

CITY OF OAKLAND
COUNCIL/AGENCY AGENDA REPORT

TO: Office of the City Manager/Agency Administrator
ATTN: Robert Bobb
FROM: Community and Economic Development Agency
DATE: May 22, 2001

RE: A REPORT ON THE OPPORTUNITY FOR DEVELOPMENT OF THE CITY-OWNED SITE BOUNDED BY THE HENRY J. KAISER CONVENTION CENTER, THE OAKLAND MUSEUM, 12TH STREET, AND PERALTA PARK ADJACENT TO LAKE MERRITT CHANNEL (THE "SITE"), AND A CITY AND AN AGENCY RESOLUTION AUTHORIZING THE CITY MANAGER/AGENCY ADMINISTRATOR TO ISSUE A JOINT REQUEST FOR PROPOSALS TO DEVELOP THE SITE

SUMMARY

This report requests that the Council determine whether they want to entertain proposals for the development of the City-owned site bounded by the Henry J. Kaiser Convention Center ("Kaiser Center"), the Oakland Museum of California ("Oakland Museum"), 12th Street, and Peralta Park adjacent to Lake Merritt Channel (the "Site"). The Site provides an opportunity to enhance the immediate area by complementing the Kaiser Center and Oakland Museum buildings and activities, enhancing the adjacent open space, and improving the connection between these facilities and Lake Merritt and the Channel. If the Council would like to entertain proposals for development, staff recommends that they authorize the City Manager/Agency Administrator to issue a Joint City/Agency Request for Proposals (RFP) for the Site.

FISCAL IMPACTS

The RFP would serve only as a preliminary step to explore the feasibility of developing the Site. No subsidy of the development is recommended; the development rights would be conveyed at market rate. Until a developer has been selected and a development agreement has been drafted, the future revenues to the City will not be known. The only costs for this action will be staff time already budgeted.

BACKGROUND

The Site under discussion is bounded by the Henry J. Kaiser Convention Center, the Oakland Museum, 12th Street, and Peralta Park adjacent to Lake Merritt Channel. The Site is currently being used as a parking lot for the Kaiser Center, and contains approximately 215 stalls.

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The Site has been considered in several reports, plans and studies over the last fifteen years. Several reports and plans have proposed improving the links between the Site and the adjoining properties.

Lake Merritt Planning

The Site was included in recommendations made by the Community Assistance Team (CAT) project in 1989, sponsored by the Northern California Chapter of the American Society of Landscape Architects (CASLA). The project, officially endorsed by the City Council, addressed the many opportunities for enhancing, improving or restoring the environment of the Lake Merritt Park Study Area, including the Channel, Estuary Park and all of the building frontages along the streets ringing the Lake.

The CAT project recommended that the City consider the development of the Site and adjoining roadways for a "Lid Park", a public plaza built over Twelfth Street, linking the Oakland Museum of California and Henry J. Kaiser Convention Center with Lake Merritt. This proposal was also made earlier in the 1966 Oakland General Plan. The concept was to create a super-block campus uniting the Oakland Museum, Kaiser Center and the Alameda County Courthouse with the lake edge by building a new park over the existing Twelfth Street Expressway. The CAT study identified the opportunity to physically connect the Museum and Kaiser Center with the park or plaza, creating a cultural and civic center for the area. The CAT project recognized that a catalyst development project would likely be required in order to get the "Lid Park" or connection to Lake Merritt developed.

Lake Merritt Master Plan

The Office of Parks and Recreation is overseeing the Lake Merritt Master Plan which will create a unified vision of Lake Merritt, Lakeside Park, and the several public parks and uses immediately surrounding the lake. The consultant team has been selected and, following Council approval, will begin work later this month. The Plan will take approximately 12 months to complete. The Scope of services for this project is restricted to the area immediately surrounding Lake Merritt and will not include planning of the downstream channel to the estuary per the October 10, 2000 staff report to City Council. Design guidelines that will serve to link the Lake and the channel will be included in the Lake Merritt plan. Any developer selected for the Site will be required to work with the consultant team on coordinating the design of their project with the Lake Merritt Master Plan.

Oakland Museum of California/Henry J. Kaiser Convention Center

The Site is immediately adjacent to both the Oakland Museum of California and the Henry J. Kaiser Convention Center, both currently managed by the Department of Museum Services. Both could be greatly enhanced by other cultural or civic uses in the area. Completed in August 2000, the Oakland Museum Conceptual Strategic Plan made recommendations for the galleries as well as the Museum district. The Plan recommended that the Museum be used as the centerpiece for urban development, and that the Museum work with other partners on the renewal of the 10 block area. The Plan advised that the Museum would be greatly enhanced

by a cultural district that included new restaurants, afternoon/evening attractions, well-lit streets and walkways, and an improved connection to Lake Merritt.

Parking for both Kaiser Center and the Museum are critical for their function. Parking is discussed under the issues section below.

Land Use/Zoning

The Site is currently zoned S-2 (Civic Center Zone Regulations) and S-4 (Design Review Combining Zone Regulations). Under current zoning the maximum allowable density is one unit per 300 square feet of lot area for residential, and 3.5 FAR for mixed-use projects (there is no maximum FAR for strictly non-residential projects). The City of Oakland General Plan allows 167 units per net acre for residential, and 8.0 Floor Area Ratio (FAR) for non-residential uses. The General Plan does not address building heights and there is no maximum height limit in the S-2 zone. Allowable uses in the General Plan include educational, cultural, institutional, and medical. Mixed-use commercial and residential projects may be allowed as well. The zoning allows civic, commercial, and residential uses.

Open Space Element

The Open Space Conservation and Recreation Element (OSCAR) recommends circulation changes on the perimeter of Lake Merritt which make the lake more accessible from nearby neighborhoods. In the Channel area, it was recommended that improvements be made that could better connect the Estuary, Channel and Lake Merritt.

KEY ISSUES AND IMPACTS

Background: The Catholic Diocese of Oakland has recently approached the City to discuss the feasibility of developing a new cathedral on the parking lot. During the course of these discussions, and without in any way reflecting on the Diocese's proposal, staff determined that it should first ask the Council whether it wishes to entertain offers to develop the Site. If the Council decides to entertain offers, staff is recommending that the Council/Agency authorize the issuance of an RFP for the development of the Site.

Open Space: The subject Site, while adjacent to open space, is not designated as open space in either the Zoning Regulations or General Plan. The Site is zoned for civic, commercial, and residential uses (see above). The OSCAR element would only apply if the Site were designated open space, in which case the no net loss policy would be applicable. The design of any proposed project would have to address the connection to the adjacent open space, including Peralta Park and Lake Merritt. If any proposed project impacts the adjoining open space, such as Peralta Park, then the development would be subject to the no net loss policy. The no net loss policy, contained in the City of Oakland Open Space Element, specifies that unless overriding considerations exist, no net loss of open space within Oakland's urban park system should be permitted. Under the policy, comparable replacement open space should be provided to offset any loss.

Parking Requirements: The Site currently provides approximately 215 parking spaces for the Kaiser Center, which hosts 180 to 200 events per year. Any proposed project would need to provide temporary and permanent replacement parking, either on the Site or at another adjacent site. Proposed projects would also need to provide sufficient parking for the proposed uses. Given site constraints, parking may need to be accommodated at another site nearby. Careful consideration needs to be given to the parking supply and demand for the area, given the activity at the Kaiser Center, the Oakland Museum, Laney College, and other adjacent facilities. A parking study of the area will need to be completed by the selected developer to better determine the parking requirements. These parking issues would be further addressed during the developer selection process and the Exclusive Negotiation Agreement (ENA) and Disposition and Development Agreement (DDA) phases.

Traffic and Circulation: Traffic and circulation in the area as well as site access could significantly impact the development of the Site. The overall pedestrian and vehicular on-site and off-site circulation will need to be addressed during the ENA period. Impacts will be also be analyzed through the Environmental Review process for the selected proposal. Of particular note is the opportunity to create new pedestrian connections across 12th/14th Street/Lakeside Drive to Lake Merritt, to the Estuary area, perhaps to connect with the regional Bay Trail system.

Historic Resources: The Convention Center has been designated as an historic landmark by the Oakland Heritage Property Survey ("A" rating.) Thus, this building is regarded as an historic resource and an assessment must be completed about whether or not development of the Site would change or impair the character defining elements of the Convention Center. In addition, the Site is located within the Lake Merritt Historic District. The impact of each proposal on historic resources will be a criteria for evaluating proposed projects. Preliminary analysis of the projects will be completed by staff. Impacts will be also be analyzed through the Environmental Review process for the selected proposal.

Opportunities for Complementary and Joint Use of Adjacent Facilities: The development of the Site presents important opportunities to complement and strengthen connections among other major public facilities such as the Oakland Museum, the Lake Merritt area, and the Estuary area. The publicly-accessible plaza or open space which is being requested may provide an expanded area for recreational, civic, and community events and gatherings. The Lake Merritt Master Plan process has recently been initiated and provides an opportunity for developers to work with the consultants so as to coordinate with the toward improving connections across 14th Street/Lakeside Drive.

Lake Merritt Master Plan: The Lake Merritt Master Plan, discussed above, will be completed over the next 12 months. The scope of the plan is restricted to the area immediately surrounding Lake Merritt and does not include planning of the downstream channel to the estuary. The planning process, however, does provide an opportunity for the City, the

consultant team, and the developer to work together on coordination of site planning and design at the lower end of Lake Merritt.

Tidelands Trust: A portion of the Site is located within the Tidelands Trust area. The Tidelands Trust is a doctrine providing that the government holds the rights to tidelands in trust for the public for purposes of maritime, fisheries, navigation, open space, commercial recreation and similar uses. City staff will work with the selected developer as they assess the impact of the Tidelands Trust doctrine on the feasibility of their project.

Impacts on Adjacent Properties: The development of the Site could significantly impact the Henry J. Kaiser Convention Center and Oakland Museum of California. However, if suitable guidelines are set, negative impacts may be able to be mitigated. Further analysis would need to be done on any development proposal. The major potential impacts are discussed above. Positive impacts could also be considerable, if a project contained compatible activities that could enhance the usage of both facilities. The RFP process leading to development of the area is supported by the Oakland Museum of California Foundation. Additional cultural or civic uses could contribute to a civic district and improve the ability to attract more visitors. A project which contained a publicly-accessible plaza or other public facilities that could be used by visitors to the area could be a benefit to both the Oakland Museum and Kaiser Center.

PROJECT DESCRIPTION

The Site is bounded by the Henry J. Kaiser Convention Center, the Oakland Museum, 12th Street, and Peralta Park adjacent to Lake Merritt Channel. Currently owned by the City of Oakland, the Site is approximately 90,000 square feet. The location provides an opportunity to enhance the immediate area by complementing the Kaiser Convention Center and Oakland Museum buildings and activities, enhancing the adjacent open space, and improving the connection between these facilities and Lake Merritt.

The Site lies within the Central District Urban Renewal Area. The City currently owns the land. If the Council chooses to entertain proposals for the Site, staff recommends that the City/Agency convey the air rights for development. At the appropriate time, the City would convey to the Agency the project-specific air rights owned by the City to facilitate the proposed project redevelopment. The Agency would then transfer the rights to the prospective developer. Accordingly, staff recommends that the RFP be a joint RFP of the City and the Agency.

If Council chooses to entertain proposals for the Site, staff recommends the following guidelines for development:

Site Planning

- Project should improve public access between the Kaiser Center, Oakland Museum, Lake Merritt Channel and Lake Merritt

- Project should include improvement to and/or creation of publicly accessible open space in the Lake Merritt and channel area that is inviting and usable
- Design should be architecturally significant, complementing other noteworthy structures such as the Kaiser Center, Oakland Museum and Alameda County Courthouse
- Site design/plan should be compatible with adjoining properties, including Henry J. Kaiser Convention Center, Oakland Museum, the County Courthouse, and Laney College
- Project should be designed so as to activate the surrounding area, and improve the safety, security and appearance of the neighborhood

Projected Use

- Project should complement and be compatible with the surrounding neighborhood
- Project should accommodate civic, assembly, cultural, and/or educational activities; associated residential uses will also be considered
- Projected use should generate interest and activity, and draw people to the project area
- Project should provide temporary and permanent replacement parking required for Kaiser Center, as well as parking required for project; parking may be located on adjacent sites subject to City approval
- Project should create one or more publicly accessible spaces that can be well-utilized and enjoyed by the public including those visiting the Convention Center, Oakland Museum, and Lake Merritt; as well as create opportunities for better use of existing open space in area

The RFP process will allow the City to entertain proposals, and evaluate whether one is suitable for development at the Site. If no suitable proposals are made, the Council can choose to not pursue development discussions. The RFP will provide an open opportunity for any interested developer to submit a proposal. As the development of this Site has raised public concern, additional public input could also be incorporated part of the process.

DISABILITY AND SENIOR ACCESS

Disability and senior access to any proposed project will be emphasized as an important criteria.

ENVIRONMENTAL OPPORTUNITIES

Environmental opportunities could be included as criteria in the Request for Proposals.

RECOMMENDATION AND RATIONALE

It is recommended that the City/Agency consider the opportunities and issues related to the

development of the Site. If the Council/Agency determines that they want to entertain proposals for the development of the Site, it is recommended that they do so through the Request for Proposals process using the above-mentioned guidelines.

ACTION REQUESTED OF THE CITY/AGENCY

It is requested that the City/Agency determine whether they want to entertain proposals for the development of the Site. If so, it is requested that they approve the attached Resolutions authorizing the City Manager/Agency Administrator to issue a Joint City/Agency Request for Proposals (RFP) for the Site.

Respectfully submitted,



WILLIAM E. CLAGGETT

Executive Director


Community and Economic Development Agency

Prepared by:

Jennifer Cooper, Uptown Coordinator

Redevelopment Division

APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE:


Office of the City Manager/Agency Administrator

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OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ISSUE A JOINT REQUEST FOR PROPOSALS WITH THE OAKLAND REDEVELOPMENT AGENCY TO DEVELOP THE CITY-OWNED SITE BOUNDED BY THE HENRY J. KAISER CONVENTION CENTER, THE OAKLAND MUSEUM, 12th STREET, AND PERALTA PARK ADJACENT TO LAKE MERRITT CHANNEL

WHEREAS, the City of Oakland owns the land bounded by the Henry J. Kaiser Convention Center, the Oakland Museum, 12th Street, and Peralta Park adjacent to Lake Merritt Channel, which currently is being used as a parking lot for the Henry J. Kaiser Convention Center (the "Site"); and

WHEREAS, the Site is located in the Central District Urban Renewal Area; and

WHEREAS, several plans and studies over the last fifteen years have proposed improving and activating the areas, including Lake Merritt, and buildings adjacent to the Site; such studies include the the Oakland Museum Conceptual Strategic Plan and recommendations made by the Community Assistance Team project sponsored by the Northern California Chapter of the American Society of Landscape Architects; and

WHEREAS, the Site is currently underutilized; and

WHEREAS, the development of the Site will meet the objectives of the Central District Urban Renewal Plan by eliminating blight conditions in the Central District; and

WHEREAS, the City desires to cause the redevelopment of the Site under the Central District Urban Renewal Plan; and

WHEREAS, the City desires to issue a joint Request for Proposals with the Redevelopment Agency of the City of Oakland for the development of the Site setting forth the goals and objectives for the Site, and the terms and conditions under which the City and the Agency will entertain proposals for development of the Site; now therefor be it

RESOLVED: That the City Council hereby finds and determines that entertaining proposals for development of the Site is consistent with and will further the purposes of the Central District Urban Renewal Plan; and be it further

RESOLVED: That the City Council hereby authorizes the City Manager or his designee to issue a joint Request for Proposals (RFP) with the Redevelopment Agency of the City of Oakland

for development of the Site setting forth the goals and objectives for the Site, and the terms and conditions under which the City and the Agency will entertain proposals for development of the Site; and be it further

RESOLVED: That the City Manager or his designee is hereby authorized to take whatever action is necessary with respect to the RFP for the Site in conformance with this Resolution and its basic purpose; and be it further

RESOLVED: That the City Manager will present to the City Council for approval his recommendations regarding responses to the RFP.

IN COUNCIL, OAKLAND, CALIFORNIA, , 2001

PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, CHANG, MAYNE, NADEL, REID, SPEES, WAN AND
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST:

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

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REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

**A RESOLUTION AUTHORIZING THE AGENCY ADMINISTRATOR TO ISSUE
A JOINT REQUEST FOR PROPOSALS WITH THE CITY OF OAKLAND TO
DEVELOP THE CITY-OWNED SITE BOUNDED BY THE HENRY J. KAISER
CONVENTION CENTER, THE OAKLAND MUSEUM, 12th STREET, AND
PERALTA PARK ADJACENT TO LAKE MERRITT CHANNEL**

WHEREAS, the City of Oakland owns the land bounded by the Henry J. Kaiser Convention Center, the Oakland Museum, 12th Street, and Peralta Park adjacent to Lake Merritt Channel, which currently is being used as a parking lot for the Henry J. Kaiser Convention Center (the "Site"); and

WHEREAS, the Site is located in the Central District Urban Renewal Area; and

WHEREAS, several plans and studies over the last fifteen years have proposed improving and activating the areas, including Lake Merritt, and buildings adjacent to the Site; such studies include the Oakland Museum Conceptual Strategic Plan and recommendations made by the Community Assistance Team project sponsored by the Northern California Chapter of the American Society of Landscape Architects; and

WHEREAS, the Site is currently underutilized; and

WHEREAS, the development of the Site will meet the objectives of the Central District Urban Renewal Plan by eliminating blight conditions in the Central District; and

WHEREAS, the Redevelopment Agency desires to cause the redevelopment of the Site under the Central District Urban Renewal Plan; and

WHEREAS, the Redevelopment Agency desires to issue a joint Request for Proposals with the City of Oakland for the development of the Site setting forth the goals and objectives for the Site, and the terms and conditions under which the City and the Redevelopment Agency will entertain proposals for development of the Site; now therefor be it

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COMMUNITY REDEVELOPMENT
DEVELOPMENT AGENCY

MAY 22 2001

RESOLVED: That the Redevelopment Agency hereby finds and determines that entertaining proposals for development of the Site is consistent with and will further the purposes of the Central District Urban Renewal Plan; and be it further

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his designee to issue a joint Request for Proposals (RFP) with the City of Oakland for development of the Site setting forth the goals and objectives for the Site, and the terms and conditions under which the City and the Redevelopment Agency will entertain proposals for development of the Site; and be it further

RESOLVED: That the Agency Administrator or his designee is hereby authorized to take whatever action is necessary with respect to the RFP for the Site in conformance with this Resolution and its basic purpose; and be it further

RESOLVED: That the Agency Administrator will present to the Redevelopment Agency for approval his recommendations regarding responses to the RFP.

A. IN AGENCY, OAKLAND, CALIFORNIA, _____, 2001

PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, CHANG, MAYNE, NADEL, REID, SPEES, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

1. Attest: _____

2. Ceda Floyd
SECRETARY OF THE REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

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COMMUNITY DEVELOPMENT
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