope VI Program, OHA, May 27, 1999.

The document was prepared as part of OHA's successful funding request to HUD for the HOPE VI grant, which was awarded in the summer of 1999. In addition to a detailed description of the proposed Mandela Gateway project, the grant request document contains a useful overview of housing conditions and opportunities directly applicable to the the Transit Village Study Area.

- ♦ Vision 2000, Port of Oakland Master Plan, 1999.

The Plan provides a good introductory overview of future land use activities for the huge industrial area that immediately impacts West Oakland, including truck and service access, air quality, noise and jobs.

An informational report on West Oakland projects, dated June 22, 1999, and addressed to the Office of the City Manager from CEDA provides a very useful summary description of current projects and is included as an appendix to the Report.

D. COMMUNITY VISION

1. Community Workshops

The community vision for the Transit Village Study Area that emerges from the two Community Workshops is consistent with many of the ideas that have been developed over the approximately ten year period since the demolition of the Cypress Freeway. It is a vision that has informed the concept development plan described by this Report and whose characteristics are summarized as follows:

- ♦ New development that provides mixed-income housing for a diverse range of tenants including existing residents;
- ♦ A scale and height for new development that is consistent with the existing character of the older homes in the neighborhoods;
- ♦ New development that better integrates BART and other transportation infrastructure into a coherent district;
- ♦ Revitalization of the 7th Street corridor with ground floor commercial activity, especially conveniently located, neighborhood serving retail and entertainment oriented businesses;
- ♦ More green space for community uses, including street tree planting, site landscaping and parks;
- ♦ A clearly identifiable image or identity for the BART Station Area;
- ♦ Neighborhoods that are free of industrial noise, truck traffic and pollution; and
- ♦ Changes that do not displace existing residents.

2. Review of Current Actions

Many of the prior studies and findings, as summarized in this Report, have documented the types of projects and reinvestments that are needed to achieve some version of this community vision for the West Oakland Study Area. In particular, a number of public area improvement projects have been identified by the Acorn Prescott Neighborhood Transportation Plan, and several have been funded through a major MTC LTC grant, as discussed below. The Board of West Oakland community representatives who will administer the Hewlett Foundation grant for the 7th Street/McClymonds Corridor Neighborhood Improvement Initiative has begun to identify projects for funding, many of which serve the social and economic interests of the community's vision for the Study Area. Finally, the City has revised the General Plan and Zoning Ordinance to bring land uses more into conformance with neighborhood interests, to reduce the negative impacts of adjacent industrial operations and uses and to promote transit oriented development.

E. REVIEW OF FUNDED, ONGOING OR PENDING PROJECTS

Funded public area improvement projects are shown on the accompanying figure 9.

1. METROPOLITAN TRANSPORTATION COMMISSION (MTC) - FUNDED STREETSCAPES

The Study Area includes several public area streetscape improvement projects that have been identified by the Acorn Prescott Neighborhood Transportation Plan, together with cost figures and funding recommendations. These projects are supportive of transit village development and activity and, given the 1.7 million dollar MTC administered TLC (Transportation for Livable Communities) grant for the Acorn Prescott neighborhood improvements, can be expected to be implemented in the near future. The design themes and streetscape goals identified in the Acorn Prescott Plan should be coordinated with recommended improvements in the Transit Village Area. For reference, these projects are described briefly below as represented in the Transportation Plan report, together with the Transportation Plan project number:

- (1.1) 8th Street through the Acorn Neighborhood (Mandela Parkway to Market Street): The project, which has been funded as part of the 1.7 million dollar MTC TLC grant, provides streetscape improvements for new sidewalks and accent paving, street trees in tree wells with decorative grates, new decorative light fixtures, intersection "bulb-outs" with special landscaping, ADA access ramps and accent crosswalks, designated on-street parking and bike path on one side of the street, and re-striping of the roadway. (Transportation Plan Project #3)
- (1.2) 8th Street through the Prescott Neighborhood (west of Mandela Parkway to Pine Street): The project, which has been funded as part of the 1.7 million dollar MTC TLC grant, is comparable to that for 8th Street east of the Parkway but takes advantage of the wider existing treelawns for a consistently strong pattern of street trees and ground cover, together with new sidewalks and accent paving, intersection "bulb-outs" with landscaping, decorative light fixtures and ADA ramp and crosswalks. On-street parking would remain on both sides of the street (Transportation Plan #10)

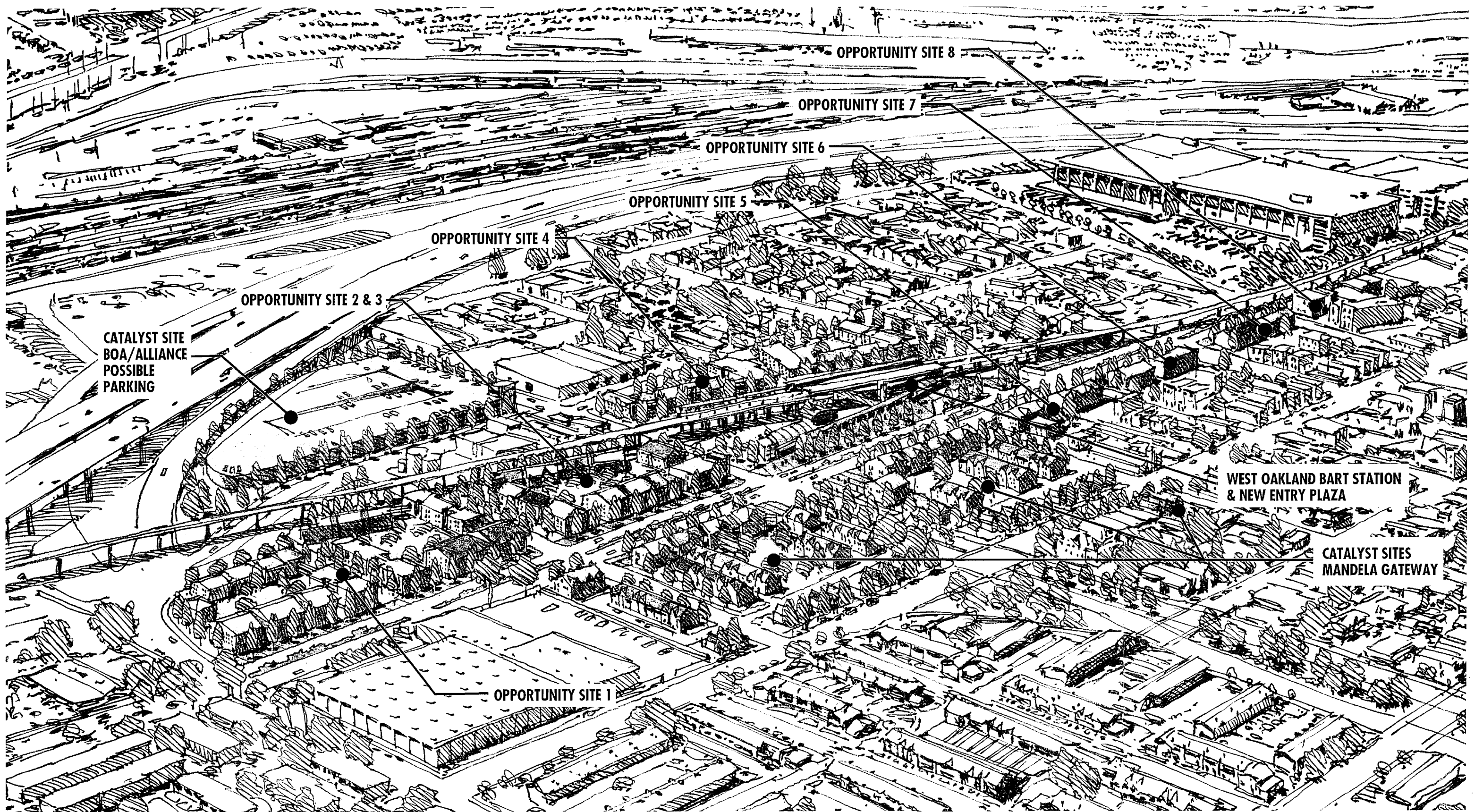


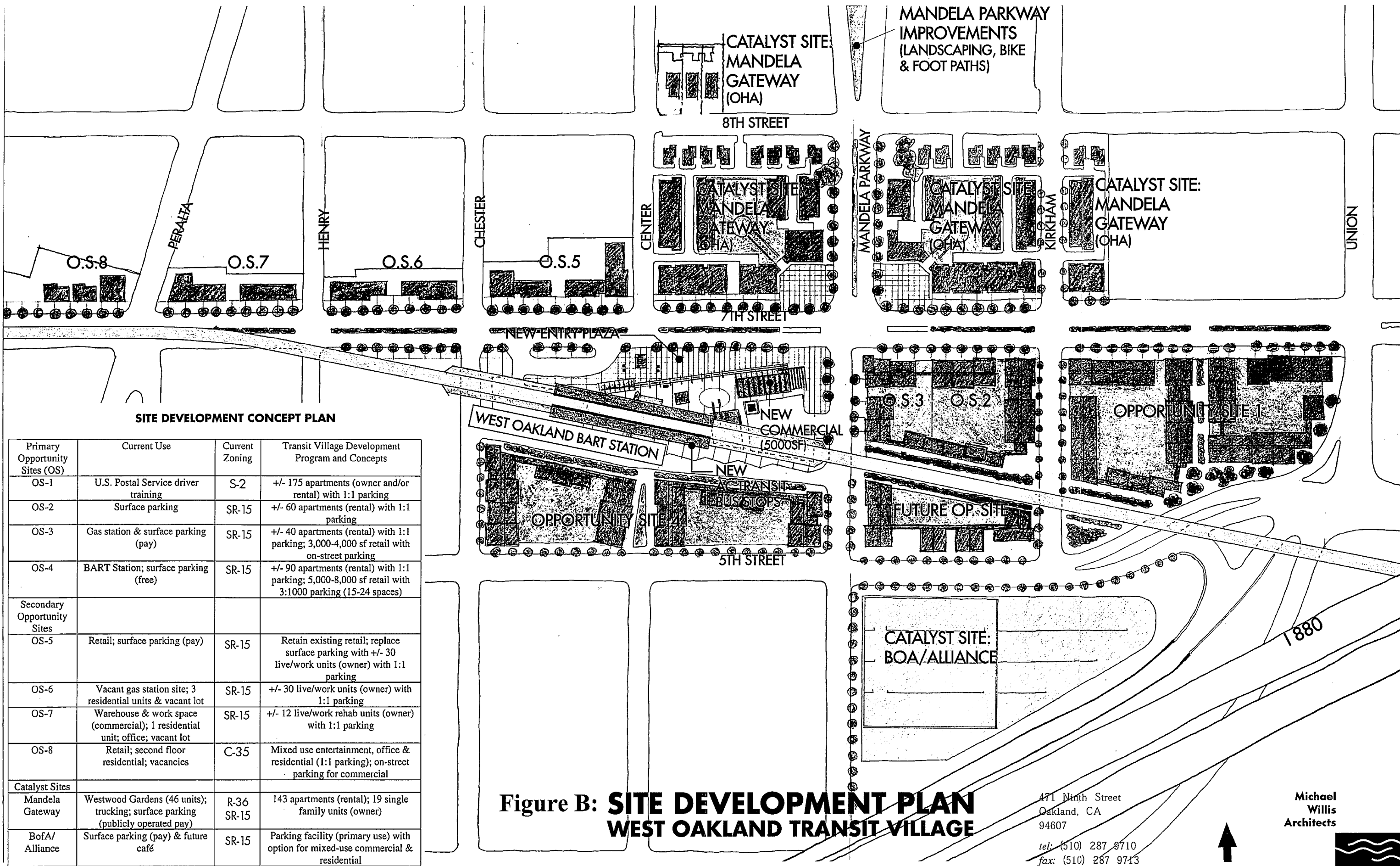
Figure A: **CONCEPTUAL TRANSIT VILLAGE CENTER
WEST OAKLAND TRANSIT VILLAGE**

471 Ninth Street
Oakland, CA
94607

tel: (510) 287 9710
fax: (510) 287 9713

Michael
Willis
Architects





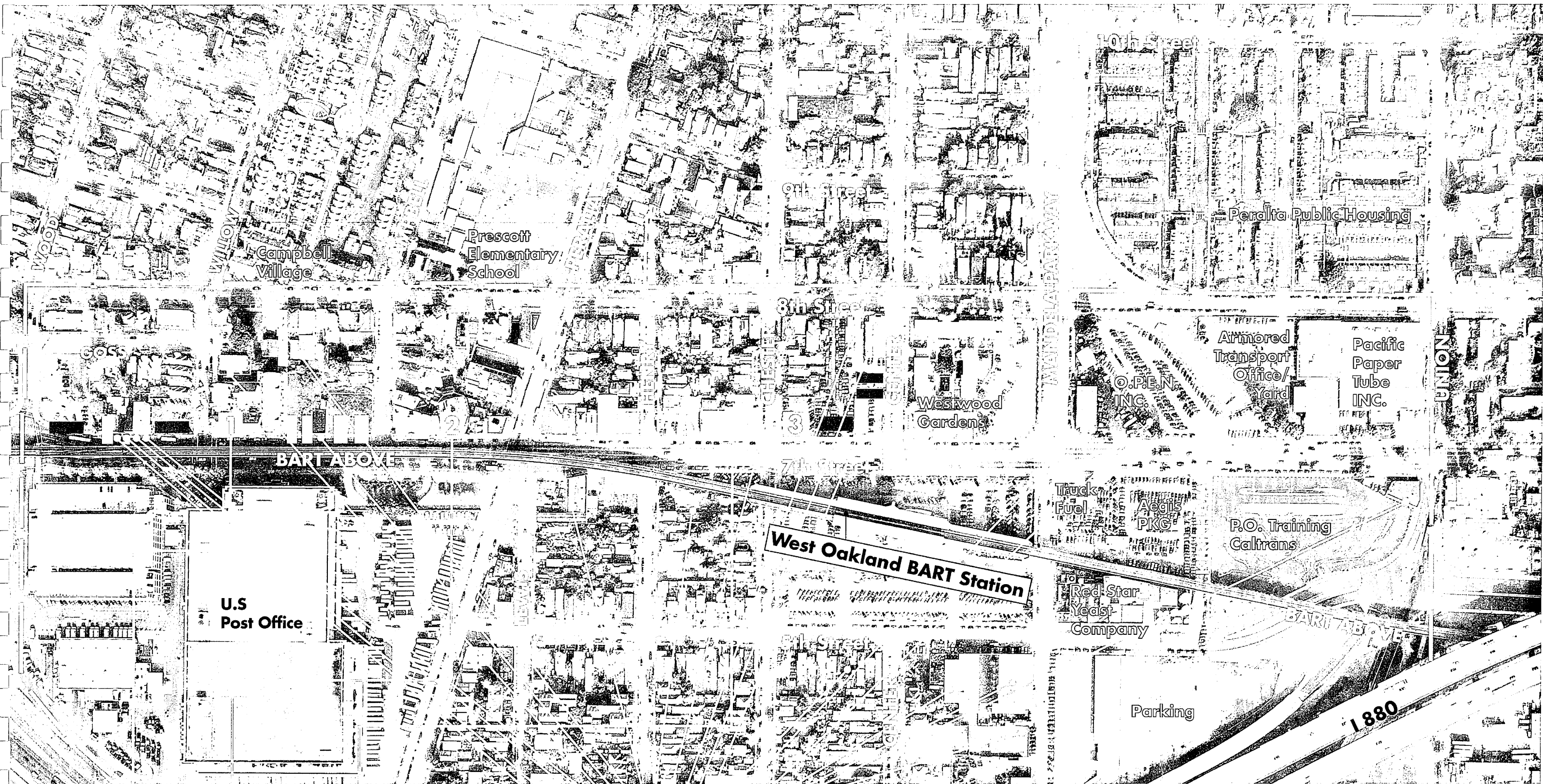


Figure 2: **EXISTING CONDITIONS**
WEST OAKLAND TRANSIT VILLAGE

471 Ninth Street
Oakland, CA
94607

tel: (510) 287 9710
fax: (510) 287 9713

Michael
Willis
Architects



- Slim Jenkins
- Ground Floor
- Willow Head Start
- Good will job Placement
- Canton City Restaurant (Corner at Willow)
- Luck Lequinn Property
- Corner Peralta to Campbell Street
- J & A Bargain Center
- Vacant
- Residential over Closed
- Vacant (Performance Space)
- World Videos (1634)
- Vacant
- Multiple Tenant
- T.H.CO. Glass
- El Blanco Restaurant
- Salvadorean / Mexican Food
- Expressions Barber & Beauty
- Note: No ground floor commercial Henry to Peralta Closed store fronts to Residential
- Barn Restaurant & Catering
- Esters Liquors & Orbit Room "Breakfast Club"
- Res. - Ground, Storage
- State Liquors/Res.
- West Side Church
- Western Workers Service Assoc.
- Boys / Girls Club
- Private School
- BART
- Jubilee West
- Coopers
- Zions 1st Church of God
- Kays Donuts & Subs
- Automotive Service
- J & A Trucking
- Oakland, People, Elmwood, Neighborhood (O.P.E.N. INC.)
- Cable Moore
- California Soda
- Buss Automotive Parts
- BART
- Cable Moore

PARKING
VACANT
RESIDENTIAL
INDUSTRIAL



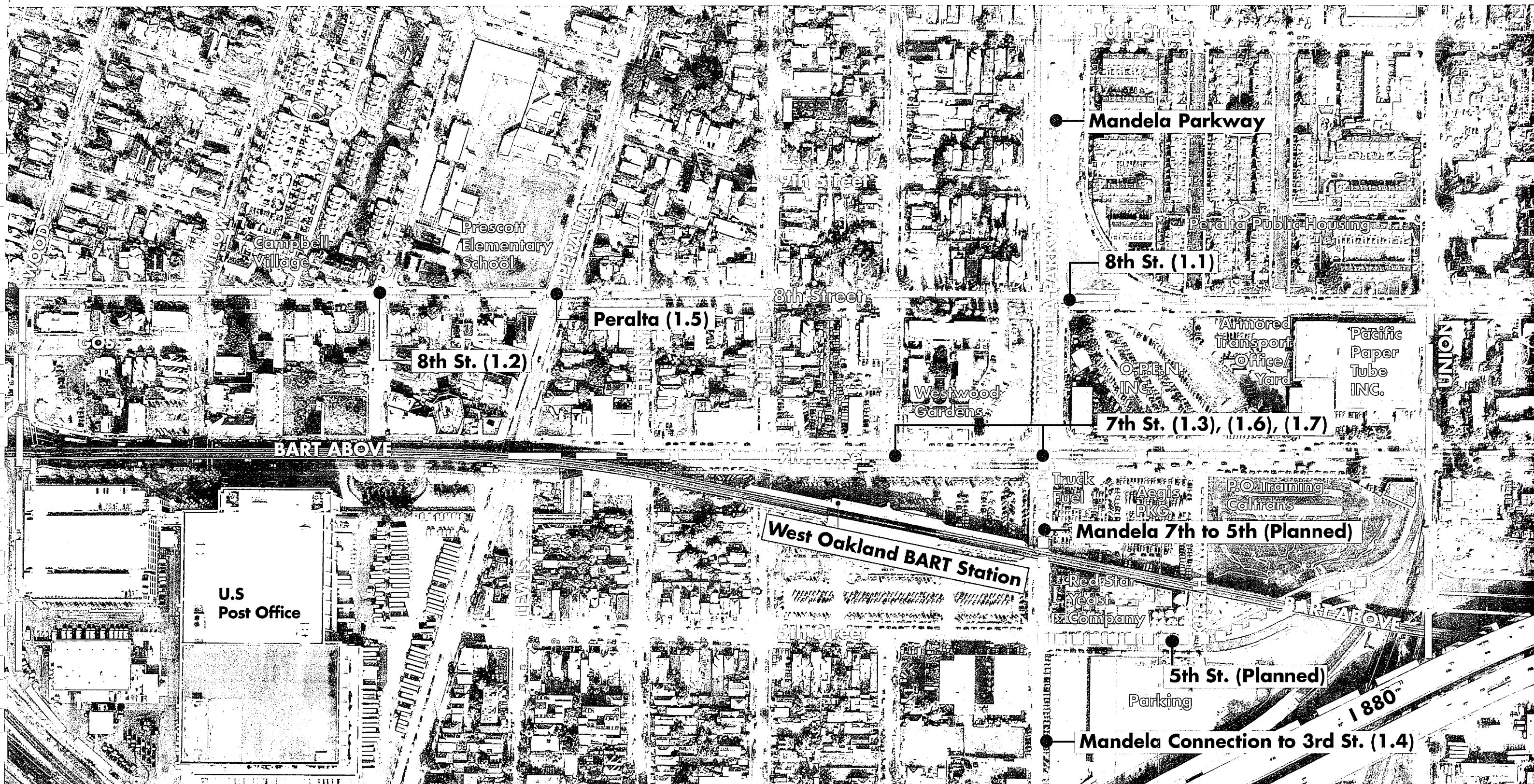


Figure 9: **PROPOSED PUBLIC AREA IMPROVEMENTS**

471 Ninth Street
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94607

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fax: (510) 287 9713

Michael
Willis
Architects



- (1.3) 7th and Center Street Intersection Pedestrian Improvements (Plan Project#6): The project, which has been funded as part of the 1.7 million dollar MTC TLC grant, creates improved pedestrian amenities for the intersection area, including new sidewalk and accent paving, "bulb-outs" and landscaping at the street corners to provide increased areas for people to gather and wait, ADA ramp and accent crosswalks, and new striping for on-street parking spaces. The Transportation Plan also identifies new commercial and mixed-use, private sector development for the corner properties which are opportunities discussed in detail in the Transit Village Report.
- (1.4) Bike Path Extension from Jack London Square to Mandela Parkway (Transportation Plan Project #8): The connection is an important part of the City's Bikeway Master Plan (see discussion in following section on Transportation Infrastructure) and includes painted bike lanes and bikeway signage, new sidewalks. Cost figures are not provided for additional recommended elements associated with but not necessary to the bikeway extension. These elements include new sidewalks, decorative light fixtures, ADA ramps and painted crosswalks, and repaving and striping of the roadway. As noted below, the bikeway connection is part of the funded project connecting Mandela Parkway to 3rd Street, which currently is in design with construction anticipated by late 2000 or spring 2001.
- (1.5) 8th Street Residential Intersections at Peralta Street (Transportation Plan Project #9): Cost figures developed for this critical intersection, which is immediately adjacent to the Prescott Elementary School, are also applicable to other intersections within the Study Area that are identified as including 8th and Chester and 8th and Willow Streets. Improvements, which have been funded as part of the 1.7 million dollar MTC TLC grant, include new sidewalks and accent paving, street trees, decorative light fixtures, intersection "bulb-outs" with landscaping and ADA ramp and accent crosswalks.
- (1.6) Bus Stops and Shuttle Stops (Transportation Plan Project #11): This project provides concepts for selective shelters individually designed to be integrated with new development frontage. A major stop along 7th Street in the vicinity of commercial uses is suggested.
- (1.7) 7th Street Commercial Corridor and Mandela Parkway Intersection: The Transportation Plan describes two projects, one for the corridor (Project #7) and one for the intersection (Project #12). Identified elements for the corridor plan include new sidewalk and accent paving, intersection "bulb-outs" with landscaping, decorative light fixtures with banners, street trees in tree wells with metal grates, ADA ramp and accent crosswalks and an ancillary program for facade improvements and mixed-use development. The intersection plan includes almost the same elements, adding gateway entry kiosks and eliminating intersection "bulb-outs."

The Transit Village Report identifies these two overlapping streetscape projects for the 7th Street corridor (#7 and #12) as being of critical importance in defining and revitalizing the Transit Village Center between Union and Peralta Streets.

2. Caltrans-Funded Improvements along Mandela Parkway

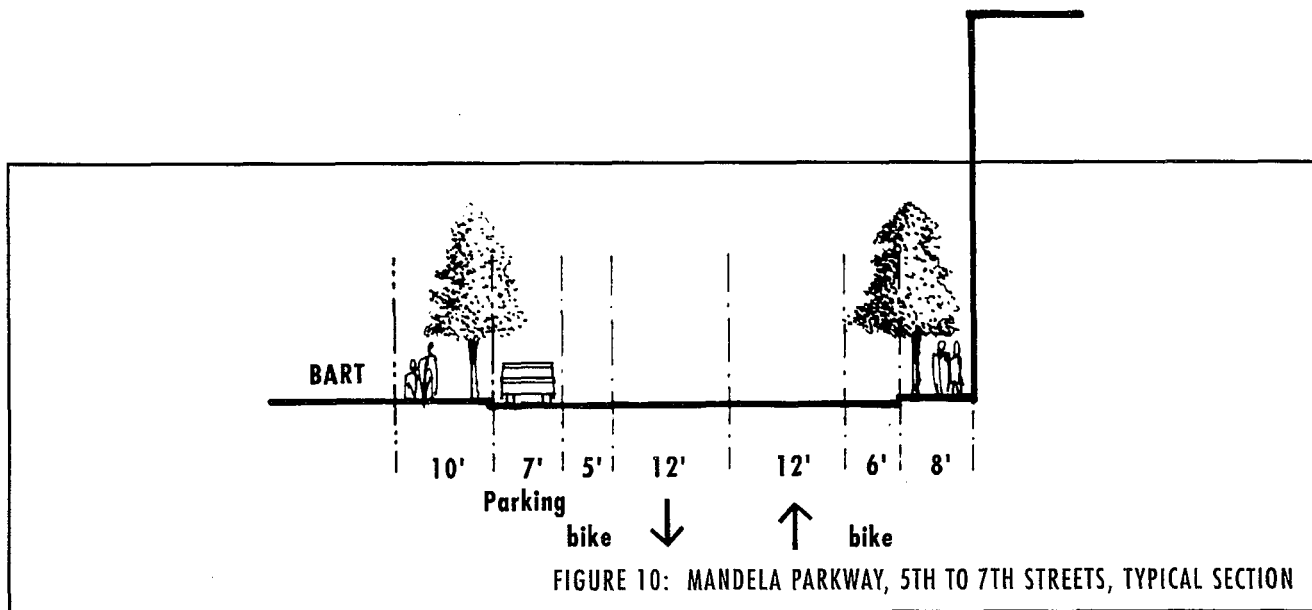
Mandela Parkway Landscape:

The project is the culmination of a series of studies following the collapse of the old Cypress Freeway that are documented by the Mandela Parkway Corridor Plan and the supplementary Landscape Guidelines. The new roadway has been constructed to 8th Street, connecting with the existing right-of-way to 7th Street. First-phase landscape improvements for Mandela Parkway to 7th Street are scheduled for the year 2000. Full frontage improvements for the block between 7th and 8th Streets will be part of the OHA's, Mandela Gateway project.

New Community Park at northeast corner of 8th Street and Mandela Parkway:

The roadway alignment for Mandela Parkway's connection to 7th Street leaves a triangular portion of the Caltrans right-of-way at the intersection with 8th Street. Through a community participation process, this parcel is being designed as a public-open space associated with the adjacent Peralta Housing development.

3. Mandela Parkway to Third Street Connection



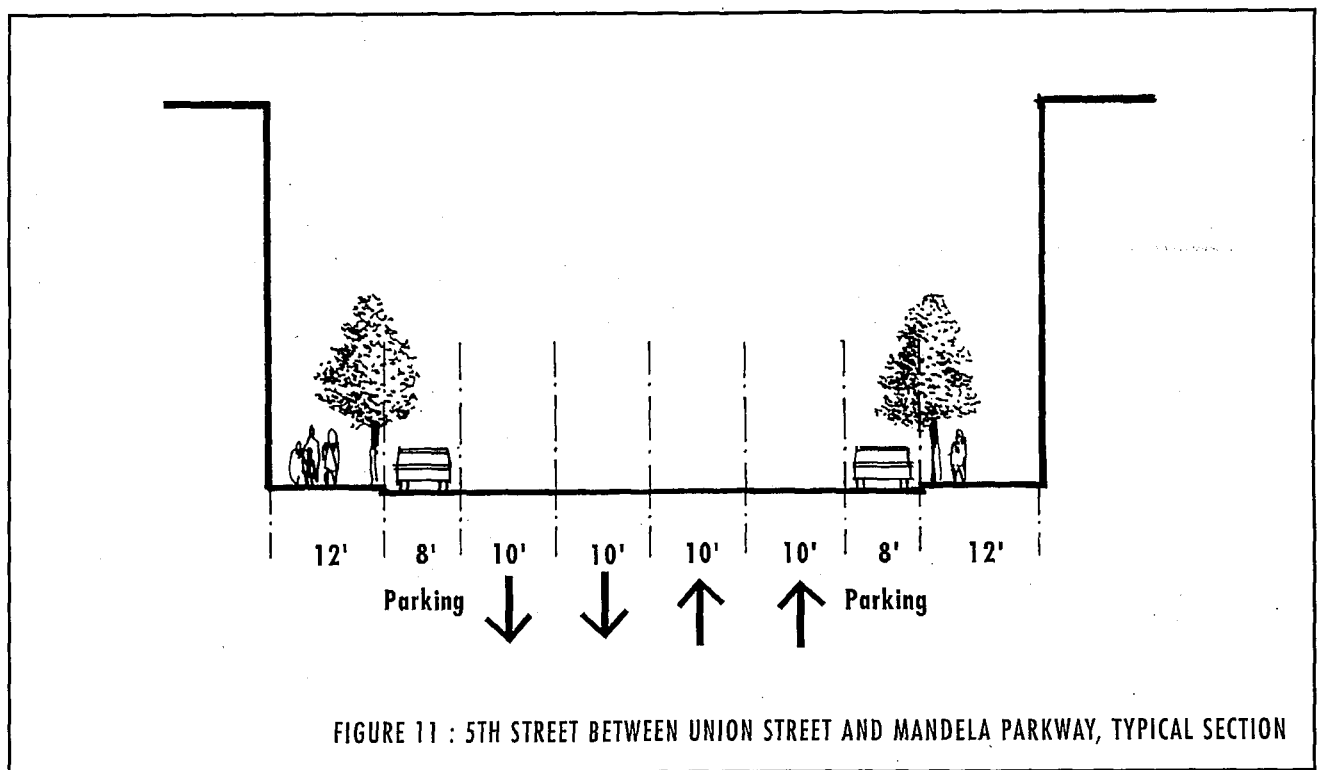
The project connecting Mandela Parkway to 3rd Street and the Jack London Square area is a funded Public Works project. A preliminary design has been completed, and construction drawings are in progress. As mentioned earlier in the Report, the project includes bike lanes. The new curved alignment will connect Mandela Parkway to the eastern portion of 3rd Street. There is no connection

to the western portion of 3rd Street, which will end in a new cul-de-sac. The project anticipates on-street parking only on the west side of Mandela between 5th and 7th Street; there will be no on-street parking between 5th and 3rd Street. The project includes construction of a new sidewalk on the east side of Mandela and bike lanes in both directions, funding permitting. For a typical section of Mandela Parkway between 5th and 7th Streets, as proposed by the City's Public Works Agency, see Figure 10.

4. 5th Street between Union Street and Mandela Parkway:

If the B of A/Alliance site is developed to include a large public parking structure, that property will play an important role as an entrance into and exit from the transit village and the BART Station.

Figure 11 shows a typical street section for this block. Because of the need for access to the parking facility, four lanes of traffic (two in each direction) are shown. However, if the BofA/Alliance site is developed with other uses, such as (residential) and a lower number of parking spaces are required, the number of lanes could be reduced and wider sidewalks or angled parking could be introduced. Assuming a 4 lane section, on-street parking is recommended for this block; however, on-street parking should be metered or restricted for resident permit use over 2 hours to discourage its use by commuters.



5. Alliance for W. Oakland/Bank of America Joint Venture

The site is currently owned and operated by the BofA/Alliance as a joint-venture, interim surface parking facility. It is identified as one of two Catalyst Sites in the Study Area. Longer-term plans for the site are being studied by BofA, as are other development opportunities in the Study Area and in other parts of West Oakland. In the short-term, the new parking facility, which is immediately adjacent to BART, provides secure and convenient parking for 400 cars. The strategic location of the site, together with the continuing BofA/Alliance partnership, promises to further the goals of a transit village development, making it a catalyst for the change that is envisioned for the Study Area.

6. Westwood Gardens HOPE VI Acquisitions

Having secured a HOPE VI funding grant from the U.S. Department Office of Housing and Urban Development (HUD), negotiations are underway by OHA to acquire the two additional properties along 7th Street that are identified for redevelopment as part of the proposed Mandela Gateway project. The Mandela Gateway project will frame the north side of the 7th Street and Mandela Parkway intersection across from the BART Station. The development concept, as described in the HOPE VI application, is to create a mixed-income, affordable housing complex that includes ground floor retail on 7th Street with landscaped open space visible at the corners of the intersection. The highly visible, transit accessible design of the new housing clearly will act as a catalyst to stimulate additional new housing and retail development on other sites around the BART Station, as envisioned by the Transit Village Report document.

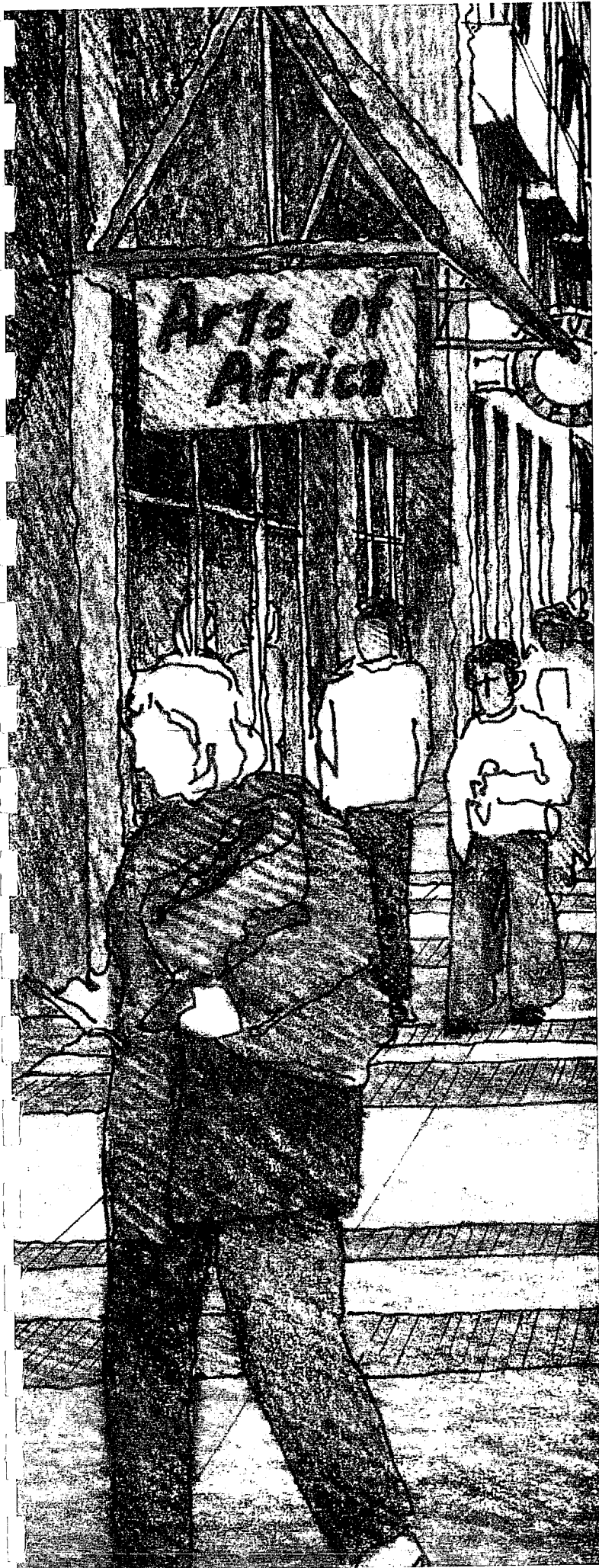
7. Port of Oakland or Oakland Base Re-use Authority (OBRA) Activities

The draft final Reuse Plan and EIR for the Oakland Army Base has been completed and proposals are being requested for programming of a number of the proposed projects.

8. Proposed new Amtrak Maintenance Facility

The proposed new Amtrak Kirkham Maintenance Facility is to be built on a generally triangular site of approximately 22 acre site, located near 3rd and Kirkham Streets immediately south of the Study Area. The project consists of a yard, shop facility, commissary, central service and inspection areas for Amtrak long-haul trains. Long-term storage will accommodate up to 8 trainsets for corridor services (each is 1 locomotive and 5 cars), up to 2 trainsets for long haul services (each is 2 locomotives and 14 cars), spare storage for 4 locomotives and 12 cars and 2 tracks to accommodate 2 locomotives and 14 cars for service and inspection. The project will include the construction of several structures totaling approximately 163,400 square feet on the site, including a main shop, a service and inspection building, a trainwasher building and a pump house.

The focused impact study was completed in March 1999. The project sponsor is Amtrak, which also is known as the National Railroad Passenger Corporation.



II. PROBLEM ASSESSMENTS AND OPPORTUNITIES

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Figure 1

2

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The discussion of existing conditions, described in Section I of the Report, sets the stage for an assessment of the major problems that must be solved as part of the revitalization of West Oakland, including the identified Transit Village Study Area. Many of the plans and studies that have been developed over the last few years have set comparable goals and objectives for solving these problems, some of which include the lack of resident serving services, infrastructure deficiencies, industrial encroachments and impacts, and affordable housing needs. The overall policy framework that is being developed for West Oakland, as discussed in the following sections, promotes many great opportunities for change, including creation of a transit village in the Study Area around the West Oakland BART Station.

A. LAND-USE/ZONING

Recent City Council actions have implemented transit-oriented zoning for the area surrounding the West Oakland BART Station (see the discussion of existing zoning in Section I.A, Land Use).

B. INFRASTRUCTURE

1. Transit Village Concept:

The transit village concept utilizes the rail station as the centerpiece and catalyst for a type of development that benefits both the surrounding neighborhoods and the region. It is a concept that leverages the value of the transit station in a number of ways. It increases neighborhood safety, spurs new housing on a scale compatible with the surrounding neighborhood, increases property values, and adds amenities such as a richer mix of retail and public space that serve and benefit the increased number of people who use the area on a daily basis.

Rail transit stations, especially in the age of the automobile, have been regarded primarily as entry/exit points for persons traveling throughout the region. BART stations, outside of the downtowns of San Francisco, Oakland and Berkeley are surrounded primarily by large surface parking lots for commuters who ride the train to another location. Station facilities tend to be limited to provisions for buses to pick up and drop off riders and for automobile drop-offs and pickups.

Over the past decade in the Bay Area, the transit village concept has been recognized among local communities, planners, and public officials as a focus for neighborhood revitalization and land use planning practices. Better connectivity between transportation infrastructure and land uses that encourage greater use of the transit system has many benefits. Intra-regional trips are reduced. As regional traffic gridlock increases, housing within walking distance of a rail station becomes more valuable. Commuters walking to and from the station increase the local market for goods and services valued and used by neighborhood residents.

In theory, a transit village is a compact, mixed-use community centered around the transit station. It extends roughly a quarter mile from the station, which is the distance that can be walked typically in 5-10 minutes. The village center often is a public space or plaza adjacent to the station. Higher density, mixed-use development for housing, retail and offices is linked to the station by safe "pedestrian routes. There is a well defined public space adjacent to the station that is designed to accommodate a diversity of uses, especially entertainment and food sales. In practice, real-world transit villages do not have a set density, form, or prescribed program of uses. Each may differ in scale and density based on the existing neighborhood and desires of residents. Some transit village examples are primarily residential; others include levels of office and retail uses that are appropriate to the private market and the acceptance of local residents.

The transit village concept is not a new idea. Many older urban areas have neighborhoods and districts with an intensity and character of development made possible by a streetcar system. Even where the streetcar systems no longer exist, the village like character of these neighborhoods and districts remain and they generally are favored places to live and work. In Oakland examples can be found in parts of the inner city area including Old Town and along East 14th Street (recently renamed International Boulevard).



Early Street Car Access in Downtown Oakland, 7th Street and Broadway

In the case of West Oakland, the BART Station offers particular value and feasibility for a transit village development plan, given its proximity to both downtown San Francisco and Oakland. Unlike any other East Bay BART station, the West Oakland station is served by all transbay lines. Due to short headways and travel times, West Oakland BART passengers are only minutes away from workplaces in both downtown San Francisco and Oakland during peak commute periods.

Much of the physical transit village framework already exists in the vicinity of the West Oakland BART station. Both the South Prescott and Prescott neighborhoods have a large stock of turn-of-the-century, "Victorian" houses that establish an attractive pedestrian scale and have already begun to attract restoration enthusiasts. The city blocks are relatively small, which makes the distances between street corners short and the district very walkable. There are neighborhood churches and a few operating retail shops. There also is new infill residential development as well as rehabilitation of older subsidized housing, such as Bayporte Village, that signals the beginning of a more general revitalization process. As mentioned earlier in the Report, OHA will soon begin implementation of their new Mandela Gateway development directly across 7th Street from the BART Station, bringing an unprecedented mass of new, highly-visible, mixed-income, mixed-use development to the Study Area.

2. Transportation Infrastructure Strategy

Development of a successful West Oakland Transit Village will require an integrated set of transportation strategies which should be coordinated both with the development and phasing of identified opportunity sites (see following assessments and opportunities discussion on development) and with the proposed streetscape and transportation improvements (see preceding discussion in Section I on the status of funded or pending public area improvement projects). Five infrastructure strategies for the Study Area are identified as follows: a) Traffic and Circulation; 2) Parking; 3) Bus Service and Intermodal Access; 4) Truck Traffic; and 5) Bicycle Access.

a. General Traffic and Circulation Improvements

(1) Signalization

Signalization at intersections on 7th Street should be evaluated as development occurs incrementally in the Transit Village Study Area. A modified left-turn green signal could be required at 7th and Mandela Parkway to accommodate vehicles entering the BofA/Alliance parking lot (or eventually garage). Signalization of 7th and Chester Streets should also be considered to accommodate westbound AC Transit busses exiting the BART station on Chester Street. This added signal would also discourage through truck traffic on 7th Street.

(2) Though Traffic in Residential Areas

Traffic calming measures can discourage increased through traffic in residential areas. Although implementation of these measures could be phased, an overall plan should be developed so that traffic is not channeled into other neighborhood areas.

More restrictive measures such as prohibited left turns would also discourage through traffic, however, such measures also could be considered an inconvenience by local residents. Traffic calming measures have the added benefit of enhancing the pedestrian environment, improving traffic safety conditions, and providing low-tech solutions that can be modified as needed. Examples of traffic calming techniques that are suitable for the Transit Village Area, particularly north of 7th Street include:

- ♦ increased stop signs at more intersections;
- ♦ pavement treatments (i.e. textured, raised or colored) at pedestrian crossings;
- ♦ speed humps (already installed on 8th Street);
- ♦ raised crosswalks (improves pedestrian safety and are less disruptive than speed humps); and
- ♦ angled parking.

All of these measures should be considered with input from community residents.

(3) Parking

As noted in the discussion of existing conditions in Section I of the Report, there is a high demand for parking by patrons of the West Oakland BART Station. According to a 1998 BART survey, 58 percent of its 3,100 daily West Oakland patrons drive alone to the station. This statistic implies a demand for almost 1,800 parking spaces. Since BART only supplies approximately 350 spaces, this means an additional demand in the Study Area for approximately 1,450 additional spaces. Windshield surveys and aerial photo counts indicate there are approximately 1100 to 1150 additional off-street spaces in large surface lots in the immediate vicinity: These include: 1) a private, informal lot at the northwest corner of 7th Street and Mandela Parkway (roughly 75 spaces); 2) a privately operated lot at the northeast corner of 7th and Kirkham Streets (approximately 150 spaces); 3) an informal lot underneath the BART tracks on the southern side of 7th Street between Chester and Henry (approximately 50 spaces); 4) a Caltrans lot on 7th Street, operated by OPEN, Organized People of Elmhurst Neighborhood, (241 spaces); 5) the new BofA/Alliance facility at 5th Street and Mandela (400 spaces) and 6) an informal lot bounded by 7th, 8th, Center and Chester Streets (approximately 150 spaces). Finally, there are numerous on-street spaces that appear to be used for commuter parking, especially along Mandela Parkway, 3rd, 5th, and 8th Streets. More precise figures should be provided as part of a detailed, future parking study.

It also should be noted that the space counts for the informal lots are rough estimates. These lots are typically valet or self-park in unmarked spaces. As a result, on any given day, the number of cars able to be accommodated on a lot could vary on average by as much as ± 15 percent.

The number of parking spaces in the BART Transit Village Study Area are summarized by location in Exhibit 6, below. Currently, there are roughly 1,090 off-street spaces provided in the Transit Village Study Area. With a total demand of 1,800 spaces, (including the 350 BART lot spaces) approximately 700 cars are assumed to park on-street within the study area and on nearby residential streets.

Exhibit 6: Major Parking Lots in the Transit Village Study Area				
Lot Location	Owner / Operator	Total Number of Spaces	Type of Lot ⁽¹⁾	Spaces to be Removed ⁽²⁾
BART Station	BART	350	Formal	350
SW Corner 7 th St. and Mandela Prkwy	Private	75	Informal	75
SW Corner 7 th and Kirkham Sts.	Private / Allright	150	Formal	150
7 th Between Henry and Chester Sts.	BART	50	Informal	0
7 th Betwn Union and Mandela Prkwy	Caltrans / (OPEN)	241	Formal	241
7 th / 8 th Betwn Center and Chester	Private	150	Informal	0
5 th St Betwn Union and Mandela Prkwy	BofA/ Alliance	400	Formal	50 (3 rd St Connection) + 350
Various Small Lots	Informal	≈ 75	Informal	0
Total Spaces		1,490		(866/1216)
Notes 1. Except for the BART Station lot, all other lots charge daily parking fees. Formal lots are paved, stripped lots, whereas informal lots are generally un-stripped, valet style parking lots, some of which are unpaved. 2. Potential number of spaces to be removed due to development of Catalyst Sites and of primary and secondary Opportunity Sites.				

Sources: Caltrans, Pittman & Hames Associates; March 2000

Major Parking Lots in the Transit Village Study Area:

The transit village must balance the inevitable need for parking with increased development and pedestrian character that constitute the key attributes of a transit village. In the West Oakland area, this requirement is more difficult to achieve due to the unusually high demand for parking by persons with destinations outside the area. A number of strategies can be undertaken to achieve a better balance between parking and development, including development of structured parking, parking charges, shared parking arrangements, and transportation management demand (TDM) programs.

Parking Structures:

Long-term replacement of existing parking should be in structures. In most cases, parking structures should be designed with ground-floor, street frontage space for uses that contribute to an active pedestrian environment.

Surface parking takes up sites that can be developed for residential, retail, and commercial uses. On an interim basis, surface parking can serve as a form of land banking for future development while generating revenues from parking fees to cover the developer's holding costs. In the long-term, however, it is desirable to eliminate large surface parking lots. They are incompatible with the transit village concept because they take up land that could be used for higher density uses such as residential and retail. In addition, they do not contribute to an active pedestrian environment. The S-15 Transit District overlay zoning recently adopted by the City allows surface parking only under a conditional use permit.

The BofA/Alliance site (5th Street between Mandela Parkway and Union Street) site offers the best opportunity, probably in conjunction with other uses, for development of structured parking in the Transit Village Study Area. Three scenarios are described for the property that provide public parking while allowing options for additional uses. The implications of each scenario are described below.

- ♦ **Interim Parking:** During completion of this Report, the BofA/Alliance partnership used the largest paved area of the site to create approximately 350 spaces and began operating a public parking facility for a daily fee of \$4.00. An additional 50 spaces also have been created along the Mandela Parkway frontage. These additional spaces may be lost or greatly reduced when the Mandela Parkway, 3rd Street connection is constructed in the near future. For the interim, until long term development plans can be implemented, this 400 space facility will alleviate some of the overflow parking into the residential areas, as well as indirectly increase overall parking demand in the Transit Village Study Area. Due to the strategic location of the West Oakland Station in the BART system, parking demand is likely to remain quite high. Therefore, any increase in the supply of parking will likely attract pent-up parking demand at the station. Nonetheless, as an interim parking strategy, the parking spaces on the BofA/Alliance site could provide interim replacement parking for the near term development of the Mandela Village Gateway Project site, which is currently Caltrans owned and operated by O.P.E.N., as a public fee lot (249 spaces).

- ♦ **Parking Structure:** The site could accommodate a 1,400 to 1,600 space, public parking structure of four to five levels. This range of spaces would essentially provide long-term replacement parking for most or all of the spaces that would be removed (including the 350 BART spaces) due to development of the primary and secondary opportunity sites. This number of spaces is less than the total of the current and future demand for BART parking (1,800 spaces) when ridership is expected to double by the year 2005.
- ♦ **Housing Plus Public Parking:** The BofA/Alliance partnership is studying the feasibility of several types of future development projects for the site, including rental housing and mixed-use office, retail and housing. Without some forms of subsidized funding, the opportunity for a large public parking facility adjacent to BART, either as a single use or as a part of a mixed-use project, could be lost. To best serve the objectives of implementing a transit village if a mixed-use housing and public parking development is planned for the site, public parking should be made a part of the mix. At a minimum, the number of public parking spaces should be sufficient to replace the up to 650 public parking spaces that will be lost with development of Mandela Gateway and if there is joint development of the BART Station property. Either public funding or a public/private partnership that would also allow the replacement of existing parking on some of the other opportunity sites probably will be required to maintain a critical parking capacity in the transit village area. Efforts also should be made to maximize opportunities for shared use parking (see discussion below).

Paid BART Parking:

In March 1999, the BART Board of Directors considered charging for reserved parking at BART stations throughout the system. The Board decided not to take action on this item and will consider it at an unspecified time in the future. When this item is reconsidered by the BART Board, there will be an opportunity for the City of Oakland and the Oakland Housing Authority to endorse paid parking, particularly at the West Oakland BART station, for a number of reasons that support the transit village concept. Free parking constitutes a subsidy to drivers and, combined with the price savings given to patrons who begin their trips in West Oakland, means that non-resident commuters who drive to the West Oakland BART station from other neighborhoods receive a generous cost savings. The majority of parking in the area is fee-parking, at rates ranging from \$2 to \$5.50 per day. However, the BART lot itself is free to patrons.

Parking fees could be introduced for reserved parking. Patrons would pay a monthly fee in return for a guaranteed spot. With the BART lot routinely reaching capacity by 6 a.m., many commuters might find this an attractive option, since they would not have to compete for a spot if they arrived later. In addition, the existence of paid lots in the immediate vicinity demonstrates that there is sufficient demand for parking and that drivers will pay to park.

Parking District:

Implementation of the West Oakland Transit Village is an opportunity to create a parking district. All operators of off-street parking within the area, whether publicly or privately operated would allocate portions of their fees to a special local fund, which could be used to fund both streetscape improvements, parking enforcement in residential areas and, possibly, expansion of the residential parking permit program. Revenues from possible future metered parking along commercial frontage on 7th Street and Mandela Parkway, together with fees for the parking district, could be added to the cost of parking or allocated from the parking fee revenues the City currently collects from privately operated lots. Possible voluntary shared parking arrangements could be established between BART and certain types of commercial development with peak demands that do not occur during commuter hours, such as entertainment. Management of the parking district should be subject to multi-agency advisory oversight review.

Shared Parking:

Parking lots should be shared between BART patrons and other neighborhood-uses. If the parking supply is maintained at roughly its current level, there should be a sufficient supply of parking to serve other neighborhood uses as well. Formal or informal agreements could allow BART parking to be used on evenings and weekends for visitor parking and for retail and entertainment uses. This parking could be paid at lower rates if demand were lower. In addition, if residential units in the area are constructed at parking ratios lower than one space per unit, those tenants without parking in their building could choose to rent spaces from neighborhood lots. If tenants drove to work during regular business hours, the spot they occupy overnight would be free during the day for a BART patron. Freeing developers from the need to construct parking spaces for all tenants might also contribute to increased housing affordability, since parking is expensive to construct and results in higher rents.

Satellite Parking:

Another parking opportunity for the West Oakland Transit Village is use of the 180-space Caltrans lot on 7th Street west of Filbert as a satellite parking facility, with shuttles to the West Oakland BART station for overflow BART parking demand. Caltrans already is considering such as a possibility with O.P.E.N., operating a shuttle between the lot and the BART station for an additional fee. Alternatively, to encourage higher occupancy vehicles to access the BART Station, carpools or vanpools that use the lot would not be charged a shuttle fee.

Metered On-Street Parking on 7th Street:

To discourage the use of on-street spaces by BART patrons, metered on-street parking can be introduced. Currently, on-street parking is limited to two hours, except for permit-holders. Without consistent enforcement, many of the on-street spaces would be occupied by BART patrons. Metered on-street parking, especially on 7th Street, would free up spaces for retail and entertainment uses by encouraging higher turnover. The residential permit program should be retained, with strict enforcement of the two-hour limit.

(4) Bus Service and Intermodal Access

Existing and proposed AC Transit bus service in West Oakland, including access to the BART Station, has been discussed previously in the existing conditions section of the Report. Both AC Transit and BART recognize the need to better accommodate intermodal bus service to the station as part of the transit village concept. In addition to the intermodal facility, AC Transit should also review its service plan to provide express feeder bus service to the West Oakland BART station from the outer portions of Alameda and Contra Costa County, such as Pinole and Fremont.

As discussed in Section I of the Report, AC Transit has preliminary plans and partial funding to develop an intermodal facility to serve the West Oakland BART Station. In concept, the most reasonable location for the bus facility is assumed to be on the BART Station Area property between 5th and 7th Streets along the southern side of the overhead BART station platform. Despite the impact that this on-site location will have on future joint development opportunities on the BART property, it has the advantage of being the most feasible for a number of reasons. On-site locations are preferred by Public Works staff because they remove waiting busses from the existing public right-of-way. However, alternative on-site locations at identified opportunity sites would either require eminent domain, which at times is considered politically infeasible or, in the case of the Caltrans-owned properties, would negatively impact an important development opportunity and would not give passengers a direct connection between the two transportation systems. On-street locations can be a reasonable compromise, if Public Works concerns are adequately addressed. However, in the case of the West Oakland Station, on-street locations were not considered because of concerns for adequate curb-side capacity and for potential conflicts with pedestrian crossings and movement along the sidewalks. Feasible alternative locations for the intermodal facility should be considered as opportunities arise in the Study Area that may improve future joint development of the Station Area property.

(5) Truck Traffic

As noted in the Existing Conditions section, both the City and the Port continue to respond to the need to slow truck traffic through West Oakland neighborhoods and along major arterials. The weekday average daily traffic (ADT) along 7th Street west of Union Street (in the vicinity of the BART Station frontage) is in the range of 13,200 to 14,800 vehicles a day. At one count, the ADT included approximately 130 heavy vehicles (trucks and busses) per hour in the morning and 75 per hour in the afternoon. Residents complain consistently about truck traffic and noise much more than they do about automobile traffic. Some of the methods for reducing truck traffic in the Study Area might include the following:

- 5.1 Discouraging, without prohibiting, the use of 7th Street for truck traffic. Truck drivers may be discouraged from using 7th Street if there are longer lights, more pedestrian movements, and fewer facilities such as diesel filling stations. However, the presence of industrial facilities along 7th Street makes it impractical to ban trucks entirely. Truck drivers should be encouraged to drive more slowly through the transit village area. Signs should be used to indicate the presence of pedestrians. There should be raised crosswalks, possibly signalized, and prominently posted speed limits. Slightly narrower lane widths of 11 feet will also encourage heavy vehicles to drive more slowly through the area.
- 5.2 Studying alternative truck access via I-880. This measure would require a survey of origins and destinations to determine whether truck drivers could be encouraged to use alternative routes to access their destinations.
- 5.3 Improving signage on I-880 to encourage truck traffic to access the Port from the I-880 Maritime Street exit, instead of local streets.

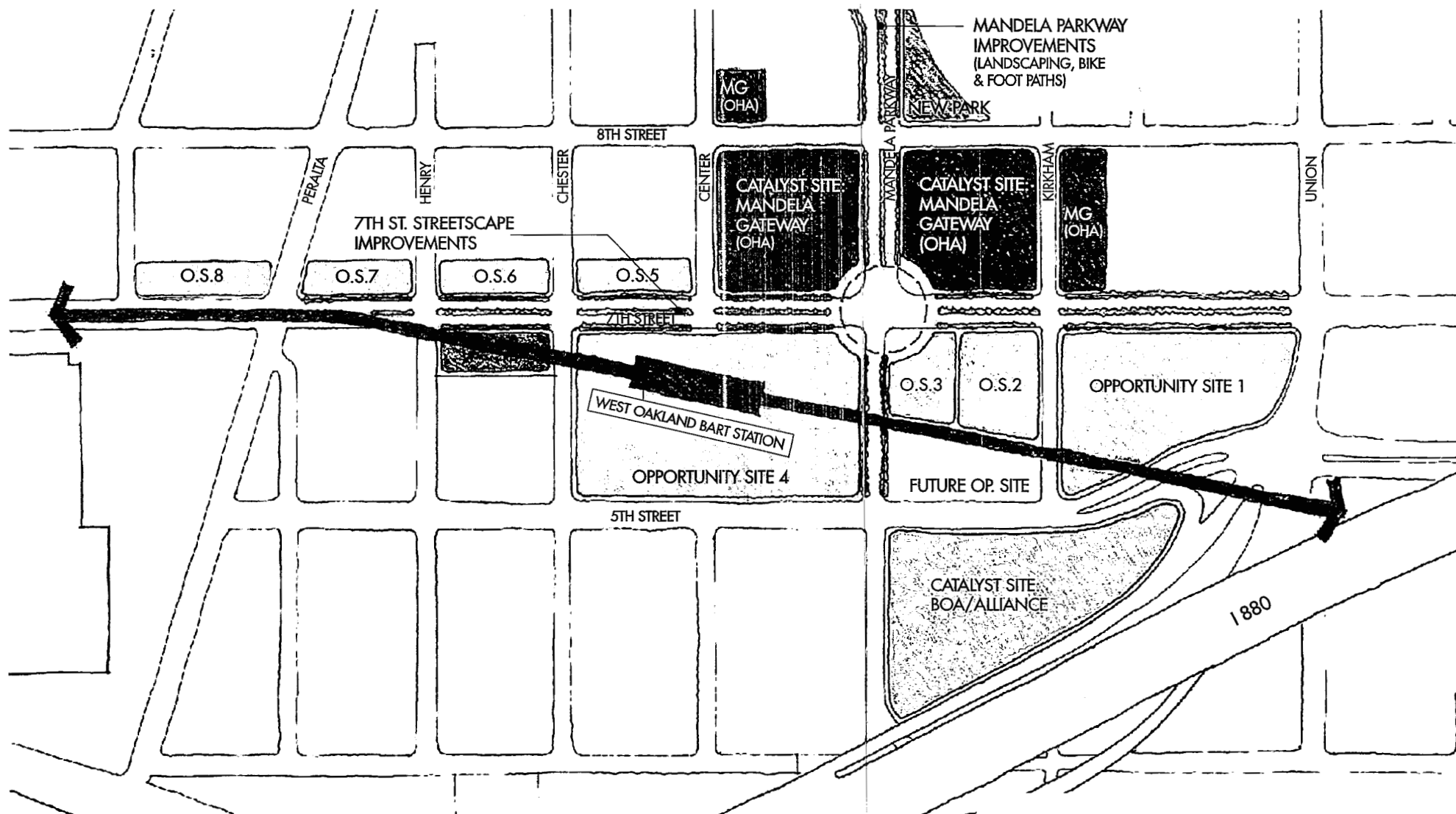
C. DEVELOPMENT

Along 7th Street, some large properties are vacant. Two are part of the old Cypress right-of-way and are publicly owned by the California Department of Transportation (Caltrans). Until recently, another large, vacant property at the southeast corner of Mandela Parkway and 5th Street was in use as part of the Union Pacific rail yard. One of the two Caltrans-owned sites is identified by OHA as part of the new Mandela Gateway HOPE VI development. The Union Pacific railroad property has been bought by Bank of America which, in partnership with the Alliance, is planning some form of either mixed or single use residential development. As discussed in earlier parts of the Report, the BofA/Alliance partnership currently is operating an interim public parking facility on the site. These two pending developments and the scope of change that they promise for the immediate BART Station area are seen as very important catalysts to further implementation of the transit village plan.

Current and prior industrial uses in and adjacent to the Study Area present particular concerns for the presence of toxic materials. Some conditions are documented and, in some instances (such as the truck fuel center at 7th and Mandela Parkway), there has been compliance with requirements for remediation. For many sites, testing will be required to determine the extent and type of contamination. This Report does not include information on toxic materials or site contamination.

1. Catalyst Sites and Projects

A "catalyst project" is one that is funded and in the process of being implemented. Moreover, a catalyst project is one that, with coordinated planning and design, has the potential to attract and support new, private-sector development that furthers the dynamic of a "transit village." The OHA's Mandela Gateway HOPE VI development has been described as a catalyst project and the BofA/Alliance interim public parking facility has been described as a catalyst site. Catalyst sites and projects refer to properties where new development either has or soon will be built that has the potential to stimulate additional transit oriented development in the immediate vicinity of the West Oakland BART Station. Catalyst sites and projects are large enough to introduce a critical mass of strategic new uses and to make a significant change in the visual character of the transit village center. Together with potential primary and secondary opportunity sites for private redevelopment, their locations are illustrated on the accompanying page (Figure 12). The accompanying summary tables (Exhibits 7.1-7.2) provide an overview of the size, ownership pattern, development issues and assumed program capacity for each of the primary and secondary opportunity sites and a set of recommended development criteria or principles that provide ideas for possible future specific plan development guidelines.



**Figure 13: DEVELOPMENT OPPORTUNITIES
WEST OAKLAND TRANSIT VILLAGE**



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**Exhibit 7.1: Opportunity Sites
Conditions, Issues, and Development Programs**

Primary	Size (Approx.)	Ownership (Parcels)	Development Issues	Development Program
OS-1	(2.6 acres) (estimated)	Caltrans (5) BART (1) Private (1)	Public control critical to optimum future of transit village; Postal Service lease to May 5, 2009 for use as driver training area; largest vacant property; gateway location	Single use res; +/-175 apts (sale/rental); 1:1 pkg
OS-2	50,809 sf (1.2 ac)	Private (1)	Owner highly motivated with professional experience as non-housing developer; excellent exposure and access; assembly with adjacent property creates ideal project adjacent to BART	Single use res; +/-60 apts (rental); 1:1 pkg
OS-3	23,485 sf (0.54 ac)	Private partnership (70%-30%)	Prime corner location; assembly with OS-2 creates optimum site; gas station + parking considered optimum use by owners	Mixed-use res/com; +/-40 apts (rental); 3000-4000 sf corner retail; 1:1 res pkg only
OS-4	169,884 sf (3.9 ac)	BART (1)	Intermodal bus facility critical to transit access but compromise joint development potential as do replacement parking policies; public agency ownership with joint development policies & resources	Mixed use res/com; +/-90 apts (rental); 5000-8000 sf retail; 1:1 res pkg; 3:1000 com pkg
Secondary Sites				
OS-5	28,931 sf (0.66 ac)	Private (2) Private (1) Private (2)	Prime location directly opposite BART Station entry; Current convenience store & pay parking most successful local business; prime candidate for façade improvement program	Lots 13-14 retail (existing); lots 15-17 live/work; +/- 30 units (rental/sale); 1:1 res pkg
OS-6	19,913 sf (0.46 ac)	Private (1) Private (3)	Vacant gas station site has clean ground certificate & is largest parcel on block with immediate development potential	Live/work; +/- 30 units; 1:1 res pkg
OS-7	22,202 sf (0.51 ac)	Private (1) Private (1) Private (1) Private (1) Private (3)	Four of seven parcels have existing buildings with rehab potential; 3 vacant parcels are in one ownership	Rehab & live/work lofts; +/- 12 units; 1:1 res pkg
OS-8	19,913 sf (0.46 ac)	Private (5)	6 existing buildings require rehab, including former Lincoln Theatre; Owner highly motivated to develop mixed-use entertainment complex, lacks experience; Potential catalyst project for related retail & entertainment activities	Mixed-use entertainment, office, res apts; 1:1 res pkg only

**Exhibit 7.2: Opportunity Sites
Recommended Site Development Principles**

1. 3-4 story building height; 50 du/acre average residential density
2. Enclosed podiums or under-the-units parking preferred (more secure and less disruptive to site landscaping)
3. Buildings located at or near street frontage property line to define street edge
4. Enclosed, landscaped courtyards and outdoor lawn areas for resident use (gated access to street edge)
5. Landscape buffer between residential development and adjacent overhead BART tracks or freeway with sound mitigation for all units
6. Retail frontage concentrated on 7th Street (the historic entertainment, shopping corridor) with some future retail on Mandela Parkway (especially across from the BART Station area)
7. Retail development and public plaza connecting to station entry located at Mandela, 7th Street corner of BART sites.
8. Mixed-use residential and retail development on opportunity sites near 7th Street and Mandela Parkway and along 7th Street west of Center Street (O.S. 2, 3, and 5-8)
9. Residential-only (if proposed) more appropriate for large site on 7th Street between Union and Kirkham Streets (O.S. 1) and for portion of the BART station area fronting 5th Street adjacent to existing South Prescott neighborhood.
10. Landscaped courtyards on BART property fronting 5th Street can occupy more of the street edge as a way to better integrate with the existing, lower density housing along that portion of South Prescott
11. Building articulation and offsets create a finer, more village-like scale for development projects
12. Large scale parking facilities located away from 7th Street and at edges of neighborhoods (prime parking structure location being part of mixed-use development of 5th Street and Mandela Parkway catalyst site.
13. Space for community facilities considered interchangeable with ground floor retail space, especially in the initial development period. Given rent subsidies, storefront space could be made available on interim basis to public service agencies for a variety of uses, including health care, continuing education, and community assistance programs such as legal aid and City sponsored community development, as well as for public art galleries and community meeting space.

The two catalyst projects are summarized in some detail, as follows:

(a) Mandela Gateway: OHA HOPE VI Development

The Oakland Housing Authority (OHA) owns the Westwood Gardens property on 7th Street directly across from the BART Station between Mandela Parkway and Center Street. As referenced several times earlier in the Report, OHA has received a HUD HOPE VI funding grant for a proposed project to replace Westwood Gardens, which contains 46 public housing units, with a new, mixed-income development of 162 units which would be called Mandela Gateway. The plan includes the acquisition of the large, Caltrans-owned property between 7th and 8th Streets on the east side of Mandela Parkway, as well as the privately owned parcel at the northeast corner of the intersection. A third, smaller vacant parcel at the northeast corner of 8th and Center Streets also is part of the project.

The Caltrans property, which currently is operated as a public, paid parking lot, provides an adjacent location to build the 46 replacement, public housing units for Westwood Gardens residents prior to demolition, minimizing relocation impacts. The design concept for the new development places public open space at the two corners of the 7th Street and Mandela Parkway intersection and calls for ground floor space along the 7th Street frontage that could be available for commercial or public service uses. A total of approximately 14,000 square feet of community and retail space is programmed for the project. A complete description of the Mandela Gateway project and development program is found in OHA's Hope VI application submittal report, a portion of which is included as an appendix to this document.

(b) Bank of America/Alliance for West Oakland Development Mixed-Use Development Project: Short Term Parking Facility

As previously discussed, the BofA/Alliance partnership has made the necessary improvements to operate the paved surface of the site a public parking facility serving primarily BART patrons at a \$4.00 per day fee. At present the lot is striped for approximately 400 spaces. The adjacent BART parking lot contains approximately 350 spaces. The existing shed building is undergoing renovation and will be used in the interim for tenant space, possibly including a cafe.

Longer-term development plans for the property are less certain at present. According to preliminary discussions with the BofA partnership during the preparation of this Report, a number of exploratory options are being considered and include rental housing or housing over a parking structure with ground floor retail space. To be feasible, a parking structure with spaces available for public use on a paid basis will almost certainly require public funding, given the extensive capital investment that would be required and given BofA's policy commitment to build new housing as the primary focus of their community reinvestment program.

2. Primary and Secondary Opportunity Sites

"Opportunity sites," are identified as those properties in the immediate vicinity of the BART Station that are either vacant or greatly underutilized and that have the potential to become available in the short-term for new development. A distinction is made, primarily, on the basis of size, between two types of opportunity sites. "Primary opportunity sites" are those that, because of their size or location, have the greatest potential to attract additional new development and to significantly influence the creation of a "transit village." "Secondary opportunity sites," because of their smaller size or more peripheral location, are assumed to have a more incremental impact. The "transit village" concept, which includes types and intensities of development in the immediate vicinity of a transit station that improve and increase ridership, also is defined in some detail in the Report document.

There are a number of vacant or underutilized sites in the immediate vicinity of the BART Station that, together with the BART Station area property itself, provide opportunities for new transit oriented development. The larger of these sites are considered primary opportunities because of the critical mass of development that they can add to the transit station area in the near future. Secondary opportunity sites are those that are either smaller or that may take longer to be made ready for private redevelopment because of multiple ownership, financing difficulties, or other reasons. The locations of primary and secondary opportunity sites are shown in Figure 12.

3. General Development Concepts and Program Considerations

Based on the market overview and community input, Sedway Group has led the consultant team in describing a market-feasible development program for the primary and secondary opportunity sites. Using this development program, the consultant team has developed a preliminary set of design concepts for each of the sites. These development concepts are guided primarily by two factors: (1) their general market feasibility; and (2) considerations that maximize the opportunities created by the identified "catalyst projects." The full development program for the four primary and four secondary opportunity sites (OS-1 through 8), includes:

- ♦ 300 to 400 residential units, both affordable ownership in the form of townhomes, and market rate rentals in the form of conventional apartments and live/work lofts
- ♦ 8,000 to 12,000 square feet of retail in size
- ♦ an entertainment and cultural facility component, primarily in the form of a community theater
- ♦ a private, for-profit 1,600-space parking facility, based on projections from BART commuter demand

As part of the development potential research, Sedway Group interviewed owners of most of the primary and secondary opportunity sites. Their full findings are documented in a project memorandum is available through the receptionist at the City of Oakland Community and Economic Development Agency (CEDA), 3rd Floor, Frank Ogawa Plaza.

4. BART Station Area Joint Development

The BART Station area property, identified as opportunity site 4 (OS-4), presents a special set of conditions and opportunities and requires a more extended discussion that cannot be condensed into a table. BART's Real Estate Division has the resources and is motivated to better utilize the transit access of station area property, to increase the capacity of the entire BART system through transit oriented development and to promote smart growth that curbs the suburban sprawl that has been part of the historic legacy of many commuter rail systems.

There are, however, several constraints that may impede more immediate joint development of the station area property. One constraint is regulatory. Development of BART property is subject to an administrative process that includes the selection of a potential developer following a process of evaluating responses to a formal request for proposals and review by the BART Board of Directors. At best, it is a process that can be time consuming and that adds to the up-front costs of a project. Second, current BART policy requires that all free public parking be retained at a 1:1 ratio. On a conservative analysis, Sedway Group estimates the cost of constructing replacement parking for the approximately 350 spaces at the West Oakland BART Station to be in the order of magnitude of \$26.00/sf, or 3.5 million dollars, not including the cost of land acquisition. Assuming that land acquisition costs increase the replacement parking cost figure to approximately \$34-43/sf, the total could be as much as \$4.6 to \$5.8 million. Replacement parking tends to reduce the pool of interested developers to only the most creative and the highest risk takers. Third, some of the station functions, such as the overhead tracks and the possible AC Transit intermodal bus facility, are the source of noise and activity that can particularly impact residential development. The West Oakland Station Area property is relatively small, given the development program that may be required to create an economically feasible development and may not become attractive to developers until after other projects surrounding the station are underway and create a stronger outside interest in the station property itself as a potential development site.

A conceptual transit village site development plan for the BART property might include the following elements:

- ♦ A public plaza space leading to the station entry, designed to be visible from both Center Street and the Mandela Parkway/7th Street intersection:

This public space would be pedestrian-oriented, with benches or other suitable places to wait or rest, and would include a water fountain, trash receptacles, lighting, and a shelter structure. Like the two other public spaces associated with the 7th Street/Mandela Parkway intersection, the BART plaza also could provide a future location for a major public art installation which, ideally, would be commissioned with a West Oakland artist, perhaps utilizing funds from BART's station art program, "Art in BART." If the transit village project utilizes federal monies, federal guidelines require that one percent of construction costs be allocated for public art.

- ◆ Bicycle racks and special access parking:

The northwest portion of the property (at the corner of 7th and Chester streets) is used for bicycle racks and parking for motorcycles, ADA vehicles, van pools and station personnel. ADA guidelines require that two percent of spaces at a lot of under 1000 spaces be accessible. There are no formal federal or BART requirements to provide a specified number of vanpool spaces. However, due to the high percentage of West Oakland BART patrons that commute from out of the area, it is recommended that up to five conveniently located vanpool spaces be located in the northwest portion of the property as well. These spaces could be phased in as demand increases.

- ◆ Bicycle lockers:

The BART station currently has eight bicycle lockers, all of which are full (bicycle lockers are rented in advance, not on a daily basis). Four people are on a waiting list for bike lockers. There are also 28 spaces available on bike racks, although a recent daytime count showed that only three racks were occupied. Existing bicycle racks could be replaced with more secure inverted U or wave-style bike racks to potentially increase the use of bicycle access to the station. Bicycle access to the station should be signed and directed from Mandela Parkway, which is designated a Class II bikeway by the City of Oakland's Bicycle Plan.

- ◆ 5th Street Frontage:

Current market conditions indicate that housing development may be the most feasible concept for the larger, southern area of the property situated between the intermodal bus facility and 5th Street. Multi-family apartments could be built above a parking podium (should replacement parking not be required) or above a parking garage which also could include spaces for BART users as well as for tenants. At a density of approximately 45 to 50 dwelling units per acre, the southern area could accommodate approximately 90 units, most feasibly rental apartments. Given the complexities of joint development, developer interest in this portion of the station site may not be particularly strong until there has been sufficient development on other primary and secondary opportunity sites to helping revitalize the overall station area and neighborhood. Other uses, such as institutional, office or entertainment, may be feasible, but may not be as compatible with the South Prescott neighborhood as housing would be.

- ◆ 7th Street Frontage at Mandela Parkway:

Retail uses are concentrated on the northern portion fronting 7th Street and Mandela Parkway. Consideration should be given to splitting the station area into two distinct projects, possibly to be developed in two separate phases. The smaller, northern portion of the BART property, located at the corner of 7th Street and Mandela Parkway, offers excellent visibility and receives substantial foot traffic. This corner is ideally suited for a small retail plaza in the range of 5,000 to 8,000

square feet. A small surface parking area to serve the retail pavilion would have driveway access from Mandela Parkway. The retail component has relatively immediate development potential which can be accomplished through a joint development agreement between BART and a designated developer. BART has an established policy regarding joint development agreements, which would entail a long-term ground lease of the property. BART would be expected to make the land available and in return receive a guaranteed rent and possibly a percentage of gross profits. With more developers becoming interested in transit-oriented projects, BART could solicit ground lease proposals immediately by releasing a Request for Proposals (RFP).

5. Development Feasibility Analysis

Sedway Group has worked with Michael Willis Architects and the project team on a conceptual development scenario for the West Oakland Transit Village, providing key market data on the amount and type of residential units, retail space, and parking in order to refine the preliminary development schemes generated from the two public workshops and the creative efforts of the project team. After a preliminary conceptual development program was determined, three development prototypes representing the full range of projects considered for the initial development period were chosen to be analyzed for general financial feasibility. Using revenue assumptions derived from market research findings and preliminary development cost estimates from Michael Willis Architects, Sedway Group analyzed the preliminary financial feasibility for each of the following three prototypes by way of a basic pro forma analysis:

- ♦ 108-unit, market-rate, residential apartment project consisting of three floors of residential units above a ground-floor parking podium (based on a conceptual site development plan for Opportunity Sites 2 and 3, the Aegis and Tran properties).
- ♦ 30-unit live-work loft project consisting of 2 to 3 floors of residential units above ground-floor commercial lofts and a parking garage (based on a conceptual site development plan for Opportunity Site 6, the Tran/Scott parcels).
- ♦ 1,600-space above grade parking structure (based on conceptual site development plan for Catalyst Site 2, the Bank of America/Alliance property).

The pro-forma analysis describes first the structure, methodology, and key background assumptions that were used for the financial analysis. Second, development cost assumptions, determination of residual land value, and a brief discussion of tests for reasonableness are provided for each prototype.

Methodology:

The basic premise of the pro forma used is that value derives from future income expectations. An investor or developer will base the acquisition of a potential site or project upon the net revenue potential of expenditures in time and money -- risk-adjusted.

The analysis derives each project's value through a residual land value approach, and then cross-references those results with comparable land sales, in order to assess how the project at those land values would be viewed prospectively by typical developers and/or investors. As with any model, the outputs are only as good as the inputs will allow them to be. In this case, Sedway Group conducted research to provide each model with sound inputs and assumptions about both market-supportable rents, rates, and prices and the configuration and cost of the improvements.

Background Assumptions:

Disposition assumptions include a capitalization rate of 8.0 percent and selling expenses of 2.0 percent for the apartment pro forma, and a 10 percent cap rate with 2 percent selling expenses for the parking facility pro forma. Developer profit, which is calculated as a percent of project cost, varies by product type, with a lower amount of 10.0 percent for the parking facility and apartment project, and 15.0 percent for the live-work loft component.

Development cost estimates have been provided by Michael Willis Architects. For the analysis, Sedway Group used what it believes are reasonable estimates, based upon these cost estimates, additional input from non-profit housing developers, and knowledge of multifamily and mixed-use development costs in the City of Oakland.

An important caveat regarding the development cost estimates is that they are based on a very preliminary design concept prepared by the project team. The cost estimates will change as the West Oakland Transit Village concept evolves. It is important to recognize that such changes could have a measurable impact on the residual land value associated with these projects. Some of the soft cost estimates have been given to Sedway Group as general rules of thumb, while others are general parameters based on industry standards as well as Sedway Group's experience. Such rules of thumb are appropriate in this study as the project lacks the specificity required in order to develop more detailed figures. Soft costs, which are assumed to be 20 percent of hard costs for both residential prototypes and 25 percent for the parking facility, include architecture and engineering fees, building permits and city fees, testing and inspection reports, insurance, legal, leasing commissions, loan costs, and property taxes during construction.

For the sake of simplicity and without specific soils information being available, the three prototypes assume clean project sites with no soils or hazardous material remediation required.

a. Residential Apartment Pro Forma

The residential apartment pro-forma is summarized in Exhibit 8. Exhibit 8 consists of three parts: 8.1) outlines the gross income schedule and key operating and expense assumptions; 8.2) outlines estimated development cost assumptions and general development parameters; and 8.3) describes the stabilized operating revenue, total project valuation and residual land value.

Exhibit 8.1
West Oakland Transit Village Residential Development
Rental Apartments—Tran and Aegis Properties/Opportunity Sites 2 & 3

GROSS INCOME SCHEDULE

Operating Assumptions:

108 Units
4% Vacancy Rate
30% Operating Expenses
6.0 Lease-up Period (18 units per month)
100% Market-Rate

Unit Type	Unit Size (SQFT)	Unit Mix (#)	Unit Mix (%)	Total Area	Monthly Rent	Rent Per SQFT	Total Base Monthly Rent
Jr. 1 Bedroom	500	12	11%	6,000	\$925	\$1.85	\$11,100
1 Bedroom/1 Bath	700	38	35%	26,600	\$1,250	\$1.79	\$47,500
2 Bedroom/1 Bath	900	38	35%	34,200	\$1,500	\$1.67	\$57,000
3 Bedroom/2 Bath	1,100	20	19%	22,000	\$1,850	\$1.68	\$37,000
Total/Average	822	108	100%	88,800	\$1,413	\$1.72	\$152,600
Rental Premiums	\$75	per unit per month (27 units)					
Parking Income	None						
Other Income (1)	\$30	per unit per month					

Notes:

(1) Includes miscellaneous income sources such as late fees, lost deposits, laundry machines or rentals, vending machines, etc.

Exhibit 8.2
West Oakland Transit Village Residential Development
Rental Apartments—Tran and Aegis Properties/Opportunity Sites 2 & 3
ESTIMATED DEVELOPMENT COST ASSUMPTIONS

Development Costs	Per SQFT	Per Unit	Total
Hard Costs - Apartments	\$100.00	\$96,732	\$10,447,059
Hard Costs - Garage	\$30.00	\$9,750	\$1,053,000
Lump Sum - Off Site			<u>\$75,000</u>
Subtotal - Hard Costs			\$11,575,059
Soft Costs - All (1)			\$2,315,012
Lease-up Costs (2)			\$308,896
Contingency/Entrepreneurial Profit (3)			<u>\$2,555,814</u>
Total Development Costs	\$160.38	\$155,137	\$16,754,781

Development Assumptions & Parameters

Total Site Area (Acres)		1.7
Total Site Area (SQFT)		74,052
Density (units per acre)		63.5
Indicated Total Units		108
Average Unit Size		822
Net Rentable Area		88,800 square feet
Gross Building Area	85% efficiency factor	104,471 square feet
Parking Spaces - Garage (4)		108
Garage Area	325 SF/space	35,100 square feet

Notes:

- (1) 20% of hard costs, which already include some fees.
- (2) Net Income loss during average lease-up.
- (3) Assumed to be 18% of all costs.
- (4) Although the transit oriented development zoning designation of S-15 requires only one-half space per dwelling unit, a 1:1 parking ratio was assumed for purposes of project marketability.

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Exhibit 8.3
West Oakland Transit Village Residential Development
Rental Apartments--Tran and Aegis Properties/Opportunity Sites 2 & 3
PROJECT VALUATION AND RESIDUAL LAND VALUE

Pro Forma	100 Units		
I. Stabilized Operating Statement		Total	Per Unit Per SF
Potential Gross Annual Rent		\$1,831,200	
Rental Premiums (Some Units)		\$24,300	
Parking Income		\$0	
Other Income		\$38,880	
Total Potential Gross Annual Income		\$1,894,380	
Less Vacancy Loss		(\$75,775)	
Effective Gross Income		\$1,818,605	
Expenses		(\$545,581)	
Net Operating Income (NOI)		\$1,273,023	
II. Valuation Estimate			
Capitalization Rate		8.0%	
Indicated Stabilized Building Value (1)		\$15,594,536	\$155,945 \$176
III. Residual Land Value Estimate			
Total Development Costs		\$16,754,781	
Indicated Residual Land Value		(\$1,160,244)	(\$11,602) (\$16)

Notes:

(1) Assumes a 2% sales commission.

Sources: Marshall Valuation Service; Michael Willis Architects; PricewaterhouseCoopers;
National Real Estate Index "Market Monitor;" Sedway Group;
and ULI "Dollars & Cents of Multifamily Housing 1999."

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The residential apartment pro forma for an assembled OS-2 and OS-3 (Exhibit 8) is based on a 108-unit market-rate prototype, 25 percent of which are assumed to command view premiums, over an average base monthly rent of approximately \$1,415. Based on other new developments built in the greater East Bay and relative locational strengths and weaknesses, the absorption rate for the apartment units is assumed to be 18 units per month. Given the need for affordable housing in Oakland, the anticipated absorption rate for any below-market-rate units that might be included in the project will likely be higher.

Key assumptions for the residential apartment pro forma include:

(1) Development Costs

For a 108-unit apartment building on OS-2, the hard cost figure, as provided by MWA, is assumed to be approximately \$10.5 million, or \$100 per square foot. The total development cost, which includes all hard and soft costs, is assumed to be \$16.6 million, or approximately \$160 per square foot of gross building area of 104,471 square feet.

(2) Residual Land Value

The residual land value technique was used to calculate the land value attributable to the apartment project. Using this methodology, development costs (including developer profit) are subtracted from the stabilized project value. The difference between project value and cost (excluding land) gives an indication of the price at which a developer should be willing to purchase the land, given the set of assumptions used in this analysis. All figures used in this analysis are expressed in year 2000 dollars and are based on assumed area standard cost figures.

The project value upon completion was calculated based on the static capitalization of income technique. Using this methodology, the projected annual net operating income at stabilized occupancy is divided by a capitalization rate to estimate the project value. An investor making a preliminary determination of the project value upon completion would most likely use this technique.

The capitalization rate was determined through an analysis of market transactions, industry trends, relative project risk, and other factors. Based on an analysis of other transactions and the pioneering aspect of new locations in the West Oakland area (still a speculative area), a capitalization rate of 8.0 percent was deemed appropriate

Based on a stabilized net operating income of approximately \$1.3 million in the year 2000, and an 8.0 percent capitalization rate, subtracting \$16.6 million for development costs (including developer profit at 10 percent of total project cost), indicates a residual land value of negative \$1.2 million in the year 2000, or negative \$11,600 per unit. This finding suggests that such a development would require a financial subsidy to achieve financial feasibility. Such a subsidy could be a one-time land write-down, operating subsidy, or other form of gap financing.

The apartment pro forma results indicate that at the projected rent levels, a market-rate apartment project in West Oakland is not financially feasible. While sufficient market demand may exist to absorb the units, projected rental rates are not sufficient to cover anticipated construction costs. This finding is similar to findings presented in a March 1999 consultant report prepared for Oakland's CEDA, analyzing Oakland's downtown housing market potential. This study concluded that rent levels twice the study's market projection would be required to produce a financially feasible low-rise apartment project in downtown Oakland (i.e., four-story wood frame structure over podium parking). Thus the above findings for West Oakland are similar to previous findings reported to the City of Oakland.

b. For-Sale Live/Work Loft Pro Forma

The for-sale live-work loft pro forma (Exhibit 9) tests a 30-unit 3- to 4-story project with commercial lofts and a parking garage on the ground level developed for OS-6. Based on recently sold out condominium and live-work projects in the Oakland area, the overall sell-out period for the lofts is anticipated to be 3.8 months, or 8 units per month. Marketing costs and sales commissions for the units are estimated at 5 percent of the gross sales proceeds. Replacement parking costs for existing station area spaces is not considered but is recognized as a potential additional cost.

Exhibit 9 consists of three parts: Exhibit 9.1 outlines the gross income schedule and key operating and expense assumptions; Exhibit 9.2 outlines estimated development cost assumptions and general development parameters; and Exhibit 9.3 outlines the potential gross sales proceeds and residual land value.

Select key assumptions for the live/work loft pro forma include:

(1) Development Costs

As shown in Exhibit 9.2, the current estimated hard cost for the live-work loft building is \$3.6 million, or \$125 per square foot. The total development cost estimate for the lofts, expressed in current 2000 dollars, is \$5.9 million, or \$197,000 per unit. This equates to \$203 per square foot of gross building area of 29,061 square feet. Based on discussions with live-work loft developers, hard costs are generally about \$120 to \$130 per square foot, including the typically minimal interior improvements. (While the direct costs are usually greater for for-sale condominium units than apartments due to the higher finishes that buyers expect, the majority of live-work lofts consist of limited or rough finishes, reflecting a more industrial or studio work-space look. This in effect decreases the cost of building construction). Further, live-work lofts have a higher efficiency rate than traditional condominiums or apartments (90 percent versus 85 percent on average), which increases absolute value of the total gross building area.

Exhibit 9.1
West Oakland Transit Village Residential Development
Live/Work Lofts—7th Street Property/Opportunity Site 6
SALES REVENUE ASSUMPTIONS

Development Assumptions:

30 Units (prototype)
100% Market-Rate
3.8 Absorption Period (8 units per month)

Unit Type	Unit Size (SQFT)	Unit Mix (#)	Unit Mix (%)	Total Area	Total Sales Price	Sales Price Per SQFT	Total Base Value
1 Bedroom/1 Bath	750	15	50%	11,250	\$190,000	\$253	\$2,850,000
2 Bedroom/1 Bath	975	8	27%	7,800	\$235,000	\$241	\$1,880,000
Commercial Lofts (1)	1,015	7	23%	7,105	\$290,000	\$286	\$2,030,000
Total/Average	872	30	100%	26,155	\$225,333	\$258	\$6,760,000
Sale Premiums (2)	\$10,000	per unit (8 units)					
Notes: (1) Assumed to be live-work/quasi-retail, ground floor units fronting 7th Street. (2) Premiums may be achieved depending on floor, views, and/or unit orientation.							
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Exhibit 9.2
West Oakland Transit Village Residential Development
Live/Work Lofts--7th Street Property/Opportunity Site 6
ESTIMATED DEVELOPMENT COST ASSUMPTIONS

Direct Costs (1)	Per SQFT	Per Unit	Total
Building Construction	\$125.00	<i>\$121,088</i>	\$3,632,639
Parking Construction	\$35.00	<i>\$11,550</i>	\$346,500
Lump Sum - Off Site Improvements			\$50,000
Subtotal - Direct Costs			\$4,029,139
Indirect Costs			
Soft Costs - All (2)			\$805,828
Sellout HOA/Taxes (3)			\$22,587
Revenue Loss During Absorption			\$67,388
Contingency/Entrepreneurial Profit (4)			\$984,988
Subtotal - Indirect Costs			\$1,880,791
Total Development Costs (1)	\$203	<i>\$196,998</i>	\$5,909,930
Development/Investment Assumptions & Parameters			
Total Site Area (Acres)		0.5	
Total Site Area (Sq. Ft.)		21,780	
Density (units per acre)		60.0	
Indicated Total Units		30	
Average Unit Size		872	
Net Saleable Area		26,155 square feet	
Gross Building Area	90% efficiency factor	29,061 square feet	
Parking Spaces - Garage (5)		30	
Garage Area	330 SF/space	9,900 square feet	

Notes:

- (1) Per-square-foot and per-unit parameters in italics are outputs.
- (2) Assumed to be 20% of hard costs. Includes planning & entitlement fees, school impact fees, building permits, architecture & engineering, and construction management.
- (3) A \$200 HOA was assumed. Ad valorem property tax rate for Oakland is 1.2445%.
- (4) Assumed to be 20% of all costs.
- (5) Although the transit oriented development zoning designation of S-15 requires only one-half space per dwelling unit, a 1:1 parking ratio was assumed for purposes of project marketability.

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Exhibit 9.3
West Oakland Transit Village Residential Development
Live/Work Lofts--7th Street Property/Opportunity Site 6
PROJECT VALUATION AND RESIDUAL LAND VALUE

Pro Forma	30 Units	Per Unit	Per SF
I. Project Sales Value			
Potential Gross Sales Revenue	Total \$6,760,000		
Sales Premiums (Some Units)	\$80,000		
Total Potential Gross Sales Proceeds	\$6,840,000	\$228,000	\$235
Less: Marketing and Commissions (1)	(\$342,000)		
Total Potential Net Sales Proceeds	\$6,498,000	\$216,600	\$224
II. Estimated Development Cost	\$5,909,930		
III. Indicated Residual Land Value Estimate	\$588,070	\$19,602	\$27

Notes:

(1) Assumed to be approximately 5 percent of gross sales proceeds.

Sources: Marshall Valuation Service; City of Oakland CEDA; Kosmont & Associates, Inc.;
Michael Willis Architects; and Sedway Group.

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(2) Residual Land Value

As in the apartment analysis above, the residual land value of the live-work lofts was calculated by subtracting the development cost (including developer profit) from the total potential net sales proceeds. The aggregate loft project value in the year 2000 was calculated based on the average market rate unit price of approximately \$255,000, implying a total aggregate loft project value of \$6.5 million, net of marketing and commissions (see Exhibit 9.3). Subtracting \$5.9 million for development implies a land value of \$588,000, or \$19,600 per unit (or \$27 per square foot). Similar to the apartment analysis, it should be noted that this land value is very sensitive to changes in various assumptions. For example, a 5 percent increase in hard construction costs to \$130 per square foot reduces the land value to \$337,000, nearly a 45 percent reduction in value.

c. Parking structure pro forma

The parking structure pro forma (Exhibit 10) is based on a 1,613-space, above grade structure that has been assumed for Catalyst Site 2 (the Bank of America/Alliance owned property). The model used to determine financial feasibility assumes a \$10,000 construction cost per space with a 35 percent operating expense and a zero vacancy rate (i.e., 100 percent utilization). The summary pro forma outlines the general development parameters, stabilized operating revenue, total project valuation, estimated development cost assumptions, and the residual land value.

For analytical purposes, the model assumes an average daily parking rate of \$8.50 per space. This is an above-market rate pursuant to current market conditions. Even at this above-market rate, the analysis indicates that a parking garage, while potentially market feasible, is not currently financially feasible in light of the high construction costs for this type of facility.

Select key assumptions for the parking structure pro forma include:

(1) Development Costs

The total development cost of the 1,613-space 4-level parking structure is estimated to be \$14,375 per space (which includes all soft costs, contingencies, and developer profit). The total cost in current 2000 dollars would be approximately \$23.2 million.

(2) Residual Land Value

In order to determine the value of the parking structure upon completion, the static capitalization of income technique was used. With a net operating income of \$1,169 and a capitalization rate of 10 percent, the residual land value totals approximately negative \$2,920, or negative \$8.35 per square foot after subtracting development costs.

EXHIBIT 10
Parking Garage Static Pro Forma (1)
Catalyst Site 2: Bank of America/Alliance Property
PROJECT VALUATION AND RESIDUAL LAND VALUE

	Scenario A	Scenario B
I. Stabilized Operating Statement		
Average Daily Rate Per Space	\$8.50	\$8.50
Work Days Per Annum	250	250
Gross Annual Revenue Per Space (2)	\$2,125	\$2,125
Operating Expenses	-\$531.25	-\$743.75
City of Oakland Parking Tax	-\$212.50	-\$212.50
Total Expenses	-\$743.75	-\$956.25
Net Operating Income Per Space (NOI)	\$1,381.25	\$1,168.75
II. Valuation Estimate		
Capitalization Rate	10.0%	10.0%
Indicated Stabilized Parking Garage Value (3)	\$13,536	\$11,454
III. Development Costs		
Construction Cost Per Space	\$7,350	\$10,000
Soft Costs - All (25%)	\$1,838	\$2,500
Contingency/Entrepreneurial Profit (4)	\$1,378	\$1,875
Total Development Cost Per Space	\$10,566	\$14,375
IV. Residual Land Value Estimate		
Indicated Residual Land Value Per Space	\$2,971	(\$2,921)
Indicated Residual Land Value Per Square Foot	\$8.49	(\$8.35)
<u>Operating Assumptions and Development Parameters</u>		
Total Acreage	3.6	3.6
Total SQFT	156,816	156,816
Building Footprint--Acres (5)	3.2	3.2
Building Footprint--SQFT (5)	141,134	141,134
SQFT Per Parking Space	350	350
Maximum Number of Spaces Per Level	403	403
Number of Levels	4	4
Total Spaces	1,613	1,613
Operating Expenses	25.0%	35.0%
City of Oakland Parking Tax	10.0%	10.0%

Notes:

- (1) Two case scenario for a 1,613-space above-grade parking structure. Scenario A assumes a \$7,350 construction cost per space with 25 percent operating expenses, and Scenario B assumes a \$10,000 construction cost per space with 35 percent operating expenses.
- (2) Assumes maximum utilization with no vacancy.
- (3) Assumes a 2% sales commission.
- (4) Assumed to be 15% of all costs.
- (5) Assumes 10 percent of land area for setbacks, etc.

Sources: International Parking Design, Inc.; Ampco System Parking; and Sedway Group.

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III. RECONSIDERATION OF COMMUNITY VISION

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A. FEEDBACK FROM SECOND COMMUNITY WORKSHOP

The prevailing theme in the second community meeting was one of general acceptance that the BART Station Area is a good location for increased residential development of the scale and character represented by the conceptual projects discussed. However, also prevalent was a tone of distrust that the changes will directly benefit existing residents. Many of the community participants stated that, in the past, public development in the area, including an elevated freeway and a regional postal service distribution facility, had not improved the quality of life in the neighborhood. While there was general enthusiasm for new housing development and storefront retail that would take advantage of transit access, there also was concern and a need to ensure that a portion of the apartments developed would remain affordable and would meet the needs of neighborhood residents, including the elderly and disabled.

Clearly, the underlying theme of much of the discussion was to make the new transit village development benefit the existing community as well as new residents. The extent to which local residents have the opportunity to be involved and to advise in the review of major new projects will be the test of how much trust can be established by the major agencies who are going to be involved in development of the transit village concept.

B. COORDINATION OF COMMUNITY VISION WITH CONSULTANT/CLIENT RECOMMENDATIONS

Based on the market context and on comments received during the first community workshop, there are several criteria that can be assumed to comprise a community supported and economically feasible development program for the West Oakland Transit Village.

- ♦ With regard to residential land uses, the market overview provides examples of new development only a few miles from the Study Area with rents and sale prices that are outside the income range of most local residents. A clear message from both Community Workshops is that the emphasis for new housing built within the Transit Village Study Area should be on affordability, both to avoid displacement of current West Oakland residents and to facilitate mobility within the community. However, the workshop participants also recognized that residential products should target a mix of incomes both to encourage greater socio-economic diversity and to create an economically vibrant neighborhood.
- ♦ While there was a prevailing neighborhood sentiment against residential development densities higher than that of the existing neighborhoods (approximately 25-30 du/acre), there also was general approval of the developments shown that are of comparable densities to those being proposed for the primary and secondary opportunity sites (approximately 50 du/acre). The consultants' opinion is that design is a more critical measure of community acceptance than is density, at least for the ranges being considered.

Residents also expressed a desire for neighborhood-serving retail shops. To be feasible, these shops will require increased neighborhood population. The economics consultant, Sedway Group, has demonstrated that an increase in transit riders alone is insufficient to support the amount and type of retail envisioned by community participants. The consultant team concurs that in order for the Transit Village to prosper, the population base in the immediate vicinity of the station must be increased to the critical mass necessary to support new retail development. Therefore, a significant amount of higher-density housing of at least 50 dwelling units per acre should be allowed in order to take full advantage of the transit access that is available. The consultant team's assumption is that an increased resident population will stimulate new retail and other commercial development in the immediate vicinity of the BART Station, especially in the short-term. Moreover, the general assumption is that an increased resident population usually provides a greater boost to transit ridership than do other land uses, such as office. The overall increase in residential population being considered for the West Oakland Station Area, however, on its own will probably not dramatically increase transit ridership.

- ♦ The consultants also believe that it is critical to the success of the Transit Village to improve the appearance of the Station Area and to mitigate blighted conditions within the Study Area, including industrial uses that have visible outdoor storage and that generate noise, odor, and volumes of large truck traffic. Community participants at both Workshops conducted during the study period were very vocal in identifying the current volume of truck traffic and the noise caused by the BART trains as being conditions of blight that must be reduced significantly in order to make the area surrounding the BART Station more livable.
- ♦ Community residents stress that success of the transit village also is dependent on the critical need to improve the perception of safety, especially in terms of better lighting, overall maintenance and increased activity at the station area that extends over a longer portion of the day and into the early evening.

Representatives of the Alliance have made a strong case for a unified marketing theme for retail development in the Transit Village Area as well as for the Transit Village itself as a place. The general intent of such a concept has been reflected in a number of the recommendations discussed above. However, the insistence upon a Pan-African theme for retail activity requires some important qualifications, as follow:

Theme-Related Development:

A unified, coherent market plan for the transit village center can increase retail activity by selectively promoting uses that create a stronger destination for shoppers and by establishing a more comprehensive range of goods and services. Regional shopping centers, which have centralized ownership, can and usually do carefully select anchor and supplementary tenants to promote an overall marketing concept. A coordinated market plan for individual retailers along a public street is

much more difficult to achieve. While there are examples of districts or shopping streets where a cluster of stores offering related products, usually of a household serving type, have prospered, there are relatively few such places that have been created consciously without there being a single owner. Culturally centered districts can have a concentration of goods and services that, at least to an outsider, can appear to follow a central marketing concept. However, such districts usually evolve over time and are more the result of decisions, voluntary or forced, by certain groups of people with a common racial or cultural background to live in the same geographic area.

The more general pattern in an open market economy is for specialized public shopping districts to evolve according to an attempt to capture some particular segment of the economic spectrum. One or two businesses that attract customers because of the value or quality they offer can set a direction for a shopping district such as the 7th Street corridor. Over time, other merchants may begin to cluster in the area to try to appeal to the customers attracted by the magnet stores. Some type of merchant organization may be formed to further direct the quality and character of the district to the mutual benefit of all the commercial properties.

Historically, 7th Street in West Oakland was a pre-eminent entertainment and retail corridor for the African-American community. Old timers recall numerous night clubs and bars featuring jazz and blues and the continuous storefront shops that catered to the cultural tastes of the City's African-American community. Representatives of the Alliance have spoken strongly, including at the Community Workshops, in support of promoting a Pan-African theme for retail and entertainment activity along 7th Street. There are already Afro-centric retailers and booksellers in different parts of Oakland. Most have chosen locations where their regional draw customers have easy access. Marcus Books just purchased their location on MLK at 39th Street near the MacArthur BART Station. Others like Africa by the Bay on Lakeshore Boulevard, Joseph's Framing at Jack London Village, and the African sculpture/art store on Piedmont Avenue are located in thriving retail centers to take advantage of a particular income class of customers and foot traffic. A related group of Afro-centric artists and musicians have clustered at the Alice Arts Center. As has been noted in reference to one of the opportunity sites, the owner of the buildings fronting 7th Street between Peralta and Campbell Streets is working to rehabilitate them for a mix of uses that will include a performance space for blues and jazz, without a specific focus on race.

The consultant position is that the future of the 7th Street corridor through the Transit Village Study Area will be set by the successes of the pioneer merchants who come to occupy key locations. Therefore, it is important that key retail tenants, above all else, have the ability and skill to operate a successful business that serves the growing residential base as well as transit riders.



IV. IMPLEMENTATION RECOMMENDATIONS

A. COLLABORATIONS BETWEEN PUBLIC ENTITIES, RESIDENTS, BUSINESS OWNERS AND MERCHANTS

Above all else, it is important to continue to build upon the prior studies and plans and upon the projects currently being designed for the study area. With ongoing coordination, these projects can serve the evolution of a transit-oriented district at the West Oakland BART station. It is recommended that local representatives either from the neighborhoods or from the 7th Street, McClymonds Initiative Board (or from both) with an active interest in development projects be appointed to serve for an established length of time on the recommended inter-agency oversight committee, discussed at the end of this section and in other parts of the Report. Residents with special skills, including construction, education, the arts, or business, should be actively recruited to serve as volunteer resources in community service capacities, as the occasion may arise.

B. CONSULTANT/CLIENT RECOMMENDATIONS

Working with the tri-agency staff assigned to the West Oakland Transit Village report, the consultant team has developed a set of recommendations for the Study Area. These recommendations are intended to promote development opportunities necessary to create a transit village at the West Oakland BART Station, as discussed in previous sections of the Report. These recommendations seek to leverage the momentum being created by catalyst projects such as OHA's Mandela Gateway HOPE VI development, public area improvements along Mandela Parkway, and the BofA/Alliance's anticipated new development that will replace their interim parking facility. Recommendations identify the agency having lead responsibility. Cost figures are considered premature without further study and discussion and have not been identified. Finally, the recommendations reflect the community vision for the Study Area, as confirmed through the two Workshops, and are organized by priorities as follows:

First Priority Actions:

The recommendations for short-term priorities are focused on promoting new development in the next three to five years on identified opportunity sites. The construction of new housing, as shown in the concept development plan, will increase the rental housing stock and, in general, improve the local market for new convenience and household serving retail. Together with the planned and funded streetscape improvement projects, this new development will be highly beneficial to the visual quality and character of the area and will create the beginnings of a transit village dynamic that may attract even more riders to the West Oakland BART Station. Recommendations for first priority actions are identified as follows:

(1) Public Control of Land Use Decisions on Caltrans Owned Properties (OHA, CEDA):

As has been discussed, OHA currently is in the process of negotiating to obtain the Caltrans-owned property currently operated as a surface parking lot by O.P.E.N. The property is one of the two last remnants of the Old Cypress Freeway right-of-way still in Caltrans' ownership. OHA's acquisition of this property is critical to implementation of the new Mandela Gateway development in a form that creates the greatest positive impact on the future of transit village development adjacent to the BART Station.

The second Caltrans owned site is currently leased to the Postal Service for use as a practice driving area, which is a gross underutilization of this strategically important site. Public control of the property could provide an interim location for surface parking that will be lost as other sites immediately adjacent to the BART Station area are developed. For example, the Mandela Gateway project will displace approximately 250 spaces on the lot currently managed for Caltrans by O.P.E.N. Public acquisition by the City or OHA can allow creative negotiation with developers who are interested in transit village projects.

While there are too many unknown variables to be able to establish a probable time line for development of the primary opportunity sites, public actions to obtain control of land uses on the two Caltrans owned parcels are strategic to an optimum orchestration of the development sequence and to promoting the best use of available opportunity sites. Acquisition of the Caltrans parcel on the north side of 7th Street by OHA is critical to implementation of the highly beneficial Mandela Gateway project and should receive any City assistance that can be made available. The other Caltrans owned parcel provides an opportunity to maintain a critical parking supply during the construction period.

(2) Streetscape Improvement Master Plan for 7th Street Corridor between Union and Peralta Streets (CEDA, Public Works):

The public area streetscape design for the 7th Street corridor between Union and Peralta Streets, including the Mandela Parkway intersection, should be coordinated through a streetscape Master Plan, which is developed with community input. A recommended program statement for this project refines those elements already identified by the Acorn, Prescott Neighborhood Transportation Plan to include the following:

2.1 Contemporary design use of a coordinated theme of community based and endorsed imagery and motifs for all streetscape elements including color, texture, and materials to create a specific place identity for the transit village center, possibly of a Pan-African nature as suggested by members of the Alliance.

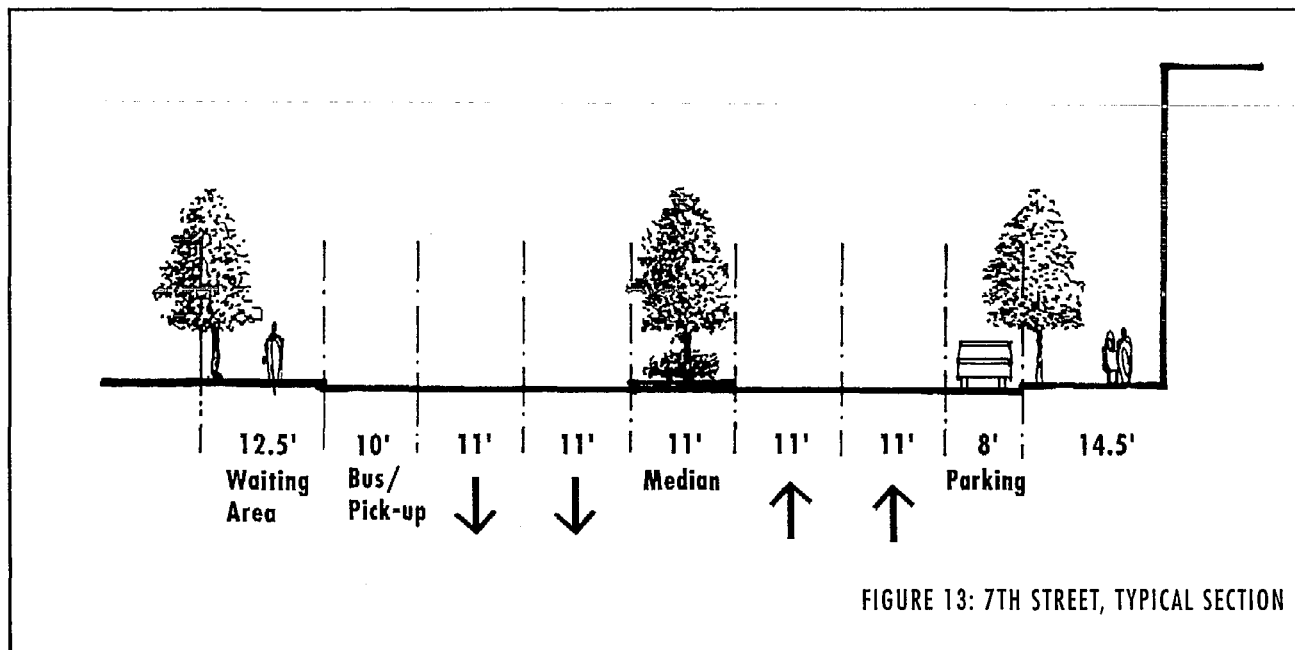
2.2 Special design light fixtures that have a strong civic character.

2.3 Major public art installations for public space associated with Mandela Parkway, 7th Street

intersection and the recommended BART plaza (Public art commissions, ideally, should place a priority on local, West Oakland artists. Funding can be enhanced through a designated portion, one percent, of the budget for a state and federally assisted streetscape project or, for the BART plaza, from BART's station art program, "Art in BART.").

2.4 Citizen's advisory committee involvement in project design process. The existing Neighborhood Transportation Plan committee should need to be expanded for this special project to insure that 7th Street merchants and residents of South Prescott are represented. Especially for public art projects associated with the streetscape master plan and improvement project, one or more representatives of the 7th Street/McClymonds Initiative Board also should be included.

2.5 Typical street section to include 12.5-foot and 14.5-foot sidewalk widths, on-street parking, an 11-foot median, and 4 lanes of traffic and on-street parking (Figure 13).



2.6 At bus stops, sidewalk bulb-outs are recommended so that buses can access passenger waiting areas without leaving the travel lane. This will reduce bus delay, providing better service to passengers. In addition, bulb-outs at bus stops increase the sidewalk area available for bus-related facilities and for waiting passengers and also reduce the pedestrian crossing distance for 7th Street. Whether bus bulb-outs are determined feasible or not, accommodations should be made to continue using the curb edge frontage at the BART Station property as a bus drop-off zone.

2.7 In conjunction with the new plaza on 7th Street, the West Oakland BART station should be made more attractive, with new signage installed directing patrons to the AC Transit facility and to off-site parking locations. Ideally, retail development on the station area property at the highly visible corner of Mandela Parkway and 7th Street should be pursued as an ideal way to frame and animate the plaza, drawing attention to the station entry.

(3) Public Support for Parking Structure (CEDA, BART):

Potential sites and funding sources should be identified as part of a future development master plan or specific plan to promote implementation of a large public parking structure in the Study Area, possibly as part of a mixed-use project. An optimal location is the 5th Street and Mandela Parkway site as it is directly adjacent to the BART Station area and does not directly impact existing residential neighborhoods. Such a use, even as the predominant part of a smaller mix of other uses, is seen as well-suited for the location. The site is adjacent to an elevated portion of the I-880 freeway and the future Amtrak Kirkham Street Maintenance Facility to be built across 3rd Street along the south side of the freeway. Moreover, the block of 5th Street between Union and Mandela, which provides direct access to the site, is also directly adjacent to the freeway on and off ramps. Finally, an alternative concept of locating a large parking facility frontage on 7th Street, would have a negative visual impact on the transit village center.

(4) Management of Truck Traffic through Study Area (CEDA, Public Works):

Truck traffic through the Study Area is the subject of one of the most prevalent complaints by residents and clearly is a deterrent to new residential development within the Transit Village. As discussed in the Existing Conditions Section of the Report, the Oakland Truck Circulation Program, which has not been formally adopted to date, would prohibit trucks exceeding 4.5 tons north of 7th Street between Peralta and Mandela Parkway. Mandela Parkway remains as a through route for access to freeways and most destinations immediately outside West Oakland. The Port of Oakland also is embarking on a study of truck traffic to determine to what extent it can be relocated out of existing residential dominant neighborhoods. Further consideration should be given to ideas for calming or slowing trucks along 7th Street west of Union Street before the City Program is adopted and while the Port is conducting its study. There are reasonable alternative east-west connections to the Port and Army Base area and these and other options for dealing with truck traffic through the Study Area should be explored.

(5) Subsidies for New Residential Development (OHA, City, Public/Private Partnerships):

Based on the assumptions outlined in Section II on Development and the implications provided in detail in each pro forma, Sedway Group has projected the cash flows anticipated to be generated by the apartment and parking facility projects, and the total potential sales proceeds (gross and net) for the live-work loft project. In each case, a residual land value was calculated. For the apartment prototype, the various outputs and measures all indicate that a residential apartment project configured as planned is not financially feasible without a subsidy. Order of magnitude shortfall figures are shown in the pro forma. The live-work loft and parking facility prototypes, however, both appear feasible when compared with current commercial land values in the West Oakland area. Recent comparable land sales in West Oakland indicate value between \$8 and \$11 per square foot.

With regard to the prototypical market-rate apartment prototype, the results simply indicate that the projected apartment rents are not sufficient to cover the estimated construction costs. Until such time that supportable rents rise for market rate apartments, such development will likely not be financially feasible without subsidy or in combination with affordable housing development. It should be noted that if the project could be supported with surface parking, or a less intensive type of parking structure, project feasibility could be enhanced.

One implication of the market-rate apartment project pro forma is that the apartment development encouraged in the Study Area for the short-term, start-up period is that developers will probably be non-profits and that the units should be of an affordable or mixed-income orientation, as these types of developments have access to funding sources not available to developers of pure market-rate housing (see section on Financial Sources for Multifamily Building Developers and Owners for select potential financing sources). As a result, a mixed-income or affordable rental housing project could be developed in support of the transit village concept, providing housing accessible to households with a wide range of incomes. An immediate benefit also is that the new transit village housing development would provide an opportunity for existing West Oakland residents to remain in the community, giving their household incomes and needs an opportunity to change over time. It is a scenario that enhances community stability and one that finds expression in OHA's Mandela Gateway project, which is in the process of being implemented.

(6) Maintain Parking Supply (CEDA, BART):

An adequate supply of parking must be maintained in the Study Area. Surface parking lots should be avoided in favor of structured parking, wherever possible, because surface lots are incompatible with the physical character of the transit village. Where surface parking lots are absolutely necessary, they should be at a small scale (less than 50 spaces) to avoid creating large swaths of dead space. They should be landscaped, including tree planting that provides maximum shade cover for parking spaces. Along any street frontage, trees should be planted to help define the street edge. Parking structures should have ground-floor uses, and the street edge should be planted with trees. Surface parking lots should be allowed in residential neighborhoods only as a variance to be renewed after 5 years. Formation of a special parking district should be considered to better manage resident parking permits, metered parking, and other aspects of a future parking program designed to maintain an adequate supply of public parking.

(7) Relocation of Non-Conforming Industrial Uses (CEDA)

The industrial land uses in the Study Area are a deterrent to residential development on the adjacent properties, as they are in much of West Oakland. The operations of these facilities generate truck traffic, can be noisy and, in some cases, produce emissions that are not only unpleasant but that also may pose health hazards for adjacent residents. In general, the non-conforming industrial uses negatively impact residential land uses and values. Relocation of the non-conforming uses, especially those immediately adjacent the the BART Station area, to an industrial area of the City in

a timely manner will have a very beneficial impact on the development time line of the primary opportunity sites. Redevelopment law provides the most reasonable mechanism for implementing such changes and consideration should be given to creating a redevelopment plan area that includes the older industrial properties in the Study Area.

(8) Inter-Agency Cooperation and Process for Community Involvement (CEDA, BART, OHA)

Continue the inter-agency project dialogue that has been initiated by the tri-agency Transit Village study process, including community involvement, in reviewing public implementation projects and development proposals for the Study Area as well as the status of these projects during implementation.

Longer-Term Priorities:

Recommendations for longer term priorities are those that will require more lead time to organize and implement. In some cases, the City already has many of the mechanisms in place that are discussed, but they are not necessarily focused on the neighborhoods that comprise the Transit Village area. In many cases, longer-term priority recommendations may be ongoing. Their results may be less easily measured and implementation may be incremental. However, the recommendations that follow are considered critical to the general well-being of the neighborhoods that will comprise the West Oakland Transit Village:

(1) Neighborhood Stabilization Programs (CEDA, OHA):

New transit-oriented development should not be encouraged without measures that address potential negative impacts on adjacent residential neighborhoods. The goal for each should be to increase the number of available housing units and to increase the intensity of use in the area without displacing existing residents.

As discussed in the discussions on existing neighborhoods in the Existing Conditions Section of the Report (I), the City should work proactively to direct available rent stabilization, homeownership and home-improvement programs to South Prescott and other adjacent residential neighborhoods surrounding the BART Station Area to counter potential economic displacement of existing residents as transit village development intensifies. Working with the 7th Street, McClymonds Corridor Initiative Board, the Alliance, CWOR and other neighborhood organizations, the new transit village development can be managed to create a growing supply of affordable income housing as part of a mixed-income development program. Property ownership by local residents also is seen as critical in keeping, as much as possible, the benefits of revitalization local.

By way of review, there are a number of programs and services that can be made available to help implement such a goal. They include the following:

1.1 Ownership Assistance: The transit village area, along with other adjacent neighborhoods, should be made target areas for home ownership assistance loans and programs. Long-term residents can be given more credits for receiving assistance.

1.2 Home Improvement Programs: The large number of older houses in the transit village area make it very appropriate for target programs that provide financial assistance for home improvements, especially those that address code issues and exterior appearance. A suggested community service program would be to staff a storefront office with resource information, including possible volunteers experienced in residential rehabilitation projects in the area.

1.3 Historic Preservation and Conservation: The significant stock of buildings older than 50 years may qualify the Study Area to be designated a historic district under preservation criteria established by the Secretary of the Interior. Properly established, such designation would qualify the area for additional funding sources for restoration and rehabilitation. A preservation district would not impose overly restrictive limitations on new development, but would provide mechanisms for design review that can insure that new buildings are visually compatible with older buildings.

(2) Designated Boundaries for the West Oakland Transit Village (City)

Designate boundaries for the West Oakland Transit Village that are responsive to a one quarter mile walking distance from the BART Station. Typical, existing designated boundaries such as for neighborhoods or for zoning districts, such as the S-15 District (Transit Oriented Development) are based on land use and not upon transit access. The official designation of a transit village area or district is important in defining properties, both public and private, residential and commercial that qualify by reason of their adjacency to transit for transit-oriented development programs and special funding opportunities (Figure 14). The area also could be targeted to receive funding for preservation of historic buildings, as noted under 1.3, Historic Preservation and conservation.

(4) 7th Street Corridor Market Plan (CEDA, OHA):

Work with developers to pursue an overall market plan for the 7th Street corridor between Union and Peralta Streets. Require ground floor space fronting on 7th Street, especially between Mandela Parkway and Peralta Street, to be designed so that it can accommodate retail or office use.

As previously mentioned, new development along the central portion of 7th Street and Mandela Parkway in the immediate vicinity of the BART Station may include storefront space for which there is no immediate retail demand. Short or long term rent subsidies identified as part of the design development for such projects may allow County and City public service agencies and departments to locate branch community service facilities for a lending library, adult education, after school programs and homework clubs, or a teen center. All such opportunities should be pursued to increase the concentration of community service facilities in the transit village, which will have an increased daytime population available to make use of these facilities.

By way of review, there are several business district assistance programs currently being used by the City that could be directed to the 7th Street Corridor, so that more businesses can be attracted. They are summarized as follows:

- 4.1 Small Business Loans: Start up commercial loans could help leverage building improvement loans to encourage qualified entrepreneurial businesses along the 7th Street corridor.
- 4.2 Merchant Association Programs: As commercial activity along 7th Street increases, some form of merchants association will be beneficial in promoting the area as an organized commercial district through local advertising, events and, possibly, a unified marketing program such as the Pan-African theme urged by members of The Alliance in the second Community Workshop and discussed in the development program section of the Report. Begin to organize a merchants association or local chamber of commerce to promote the 7th Street corridor as a place with a specific identity and character; such as the focus on Pan-African entertainment, food and retail, or on a strong neighborhood shopping character with a focus on goods and services that encourage browsing and convenience, such as books, record and tapes, prepared food, dry cleaners, etc.
- 4.3 Facade Improvement: Some version of the City's facade improvement program could be targeted for buildings along the 7th Street corridor. Many of the existing older buildings have ground floor space that has been boarded up and that could be made available for new, start-up businesses that would qualify for a commercial building improvement loan or grant.

(5) Calming Neighborhood Street Traffic (CEDA, Public Works):

Increased development in the Transit Village Study Area can potentially increase traffic in nearby residential areas located north of 7th Street. Traffic calming to discourage increased traffic through neighborhoods could include a variety of measures such as prohibiting left turn lanes from 7th Street onto residential streets and constructing bulb-outs at residential street intersections to slow traffic.

Consistently planted street tree located in tree wells at the back-of-the-curb will visually narrow the width of the street and encourage people to drive more slowly.

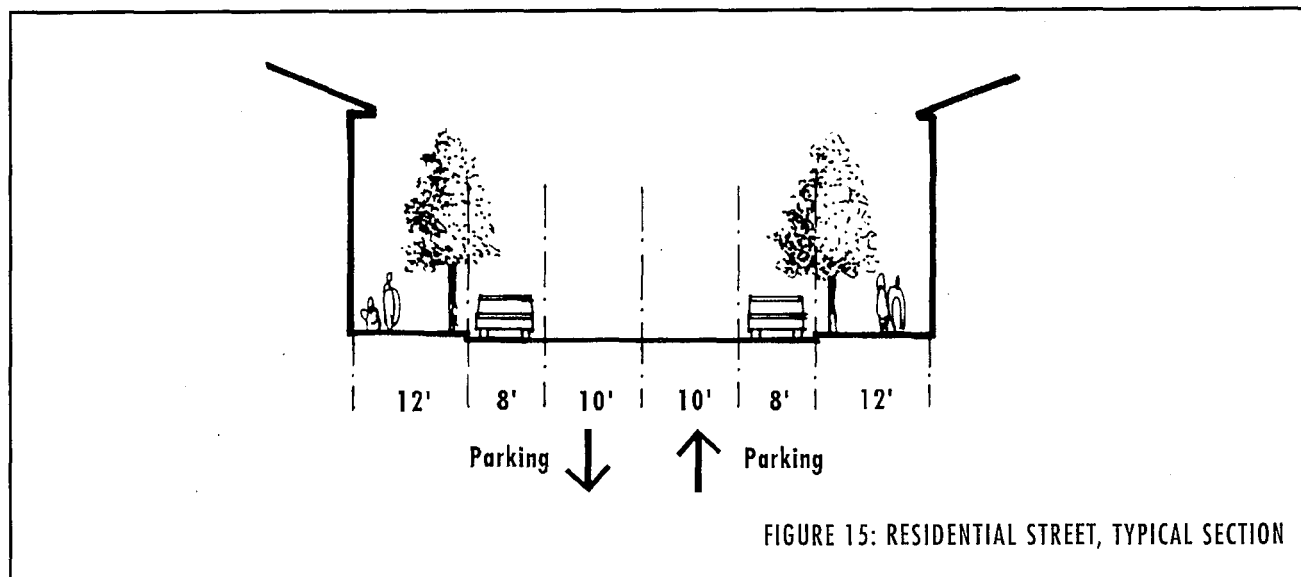
(6) Improved Bicycle Access (Public Works):

An alternative bikeway connection from the Middle Harbor Shoreline Park should be considered for Middle Harbor Road, instead of 7th Street. While Middle Harbor Road is heavily traveled by trucks, the road has a wider right-of-way to accommodate bicyclists than 7th Street. Within the Transit Village Study Area, there is not sufficient right-of-way along 7th Street to accommodate a bicycle lane with two lanes of east- and westbound traffic and a parking lane. In addition, 7th Street has a relatively narrow right-of-way east of the Post Office facility, with a greater potential for truck-bicycle conflict. Bicyclists could then use Middle Harbor Road to access Port View Park by way of 7th Street west of the underpass, as well as Middle Harbor Shoreline Park.

(7) Public Area Residential Streetscape Improvements (Public Works):

Public streets, sidewalks and surface parking represent the most predominate form of open space in the study area. In particular, the street infrastructure should include a level of streetscape improvements of a civic nature that invite people to walk places within the neighborhood and that are conducive to social interaction.

Residential streets should be designed to include special elements that discourage their use for through traffic. The recommended residential street section (Figure 15) includes narrower travel lanes (10 feet), maximum retention of on-street parking and consistently spaced street tree planting. Sidewalks should have a minimum width of 12 feet (including both paved and planting strip). Intersections of residential streets with major arterials such as 7th Street and Mandela Parkway, should be designed with landscaped "bulb-outs" and, possibly special markers to indicate entry into a residential area.



(8) Resident On-Street Parking Permits (Public Works):

On-street parking should continue to be limited to 2 hours without a special resident parking permit. Enforcement should be funded as part of the transit village parking district.

(9) Pedestrian Crossings (Public Works):

All street intersections and designated crosswalks should be designed to meet full ADA access requirements.

(10) Spur Rail lines (Public Works, CEDA, Port of Oakland):

Coordination efforts with the Port and railroads should include a long term plan to eliminate spur rail lines along Union Street through the Study Area.

C. AVAILABILITY AND USE OF PUBLIC FUNDS AND RESOURCES

1. Public Reinvestment Strategy

Major public reinvestment in the Study Area will be necessary to revitalize existing conditions that are the result of decades of neglect and blight. In particular, relocation of existing industrial uses and businesses, including the remediation of potential site contamination, represents costs that realistically cannot be borne solely by private-sector developers. OHA's success in obtaining a HUD HOPE VI grant for their Mandela Gateway development is an example of the importance of public reinvestment sources in facilitating positive change in the Study Area. A recommended reinvestment strategy to create an attractive public-sector framework for new development and to stabilize existing neighborhoods is outlined as follows:

(1) Redevelopment Tax-Increment Monies (Redevelopment Agency)

All or a portion of the Study Area could be made part of a new or expanded redevelopment plan area on the basis of blight and the projected budget needed for public reinvestment projects. The best time to establish a redevelopment plan area to maximize the potential future tax-increment is before there are widespread changes in use and ownership that result in increased property assessments. Eminent domain does not have to be part of a redevelopment plan area, but should be retained to include, at a minimum, what may become existing non-conforming uses under the revised zoning. Expanding the existing nearby redevelopment plan area to include the commercial frontage along the 7th Street corridor or, ideally all or most of West Oakland, could provide significant tax-increment funds to implement future revitalization projects.

(2) Community Development Block Grants (CDBG) (City):

CDBG funds, administered by the U.S. Department of Housing and Urban Development (HUD), are a familiar source of funding for most communities, including Oakland. Grant monies can be used for a variety of economic revitalization improvements, including housing rehab and streetscapes. Funds are somewhat limited and the competition between districts in a city like Oakland means that block grants would need to be reserved for a highly strategic projects.

(3) Empowerment Zones and Enterprise Communities (City):

Empowerment zones can be a means to provide block grants, tax incentives and other benefits to promote economic development and empowerment in designated areas characterized by pervasive poverty, unemployment and general distress. Types of assistance include grants, construction/rehab loans, loan guarantee, and long-term loans. Also tax incentives, such as tax-exempt facility bonds, and an employer wage credit of up to \$3,000 per year per employee working and living in the zone. Matching funds are required. Funds can be used for infrastructure improvements, business start-ups/expansion/retention, transitional housing, rehab of owner-occupied housing and development of community facilities.

(4) Brownfield Grants (City):

The Study Area and most of West Oakland, could qualify for Brownfield Grant funding and the City should continue to actively pursue this funding source, which is targeted for various types for study, planning and toxic clean-up for older industrial areas and districts.

(5) Parking District (City):

At a later time, the City should consider including all commercial properties in a parking district subject to assessments for assisting in city financing of additional public parking facilities. In-lieu fees can help meet on-site parking requirements for certain types of new development.

(6) Special Use Assessment District (City):

As more commercial development is built, the City also should give consideration at some future time to establishing an assessment district for assistance in funding on going maintenance costs for public area improvements, possibly as part of a 7th Street Business Improvement District (BID). A BID would provide the organizational structure and funding to actively market retail activity in the transit village area and would provide merchants with support in promoting collective interests and business objectives.

Transportation Agency-Initiated Funding for Transportation Related Projects and Districts:

(1) Transit Enhancement Activities:

The Transit Enhancement Activities (TEA-21) Program is a new program that is funded through a one percent set aside of the Urbanized Area Formula Grants (urban areas with a population of 200,000 and above). The six-year TEA-21 program authorizes \$2.9 billion for California under the Urbanized Area Formula program, of which almost \$700 million is designated for the San Francisco/Oakland metropolitan area. The local Transit EA set aside is roughly \$7 million over six years.

Transit enhancement projects include several categories applicable to the West Oakland Transit Village Study Area:

- ♦ bus shelters;
- ♦ landscaping and other streetscape improvements trash receptacles, and streetlights;
- ♦ public art;
- ♦ pedestrian access and walkways;
- ♦ bicycle access, including bicycle storage facilities and installing equipment for transporting bicycles on mass transportation vehicles;
- ♦ transit connections to parks within the recipient's transit service area;
- ♦ signage; and
- ♦ enhanced access for persons with disabilities to mass transportation.

Transit Enhancements Activities funds are distributed directly to transit agencies and BART or AC Transit would have to submit requests for TEA-21 grants.

(2) Congestion Management and air Quality Improvement Program (CMAQ) (Public Works):

TEA-21 continues the CMAQ improvement program that was established under ISTEA. CMAQ funds can be used to fund projects that reduce congestion and air pollution in urban areas that do not meet, or did not formally meet federal clean air standards. The MTC combines CAQ funds with Surface Transportation Funds (STP) into a funding source for various types of projects, including roadway, transit and bike/pedestrian projects.

(3) Access to Job (City/CEDA, Public Works):

The Jobs Access and Reverse Commute programs were initiated in TEA-21 to assist former welfare recipients in getting to work. The program defines an eligible project as one relating to the development of transportation services designed to: 1) transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment, and 2) transport residents of urban centers to suburban employment centers.

(4) Clean Fuels Formula Grant Program (BART):

The Clean Fuels Formula Grant Program (Section 5308) allows for the acquisition of clean fuels vehicles and supportive infrastructure by transit fleets. The program is funded at \$50 million annually. This program could be used to help implement BART's car loan program.

(5) Transportation and Community and System Preservation Pilot Program (TCSP) (City/Public Works):

The Transportation and Community and System Preservation (TCSP) Pilot Program is a new discretionary program authorized at \$120 million for six years. The purpose of the pilot program is to:

- ♦ Improve the efficiency of the transportation system;
- ♦ Reduce the impacts of transportation on the environment;
- ♦ Reduce the need for costly future public infrastructure;
- ♦ Ensure efficient access to jobs, services, and centers of trade; and
- ♦ Encourage private sector development patterns.

TCSP funds will be provided in the form of planning grants and implementation grants. While an implementation program is still being developed for TCSP, it appears that local governments, such as the City of Oakland, can directly apply for grants outside of the jurisdiction of MTC. However, it would to the benefit of the proposer to have MTC's endorsement. Market strategies to locate incubator businesses in vacant storefronts are potential candidates for this funding source.

(6) Transportation Development Act (Article 3) (City/Public Works):

Transportation Development Act (TDA) funds are used for bicycle and pedestrian enhancement projects on local serving streets and for community transit projects. This source is based on a dedicated portion of the sales and gas taxes that were passed by Bay Area voters. The funds are collected within the boundaries of each jurisdiction with the dedicated tax. A portion of TDA funding for Alameda County comes from 0.25 percent of the 8.25 percent sales tax.

(7) Transportation Fund for Clean Air (City/Public Works):

The Transportation Fund for Clean Air (TFCA) was authorized under Assembly Bill 434 and is distributed by Bay Area Air Quality Management District (BAAQMD) with the purpose of reducing motor vehicle emissions. The legislation authorizes BAAQMD to collect a \$4 surcharge on motor vehicle registration paid within the Bay Area. Sixty percent of funds (Regional Fund) are awarded by BAAQMD under a competitive grant program and the remaining 40 percent of funds are channeled through the congestion management agencies of each county (County Fund), based on county population. In Alameda County, 70 percent of these funds are passed through to the individual cities.

Eligible projects include implementation of ridesharing programs, purchase or lease of clean fuel buses, the provision of feeder shuttle service to rail and ferry stations, and bicycle projects. Recently, the City of Oakland has used TFCA to partially fund the downtown Broadway shuttle bus. These discretionary funds could also potentially be used to fund a similar shuttle program in West Oakland.

(8) Transportation for Livable Communities (TLC) (City/Public Works):

MTC has established the Transportation for Livable Communities (TLC) program to support development plans and projects that strengthen the link between transportation investments and community needs. TLC planning funds are divided into two types: planning grants and capital grants. The City of Oakland recently received a \$1.65 million capital grant to implement streetscape improvements in accordance with the Acorn Prescott Neighborhood Transportation Plan, as referenced earlier in the Report section on MTC funded projects.

(9) Transportation enhancements Activities (TEA) (City/Public Works):

TEA funds can be used on 12 types of projects that enhance the transportation system, including bicycle and pedestrian facilities, safety, and streetscape and landscape. TEA funds are federal and, within California, 75% of the state funds are distributed directly to the counties, while the remaining 25% is divided among three statewide programs.

(10) Alameda County Measure B Funds (City/Public Works):

Alameda County has, with voter approval, instituted a half-cent sales tax that is spent on a wide variety of transportation projects. While the current measure expired in 2000, if a new measure is passed, the expenditure plan calls for 5% of funds raised to be spent on non-motorized transportation and 0.2% to be spent specifically on transit oriented development. If approved, the next half-cent sales tax is projected to raise \$1.4 billion over 20 years.

Foundations and Corporate Partnerships:

Another potential source for financing for public reinvestment is from private foundations. Private foundations often provide funding for redevelopment costs, generally not in excess of \$25,000. Also, foundation monies are often tied to certain components of a housing development that fit the program objectives of the foundation's mission (e.g., a welfare-to-work program, job-training center, childcare facility). The following are several foundations that have been involved with affordable housing projects in the past.

- ♦ BankAmerica Foundation
- ♦ James Irvine Foundation
- ♦ Local Initiatives Support Corporation
- ♦ S.H. Cowell Foundation
- ♦ William and Flora Hewlett Foundation
- ♦ Kresge Foundation

D. INTER - AGENCY COOPERATION AND JOINT PROJECTS

One of the difficulties of implementing a transit village development strategy for the area around the West Oakland BART station is the number of semi-autonomous public agencies whose special jurisdictional interests have direct impacts. Coordination with other agencies, in particular BART and CEDA, is an opportunity to maximize mutual joint development interests leverage department opportunities, and manage the least disruptive time line for new projects.

As noted earlier in the Report, a multi-jurisdictional oversight staff committee should be established to review and coordinate projects in the Study Area on a regularly scheduled basis.

In conclusion, a summary table is included (Exhibit 11) identifying areas where coordination between the various agencies and jurisdictional interests would be critical in orchestrating new development as a "transit village."



V. APPENDICES, ATTACHMENTS AND ADDENDA

Exhibit 11: Oversight Review

Transit Village Projects	OHA	CEDA	BART	Caltrans, Public Works, AC Transit	Port, Postal Service, Others
Mandela Gateway	Property acquisition; replacement of Westwood Gardens; mixed-use, affordable income res; HOPE VI admn.	Land acquisitions assistance	Retail uses	Property ownership	Land lease of second Caltrans site
BofA/ Alliance property	Affordable housing funding	Alternative development concepts; Econ. Dev; Parking	Joint development land swap; interim parking	Parking; traffic	Parking
OS 1-8, for-profit developer	Subsidies for affordable mix	Econ.dev. funding & coordination	Joint development; intermodal bus facility	Property ownership; intermodal bus facility	Parking; Land lease; swap
OS 1-8, non-profit developer	Mandela Gateway tie-ins	Mixed-use (retail, res. Coord)	Joint development; intermodal bus facility	Property ownership; intermodal bus facility	Parking; Land lease; swap
Public area improvements (Streetscape)	7 th St frontage & imagery; Mandela Pkwy public art & open sp.	Econ. Dev.; public art; special features; funding	7 th St frontage BART plaza; Public art	Bus access; on-street pkg; maintenance; funding; standards; review	Access reqs; spur rail lines;
Transit Village n'hoods	Affordable income housing	Retail dev.; home ownership assist; home repair assist; industrial use relocations; zoning; area designations	Train noise; seismic upgrade impacts; intermodal access	Parking permits; truck traffic; res. Streetscape; traffic calming	Truck traffic; army base resource access & use

CONTENTS

1. City of Oakland Informational Report on West Oakland Projects (Appendix 1)
2. Additional Funding Sources for Housing (Appendix 2)
3. Program Description of OHA's HOPE VI Mandela Gateway Project, from HUD Grant Application Report (Appendix 3)

ADDITIONAL MATERIALS ON FILE WITH AND AVAILABLE BY CONTACTING THE RECEPTIONIST AT THE CITY OF OAKLAND CEDA OFFICE, 3RD FLOOR, FRANK OGAWA PLAZA:

1. Local Business Questionnaire/Profile Form
2. A screened list of qualified contractors and sub-contractors plus and database of local resident developed as part of the Action Report by Davillier-Sloan with Dinwiddie & Associates
3. File of materials used at first and second Community Workshop, provided by Dinwiddie & Associates

APPENDIX 1

City of Oakland Informational Report on West Oakland Projects

CITY OF OAKLAND

Agenda Report

TO: Office of the City Manager
ATTN: Robert C. Bobb
FROM: Community and Economic Development Agency (CEDA)
DATE: June 22, 1999

RE: INFORMATIONAL REPORT ON WEST OAKLAND PROJECTS

SUMMARY

This report provides a summary of projects currently underway, recently completed or programmed in West Oakland as requested by City Council Committee. West Oakland is generally considered the area bounded by the Interstate 980 (I-980) freeway to the east, 3rd Street to the south, the new Interstate 880 (I-880) Cypress freeway to the west, and the Interstate 580, 880, and 980 Distribution Structure to the north. This report also covers projects within the Port of Oakland's jurisdiction as well as the former Oakland Army Base immediately adjacent to the district. The attached table and coordinating map provide general information and the respective location of various projects coordinated and managed by City staff, as well as private projects.

The recent completion of the Cypress Freeway Reconstruction Project, the Oakland Army Base Reuse Plan, Port Expansion Program, and other public agency and privately initiated projects have contributed to the notable increase in development interest in West Oakland. Staff of the City's Community and Economic Development Agency (CEDA) have worked collectively over the past several months monitoring and coordinating planning and economic development projects in the area. Many of the projects are related either geographically or topically and require the expertise of staff from various CEDA divisions. The city-wide Service Delivery System (SDS) team made up of staff from city-wide departments also coordinates projects and resources, and is responsible for responding to on-going community issues.

Several planning projects which establish the land use framework and community's vision for future development were recently completed. This includes the adopted Land Use and Transportation Element of the General Plan, the Oakland Army Base Reuse Plan, Acorn Prescott Neighborhood and Transportation Plan, Mandela Parkway Corridor Plan and the West Oakland 2000 Transportation and Economic Development Study. These plans call for extensive implementation programs, which once completed will dramatically improve the overall image of the West Oakland District, and encourage economic development. Facade improvement projects funded through the Neighborhood Commercial Revitalization (NCR) Program, which provides grants to businesses along the major corridors, will also contribute to the visual enhancement of the area. Various public works improvement projects have been initiated or programmed, such as repaving 7th Street and the roadway extensions of Mandela Parkway to Hollis and 3rd Streets.

CED Committee
Item No. _____

These projects will improve circulation throughout the area and compliment the many planning and development projects as well.

The West Oakland community is in need of support services such as retail shopping, banking, and medical facilities, yet many of the market studies conducted in the area have concluded that an increase in housing is needed to provide the additional population that could financially support and attract these types of businesses. One of the most encouraging developments to support retail and services attraction is the Acorn Housing Rehabilitation and Bayporte Village Development. This project will increase the housing market and create opportunities for homeownership for residents in the area. The project will especially contribute much needed support for the nearby Acorn Shopping Center, currently being renovated and improved to attract a full service grocery store and additional retail businesses.

CEDA staff have continuously worked with private developers on projects, such as the conversion of the Clawson School to live-work units, the potential reuse of the former Amtrak Station and surrounding 22 acre site, and other development opportunity sites identified in the West Oakland 2000 study. The Planning Commission has also recently approved several major projects including a 41 unit live-work conversion and construction of an Amtrak Maintenance Facility.

Although City staff have been involved in numerous projects currently underway or programmed in the area, many of the projects are funded by state or federal funds through grant programs. Several projects have been joint efforts with other public agencies and non-profit groups, while others have been privately funded initiatives. Staff will continue to work collaboratively on projects to monitor and coordinate efforts contributing to the revitalization of the West Oakland District.

FISCAL IMPACTS

This is an informational report and there are no fiscal impacts.

BACKGROUND AND DISCUSSION

West Oakland is increasingly recognized as an area of change and opportunity. The change is not only attributed to the recent completion of the Cypress Freeway, the Army Base Reuse Plan and the Port of Oakland Expansion Program, but to the dynamic energy level and commitment of the community, including residents, business and property owners alike. City staff has recently completed and are currently engaged in numerous projects that will help revitalize the area. Those projects are listed in Attachment 1 and the locations are identified in the corresponding map as Attachment 2.

CEDA staff is responsible for managing and coordinating various planning and economic development projects throughout West Oakland. Many of the projects have required the expertise of the various divisions, such as planning, urban economics, redevelopment, and housing development, and have accordingly been established as "team" efforts. During the past several months, staff has held meetings to collaborate on projects and provide the most current status, which facilitates enhanced decision-making on project

strategies and recommendations. The following provides a summary of the recently completed, current, and programmed projects in the area.

Planning Projects

During the past several years, staff has been involved in various planning efforts that establish the framework for future land uses in the area and provide recommendations for revitalization. The projects involve extensive community participation to help define the area issues, establish priorities, and guide the planning process.

General Plan Land Use and Transportation Element: The General Plan update, which provides future land use designations and transportation improvement projects for the City was adopted in early 1998. The West Oakland Plan was developed through a series of meetings with the community that identified the area issues including conflicting land use areas and vision for future development for the next 20 years. Some of the policies established for West Oakland include preserving neighborhoods, utilizing "good neighbor" methods for areas with mixed uses, and developing improved communications with the nearby Port of Oakland.

Acorn Prescott Neighborhood Transportation Plan: This Plan provides 12 streetscape improvement projects, AC Transit bus service enhancements, and a shuttle plan for the Acorn and Prescott neighborhoods. The Plan was completed in December 1998, and \$1.75 million was recently awarded for a streetscape improvement project along 8th Street from Market to Mandela through the Metropolitan Transportation Commission (MTC) Transportation for Livable Communities Program. The City will continue to apply for additional funding through MTC and the Alameda County Congestion Management Agency for the remaining projects. Funding for a shuttle service may also be available through the Hewlett Initiative which is described below.

As suggested in the Acorn Plan, AC Transit is working on modifications to improve bus service in West Oakland and provide a night owl shuttle in West Oakland and throughout the City. A steering committee comprised of community representatives and public agency staff was established to help guide the planning process and will continue to function until the Plan is fully implemented.

Mandela Parkway Corridor Plan: This plan identifies the vision for the former Cypress Freeway corridor which is to establish a grand landscaped boulevard from 8th to 32nd Streets. The Plan, funded by the State Department of Transportation (Caltrans), was adopted by City Council in March 1997, and in April 1998 the design guidelines were adopted and forwarded to Caltrans for implementation. Currently, a Landscape Subcommittee made up of community representatives is working with Caltrans to complete the final design. The project is scheduled to begin construction by early 2000 and will be completed by 2001.

West Oakland BART Station Transit Village Study: The Oakland Housing Authority, BART and City of Oakland will embark on a joint effort to provide recommendations on developing a transit village near the West Oakland BART station and improving the 7th Street corridor. The study is intended to provide proposals for specific private or public projects that would stimulate and focus neighborhood revitalization efforts, and attract private capital and investment for housing, commercial and other economic development

projects to the area, including mixed-income housing. This would be accomplished by using a variety of finance sources including federal HOPE VI funds. The Oakland Housing Authority has plans to rehabilitate the Westwood Gardens multi-family housing development at 7th Street and Mandela Parkway using HOPE VI as a potential resource. Proposals from consultants to provide technical assistance to staff on the study have been submitted in response to a Request for Proposals released by the Oakland Housing Authority in March. However, an executed Memorandum of Understanding between the three agencies is awaiting BART Board of Directors approval that is expected to take place in mid June. The study should be completed by December 1999. The total cost is approximately \$95,000, of which the City of Oakland will contribute \$40,000 from CEDA area team funds, OHA will contribute \$30,000 and BART will contribute \$25,000. A planning grant application for an additional \$50,000 through the MTC Transportation for Livable Communities Planning Program was submitted in March. To date, MTC has not announced the recipients of the grant.

West Oakland 2000 Transportation and Economic Development Study: West Oakland 2000 was funded by Caltrans to examine the development potential of the area based on the new circulation patterns which resulted from the Cypress Freeway Reconstruction Project. The document, to be used as a reference source provides the projected circulation network, traffic volumes and market conditions for the year 2000, and identifies various economic development opportunity sites, and specific market, transportation and land use strategies to enhance the sites' development potential. A strategy which prioritizes improvement areas around nodes is provided as well. The study identifies the area surrounding the West Oakland BART Station as the first priority area which corresponds with the Transit Village Study as previously described.

Areawide Rezoning: To address the historic land use conflict of industrial/manufacturing uses with residential activity, a rezoning study has been initiated in the area. The study will develop strategies to address the conflict issues and will be coordinated with the city-wide rezoning effort that will bring zoning and the recently updated General Plan into conformity. As part of the first phase of the West Oakland rezoning effort, a preliminary study was presented to the City/Port Liaison Committee on May 21, 1999 that addressed truck-related uses in the area. Another component of the study will examine strategies to minimize the environmental impacts of such businesses including poor air quality, loud noise and congested and unsafe traffic conditions. The proposed budget includes \$50,000 for professional consultants to assist staff. Draft rezoning recommendations should be available by early 2000.

Army Base Reuse Plans: The Oakland Base Reuse Authority (OBRA) which is responsible for the Base's reuse has prepared a Reuse Plan that describes the initial stages of proposed development for the City's portion of the Army Base. The Plan proposes environmentally safe high-tech industrial, research and development, light industrial, and warehouse and distribution activities. In addition, it proposes linkages to the Port of Oakland and a training center campus to prepare individuals for jobs that might be created on the Base. An area for the produce market currently located in Jack London Square has also been designated. The Reuse Authority is in the process of selecting a master developer that will purchase and develop the entire area.

The Port's Army Base Reuse Plan is to create new cargo terminals in the area west of Maritime Street. The cargo terminals and associated operations require waterfront sites and are planned to take up the entire area allocated to the Port.

The Reuse Authority has also established an interim leasing policy which makes available all unused warehouse, distribution, and other buildings on Base property until the area is redeveloped. To comply with environmental regulations, only activities like or similar to those which previously occupied the Base are allowed for interim leasing. A large portion of the base will be leased to an administrative unit of the Army.

7th Street McClymonds Corridor Improvement Initiative: This effort is a seven-year community-based project, which emphasizes resident leadership in the development and implementation of strategies to improve the community. The project sponsor is the William and Flora Hewlett Foundation with the San Francisco Foundation as the managing partner. The Initiative has two phases that include a one-year planning phase for which the San Francisco foundation has received a \$325,000 planning grant and an implementation phase. The community has retained the consultant firm Bay Area Economics to provide technical assistance and a draft plan has been completed and submitted to the Hewlett Foundation for potential funding and implementation. The amount available is \$750,000 per year for six years that will be provided via the San Francisco Foundation. Although City staff is not actively involved in the process, technical information has been provided to the consultant and staff has attended several Initiative meetings.

Neighborhood Commercial Revitalization (NCR)

The NCR Program was established to assist local businesses located along major commercial corridors in making façade improvements to their storefronts, and thereby improving the areas' image. The targeted corridors in West Oakland include San Pablo Avenue, West Grand, and 7th Street. Grants are provided through the Community Development Block Grant (CDBG) program for \$10,000 maximum. Businesses are required to provide a one to one match. Three façade improvements were recently completed along San Pablo and five should be completed by November 1999. Two additional businesses along West Grand Avenue are also scheduled for completion by November.

Redevelopment

The Redevelopment Agency is in the process of designating the Oakland Army Base ("Base") as a California Redevelopment Area. This is being coordinated as part of the reuse planning effort. Designation as a Redevelopment Area is necessary due to the site's many antiquated structures and will enable the Agency to capture the maximum tax increment from the site for necessary public improvements. The Redevelopment Plan will follow the land use designations described in the Final Reuse Plan adopted by the Oakland Base Reuse Authority.

The Redevelopment Plan adoption will utilize the amended chapter of the California Community Redevelopment Law for disused military bases and is scheduled for completion by December 1999. The City Council adopted the Base and several neighboring areas in West Oakland as a Redevelopment Survey Area on December 15, 1998. Staff is presently analyzing the Survey Area to determine the final Project Area.

The next major steps in the redevelopment plan adoption include the preparation of the legal description of the Project Area, the Preliminary Plan, the Preliminary Report, and submitting the Final Report on the Redevelopment Plan to the City Council. The adoption process also involves several mandatory notifications to the site's affected taxing entities, public hearings and updates for the West Oakland community. The Agency approved an appropriation of \$148,000 on January 26, 1999 from the Redevelopment Planning Fund for redevelopment planning activities.

Economic Development Projects

Various economic development projects have been initiated by the City and in collaboration with federal agencies and non-profit groups to help revitalize West Oakland. The following provides a description of the City and agency initiated projects.

Acorn Housing: The U.S. Department of Housing and Urban Development (HUD), the City of Oakland and the non-profit housing community are renovating several housing developments in the area. Specifically, Bridge Housing Corporation is rehabilitating the Acorn Housing development which will result in 293 renovated apartment units. The total cost of the renovation is approximately \$30 million and construction should be completed by March 2000. Funding for the project is provided through HUD and the Redevelopment Agency. The project includes the Acorn Smart Housing Program a computer project, for which the City has funded the installation of cabling on three of the parcels. A learning center and community classroom will provided on-site. IBM and BRIDGE West Oakland Housing, the Acorn Resident Council and the City have applied for additional funding for the program through various grant applications and hope to receive additional funding for the project by October 1999. The total project cost is estimated at \$2.5 million. The program will be a pilot or model program over the first three years, from 1999 to 2001. The City has applied for Welfare to Work funds, Telecommunications and Information Infrastructure funds, and Dept. of Education Technology Program funds, as well as requests to private foundations as part of this project.

The Oakland Community Housing, Inc. (OCHI) and the East Bay Local Asian Corporation (EBALC) is developing Bayporte Village, (formally Acorn II) which consists of 71 single-family home-ownership units. The total project cost is estimated at \$14.9 million and is being funded by HUD, construction lenders and the Redevelopment Agency.

Acorn Shopping Center: Community Plaza Developers (CPD) were selected in 1997 through a Request For Proposals (RFP) to rehabilitate the Acorn Shopping Center at 7th and Market Streets. The Redevelopment Agency currently owns the Shopping Center, however CPD are in contract to operate and manage the facility by contract for \$700,000. CPD recently signed a lease with a grocery store operator from Southern California, the owner of Megafoods. CPD also received approval from the EEC Policy Board for a total of \$5.5 million in EEC funds to acquire and rehabilitate the property. They will also request an additional Redevelopment Agency grant of about \$439,500 (which is in addition to the \$700,000 contract). The City is currently in the process of negotiating a Disposition and Development Agreement for the site with CPD.

Private Development Projects

Private developments have also taken place and/or are proposed in the area. Other projects have been initiated or proposed for various sites within West Oakland, as listed below:

- Clawson School Rehabilitation – Conversion of a school building and site on Peralta Street to live-work units; project currently underway.
- Pacific Gas & Electric (PG&E) Building Reuse – Conversion of a building formally used by PG&E for storage and vehicle parking to 41 live-work units; project recently approved by Planning Commission.
- Relocation of an Amtrak Maintenance Facility from Bay Street in West Oakland to 3rd and Kirkham Streets; project recently approved by Planning Commission.
- Former Amtrak Station and Site - Potential reuse options for site; seismic retrofit and lead abatement analysis for building completed; Reuse Study for the station is being discussed with property owner.
- Mandela Village – Feasibility Study on a mixed-use project near/at the BART Station was recently completed; project includes retail, commercial, entertainment and residential components and will be considered as part of the Transit Village Study.

Service Delivery System (SDS) and Area Team

SDS: The SDS team is made up of staff from various city departments to address and target specific areas (Hot Spots) in need of blight and nuisance abatement, and increased code and police enforcement. The West Oakland Hot Spot is the area bounded by San Pablo Avenue, West Grand Avenue, Adeline and 34th Streets. Through the efforts of the SDS team, areas within the Hot Spot have experienced a reduction in burglaries, several properties have been cited for code enforcement violations, buildings have been boarded, vacant properties have been cleaned and fenced, a blighted residence was demolished, and numerous abandoned vehicles have been removed. The SDS team has held one town hall meeting and a second meeting is scheduled for June 10th to prioritize future service requests.

St. Andrews Plaza – This project was initiated and funded as part of the former CEDA Area Team initiative and includes improvements to a small triangular shaped parcel used a corner park at San Pablo Avenue and 32nd Street. The project is scheduled for construction by mid summer and will take two to three months to complete.

Public Works Projects

7th Street Improvements: The Engineering Design Division of Public Works has programmed a street repavement project along 7th Street from Market Street to Mandela Parkway. The plans have been completed and construction could begin by early October. The project is estimated to cost \$450,000 and is being funded through the Federal Highway Intermodal Surface Transportation Efficiency Act (ISTEA) with matching funds from Measure B sales tax.

San Pablo Avenue Improvements: Streetscape improvements totaling \$2 million were recently completed along San Pablo Avenue from 16th to 35th Streets. The project involved street widening, construction of a landscaped median, street trees and street repavement. This project was also funded through ISTEA and Measure B sales tax

funds.

Mandela Parkway Extension to Hollis Street – Caltrans is currently preparing the final design plans for a future roadway connection of Mandela Parkway from 32nd to Hollis Street. This project is a mitigation for the relocation of the Cypress Freeway and is being funded by Caltrans. The project is estimated to cost a total of \$3 million and should be completed by early 2001. Caltrans, the Public Works Agency, CEDA and the City of Emeryville are coordinating this effort.

Mandela Parkway Extension to 3rd Street – As envisioned in the General Plan and Mandela Parkway Corridor Plan, funding for a new road connecting Mandela Parkway and 3rd Street was recently awarded to the City through MTC. Additional funding from Amtrak in the amount of \$250,000 for the pedestrian and bicycle facilities will be provided as part of the maintenance facility project. The total project cost is \$1.5 million and should be completed within a one to two year period.

Conclusion

Most of the projects described above have been funded through grants from regional sources such as MTC, federal and state programs including CDBG and ISTEA, and private funds from non-profits, foundations and developers. CEDA staff will continue to coordinate and monitor projects taking place in the area and is hopeful for the successful completion of projects that will help revitalize the area and improve the overall image of the district and city as a whole.

ACTIONS REQUESTED

This is an informational report and no actions are requested.

Respectfully submitted,

WILLIAM CLAGGETT
Agency Director

Prepared by:
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Strategic Planning

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

OFFICE OF THE CITY MANAGER

ATTACHMENTS:

1. West Oakland Projects Table
2. West Oakland Project Map

WEST OAKLAND PROJECTS

June 1999

Map No.	Project	Timeline	Project Cost	City Share	Funding Source
1	Acorn Prescott Neighborhood Transportation Plan	Plan Completed 8 th Street Project Design Completed mid 2000	\$1.2 Million	\$115,000	MTC Redevelopment Agency
2	Mandela Parkway Corridor Plan	Design Completed -11/99 Construction Completed - March 2000	\$11.5 Million	None	Caltrans
3	West Oakland Transit Village Study (OHA/City/BART)	6 to Months	\$95,000	\$40,000	CEDA Area Team Funds BART, OHA
4	West Oakland 2000 Transportation and Economic Dev. Study	Final Document – July 1999	\$200,000	None	Caltrans
5	West Oakland Rezoning	Draft Recommendations - February 2000	\$50,000 for Consultant	\$50,000	General Fund
6	Army Base Reuse Plan	Developer Recommended for OBRA Consideration	\$740,000	None	Department of Defense Off. Of Economic Adj.
7	7 th Street McClymonds Initiative	Draft Plan Completed Submitted to Hewlett Foundation for Funding	\$350,000 Planning \$750,000/yr. For 6 yrs. Uncommitted	None	Hewlett Foundation
NCR					
8	NCR – Façade Improvements	3 Completed 7 Completed - October 1999	\$100,000 Obligated	None	CDBG Funds
Redevelopment					
9	Army Base Redevelopment	Plan Completed -	\$148,000	\$148,000	Redevelopment

Map No.	Project	Timeline	Project Cost	City Share	Funding Source
	Area	December 1999			Agency
Economic Development					
10	Acorn Housing Apartment Rehabilitation and BayPorte Village	Construction completed - Mid 2000 for both projects	\$30 Million for Rehab \$14.4 Million for New	\$1.4 Million for Rehab \$2 Million for New	Redevelopment Agency HUD Non-Profits
11	Acorn Shopping Center	Rehabilitation Completed -mid 2000	\$7.1 Million	\$6.6 Million	Redevelopment Agency Managers
12	Clawson School Rehabilitation		N/A Private Developer	N/A	N/A
13	Live-work Project @ Former PG&E Building	Unknown	N/A Private Owner/ Developer	N/A	N/A
14	Reuse of Former Amtrak Station	Unknown	\$22,000 Structural and Lead Analysis on Building	None	ISTEA
15	Amtrak Maintenance Facility	Project Approved by Planning Commission 5/19	N/A Private Developer	N/A	N/A
16	Mandela Village	Feasibility Study Completed	\$50,000	None	EEC
SDS/Area Team					
17	St. Andrews Plaza	Design Completed Construction Begins mid-June	\$30,000	\$30,000	CEDA Area Team
18	Operation Hot Spot	Continuous	N/A	N/A	N/A
Public Works Projects					

Map No.	Project	Timeline	Project Cost	City Share	Funding Source
19	Repaving 7 th Street	Design Completed Construction Begins early October	\$450,000	None	ISTEA Measure B
20	San Pablo Avenue Improvements	Completed	\$2 Million	None	ISTEA Measure B
21	Mandela Parkway Extension to Hollis Street	Design Completed - November 1999 Construction Completed - Mid 2000	\$2.5 Million	None	Caltrans
22	Mandela Parkway Extension to 3 rd Street	Design Completed - February 2000 Construction Completed - Dec. 2000	\$1.25 Million		MTC Amtrak Project

APPENDIX 2

Additional Funding Sources for Housing

APPENDIX 2: ADDITIONAL FUNDING SOURCES FOR HOUSING

There are numerous programs to assist in financing homeownership and the construction of both rental and for sale housing. Many of these programs specifically are targeted to first-time home buyers or households earning between 80 and 120 percent of area median income.

1) City of Oakland Programs

The City of Oakland offers two primary means of assisting low-income home buyers: 1) the first-time buyer mortgage assistance program; and 2) silent second mortgages. The first-time buyer mortgage assistance program provides share-equity-deferred loans of up to \$30,000. Silent second mortgages are also typically a maximum of \$30,000, but they do not have to be repaid as long as the unit is resold to another qualifying low- or moderate-income buyer, if resold at all. While first-time buyer mortgage assistance is not tied to any particular property, silent second mortgages are generally a project-based subsidy that the developer initially applies for on behalf of potential buyers before marketing begins.

2) Fannie Mae

Fannie Mae's Community Homebuyer Program (CHBP) can be used by borrowers with household incomes up to 120 percent of AMI (this limit may be waived if the property is in a designated central city or census tract using FannieNeighbors described below). The purpose of the program is to make homeownership more affordable by reducing the amount of income and cash required for the down payment and closing costs. The maximum loan amount is \$227,150. There are several options within this program: 1) Fannie97 requires only 3 percent down payment, 2) 3/2 Option requires 3 percent down payment from borrower's own funds and 2 percent gift, grant, or unsecured loan; 3) Start-up Mortgage is a graduated payment mortgage with interest-only payments due the first year; and 4) FannieNeighbors removes the income limit if the property is in a designated area. Fannie Mae will also purchase certain first mortgages on the secondary market if they meet certain criteria.

A new program for properties in "location efficient neighborhoods" served by transit can qualify potential owners for Location Efficient Mortgage (LEM) assistance. With underwriting from Fannie Mae, lenders can stretch debt-to-income ratios and offer 30 year fixed-rate mortgages, with 3% down, up to the maximum of \$240,000.

3) California Housing Finance Agency Programs (CHFA)

CHFA's 100 Percent Loan Program is intended to assist low-to-moderate income home buyers with the initial cost of homeownership for homes priced within CHFA's published sale price limits. The amount of the second mortgage is limited by the restrictions established by the mortgage insurers. For example, CAHFA-insured 97 mortgages can have a maximum CHFA second loan equal to 3 percent of either the sales price or appraised price of the home, whichever is lower, up to the maximum CHFA

sales price limit for the applicable county. FHA-insured mortgages can have a CHFA second loan equal to the FHA minimum required downpayment (excluding closing costs) for homes priced at or below \$125,000. Because West Oakland is considered a "Target Area," borrowers do not need to be first-time home buyers.

CHFA's Affordable Housing Partnership Program (AHPP) is intended to assist first-time home buyers who obtain direct financial assistance from a local government agency for downpayment or closing costs with an interest rate approximately 1.5 percent below conventional loan rates. The sale price limits are the same as under the 100 Percent Loan Program. However, the borrower income limits are slightly lower.

4) HUD Programs

HUD has several programs for affordable ownership housing in addition to the 203(k) program previously described. These programs include Mortgage Insurance for Condominium Units, Homebuyer Education Programs, and Section 8 Vouchers for mortgage payment program (not yet active).

The purpose of the mortgage insurance program (Section 234) is to encourage lenders to make affordable mortgages available for non-conventional forms of ownership. HUD's FHA insurance allows home buyers to finance up to 97 percent of the purchase price.

HUD's Homebuyer Education Learning Program is designed to provide high-quality homeownership education for potential buyers. HUD classes consist of four four-hour free classes sponsored by non-profit groups and conducted by FHA staff. Completion of HUD's course may entitle the potential buyer to a reduction in the cost of mortgage insurance.

The new HUD budget signed by President Clinton in October 1998 included legislation to create a homeownership voucher program. The proposal is to allow as many as 50,000 families to use their Section 8 rental assistance vouchers to become first-time home buyers. Rules for the new program are expected to require each family to have employment income, contribute funds for the down payment, and qualify for a mortgage loan from a conventional lending institution. It may be several years before this program is active, but it could be very useful in the marketing of a new affordable multifamily project, depending upon timing and the ultimate program details.

5) Bridge Loan Program:

The purpose of the program, provided by the Local Initiatives Managed Assets Corp., is to provide a bridge loan to assist flow of funding between project closing and equity payments by tax credit investors. This is a new program that is to be used with tax credit projects. Matching funds are required, with construction and permanent financing and equity investments required being in place. Non-profit corporations are the only eligible applicants, and funding priority is given to programs serving very low-income households. Uses include for new rental housing, rehab of apartments and acquisitions.

6) California Community Reinvestment Corp:

CCRC provides permanent financing for new construction, acquisition, and rehabilitation through a revolving blind loan. Types of assistance are typically for acquisition loans, construction/rehab loans, long-term loans, and technical assistance. Eligible applicants include for-profit and non-profit organizations. Funding priority is given to housing projects for low-income households and seniors in buildings of five or more units. The minimum loan amount is \$200,000, and no matching funds are required. Loan terms are for 30 years, with interest rate adjustment in years 11 and 21 or year 16. The loan interest rates are based on T-bills of similar fixed terms. Forward commitments available for up to 24 months. Uses include for new rental housing, preservation of affordable housing, rehab of apartments and acquisitions.

7) Community Reinvestment Act Loan Program

The program is available through Wells Fargo Bank and provides real estate construction financing, small business loans, and consumer loans. Types of assistance include acquisition loans, business loans, redevelopment/interim finance, and construction/rehab loans. Wells Fargo also participates in various government loan guarantee programs. No matching funds are required. Eligible applicants include for-profit organizations, cooperative corporations, individuals, owner-occupants of housing, non-profit corporations, and Native American tribes/reservations.

8) Government-Assisted Project Loans:

Loans available through Bank of America provide funding for refinance/rehab/construction of low- and moderate-income multifamily projects using HUD-insured programs 223(a)(7), 223(f), 221 (d)(4) and 232. Types of assistance include construction/rehab loans, loan guarantees, and long-term loans. Eligible applicants include for-profit organizations, individuals, and non-profit corporations. Funding is available based on insured loan requests. Funding priority is given to projects serving very low-, low-, and moderate-income households. The minimum loan amount is \$500,000, with the average amount being about \$2,000,000. Loan terms are typically 35 to 40 years, with an interest rate of about 6.5% for tax-exempt financing, and 8% for taxable financing (subject to market conditions). No matching funds are required. Typical projects include for new rental housing, preservation of affordable housing, rehab of apartments, single room occupancy (SRO) hotels, acquisitions, group homes/congregate care.

9) McAuley Institute:

A revolving loan fund provides technical assistance for housing construction/rehab as well as for acquisitions. Funding priority is given to projects lead by or serving women, community-based organizations and resident-controlled housing. The maximum loan amount is \$400,000, with the average amount being \$130,000. Matching funds are required. Typical projects include new for-sale housing, new rental housing, rehab of apartments, rehab of owner-occupied housing, self-help housing,

homeless shelters, transitional housing, single room occupancy (SRO) hotels, and acquisitions.

10) Mercy Loan Fund:

The fund offers loans to projects in which conventional financing is not available or not affordable and promotes innovative and effective financing arrangements. Types of assistance include redevelopment/interim finance, construction/rehab loans, long-term loans, and acquisition loans. Funding priority is given to family housing projects and housing that serves special needs populations. The minimum loan amount is \$20,000, and the average is approximately \$200,000. Matching funds are generally not required, except for some redevelopment loans. The fund also sells loans on the secondary market, allowing larger loan sizes of \$250,000 to \$8 million. Loan Terms are typically 1 to 5 years with a 7.5 percent interest rate.

11) Multifamily Affordable Financing Program:

The program, offered by Bank of America, originates construction/rehab/acquisition/bridge loans to finance qualified multifamily projects, including rental housing, community facilities, acquisitions and rehab of apartments that serve individuals earning 80% or less of area median income. Types of assistance include acquisition loans, construction/rehab loans, and long-term loans. Also bridge loans for tax-credit projects, loans for tax-exempt bond financed projects and credit enhancement through FNMA. Eligible applicants include both non-profit and for-profit corporations, as well as public housing agencies (PHAs). Matching funds are required, and public sector financial support required. Loan Terms range from 18 months for construction to 30 years for permanent loans, with interest rates at 1 above reference rate for construction loans and 2 percent above CIP for permanent loans.

12) Tax-Exempt Affordable Mortgage Program:

The program is available from the California Housing Finance Agency and provides bond-financed fixed-rate mortgages for 30-40 years to developers of housing that has at least 20% of units occupied and affordable to households making no more than 50% of county median income. Types of assistance include acquisition loans, construction/rehab loans, and long-term loans for new rental housing, rehab of apartments, and acquisitions. Eligible applicants include both non-profit and for-profit corporations, as well as public housing agencies (PHAs). No matching funds are required, and the loan term is typically 30 to 40 years.

13) Taxable Affordable Mortgage Program (Insured):

The program provides taxable bond financed mortgages for rental housing of which 20% is occupied by and affordable to very low-income households. It is administered by the California Housing Finance Agency, which requires that 20% of units be occupied by households with an income of 50% or less of the county median income, adjusted for family size. Used with FHA insurance, the program can finance affordable rental housing under tax credits. Types of assistance include acquisition loans, construction/rehab loans, and long-term loans for new rental housing, rehab of apartments and acquisitions. Eligible applicants include both non-profit and for-profit corporations, as well as public housing agencies (PHAs). FHA risk-sharing program provides credit enhancement. There is no limit

to funding availability. No matching funds are required.

14) World/BRIDGE Initiative:

The initiative provides lower-interest construction financing for affordable or mixed-income rental housing or affordable home ownership through a consortium of World Saving/Calpers/Wells Fargo/Bank of America. Projects must be in joint development with BRIDGE Housing Corporation, for projects that range in size from 50 to 100 units. There is no specific priority as long as developments are economically feasible and competitive to receive any additional funds. Matching funds are required, typically consisting of a take-out, tax-credit equity investment. Loan terms are typically for 18 years, with an interest rate of 0.5 percent above prime.

APPENDIX 3

Mandela Gateway Program Description

Exhibit E

Physical Revitalization Plan

E.1. Physical Plan

Redevelopment of Westwood Gardens will create a new, important gateway into the West Oakland community on both sides of Mandela Parkway, scheduled for \$10.5 million of street and landscaping improvements. It will create a critical mass of new development at this key transit location, reinforcing the community's vision of a transit village and spurring new development. Mandela Gateway will realize the potential of its transit orientation. The completed development will include a total of 162 units, three-and-one-half times the current number of dwellings, on three parcels. First, on the 2.2 acre Westwood Gardens site 68 units will be developed. Second, on a site of roughly equivalent size, most of which is owned by the California Department of Transportation ("Caltrans"), located across Mandela Parkway from the Westwood Garden parcel, 91 units will be developed. And finally, three units will be developed at the northeast corner of Eighth and Center Streets. In addition, a total of about 14,000 square feet of retail and community space, with housing above along Seventh Street, will be developed on the Westwood and Caltrans parcels. Finally, at the northeast and northwest corners of Seventh and Mandela, plazas and public spaces, including an informal amphitheatre, will be developed to enhance the gateway-to-the-community design focus of the redevelopment plan.

The planned revitalization activities will create a balance of residential (rental and homeownership), civic and commercial uses that will reinforce the mixed-use character of the surrounding West Oakland neighborhood. In addition, the plan capitalizes on the positive impact of the recent demolition of the Cypress Freeway and the planned \$10.5 million landscaping of the Mandela Parkway corridor, which has already and will continue to transform the neighborhood and create opportunities for development. The on-site and off-site redevelopment plan will enhance the economic diversity of the community by attracting families with incomes ranging up to 60% of the area median, providing more attractive and up-to-date housing opportunities for the current Westwood residents, and providing an attractive entrance to a community coming back to life

after 35 years in the shadow (and in the midst of the cacophony) of an eight lane elevated, double-deck freeway. This exciting physical plan incorporates the principles of the *New Urbanism* and is designed by locally-based **Calthorpe Associates**, one of the founders of the *New Urbanism* design movement.

The following chart summarizes the mixed use development of the new Mandela Gateway project by parcel:

Parcel	Rental	Single Family Homeownership	Retail	Community Space
Westwood	60	8	7,000 sq. ft.	-0-
Caltrans	83	8	3,000 sq. ft.	4,000 sq. ft.
8th & Center	-0-	3	-0-	-0-
Total	143	19	10,000 sq. ft.	4,000 sq. ft.

The proposed site plan for the redevelopment of all sites appears at [Attachment 4](#).

Westwood Gardens Site

The redeveloped site will relate appropriately to its adjacent blocks with single family detached ownership units located along the northerly, or Eighth Street, edge, opposite existing single family Victorian style houses across the street. The balance of the units will consist of a mix of townhouses and apartments, all of which will be financed using the Low-Income Housing Tax Credit Program (4%), and all of which will be offered on a rental basis. Along the south, or Seventh Street, edge of the site will be located 10,000 square feet of neighborhood- and BART passenger-serving retail facilities with housing above. Surface parking for all of the units will be located on site.

The single family homeownership units will all be four bedrooms. The townhouse and apartments will be a mix of 8 one bedroom, 26 two bedroom, 26 three bedroom and 8 four bedroom units. The development will be stepped up in height from north to south, from the two story single family units on Eighth Street to the two story apartments-over-ground floor retail on Seventh Street. To control costs, the entire development will be of wood frame construction, with a maximum height of three stories above the existing grade on

the south (Seventh Street) edge. In the three story segment of the project, the upper floor units will have a two floor interior plan, so that no tenant will have to walk up more than one flight of stairs to reach the entrance to his or her unit, and all entrances will be private.

Residents' cars will circulate on alleys entered from curb cuts on the Center Street, or west, side of the site. All parking will be either in garages, for the single family and townhouse units, or in "tuck under" spaces (some of which may be tandem) for the apartments.

Caltrans Site

On this 2.3 acre site, we will develop an additional 91 units of housing. To reestablish the historic grid pattern that was interrupted by the Cypress Freeway structure, Kirkham Street will be extended across Seventh Street, through the Caltrans parcel, to Eighth Street. Here, too, the mix will consist of townhouses, apartments and single family, detached houses for sale. The bedroom mix is expected to be: 18 one bedroom, 40 two bedrooms, 25 three bedrooms and 8 four bedroom units, with the four bedroom units all single family detached houses.

Again, the height of the development will step upwards, here, from north to south, with the two story single family homes on the north edge and the three story apartment units on the south.

Eighth and Center Streets

On this corner parcel, a portion of which is owned by the City, we will develop three four bedroom units as part of the overall 162 unit development scheme. These two story units will reflect the Victorian design features of the adjacent houses and parking will be provided on site.

Neighborhood Relationship to Site

The neighborhood immediately surrounding the site to the north is mostly wood frame, Victorian-style single family homes. Many of these houses have been divided into small apartments. Many houses are in a state of disrepair, if not dilapidation.

The north side of Seventh Street reflects a neighborhood in transition. Across Center Street, on the west, is a liquor store regarded by the current Westwood Gardens residents as both an eyesore and a source of disruptive conduct and illegal activity. On the south side of Seventh Street is the West Oakland BART station and its associated parking.

Along a several block stretch of Seventh Street there is a sense of expectation: current owners awaiting an opportunity to develop in response to a market that finally recognizes the value of proximity to the West Oakland BART station.

Further north and to the east are two developments owned by OHA which are currently in various stages of completion, rehabilitation and modernization, specifically the Campbell and Peralta developments. Mixed in among the OHA units are several subsidized housing projects also in the process of rehabilitation. Eastward along Seventh Street is a 126 unit subsidized townhouse project for which rehabilitation plans are currently being drawn up, possibly for homeownership. Sited among those units are three mid-rise HUD-subsidized buildings now owned by a lender following foreclosure. With the award in last year's HOPE VI round of a grant to OHA for the demolition and redevelopment of the Chestnut Court and 1114 14th Street, Westwood Gardens will be the final OHA development in West Oakland to be redeveloped through the demolition and redevelopment process made possible under HOPE VI. In some ways, it is the most important because of its impact on the immediate neighborhood.

The redevelopment of the three parcels called for under this application will result in a project somewhat more dense than is currently characteristic of the neighborhood. However, the location of the site, directly across the street from a BART station with its rapid travel time to San Francisco's financial district and other job centers, call for increased density.

While more dense, the designs for all three sites respect the context of the neighborhood and will create a transforming new image for the community. At the same time, the mixing of incomes within each site will assure that there is no reconcentration of poverty.

E.2. Lessen Concentration

With the assistance of HOPE VI, 162 units of new housing will be built: 68 on the Westwood Gardens site, 91 on the Caltrans site directly to the east, across Mandela Parkway, and three units on a parcel at the northeast corner of Eighth and Center Streets. This will provide ample new housing in which to relocate the Westwood Gardens tenants. In addition, Section 8 Certificates will be made available to tenants who prefer to leave the neighborhood and move elsewhere in the City or the Bay Area. Again, OHA's record in achieving social and economic integration through its Section program is well established. (See Rutgers University letter at [Attachment 7.](#))

The average income of OHA tenants is 18% of the median income of the Oakland statistical area. The rental portion of the new housing (143 units) would be financed under the Low-Income Housing Tax Credit Program and 37 of these units will have ACCs. The median income of the tenants of the non-ACC units in the redeveloped housing will increase up to 60% of median income. Thus the current Westwood Gardens residents would reside in a more diverse, higher income community. Based upon this profile, it is estimated that the *initial* increase in average resident income will be as follows:

	Pre-Revitalization Weighted Average Family Income	Post Revitalization Average Family Income
Westwood Gardens	\$6,200	\$21,000
% of City Median Income	19%	66%
% Increase	-	338%

In short, OHA anticipates no difficulty in reducing substantially the concentration of public housing tenants with very low incomes by integrating them with higher income tenants who will occupy the newly built units.

E.3. Off-Site Housing

Of the total of 162 units to be developed, 68 will be built on the Westwood Gardens parcel and the balance, 94, off-site. Of the 94 off-site units, 91 will be located on the Caltrans parcel and three units will be

constructed on the Eighth and Center Streets parcel. The Authority intends to house current Westwood tenants who elect to remain in the neighborhood, rather than taking Section 8 Certificates, among all three sites.

Again, the average OHA tenant has an income of about 18% of median. It is estimated that the income levels in the non-ACC units, both on-site and off-site, will be about 60% of median, thereby achieving a substantial deconcentration of those very low income tenants. In addition, the site's transit location will appeal across racial as well as economic lines.

E.4. Access to Services

While West Oakland suffers from blight, it has, as previously described, an extensive transportation infrastructure. The transportation network was cited as the most important and valued amenity by residents. ~~This rich transportation network is central to the HOPE VI employment linkages described in Exhibit F.~~ Residents of this HOPE VI development will have the most convenient access imaginable to job opportunities in a booming metropolitan area with a population of 6.5 million people. This access to jobs will be linked even more closely to a service delivery system. A one-stop center will be located in the new community space. Connection to employment training in well-established programs currently underway will be enhanced by additional funding and offer the skill training residents want and need. The "one-stop" center on site will include computers so residents can access information about the service opportunities available and the center will be staffed to provide additional information and assistance to residents. Day care will also be provided on site. Residents who leave the site will be connected through outreach programs and the Internet.

The center and its service provider network will be used to maximize the residents' ability to access the abundant career and educational opportunities being created in West Oakland as a result of other economic development investments such as the Enhanced Enterprise Community, the nearby Oakland Army Base conversion effort, expansion of the Port of Oakland's facilities – which is projected to generate over 4,000 jobs – and the building renaissance occurring in nearby downtown Oakland and Jack London Square.

The off-site housing to be developed is immediately adjacent to the Westwood Gardens site and, therefore, will, of course, benefit from the service enriched environment created in the new development. In addition to the development of new community facilities, the array of supportive services programs described in Attachment 18 will be available to the residents of Mandela Gateway, as they are today to the residents of Westwood Gardens.

E.5. Design

The Mandela Gateway development has been specifically designed to blend into – and improve – the surrounding neighborhood. The placement of buildings on the site honors the traditional development pattern of the community. The development's three basic residential building types – apartment, townhouse and detached single-family – were chosen because they provide residents with the amenities and lifestyle opportunities found in this area of Oakland. The unit mix is as follows:

Public Housing	Bedrooms	Type
7 Units	Two Bedrooms	Apartments
9 Units	Two Bedrooms	Townhouse
21 Units	Three Bedrooms	Townhouse
9 Units	Four Bedrooms	Single-Family Ownership
Tax Credit		
26 Units	One Bedroom	Apartments
29 Units	Two Bedrooms	Apartments
21 Units	Two Bedrooms	Townhouses
30 Units	Three Bedrooms	Townhouses
Market Rate 10 Units	Four Bedrooms	Single-Family Ownership

The unit sizes are:

Apartments	Size
1 Bedroom	820 Square Feet
2 Bedrooms	1085 Square Feet
Townhouses	Size
2 Bedrooms	1020 Square Feet
3 Bedrooms	1200 Square Feet
Single Family	Size
4 Bedrooms	1500 Square Feet

The unit sizes are distributed among the sites as follows:

Bedrooms	Westwood	Caltrans	8th & Center
One	8	18	
Two	26	40	
Three	26	25	
Four	8	8	3

The apartments: Mandela Gateway acknowledges the mixed-use status of West Oakland's Seventh Street with a mixed-use townhouse apartment building type above the community/retail space on Seventh Street. The key feature of this three-story building type is a flexible ground floor space that can be either residential (ground floor flats) or non-residential (retail, office or civic uses). The second and third floors are townhouse apartments. Parking for the apartment units is accommodated by tuck-under parking spaces behind the retail/flex spaces on the ground floor.

Most of the apartment units are configured as two-story townhouses and offer all of the amenities that would be found in the broader residential community: private covered parking, full kitchens, balconies, walk-in closets and master bedroom suites. The ground floor flexible space at the street level can be configured as wheelchair-accessible residential flats. Twenty of the units are generous one-bedroom apartments suitable for

seniors who wish to live near the small shops and services that will be on Seventh Street. Twenty-nine apartments are two-bedroom units suitable for a single-parent with a child or for a roommate situation.

The townhouses: The townhouse units along Center Street, Mandela Parkway and the new Kirkham Street extension are an attached single-family design that responds to a strongly-expressed community dislike for the stacked flats of the old Westwood Gardens complex. The townhouses offer private, enclosed garage parking for up to two cars; washer/dryer units; modern kitchens with full appliance packages; and master bedroom suites. Thirty of the townhouse units are two-bedrooms and 51 are three-bedrooms.

Neighborhood residents expressed a strong desire for space to sell home crafts or start other similar entrepreneurial efforts. Thus more than half of Mandela Gateway's 86 townhouse units offer a bonus room at the ground floor along the street edge. This bonus room can be used as bedroom, extra storage, a home-office or even small retail space, and are thus consistent with the HOPE VI program's self-sufficiency goals. A further benefit of the bonus room is the large deck it creates off of the second floor living room.

The single-family homes: A row of single-family homes on small lots match the existing conditions on Eighth Street. Houses on corner parcels would have generous wrap-around porches so that neighborhood streets would be enhanced.

E.6. Acquisition

This HOPE VI award will permit OHA to develop 162 mixed income units; 116 units more than Westwood's current configuration. A total of 68 units will be built on the Westwood site. Acquisition will be necessary to construct the additional 94 units. Ninety-one of those units will be built on the parcel directly across Mandela Parkway from Westwood Gardens. Approximately two-thirds of that 2.3 acre parcel is now owned by the State of California's Department of Transportation ("Caltrans") and was a portion of the former right-of-way for the Cypress Freeway structure, which collapsed in the 1989 earthquake. Caltrans has declared that parcel to be surplus land and it is thus subject to the disposition priority provided for affordable housing

by California law.³ The parcel is currently being used for surface parking, and acquisition by OHA would thus entail no relocation expenses. OHA has asked Caltrans to convey that parcel to it, subject to the award of the HOPE VI grant. It is expected that this parcel will be acquired at no cost. The contributed value of this site is estimated at \$1 million.

The parcel immediately adjacent to the Caltrans parcel is currently used as a truck repair facility, a use completely inconsistent with revitalization of the West Oakland community. OHA would acquire this parcel either by negotiation or through the use of its powers of eminent domain. In the alternative, the Oakland Redevelopment Agency could acquire the parcel either pursuant to its customary eminent domain authority as part of a redevelopment project area that includes this site (a step currently under study by the Redevelopment Agency). The Redevelopment Agency would then convey the site to OHA for development.

Finally, three of the units will be built on the parcel at Eighth and Center Streets. A portion of that parcel is owned by the City of Oakland, which is willing to convey it to OHA at no cost. The balance is privately owned and will be acquired by OHA using one of the approaches described above in connection with the parcel occupied by the truck repair facility.

Both the State and the City have expressed their support for the acquisitions required for the project and eminent domain powers are available if necessary. In the case of all acquisitions, an independent, State of California-certified appraiser will prepare an appraisal of all properties prior to purchase or to the initiation of eminent domain proceedings.

E.7. Homeownership

A total of 19 single-family for-sale houses is part of the redevelopment plan. OHA is taking an innovative approach to making homeownership opportunities available to at least nine public housing residents. Since the San Francisco/ Oakland Bay Area is the most expensive housing region in the United States,

³ State law includes a number of provisions making surplus land available for affordable housing development. See Cal. Gov. Code Sections 11011.1 (d), 11011.1(e), 54220, 54220(a), 54223, 54227 and Cal. Streets and Highways Code Section 73.

OHA will bring homeownership within reach of low income families that otherwise view homeownership as only a dream. Nine units will be sold to public housing residents in compliance with the HUD's Section 5(h) and Nehemiah programs, as appropriate. Ten units will be sold at market rates.

HOPE VI funds will be used to develop the public housing homeownership units and all or a portion of this development subsidy will be transferred to the HOPE VI buyer as a deferred payment second mortgage. The buyer will make a minimum down payment and obtain a private first mortgage for an amount that will limit the household's monthly housing costs to less than 35% of income. The market rate and public housing for sale units will be identical in quality.

Homebuyer Counseling. To be eligible for a homeownership opportunity, the public housing residents will be required to complete a self-sufficiency program and enroll in the City's First-Time Homebuyer Program or similar homeownership counseling. OHA will encourage these residents to participate in the Bay Area Individual Development Account ("IDA") Collaborative, which will match family savings on a 2:1 basis. This HOPE VI plan includes a coordinated partnership with East Bay Asian Local Development Corporation ("EBALDC") and Asian Neighborhood Design, which are both members of the IDA Collaborative and which have agreed to provide match savings for Westwood Gardens residents.

Homeownership Program Structure. HOPE VI funds will be OHA's principal subsidy source for making homeownership opportunities available. OHA will underwrite deferred payment second mortgages that will require no payments until resale (or refinancing). In addition to the requirements of the Section 5(h) and Nehemiah programs (as appropriate), OHA's program will have the following features:

- OHA will share in the appreciation of the home at resale, less improvements made by homeowner;
- OHA will have a right of first refusal to purchase a home from a former public housing resident and transfer the HOPE VI deferred loan to the new qualified public housing family in order to sustain homeownership opportunities for low income families;

- length of tenure will be rewarded for up to the first \$15,000 in mortgage subsidy, so that the longer the public housing family owns the home, the more the second loan is forgiven;
- the public housing resident purchaser will be required to make a minimum down payment; and
- any proceeds from repayment of HOPE VI loan will be recycled to make additional mortgage assistance loans to other public housing families or to fund other eligible affordable housing expenses.

E.8. Non-Dwelling Unit Space

The nearly 14,000 square feet of retail, commercial and community space will be programmed to take advantage of the proximity of the West Oakland BART station, just across Seventh Street. Ridership at the West Oakland BART station is approximately 10,000 passengers daily. The retail and other space will provide much needed job, job training and business development space for Westwood Gardens and other OHA tenants.

It provides opportunities for convenience related retail, such as a coffee shop, dry cleaner, a convenience store, flower shops and newspaper stands.

The development scheme also gives great emphasis to the idea of the Westwood Gardens environs as a place for the community to gather. High visibility from the BART station and convenient access to and from the major freeways makes it critical for the community to present itself in an open and welcoming manner. The plan thus provides for high quality, high visibility open space at both the northeast and northwest corners of Seventh Street and Mandela Parkway. This area will accommodate festivals and street fairs (not uncommon in Oakland) as well as provide space for readings and small musical gatherings. Additional amenities such as an open-air amphitheater, sculptures of important figures, kiosks for local goods, cafe seating and banners, pavers and lighting, ideally all by local artists, are envisioned for these spaces, especially by residents.

The design and development of this space will include input from the West Oakland community and support the community's expressed interest in the development of a cultural, celebratory, civic and open market space at the special corner of Seventh Street and Mandela Parkway. This space will be designed and developed to attract BART and West Oakland residents as customers. And neighborhood residents will be

encouraged to help design and build portions of the public and open space. Working with design professionals and contractors, they will be given the opportunity to integrate their creativity and visions into landscaping, selecting street furniture, selecting and laying tiles, locating fountains and memorials, designing the layout of vending kiosks and commercial facades and other light construction associated with developing the public spaces. This community-based design/build process will be coordinated with existing summer youth training and construction programs, such as Team Oakland and YouthBuild.

Community space at Mandela Gateway will include day care, a one-stop center for job placement, referrals for training and other supportive programs and a computer lab/center, among other services. Access to the Internet will connect residents to the information they need for supportive services. Other on-site services will include after-school programs for children; language programs for immigrants and other coaching and mentoring services.

E.9. Economic Development Activity

As described above under E.8., on-site retail development will create opportunities for resident employment and small businesses taking advantage of the site's proximity to the BART station pedestrian traffic. The proximity of supportive services and facilities will also enhance the opportunity for economic development. The availability of on-site day care will provide the means for essential child care for working parents.

E.10. Overall Revitalization

The award of this HOPE VI grant will provide the means for realizing the development vision clearly and firmly articulated by the West Oakland community, its goals and objectives. These are: preventing the displacement of current residents; increasing homeownership opportunities; increasing the supply of quality affordable housing with supportive services; and enhancing mixed income housing. The statement of this community vision can be found at Attachment 6.

As stated above, these development plans support and embrace the focus on transit related development, the housing revitalization efforts already underway in the neighborhood and the connection to increased supportive services as illustrated by the \$4.5 million commitment of the Hewlitt Foundation to the West Oakland community, among other strong commitments.

E. 11. Accessibility, Visitability and Adaptability

The strategy for providing accessible units is straightforward: all of the ground floor flats, some __, will be accessible units. This includes 18" door strikes, 5 foot turning radius in bathrooms and kitchens, and 3 foot doors, to name but a few. The retail and civic spaces will all be designed with barrier free movement throughout. Cross walks and audible crossing signals will be used.

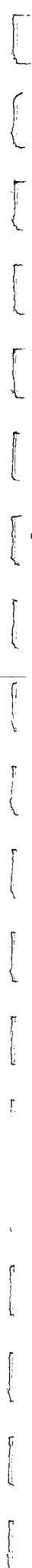
In short, the development proposed in this HOPE VI application will comply with all relevant federal and state laws. The for-sale single family homes will be designed so that all or any one of them can be made fully accessible and visitable. If a disabled public housing resident ready to purchase a home is identified prior to construction of the for-sale units, OHA will work with the household to design and build the unit to accommodate the specific disability. For example, the current two-story units can be re-designed if necessary as either a single-story unit or reconfigured to include a ground floor bedroom and living area. Thus, OHA will have over 20% of the units meeting accessibility requirements, in comparison to the minimum goal of 5% and 2% for physical and visual/hearing disabilities, respectively. All units will be made adaptable for persons with disabilities.

Visitability standards will be incorporated into the site, housing units and nondwelling space. For example, where buildings now are accessed only by concrete stoops, many ground floor unit entrances will be at grade. Site sidewalks will be accessible with curb cuts and the nondwelling buildings (community center, grocery store and resident program space) will be accessible by wheelchair ramp. Unit entrances and interiors will be designed with passage doors at least 2 feet 10 inches wide.

The OHA is committed to working with the many disabled rights organizations in the East Bay to ensure that state-of-the-art visitability and accessibility techniques are incorporated into all aspects of the redesign.



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