

CITY OF ALAMEDA ORDINANCE NO. _____

New Series

AUTHORIZING THE ACTING CITY MANAGER TO EXECUTE A DISPOSITION AND DEVELOPMENT AGREEMENT DDA-_____ AND ALL OTHER NECESSARY DOCUMENTS BETWEEN THE CITY OF ALAMEDA AND MIDPEN HOUSING CORPORATION, ALAMEDA POINT COLLABORATIVE, BUILDING FUTURES WITH WOMEN AND CHILDREN AND OPERATION DIGNITY ("DEVELOPER") TO SELL APPROXIMATELY 9.7 ACRES OF REAL PROPERTY FOR THE REBUILDING OF THE EXISTING SUPPORTIVE HOUSING AT ALAMEDA POINT

WHEREAS, the Naval Air Station Alameda and the Fleet and Industrial Supply Center, Alameda Annex and Facility ("**NAS Alameda**"), which encompasses the Naval facilities and grounds comprising the western end of the City of Alameda ("**City**") and consists of approximately 1,546 acres of real property, together with the buildings, improvements and related other tangible personal property located thereon and all rights, easements and appurtenances thereto, was decommissioned by the United States Department of the Navy (the "**Navy**") in 1993 and closed in 1997; and

WHEREAS, the City is desirous of advancing the socioeconomic interests of the City and its residents by promoting the productive use of the former NAS Alameda consistent with the NAS Alameda Community Reuse Plan (the "**Reuse Plan**") adopted by the Alameda Reuse and Redevelopment Authority ("**ARRA**") in 1996 and subsequently amended in 1997, and by encouraging quality development and economic growth, thereby enhancing employment opportunities for residents and expanding the City's property tax base; and

WHEREAS, the United States, acting by and through the Navy, approved the ARRA's Economic Development Conveyance Application and subsequently executed that certain Memorandum of Agreement between ARRA and the Navy for the No-Cost Economic Development Conveyance of Portions of the Former NAS Alameda, as such subsequently amended (the "**EDC Agreement**"); and

WHEREAS, by operation of California State law, the Community Improvement Commission, a member of the ARRA joint powers authority, ceased to exist on February 1, 2012. Accordingly, the ARRA, by Resolution No 55, dated January 31, 2012, authorized the ARRA Executive Director to assign to the City of Alameda all of ARRA's rights, assets, obligations, responsibilities, duties and contracts, including the EDC Agreement, subject to the City accepting such Assignment; (ii) Department of Defense designation of the City as the local reuse authority for NAS Alameda; and (iii) execution of documents with the Navy necessary to implement the City as successor to ARRA; and

WHEREAS, pursuant to City of Alameda Resolution No. 14654, dated February 7, 2012, the City authorized the City Manager to accept the Assignment of all of ARRA's rights, assets, obligations, responsibilities, duties and contracts, including the EDC Agreement, subject to the Department of Defense designating the City as the local reuse authority for NAS Alameda and the Navy executing documents necessary to implement the City as successor to ARRA; and

WHEREAS, by letter dated April 4, 2012, the Department of Defense and the Department of the Navy designated the City as the local reuse authority for NAS Alameda, and accepted the City as the successor to ARRA; and

WHEREAS, on June 6, 2013, the Navy transferred approximately 1,379 acres, including 509 acres of land and 870 acres of submerged land, at the Alameda Point property pursuant to the EDC Agreement; and

WHEREAS, the amended Zoning Ordinance for Alameda Point required that a specific plan be adopted for Main Street Neighborhood zoning sub-district. In conformance with the Zoning Ordinance, the City Council adopted the Main Street Neighborhood specific plan on March 21, 2017 ("**Main Street Plan**"); and

WHEREAS, the City is the fee title owner of (or has the right to acquire under that certain No-Cost Economic Development Conveyance Agreement of Portions of the former NAS Alameda with the United States Navy) that certain portion of Alameda Point known as RESHAP, which is approximately 9.7 acres and is located at the entrance to Alameda Point at Main Street and West Midway Avenue, and bounded by Orion Way (the "**Property**"); and

WHEREAS, the RESHAP project is a 9.7-acre supportive housing development at Alameda Point, which consists of 267 very-low and low-income residential units, and 40,000 square feet of community-serving commercial uses (the "**Project**") replacing 200 existing supportive housing units located at NAS Alameda and providing an additional 67 units of inclusionary affordable housing units; and

WHEREAS, in furtherance of the Reuse Plan, the City desires to convey fee title of the Property in specified phases to development entities to be composed of MidPen Housing Corporation and one or more the other Developer Entities ("Developer Affiliates") through execution of a Disposition and Development Agreement ("**DDA**") for the future development of the Project and for the maintenance and creation of affordable housing; and

WHEREAS, through the DDA, the City is imposing occupancy and affordability restrictions on the Project in compliance with the City's Inclusionary Housing Ordinance, the Renewed Hope Settlement Agreement, and the City's Density Bonus Regulations; and

WHEREAS, the DDA and the City Regulatory Agreement attached as Exhibit K will also constitute the Inclusionary Housing Agreement required under the City's

Inclusionary Housing Ordinance and the Affordable Housing Implementation Plan required under the Density Bonus Regulations; and

WHEREAS, the DDA is being adopted in an effort to consolidate the existing supportive housing community into a 9.7 acre parcel, to support ownership of land by the supportive housing agencies, cause the construction of new infrastructure, construct replacement and new, state-of-the-art affordable housing units, create economic opportunity, and as such the City has voluntarily complied with the procedures for noticing, hearing, documentation, and findings with reference to Government Code Section 52201; and

WHEREAS, pursuant to Government Code Section 52201, the City has prepared a report (the "**Report**") regarding the sale of the Property, the notice and availability for inspection of which was given to the public in the manner prescribed by law.

WHEREAS, the City Council has conducted a duly noticed public hearing on the DDA in accordance with Government Code Section 52201(a)(1) for the purpose of receiving public input and comments on the DDA and the Report and the transactions described therein; and

WHEREAS, the City Council finds that the economic interests of the City's residents and the public health, safety and welfare will be best served by entering into the DDA; and

WHEREAS, continued use and development of the Property in accordance with the DDA is anticipated to provide substantial benefits and contribute to the provision of needed infrastructure for area growth; and

WHEREAS, by Resolution No. 14891 the City Council previously certified the Final Alameda Point Environmental Impact Report ("**FEIR**") (State Clearinghouse No. 201312043) under the California Environmental Quality Act ("**CEQA**"), California Public Resources Code Section 21000 et seq. and adopted written findings and a Mitigation Monitoring and Reporting Program ("**MMRP**") on February 4, 2014, for the Alameda Point Project, including the Main Street Plan which contains the project site; and

WHEREAS, staff has prepared an Environmental Checklist for Streamlined Review, which documents the application of the criteria for streamlining in Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183 and concludes, based on substantial evidence, that no further review under CEQA is required; and

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Alameda ("**City Council**") that after hearing all qualified and interested persons and receiving and considering all relevant evidence, finds and determines as follows:

Section 1.

An Environmental Impact Report for the proposed development of Alameda Point was certified by the City Council in February 2014 pursuant to CEQA. An environmental

compliance checklist pursuant to Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183 was prepared and the City has determined that no further environmental review is necessary as part of the approval of the DDA.

Section 2.

a. Pursuant to Government Code Section 52201(b)(1) the sale of the Property as described in the DDA will assist in the creation of economic opportunity at Alameda Point because the transfer will effectuate the Reuse Plan by facilitating the Project which:

1. Consolidates two-hundred (200) existing affordable housing units and administrative offices located in former Navy buildings stretched across the 32-acre leasehold into a new affordable cohesive, high quality supportive housing campus on 9.7 acres and frees up the 22.8 acres for future development of market rate housing consistent with the Main Street Plan;

2. Constructs sixty-seven (67) new affordable housing units that can be used to satisfy the City's Inclusionary Housing requirements and the 2001 Renewed Hope Settlement Agreement for the adjacent development;

3. Constructs approximately 40,000 square feet of community-serving commercial spaces

4. Constructions approximately 20,000 square feet of interior parks, walking paths and play areas and a centrally located space for community programming.

b. Pursuant to Government Code Section 52201(b), the City Council hereby finds and determines that the sale of the Property and the resulting development of the Property pursuant to the DDA will assist in the creation of economic opportunity, as that term is defined in Government Code Section 52200.2. The finding and determination is based on the facts and analysis set forth in the Recitals, the DDA Summary Report, the public comment, which includes, but is not limited to:

1. The project will result in two hundred and sixty-seven (267) residential units permanently restricted to occupancy by Very Low Income Households, Low Income Households and Moderate Income Households, which will meet the demonstrated affordable housing need of the City of Alameda, as defined and described in the City's General Plan housing element.

2. The project meets the goals set forth in the adopted sustainable community's strategy and is a project that specifically implements the goals of the adopted sustainable community's strategy.

3. The project consolidates the existing affordable housing units thus allowing 22.8 of the 32 acres currently occupied by the affordable housing to be developed consistent with the Main Street Plan and Reuse Plan, providing opportunities for market rate development that will provide additional needed infrastructure as well as property tax growth.

Section 3.

a. The City Council hereby finds and determines that the conveyance of the Property to the Developer pursuant to the DDA will assist in the elimination of blight and will provide affordable housing. These findings and determinations are based on the facts and analysis set forth in the Recitals and supporting documentation, including:

1. Development of the Property pursuant to the DDA will eliminate blight by replacing deteriorating buildings and infrastructure with a high quality, supportive housing complex which will include 267 affordable residential units and approximately 40,000 square feet of community-serving commercial spaces.

2. Development of the Property will result in local economic opportunity, creation of affordable housing and serve as a catalyst for the redevelopment of and revitalization of the Main Street neighborhood of the former NAS Alameda pursuant to the Reuse Plan.

3. The development of the Project on the Property pursuant to the DDA will implement the goals of the Reuse Plan by: (i) consolidating the supportive housing community located over a 32-acre area into 9.7 acre parcel; (ii) replacing two hundred (200) existing affordable housing units currently in deteriorating former Navy buildings and constructing sixty-seven (67) new high-quality affordable housing units; (iii) opening up approximately 22 acres of developable land that will allow new infrastructure and market rate development to be constructed; (iv) providing ownership opportunity to the supportive housing organizations and permanently affordable housing to very-low and low-income households.

Section 4.

The City Council hereby finds and determines that the execution and implementation of the DDA, the sale of the property to the Developer and the development of the project pursuant to the DDA constitutes a “common benefit” as defined in Government Code Section 37350.

Section 5.

The City has the authority to dispose of the Property in accordance with the terms of the DDA under Government Code Section 52201, authorizing disposition of property for economic opportunities; and pursuant to Government Code Section 37350, authorizing disposition of property for the common benefit of the community.

Section 6.

The Disposition and Development Agreement DDA-_____, substantially in the form attached as Exhibit A, is hereby adopted and the Acting City Manager is authorized to sign it on or after the effective date of this Ordinance, subject only to such changes as are approved by the City Attorney and the Acting City Manager and the Acting City

Manager is authorized to take all actions necessary to implement the DDA and to sign such documents as are necessary to implement the intents and purposes of the DDA.

Section 7.

If any portion, section, subsection, paragraph, subparagraph, sentence, clause, phrase or application of this Ordinance is held invalid or inapplicable by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity or applicability of any other part of this Ordinance.

Section 8.

This Ordinance shall be in full force and effect from and after the expiration of thirty (30) days from the date of its final passage.

* * * * *

I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by the Council of the City of Alameda on the ____ day of _____, 2018, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this ____ day of _____, 2018.

Lara Weisiger, City Clerk
City of Alameda

APPROVED AS TO FORM:

Janet C. Kern, City Attorney
City of Alameda