

CENTRAL CITY EAST PROJECT AREA COMMITTEE
Monday, April 3, 2006
Patten University, 2433 Coolidge Avenue, Student Activity Center

DRAFT
(The minutes are in draft form until approved by the PAC)

Art Clark, Vice Chair of the Central City East Project Area Committee (PAC), chaired the meeting. The meeting started at 6:45.

I. Roll Call

See attached roster of attendance. The attendance was below the number of PAC members required for a quorum. The meeting was held for informational purposes only.

II. Open Forum

Councilmember Desley Brooks attended and spoke. She reviewed the minutes from of the last meeting, and commented that she did not see information on the affordable housing component for the Oak to 9th development. She wants to make sure the PAC members are aware that subsidies for affordable housing may be needed from the CCE area. The developer currently says he does not need it, but just in case, the PAC should be aware. There is an excess of \$40 million needed for affordable housing. She thanked the PAC for their work, reminded the PAC to look at the issue of blight, and address the most blighted areas with funding.

There were no public speakers.

III. Approval of the Minutes

There was no approval as a quorum was not reached.

IV. Administrative Items

- a. An action item to accept nominations for the Residential Tenant positions for the Elmhurst, Fruitvale/San Antonio, and Eastlake/San Antonio sub-areas and the Fruitvale/San Antonio Business Owner position.**

Tom Thurston stated that at a previous meeting he had introduced Joyce Charles as a potential candidate for the Fruitvale/San Antonio Residential Tenant position. Since the last meeting, Joyce Charles moved to the City of Alameda and was therefore withdrawing her nomination

b. Announcements from PAC community organizations.

Tom Thurston stated that the Foothill Streetscape Project is moving ahead. A community meeting is set for Thursday, April 6, 2006 at Jefferson School near at 2035 40th Avenue.

Jennie Mollica announced that she is no longer with the Lao Family Community Development Corporation, she now works with the Casey Foundation, and she can provide information about the foundation for those who may want this information.

c. Update on Council Actions

Palm Villas – The Palm Villas proposal went to the City Council for approval on March 7, 2006. The City Council approved borrowing the Central City East money to meet the financial gap for the Palm Villas project and to have the funds repaid with interest from the land sales proceeds from the Oak Knoll Project Area.

Oak Knoll- The proposed fiscal merger of the CCE and Oak Knoll Project areas is scheduled to be heard at the Community and Economic Development Committee (CED) on April 25, 2006 and the Joint Public Hearing of the City Council and Oakland Redevelopment Agency is scheduled for May 2, 2006. A public notice was mailed to a list of property owners, businesses, tenants, and interested groups of 45,000 people.

Oak to 9th Development- A workshop was held for the City Council on March 28, 2006. A follow up date has not been decided on.

Amendment to the Five -Year Implementation- The amendment to the Five-Year Implementation Plan went to the City Council on March 21, 2006 and was approved by the City Council. The amendment included the PAC approved additional increment for the streetscape projects, the increase loan amount from \$10,000 to \$75,000 for the Homeownership Rehabilitation Program, and the allocation of the funds for the two street lighting projects in the Central East Oakland area.

Theresa Navarro-Lopez reminded the PAC members to fill out the Statement of Interest Form. The forms were sent by the City Clerk's Office directly to PAC members. Please contact Theresa if you did not receive the form.

V. Presentation and Update on MacArthur Under Grounding and Streetscape Project

Art Clark, CCE Vice Chair, reminded the Public Works Agency staff that the PAC wants a status report of the MacArthur Boulevard project with the cost and timeline for completion of the under grounding and start of the streetscape project.

Raul Godinez, the Director of the Public Works Agency (PWA), introduced himself and the PWA staff in attendance. They were: Bruce Saunders, Mike Neary, and

Paul Chan. Raul gave an overview of the PWA. PWA is the second largest department with 848 full time employees in the City, after the Police Department at 1,000 full time staff. PWA is responsible for roads, equipment (such as cars, motorcycles, etc.), facilities, creeks maintenance and restoration, waste management, traffic, park maintenance, etc. This is not like most other large cities that have this handled by various departments.

Raul explained that the MacArthur Boulevard project is the largest capital project PWA is undertaking at this time. Raul introduced Paul Chan the project manager for the under grounding portion of the MacArthur Boulevard project.

Paul Chan, PWA Electrical Engineer, provided the background and history of the MacArthur Under Grounding Project. Paul stated that the under grounding is funded by Rule 20A which provides for the utility companies to pay for the costs of the under grounding. Attachment A to the minutes provides the timeline and cost of the under grounding project.

The company working on the under grounding is called the Underground Construction Company and has approximately 45 people on the project working on approximately 3,000 feet of trenching. At this time, Underground Construction is working on Project Area I (Durant to 98th Avenue) which was started in December of 2005. They will install light poles, pull cables, equipment, and panel conversions. This will then be repeated for Areas II & III. Some action items may take longer and be more complex.

PG&E will pay for only 100 feet of trenching any extra trenching work may cost the property owner up \$50.00 per foot. PG&E will spend \$1,500 per hook up fees for 300 properties one quarter of these properties, which is 75 properties, will need to be assisted for an additional \$500.00 per unit. The total cost of this additional hook up is 75 x \$500.00 is a total of \$37,500.

Mike Neary, PWA Engineer, provided an update on the Streetscape component of the MacArthur Boulevard project. Mike talked about the history of the Streetscape project and why it is delayed until after the under grounding is completed. The MacArthur Boulevard and International Boulevard Projects have always been tied together as one project. PWA is working with CEDA staff to see if there are some matching funds for the International Boulevard corridor through the Metropolitan Transportation Commission/Transportation for Livable Grants (MTC/TLC).

The Streetscape project for MacArthur Boulevard will begin right after the under grounding work is completed. A bid for the streetscape was requested from the existing contractor Underground Construction, for the streetscape component. The bid came in at \$3.6 million. The PAC has allocated \$2.75 million for the streetscape project so there is an \$850,000 gap. Attachment B explains the cost of this project. There is no other source of funding now but if there is funding for International Boulevard area this may free funds up to possibly move to MacArthur Boulevard. Mike Neary would like to get all the

funding together soon so that a contractor can be locked into a certain cost. CEDA staff will work with PWA staff to research how the gap may be addressed.

VI. Continued Discussion on Affordable Housing Bond

Christia Mulvey presented for Janet Howley who was unable to attend the meeting. The CCE Project Area will have \$8 million dollars for housing funds to be spent in four years. The funds will be available through the Notice of Funds Availability (NOFA) process that the City's Housing Division holds once a year. A report to the City Council will be presented in June about the percentage of ownership versus rental units developed through the NOFA process. Ownership development is more costly and there are fewer subsidies available for this type of development. Christia went through the recently approved NOFA list of projects as an example of the projects the City funds.

Questions and answers were presented.

Question: Can the NOFA application be specific and reference the CCE area and the desires of the PAC?

Answer: The NOFA will reference what funding is available for the CCE area and the applicants will present to the PAC.

Question: What is the timeframe to go to City Council concerning the ownership information?

Answer: The timeframe is by the month of June.

Question: If the NOFA can contain language for ownership how does that influence developers?

Answer: The first year may be a possible minimal impact since the word would have to get out to the developers.

Question: Is housing pleased with the percentage of ownership units that are listed at 13% in the information give to us?

Answer: Housing staff is trying to get the percentage of homeownership to rental to be 50%/50%. Last year 38% of the units were for ownership.

Question: Has the City done an analysis on the need of ownership versus rental units?

Answer: Probably not that specific of an analysis. It is a good idea.

Desley Brooks mentioned that there are 66,000 rental units in the Oakland and CCE PAC should look at where the units are placed and impact on other areas, etc.

Art Clark mentioned that City staff should look at how the City of Sacramento is addressing affordable housing. Sacramento uses models with a template that helps to reduce the cost. Oakland should look at ways that are creative.

Tom Thurston suggested forming a subcommittee, if so we should have representatives from all the four sub areas. Art Clark stated that the PAC did not have a quorum so they could not vote on this suggestion at this time.

There was discussion on whether to have a special meeting and whether it was necessary given the timeframe for the Council Report on the affordable housing policy. The PAC decided to continue the discussion for the next PAC meeting.

VII. Update Financing Report on CCE Projects and Programs

Theresa Navarro-Lopez presented an update on the CCE projects and programs. A financial report was provided for the streetscape projects, the façade improvement program, and the tenant improvement program. Details about each program were provided in the staff report.

VIII. Items for the Next PAC Meeting of May 1, 2006

The items discussed for the next meeting were:

1. Continued Discussion of the Affordable Housing Bond
2. Foothill/Fruitvale Streetscape review for approximately 10 minutes
3. A possible break in August, nominations for Chair and Vice Chair would have to take place before August

Art Clark also announced the dates and times for the meetings with Council Members which will be held at the City Council Offices on the second floor of City Hall.

The meeting was adjourned.