

CENTRAL CITY EAST PROJECT AREA COMMITTEE
Monday, November 5, 2007 PAC meeting
Patten University, 2433 Coolidge Avenue, Student Activity Center

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

Frank Rose was selected as Chair Pro-Tem for the Project Area Committee (PAC) for this meeting only. The meeting started at 6:40 p.m.

I. Roll Call

See attached roster of attendance.

The current chair of the PAC was unable to attend. The meeting was to be chaired by the Vice Chair, Frank P. Thomas, Jr. Due to the passing of Mr. Frank P. Thomas Jr., current Vice Chair and Chair Emeritus, Theresa Navarro-Lopez requested a volunteer to serve as Chair Pro-Tem. Frank Rose volunteered to serve as Chair Pro-Tem. Theresa also discussed the possibility of the PAC doing something in Frank Thomas's honor.

II. Open Forum

This time was used for any and all who wanted to pay their respects for Mr. Thomas by speaking of their memories and experiences with him.

Councilmember Desley Brooks spoke of Mr. Thomas's qualities and actions. She discussed her plans to dedicate the hall at Arroyo Viejo and name it in his honor. She plans to take the item to Council and asked for the PAC to support her. She also gave the information for the funeral proceedings and related events.

Richard Cowan of Councilmember Jean Quan's office expressed the shock, sadness, and condolences of Councilmember Quan.

Gregory Hunter and Theresa Navarro-Lopez of CEDA-Redevelopment spoke on behalf of CEDA-Redevelopment in expressing their condolences and imparting some of their memories and experiences with Mr. Thomas.

Numerous PAC members spoke of their memories and experiences with Mr. Thomas, including: Frank Rose, Gloria Jeffery, Al Parham, Jean Blacksher, Tom Thurston, Kathy Chao, Laura Jerrard, Kayode Powell, and Rodney Younger. Members of the PAC also expressed an interest in doing something or dedicating something to honor Mr. Thomas's memory.

III. Approval of the Minutes

Tom Thurston requested a clarification of the October 1, 2007 meeting minutes regarding what constitutes a quorum on page 3. He requested that the designation of a quorum be amended to "a simple majority." Staff will make a notation in the minutes. Also, in regards to the Foothill Plaza item discussed on page 5, he wanted it clarified that the project at Foothill Boulevard could

not be discussed because it was not on the agenda; there was no decision by the PAC to postpone.

Motion (by Al Parham, seconded by Sheryl Walton) to approve the minutes of the October 1, 2007 meeting with the corrections.

Vote: 9 Ayes, 0 Nays, and 4 Abstentions. Motion passed.

IV. Administrative Items

a. Nominations to fill PAC vacancies

Theresa had to clarify that there was a procedural delay in the nomination of David Means to the PAC. He was *noticed* as the Central East Oakland Residential Tenant candidate on his paperwork, but he is actually a candidate for Central East Oakland Residential Owner-Occupant position. His nomination must therefore be noticed correctly and his nomination will be voted upon at the next PAC meeting.

b. Announcements from PAC community organizations

Kathy Chao stated that the Lao Family Community Development, Inc. is moving into a new building and has space available for lease. The location between East 12th and International Boulevard along 23rd Avenue. The space available is from 500 to 10,000 square feet for any interested Community Based Organizations.

Theresa discussed the subject of potentially removing Community Organization positions from the PAC. Theresa has submitted a report to the City Council for this purpose. If the report is approved, an individual Councilperson can replace the organizations in their district that have missed 4 or more meetings in a 12 month period without having to take the item to the full Council.

PAC members sought clarification on the current membership of the PAC and how this would affect the quorum. There was also discussion of current vacancies and absences from some organizations that currently hold PAC positions. The potential representative for the Elmhurst Community Development Block Grant Board, Bob Cox, spoke briefly and expressed an interest to participate on the PAC. Mr. Cox will submit a letter from his organization officially stating the he will be the new representative to staff as soon as he can.

Gregory Hunter introduced Larry Gallegos, the new Redevelopment Manager for East Oakland, which includes the Coliseum and Central City East Redevelopment Areas. The new direction of Larry from Gregory is to increase the amount of vertical development within Central City East. Larry Gallegos spoke to the PAC and gave his background and qualifications.

V. Possible Use of CCE Taxable Bond Funds

Theresa Navarro-Lopez gave background and information regarding the Central City East Taxable Bond Funds. The bond issuance totaled \$61.45 million total of which \$10 million was

set aside build a new fire station on Foothill Boulevard and 50th Avenue. The remaining funds are \$51.45 million in bond funds for property acquisition which includes to the purchase of the CCE designated Opportunity Sites. The funds will be used for predevelopment costs including clean-up and/or other improvements. Tom Thurston proposed a Request for Proposal (RFP) that would seek proposals for private development of sites, including existing Opportunity Sites, and allow for non-designated sites as well. This RFP and an ensuing program would be similar to the Notice of Funding Availability (NOFA) program but would focus more on commercial developments, for profit housing, etc. CCE would potentially provide some financial assistance to development projects that require public funds in order to be feasible.

There were various questions by PAC members regarding CCE bond funds and related items, including:

Question: Gloria Jeffery wanted to know the origin of the new funding for the additional police officers and the Oakland ambassadors program.

Answer: Gregory Hunter clarified that those items as well as the teen center and youth internships contribution will come from Central City East (CCE) increment funds.

Question: Jean Blacksher wanted to know if the funds could be used to help clean up the area.

Answer: Gregory Hunter stated potentially innovative uses could be sought; examples include a graffiti removal program, the Façade and Tenant Improvement program, and the Neighborhood Program Initiative.

Question: Robert Klinger wanted clarification on the type of assistance that private developers may receive from this proposal.

Answer: Tom Thurston stated it could be a loan or grant. There would be flexibility and there could be development workshops, etc.

Question: Gilda Gonzales wanted to know if the funds could be bundled or packaged to make this attractive to developers.

Answer: Gregory Hunter spoke of an existing program that the Coliseum redevelopment area has that could be duplicated in the CCE area. The program provides a developer with up to \$15,000 in matching grants for site assessment. This could assist the developer to address their concern that a site would be an adequate fit for their project.

Gilda Gonzales supported the notion of incentivizing development and encouraged the PAC to try to designate an aggressive yet realistic project as a “win” and identify the level of incentivizing for it to succeed. Gloria wanted the PAC to see a return on their development and put together a team to strategize how to eliminate crime and blight on the area. Gregory stated that that is part of his job description, but he would also explore the option of putting a team together. Jean Blacksher stated she would like to see a strategy, but would like to include a goal and timeline as well.

Motion (by Gilda Gonzales, seconded by Sheryl Walton) for CCE staff to move forward with developing a vision, strategy, goal, and timeline to clean up crime and blight and get properties ready to ultimately improve so that they are desirable for development. This effort would be broken down into the appropriate steps necessary per CCE sub-area.

Gilda Gonzales clarified that staff would bring recommendations on how best to achieve these efforts to the PAC and the PAC would then assess the next steps.

Vote: 12 Ayes, 1 Nay and 1 Abstention. Motion passed.

VI. Second presentation from applicants for NOFA funds.

Marge Gladman of CEDA Housing and Community Development reintroduced the two Notice of Funding Availability (NOFA) applicants to the PAC. Marge also clarified the NOFA process for the PAC.

Lisa Motoyama, Director of Housing Development, and other representatives from Resources for Community Development (RCD), spoke of their proposed project for 720 East 11th Street. The design is still preliminary. There will be a mix of housing and the project exceeds the City's requirements for Open Space. This site is on the CCE Opportunity Sites list. RCD will own and maintain the property and will have on site management. RCD met with several PAC members to discuss the project. RCD is requesting \$6.25 million in City funds to meet the gap for this project.

Kevin Liao represented Councilmember Pat Kernighan and voiced her support for both NOFA projects in her District.

Current and former PAC members Jennie Mollica, Kathy Chao, and Laura Jerrard spoke in support of the project.

Tom Thurston sought clarification on how much funds were available through the NOFA. Marge clarified that there is \$4.5 million specifically for the CCE via the Affordable Housing bond funds and additionally there is \$20 million total funds for all of Oakland.

There was concern regarding the design submitted to the PAC. Some PAC members expressed their disappointment with the design and felt it was incomplete or unimpressive.

Motion (by Elise Evans, seconded by Kayode Powell) to recommend this project, but the developer must bring updated designs to the PAC.

Clarification was made of the timing of the process and how it affected the quality of the designs that the PAC are able to review, the Design Review process, and the desire of the applicant to work with the community on the design in order to receive the necessary approval.

Vote: 9 Ayes, 0 Nays, 2 Abstentions, and 2 Non-votes. Motion passed.

The second project was Satellite Housing (SH). Dori Kojima, the Director of Housing Development, presented their proposed senior housing project at 116 East 15th Street. SH owns and operates their own developments, conducts its own property management; and provides maintenance, security and management staff. SH staff presented their preliminary design sketches. There is a possibility of making their ground floor units larger.

PAC members sought more information on the building's height, zoning, unit size expansion, and safety issues. RH staff responded that the zoning for this site has no height restrictions. In addition the unit size for some of the units has been expanded to 600 square feet. RH is also providing for security measures for the building such as lighting, cameras, and other security measures.

Frank Rose spoke in support of SH and the project and confirmed that 570 square feet would be adequate for a 1 bedroom unit for seniors. Laura also spoke in support of the project.

Motion (by Tom Thurston, seconded by Sheryl Walton) to recommend this project.

Vote: 10 Ayes, 0 Nays and 2 Abstentions. Motion passed.

VII. Presentation from new applicant for NOFA funds.

Marge Gladman introduced Don Gilmore of Community Housing Development Corporation (CHDC) who will partner with John Stewart Company (JSC) for the project at 6311 Foothill Boulevard. The site is currently blighted, and CHDC and JSC have stepped in to help relieve the property from the previous owner. The project was initially assessed for rehabilitation costs by the original owners in 2006. More recent assessments have shown a funding gap of \$2.6 million to adequately rehab the property. This will provide the necessary improvements on the exterior and interior. JSC will take over the management of the property, and will provide permanent onsite management. They are requesting \$1.3 million from the City to secure a total of \$15.4 million total to go towards improvements to the property.

Ms. Shirley Waters provided public comment on the project. She is a block captain in the area and supports the project. She feels the building is blighted and needs to be improved.

The PAC had some questions:

Question: Gloria wanted to know if the property will be kept viable after upgrading, will there be on site management, and if there is any Section 8 housing on site.

Answer: There will be onsite management. There is a tiered income system in place for residents between 30% - 60% of Area Median Income as currently set by the state. Don stated that CHDC would like to have adequate reserves to address any issues.

Question: Sheryl wanted to know if CHDC could put in place a graffiti preventing measure for the building. Sheryl wanted to know if they could explore growing vines on the property to serve as graffiti abatement. Sheryl also wanted to know if they could address the litter problem around their building as well.

Answer: Don Gilmore explained that they are willing to explore options to address all aspects of the blight around the property.

Question: Tom had issue with the money previously invested in the property, and wanted some explanation on the erroneous initial estimate. Tom also remarked how the money for rehabilitation is almost as much as to build something new.

Answer: Don Gilmore responded that the previous estimate must not have been as thorough. The estimate was not done by CHDC staff. CHDC staff has conducted multiple estimates since, and these more accurately sum up the costs for needed improvements.

The PAC will vote on this project at the next PAC meeting.

VIII. Items for the next PAC meeting on December 3, 2007.

No new projects discussed. Tom wanted to make sure that the CCE update also includes information on account balances and other related budget items.

IX. Adjournment

The meeting was adjourned at 9:15 pm.