



OAKLAND UNIFIED SCHOOL DISTRICT
Office of the Board of Education
August 24, 2015

File ID Number: 15-1620
Introduction Date: 8/26/15
Enactment Number: 151339
Enactment Date: 8/26/15
By: [Signature]

To: Board of Education

From: Antwan Wilson, Superintendent and Secretary, Board of Education
By: Hitesh Haria, Chief Operations Officer [Signature]

Subject: Potential Affordable Housing / Teacher Housing Development Opportunity with City of Oakland – Response to City NOTICE OF INTENT TO OFFER AND CONVEY PROPERTY – APN#19-27-14.

BACKGROUND/DISCUSSION

In December of 2012, the City of Oakland issued a private RFP, seeking a residential developer to “purchase and develop the 12th Street Remainder Parcel” and maximize housing options on the site. UrbanCore, LLC was selected as the developer to take the project through the next entitlement stages, ultimately designing a 300-unit luxury high-rise apartment tower. However, under the Surplus Land Act, it appears that the City was first required to offer the site to affordable housing developers. As a result, on July 14, 2015 the City reissued the RFP as a “Notice of Intent and Offer to Convey Property” that was sent to undisclosed recipients, one being OUSD. Responses are due September 12, 2015.

During the community engagement sessions conducted by OUSD for the Marcus Foster Educational Leadership Center (“Foster ELC”), which includes the combined parcels of the former 1025 Administration Building and the current Dewey Academy Campus, options for housing, both affordable and market-rate, were considered. Ultimately the Board determined that the Foster ELC parcels were not a good fit for housing. Nevertheless, given the fact that the City is now looking for a Community Partner to develop a housing project, it seems both prudent and forward-thinking to consider the additional possibilities that developing the 12 St. Remainder Parcel could afford the District, especially in light of recent headlines regarding teacher retention. The ability to offer housing gives OUSD a distinct competitive advantage, as evidenced by other urban school districts, including most recently Los Angeles Unified, Hartford, Newark and Baltimore School Districts.

ADDITIONAL CONSIDERATIONS

- Following the adoption of the Lake Merritt Area Station Plan, the 12th Street Remainder Parcel (as well as the Foster ELC parcels) was re-zoned to allow for higher density vertical development, creating an extraordinary opportunity for housing developers, as it allows for many more units making an affordable housing development more financially viable.

- The introduction of affordable teacher housing as part of the Foster ELC would be a win-win for OUSD and the City, and result in a true community-based development that envisions continuity in both design and service delivery, including linked learning opportunities and life/work balance.

Attached is a Potential Development Outline of key points for the Board of Education and community partners to consider, in deciding on a response, if any, to the City's Notice of Intent.

RECOMMENDATION

That the Board of Education authorize staff to prepare a formal response to the City of Oakland's On July 14, 2015 the City of Oakland issued a NOTICE OF INTENT TO OFFER AND CONVEY PROPERTY – APN#19-27-14 for the property commonly referred to as the 12th Street Remainder Property incorporating the key points as set-forth in the development outline and through further open discussion and community input.

ATTACHMENTS

Potential Development Outline; City of Oakland issued a NOTICE OF INTENT TO OFFER AND CONVEY PROPERTY – APN#19-27-14.

POTENTIAL DEVELOPMENT OUTLINE

The Board of Education of the Oakland Unified School District (OUSD) proposes to develop the 12th Street Remainder Parcel for affordable workforce housing for teachers in collaboration with City desires for critical staff affordable housing. This property is adjacent to parcels that OUSD is in the process of transforming into the Marcus Foster Educational Leadership Complex, and having access to it will allow OUSD to accelerate development of that project and provide crucial housing infrastructure for our City.

Better Outcomes for Oakland

- ❖ Provide affordable housing options to OUSD teachers; ensure / maintain community diversity.
- ❖ Develop paths for teachers and critical City employees to build equity in Oakland.
- ❖ Intentionally include units that accommodate families.
- ❖ Model for community development.
- ❖ OUSD local hire policy means Oakland residents will build this complex.
- ❖ Realizes vision of the Lake Merritt Special Plan designation – high density housing in urban center near community college, museum, transit, lake.
- ❖ Given the national and local shortage of teachers, this provides OUSD with a vehicle to recruit additional talent to teach in Oakland.

Amenities

- ❖ Grocery
- ❖ Restaurant
- ❖ Health Care Facility
- ❖ These all create linked learning opportunities for OUSD students, and professional development opportunities for staff.

Community Benefits

- ❖ OUSD sponsors affordable workforce housing for teachers. City has option to also sponsor affordable housing for critical infrastructure employees: police, fire fighters.
- ❖ Supports the City's sustainability goals by creating transit-friendly housing.
- ❖ Workforce Development: training opportunities through the actual design and construction process, and the ongoing operation of the amenities.
- ❖ Create opportunities for inter-generational community.
- ❖ The City acquired the 12th Street Remainder Property at no cost (even though it has ascribed a value of \$5 million to the parcel). This property is a public benefit that accrued to the City when voters approved the bond funds that redesigned Lake Merritt and adjoining property. It is only right that this property continue to be used for public benefit.
- ❖ Residual income from this project could create revenue streams for OUSD and the City.

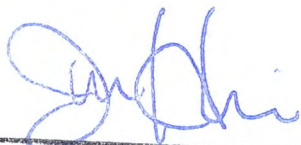
Collaboration between OUSD and the City Can Create a 21st Century Community

- ❖ Access to this property was not an option for OUSD until July, 2015.
- ❖ Public bidding requirements do not allow us to complete the process of soliciting vendors and potential community partners for this project in 60 days. However, OUSD's interest is in collaborating with the City to develop this property as described above.
- ❖ This property is adjacent to the site of the future Marcus Foster Educational Leadership Complex, which will include a new facility for Dewey High School, administrative offices, Board and community meeting spaces, and recreational facilities. This property is across the street from the La Escuelita Education Center, which includes an elementary school, a high school, a preschool, a television studio, and a student health center.
- ❖ This property is near Laney College, and the administrative offices of our partner, the Peralta Community College District. We propose to engage those organizations in the development of this parcel.

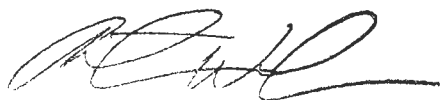
- ❖ OUSD has been engaged in discussions with the community about the future of our properties for almost two years, and we see strong support for using these properties to enhance community benefits.
- ❖ OUSD would like to partner with the Center for Cities and Schools at UC Berkeley, our labor partners, particularly the Oakland Education Association, and other community groups as appropriate.

Precedents

Los Angeles Unified School District several years ago authorized the construction of three housing complexes for LAUSD employees. They are currently completing construction of the second of these projects, the Selma Community Workforce Housing Project. Other districts that have invested in workforce housing include Baltimore, Philadelphia, Newark, and Aspen.



James Harris
President, Board of Education



Antwan Wilson
Secretary, Board of Education

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By: JD

CITY OF OAKLAND



250 FRANK H. OGAWA PLAZA, SUITE 4313 OAKLAND, CALIFORNIA 94612-2033
Community and Economic Development Department (510) 238-3541
Real Estate Services FAX (510) 238-2240
TDD (510) 839-6451

TO: Real Estate Directors & Managers
FROM: James Golde, Real Estate Division, Economic & Workforce Department
DATE: July 14, 2015
RE: **NOTICE OF INTENT AND OFFER TO CONVEY PROPERTY**
(APN # 19-27-14, see parcel map attached)

Dear Real Estate Director & Manager:

The City of Oakland is hereby giving notice of its intent to convey the property identified as Assessor Parcel Number ("APN") 19-27-14 and commonly known as the 12th Street Remainder Property (the "site") by sale or lease, and is hereby providing an offer to your agency or organization to sell or lease said property for certain purposes or uses consistent with your agency's mission. If your agency or organization desires to purchase or lease the site, you have up to **60 days** from the date of this notice to notify the City of your intent. Your response should include a description of your intended development proposal and/or proposed use of the site. If you submit a response, the City will enter into good faith negotiations with your agency or organization to discuss your proposed development proposal or use, and to determine a mutually satisfactory sales price or lease terms.

Please address the notice of intent to purchase or lease to:

James Golde
Real Estate Manager
City of Oakland, Economic & Workforce Development Department - Real Estate Services
250 Frank H. Ogawa Plaza, Suite 4314
Oakland, CA 94612-2033

The City will carefully consider any offer or proposal, but has previously expressed its intent that the property be developed into a project that maximizes the transit-oriented development opportunity of this site. Please note the following information regarding the site, its current entitlements, and the Specific Plan and zoning regulations.

ABOUT THE PROPERTY

The site includes a parcel comprising a land area of 0.925 acres or ±40,271 square feet, generally bounded by Lake Merritt Boulevard to the north, East 12th Street to the east, 2nd Avenue to the south, as well as an approximately one acre City park and Lake Merritt Channel to the west. A parcel map is attached. An appraisal report dated January 22, 2015 concluded that the fair market value of the site at the time was \$5.1 million.

CURRENT ENTITLEMENTS

The City sought and previously received a proposal for a project that meets the various regulations, policies and guidelines of the City applicable to the site. Those policies include the Lake Merritt Station Area Specific Plan, the Central District Urban Renewal Plan, current zoning regulations, and other City policies. The City has already entitled the site for high density residential development, which is the highest and best use for the site, and appraised the site for this use. The entitlements are for a 24-story, 298 unit residential project with 2,000 square feet of ground level commercial space, 209 parking spaces, and associated amenities and improvements. The zoning actually allows an even greater density, 364 units, for the site.

The Lake Merritt Station Area Specific Plan directly addresses the site with one of its policies, specifically:

LU-40 City Owned Remainder Site. Redevelop the City-owned remainder site on Lake Merritt Boulevard with landmark quality design, high density residential, and active ground floor uses that complement the waterfront.

The new zoning for the site is D-LM-1, which has the following intent:

Zoning Intent. The intent of the D-LM-1 zone is to create, maintain, and enhance areas of the Lake Merritt Station Area Plan District appropriate for high-density residential development with compatible commercial activities.

The site is in Height Area LM-85, but received a Conditional Use Permit to be subject to the requirements of Height Area LM-275, as allowed in Table 17.101 G.04 of the Planning Code. This Table states that one application in the LM-85 height area can apply for a height area upgrade to LM-275. The site received the Conditional Use Permit for this upgrade.

The following table lists the relevant requirements of Height Area LM-275:

Building Intensity Requirements

Maximum density:	364 units
Maximum Floor Area Ratio (floor area/site area):	12.0
Minimum group open space:	75 sf per unit
Conditional Use Permit required:	100,000 sf or greater

Building Base Requirements

Maximum height of building base: 85ft ¹
Average minimum setback from Lake Merritt Estuary Channel: 60 ft

Tower Requirements

Maximum total height: 275ft ²
Maximum average per story lot coverage above the base: 65 percent (30,203 sf) ²
Maximum building length: 150ft ^{2,3}
Maximum diagonal length: 180 ft ^{2,4}

Parking and Loading Requirements

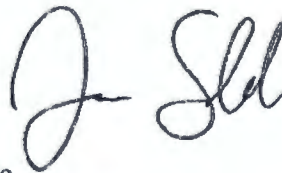
Minimum parking spaces: 223.5 (3/4 space per dwelling unit) ⁵
Minimum bike spaces: 14 short term/74 long term spaces
Minimum loading berths: Two loading berths

Notes:

1. The building base is the area below 85 feet.
2. The tower is the area above the base.
3. The building length is the length of the longest frontage of a building.
4. The diagonal length is the distance between the two most separated points on a floor.
5. According to Section 17.116.110 of the Planning Code, a \$20,000 in lieu-fee is required for each parking space below the minimum requirement. The total in-lieu fee would be \$290,000 (14.5 times \$20,000). This reduction is conditionally permitted and variances may not be granted relating to a reduction of any required parking in the Specific Plan area.

If you need additional information, please contact me at (510) 238-6354 or jgolde@oaklandnet.com

Sincerely,



James Golde
Manager, Real Estate Services

12th Street Remainder Parcel Map

OWNERS STATEMENT
 THE UNDERSIGNED HEREBY STATE THAT THE CHAIN OF TITLE OF THE ABOVE DESCRIBED PARCEL IS AS FOLLOWS:
 AND SAID PARCEL IS NOT SUBJECT TO ANY EASEMENTS, ENCUMBRANCES, OR OTHER INTERESTS OF ANY KIND.
 THE CHAIN OF TITLE OF THE ABOVE DESCRIBED PARCEL IS AS FOLLOWS:
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 AND SAID PARCEL IS NOT SUBJECT TO ANY EASEMENTS, ENCUMBRANCES, OR OTHER INTERESTS OF ANY KIND.

OWNERS ACKNOWLEDGEMENT
 I, John A. Smith, of the County of Alameda, State of California, do hereby acknowledge that I am the owner of the above described parcel and that I have executed the foregoing instrument for the purposes and consideration therein expressed.

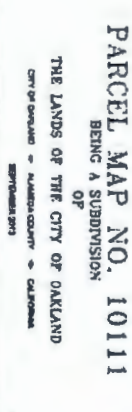
CITY ENGINEER'S STATEMENT
 I, John A. Smith, City Engineer of the City of Oakland, California, do hereby certify that the above described parcel is not subject to any easements, encumbrances, or other interests of any kind, and that the same is in compliance with the provisions of the Subdivision Map Act of the State of California.

RECORDING STATEMENT
 This instrument was recorded in the County of Alameda, California, on this 12th day of May, 2011, at 12:34 PM, for the purpose of recording the same in the public records of the County of Alameda, California, in accordance with the provisions of the Subdivision Map Act of the State of California.

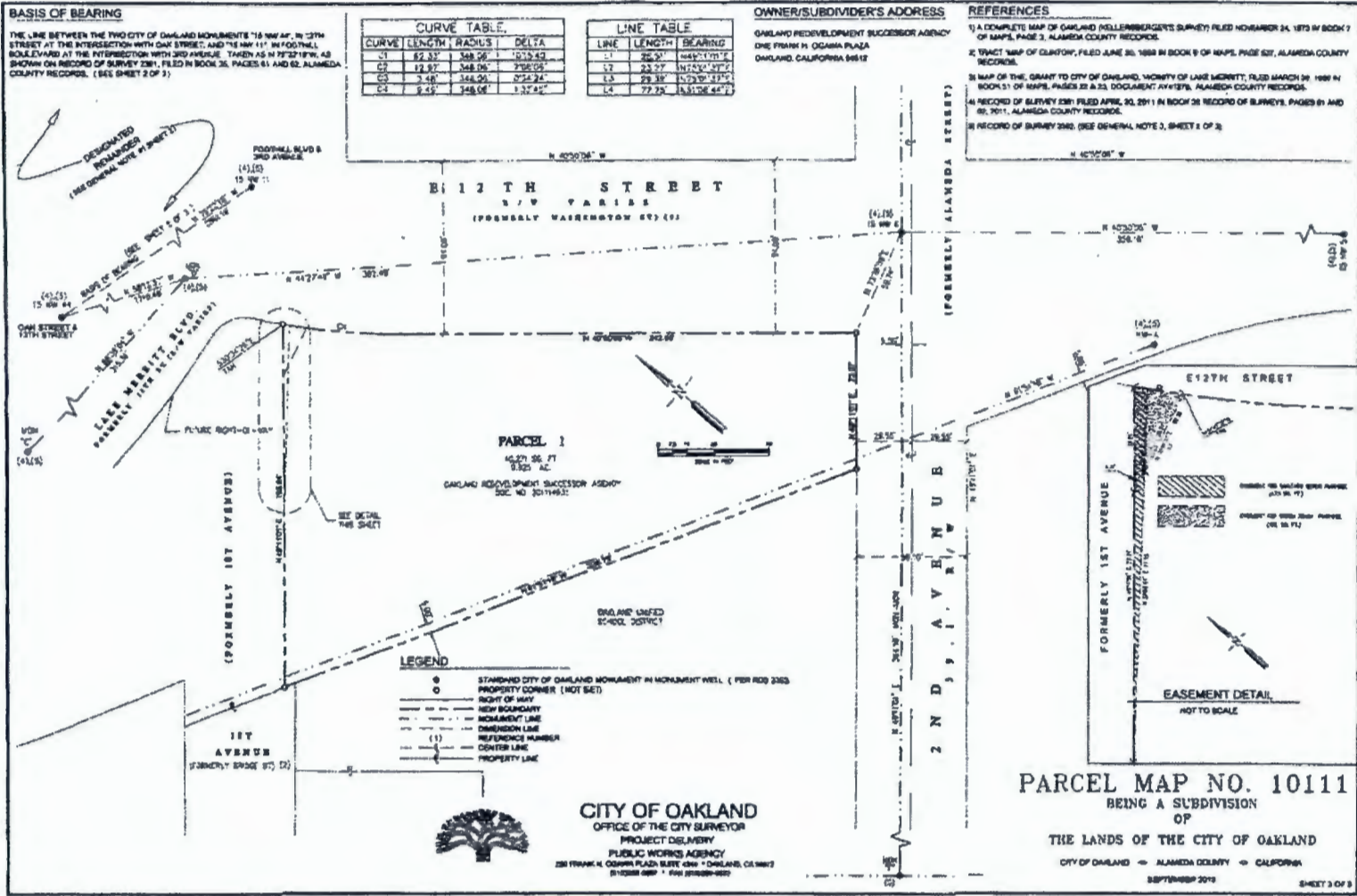
STATEMENT OF CLERK OF THE BOARD OF SUPERVISORS
 I, John A. Smith, Clerk of the Board of Supervisors of the County of Alameda, California, do hereby certify that the above described parcel is not subject to any easements, encumbrances, or other interests of any kind, and that the same is in compliance with the provisions of the Subdivision Map Act of the State of California.

CITY ENGINEER'S STATEMENT
 I, John A. Smith, City Engineer of the City of Oakland, California, do hereby certify that the above described parcel is not subject to any easements, encumbrances, or other interests of any kind, and that the same is in compliance with the provisions of the Subdivision Map Act of the State of California.

PARCEL MAP NO. 10111
 BEING A SUBDIVISION
 OF
 THE LANDS OF THE CITY OF OAKLAND
 CITY OF OAKLAND - ALAMEDA COUNTY - CALIFORNIA
 SHEET 1 OF 3



Paul May 10111
 May 12 2011
 PP 44-46



BASIS OF BEARING
 THE LINE BETWEEN THE TWO CITY OF OAKLAND MONUMENTS TO THE N.W. COR. OF 12TH STREET AT THE INTERSECTION WITH 2ND AVENUE, AND THE N.W. COR. OF 11TH STREET AT THE INTERSECTION WITH 2ND AVENUE, TAKEN AS IN THE 1872 PLAT, AS SHOWN ON RECORD OF SURVEY 281, FILED IN BOOK 26, PAGES 61 AND 62, ALAMEDA COUNTY RECORDS. (SEE SHEET 2 OF 3)

CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	82.37	348.56	1°03'43"
C2	12.97	348.56	7°36'05"
C3	2.48	348.56	27°24'
C4	8.45	348.56	1°37'42"

LINE TABLE	
LINE	LENGTH BEARING
L1	26.20' S44°17'17"E
L2	23.27' S72°42'47"E
L3	29.38' S72°42'47"E
L4	77.75' S137°26'42"E

OWNER/SUBDIVIDER'S ADDRESS
 OAKLAND REDEVELOPMENT SUCCESSOR AGENCY
 ONE FRANK H. ODAMA PLAZA
 OAKLAND, CALIFORNIA 94612

- REFERENCES**
- 1) A COMPLETE MAP OF OAKLAND (MELLENBERGERS SURVEY) FILED NOVEMBER 24, 1873 IN BOOK 7 OF MAPS, PAGE 3, ALAMEDA COUNTY RECORDS.
 - 2) TRACT MAP OF OAKLAND, FILED JUNE 26, 1888 IN BOOK 9 OF MAPS, PAGE 527, ALAMEDA COUNTY RECORDS.
 - 3) MAP OF THE GRANT TO CITY OF OAKLAND, MONUMENT OF LAKE MERRITT, FILED MARCH 26, 1888 IN BOOK 51 OF MAPS, PAGES 22 & 23, DOCUMENT #441276, ALAMEDA COUNTY RECORDS.
 - 4) RECORD OF SURVEY 281 FILED APRIL 20, 2011 IN BOOK 26 RECORD OF SURVEYS, PAGES 61 AND 62, 2011, ALAMEDA COUNTY RECORDS.
 - 5) RECORD OF SURVEY 282 (SEE GENERAL NOTE 3, SHEET 1 OF 3)

Parcel Map 10111

Map BL 324

pg 46

PARCEL MAP NO. 10111
 BEING A SUBDIVISION
 OF
 THE LANDS OF THE CITY OF OAKLAND
 CITY OF OAKLAND — ALAMEDA COUNTY — CALIFORNIA
 SEPTEMBER 2011 SHEET 3 OF 3