

Drogos, Donna, Env. Health

From: Kleinbaum, Kathy [KKleinbaum@oaklandnet.com]
Sent: Friday, October 17, 2003 3:26 PM
To: 'SAH@rb2.swrcb.ca.gov'; 'mcambrid@dtsc.ca.gov'; doml@cwpswrcb.ca.gov;
CTH@rb2.swrcb.ca.gov
Cc: Gomez, Mark; Mike Ramstrom (mike@ramstrom.com); Angell, Jeff
Subject: Oakland Targeted Site Investigation Application for 3860-3884 MLK

Hi,

Attached is the City of Oakland's application for the Targeted Site Investigation program. I am emailing it out to all of you as a PDF file. All the relevant documents are included in this one file, including the letters of support. There is one additional letter of support that we are expecting to get early next week from Oakland Councilperson Brunner. We will send that on as soon as we receive it both by email and in a hard copy form.

I will be mailing one original hard copy out today also to Megan Cambridge since she appears to be the main contact. Please let me know if you have any problems with the attached file or if any additional hard copies are required.

Thanks,

Kathy Kleinbaum
City of Oakland
CEDA - Redevelopment Division
250 Frank H. Ogawa Plaza, Suite 5313
Oakland, CA 94612
tel: (510) 637-0247
fax: (510) 238-3691

11/25/2003

CITY OF OAKLAND



250 FRANK H. OGAWA PLAZA, SUITE 5313 • OAKLAND, CALIFORNIA 94612-2034

Community and Economic Development Agency
Redevelopment Division

(510) 238-3015
FAX (510) 238-3691
TDD (510) 839-6451

October 17, 2003

RE: Targeted Site Assessment Application for 3860-3884 Martin Luther King, Jr. Way in Oakland, California.

To Whom it May Concern:

The Oakland Redevelopment Agency is pleased to submit the enclosed application for a Targeted Site Assessment for two properties located at 3860-3884 Martin Luther King, Jr. Way in Oakland California. These properties are part of the larger MacArthur BART Station Transit Village Project, which is modeled after the successful Fruitvale Transit Village Project, also located in Oakland.

The City has been working jointly with BART and a Citizens Planning Committee (CPC), comprised of community residents and representatives of neighborhood organizations, to pursue the development of the MacArthur Transit Village since 1993. Since the establishment of the Broadway-MacArthur-San Pablo Redevelopment Project Area in June 2000, the Redevelopment Agency has taken on the role of project sponsor.

The MacArthur Transit Village is currently proceeding as two separate but related development proposals on the east and west sides of the BART station. The project that is the subject of this application is located on the west-side of the station along Martin Luther King, Jr. Way. This project is expected to proceed as the first phase of the MacArthur Transit Village since it will not require the construction of any costly transportation infrastructure and since a number of the parcels are already in public ownership.

One major impediment to the development of the west-side of the MacArthur Transit Village is the perceived environmental contamination on the two properties that are the subject of this application. Until the levels of contamination are characterized, it is difficult to attract a development team who is willing to take on this project. The opportunity for the targeted site assessment that is being offered under this application will greatly assist with the implementation of this important development project.

If you need further information on this submittal, please contact Kathy Kleinbaum of our Redevelopment Division at (510) 637-0247 or Mark Gomez of our Environmental Services Division at (510) 238-7314. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Vanderprieem".

for Dan Vanderprieem
Director of Redevelopment
Oakland Redevelopment Agency

**Attachment 1
TARGETED SITE INVESTIGATION APPLICATION**

Targeted Sites Investigation provides the Department of Toxic Substances Control (DTSC) in collaboration with the Regional Water Quality Control Board (RWQCB) with limited funds to perform site investigations by a DTSC contractor. In order to provide DTSC and RWQCB with sufficient information to make the appropriate decisions regarding the selection of these sites, it is suggested that applicant answer the following questions. For more information regarding DTSC's Brownfields Program, please visit our web site at: <http://www.dtsc.ca.gov>.

SECTION 1 APPLICANT INFORMATION

| | | |
|--|---------------------------------|--|
| Applicant name and organization <u>Oakland Redevelopment Agency</u> | | |
| Contact person <u>Kathy Kleinbaum</u> | Title <u>Project Manager</u> | |
| Address <u>250 Frank Ogawa Plaza, Suite 5313 Oakland, CA 94608</u> | | |
| Phone <u>(510) 637-0247</u> | Fax <u>(510) 238-3691</u> | E-mail <u>kkleinbaum@oaklandnet.com</u> |

SECTION 2 SITE INFORMATION

| | |
|---|--|
| Name of site and type of business (if applicable) <u>Lucky's Auto Body and Vacant Redevelopment Agency Parcel</u> | |
| Phone (if applicable) <u>Lucky's Auto Body - (510) 654-0831, Redevelopment Agency (510) 637-0247</u> | |
| Current owner - Lucky's Auto Body Name <u>Hillary Lockett</u> Phone <u>(510) 654-0831</u> Address <u>3860 Martin Luther King, Jr. Way Oakland, CA 94609</u> | |
| Current owner - Redevelopment Agency Parcel Name <u>Oakland Redevelopment Agency; Attn: Kathy Kleinbaum</u> Phone <u>(510) 637-0247</u> Address <u>250 Frank Ogawa Plaza, Suite 5313 Oakland, CA 94612</u> | |
| Assessor's parcel number <u>012-0968-30-1, 012-0968-31</u> | Site address, city, county, zip code <u>3860 and 3884 Martin Luther King, Jr. Way Oakland, CA 94609</u> |
| Current zoning of the site: <u>C30 - DISTRICT THOROUGHFARE COMMERCIAL ZONE</u> | |
| Number of buildings on the site and their square footage and acreage of project area: <u>1 bldg on site which is 2,272 sqft. Total site (including both parcels) is 25,345 sqft.</u> | |
| Physical condition of the site: <u>The site consists of two adjacent parcels. The Redevelopment Agency-owned parcel is an unpaved vacant lot. The Lucky's Auto Body property is currently in use as an engine cleaning and auto repair shop and is a paved property with a structure covering about 20% of the site.</u> | |
| Current permits related to the site: <u>We are not aware of any permits relating to this site.</u> | |

Does the applicant own this property? The applicant owns one of the two properties
If yes, how and when was the property acquired? The Redevelopment Agency parcel was purchased in 1989 from the previous property owner who was delinquent in their tax payments.

If no, has the applicant obtained legal permission to enter the property to conduct the site investigation activities? The Redevelopment Agency is in the process of executing legal documents allowing for right-of-access to the Lucky's Auto Body property.

Does the landowner agree to allow site access to Cal/EPA Department staff and DTSC's contractor and is he or she willing to sign a site access agreement if necessary?

Yes No

SECTION 3

Please attach appropriate regional and site location maps as well as photographs if available.

Attach up to five pages to page 1 of this application, addressing the following points:

- Provide a chronological history of the site. Include the nature of manufacturing operations, processing facilities, hazardous substances storage, etc. that were located at the site. Is there a reason to believe that the site is contaminated with hazardous substances (e.g., solvents, pesticides, or metals)? Briefly describe the conclusions from any previous site assessment activities (or attach conclusion sections from relevant reports). Identify client, consultant, and approximate dates of past studies. Note: this information can be gathered as part of the targeted site investigation if it is not already available.

The site is comprised of two adjacent properties: 3884 Martin Luther King, Jr. Way (MLK) and 3860 MLK (see attached parcel map). A phase I investigation was completed by the Redevelopment Agency on both sites in July 2002 by Subsurface Consultants, Inc. The report recommended completing a subsurface investigation to evaluate soil and groundwater contamination on both of the properties.

The history for each parcel, as reported from the Phase I report, is described separately below:

3860 MLK:

Records show that this property (which formerly was known as 3858 and 3866 MLK) was a former fuel and feed store and a fuel yard in the 1930's through to the 1950's. In the 1960's there is evidence that the property was used as a lumber store and warehouse. In 1971, the buildings on the site were demolished. The City of Oakland purchased the site in 1989. The records from that purchase are no longer available so little is known about the use of the property between 1971 and 1989. It is assumed to have remained vacant throughout that period. The property has remained vacant since having been purchased by the City in 1989. In 2002, the City transferred ownership of the parcel to the Redevelopment Agency for budgetary reasons.

3884 MLK:

This property is currently in use as an auto repair and engine cleaning facility. The property formerly contained a gas station in the 1950's and 1960's. According to the property owner, there were two underground storage tanks on the site that were removed approximately 20 years ago. However, no soil testing was completed at the time of removal and no regulatory records confirming the removal have been found. The site is in both UST and the LUST database. The LUST case related to a gasoline spill that impacted the soil only. The case was granted regulatory closure.

- Describe the plan for the anticipated site reuse. Will it be for residential, commercial, retail, schools, industrial, open space or another purpose? What is the anticipated timeframe for developing the site?

This project along Martin Luther King, Jr. Way (MLK) is considered to be a critical component of the larger MacArthur Transit Village development effort, which is centered around the MacArthur BART Station. The MacArthur Transit Village project is modeled after the successful Fruitvale Transit Village Project.

The site that is the subject of this application will be developed as a phase of the MLK portion of the MacArthur Transit Village, which also includes properties on the adjacent block between 40th and Apgar (see attached aerial map). The properties on the adjacent block have either already been remediated or are currently in the process of completing Phase II environmental site assessment,

which is being funded by the property owners. The anticipated time frame for the development of the site is approximately 2 years.

The plan for the properties that are the subject of this application is a mixed-use housing development with ground-floor retail/flex space. The project will include both for-sale and rental units and will contain some affordable housing units. The total unit count, including the percentage of affordable units is still being refined.

- Describe the general economic status of the community and the potential for the area to change based on brownfields redevelopment. Is the area undergoing revitalization efforts? Have there been any successful brownfields projects in the area?**

The project site is located within one of the most economically distressed areas within the City of Oakland. According to the 2000 Census, the census tract in which the site is located had over 30% of its total population living in poverty. The median household income of the census tract in 2000 was 32% below the median income of the City of Oakland and 51% below the median income of Alameda County.

The project site is located within a new Redevelopment Area that was adopted in 2000. Consequently, the site has been recently characterized as a blighted area and is the subject of revitalization efforts, which have centered around the MacArthur BART Station. Efforts that are currently underway include a streetscape improvement project on 40th between MLK and Telegraph Avenue that addresses improving pedestrian access to the BART Station from the west of the station, transit village development plans for the east side of the station (which are in a preliminary stage), and transit village development plans for the west side of the station (which include the project site). The only recent investment in the area is a rehabilitation project of an old laundry house building located at 40th and MLK, directly across from the project site. This building was completed in 2003.

Many of the vacant and underutilized parcels to the west of the BART station are former auto-related businesses such as gas stations and auto repair facilities and therefore, qualify as brownfield sites. Brownfields redevelopment in this area, in the form of infill housing and mixed-use development, will help revitalize the neighborhood by reducing the blight created by vacant and underutilized parcels and by allowing for greater income diversity in the neighborhood through the development of market-rate housing units.

- Are there plans to finance the redevelopment project, including potential site cleanup? Are there other financial incentives available to the applicant to spur development (tax incentives, etc.)?**

The Redevelopment Agency has stated our willingness to consider financial assistance for the development project proposed on this site, specifically for the affordable housing component. We plan to negotiate deal terms with the project development team once the project proposal is finalized. Financing techniques that may be considered include assistance with remediation (either through grant applications or Redevelopment funds), the application of Redevelopment Housing Set-Aside funds for the affordable housing units, and a land write-down for the Redevelopment Agency parcel.

- Is the applicant or any other party under an enforcement order from the U.S. EPA, state, or local regulatory agencies to conduct a site assessment or cleanup at this site? Briefly describe any ongoing agency oversight by a regulatory agency.**

There is presently no enforcement order for site assessment or clean-up on either of these two properties.

- **Briefly describe the public interest or community involvement in site reuse planning activities to date.**

The project proposal for this site has been developed through a grass-roots community planning effort by neighborhood residents. The main community organization that has led this effort is the MacArthur BART Citizen's Planning Committee (CPC), who have been involved with the planning for the MacArthur Transit Village since 1993.

The members of the CPC were extremely disappointed that recent plans for the development of the MacArthur Transit Village have not included the parcels on the MLK-side of the station. To plan specifically for development on MLK, the CPC formed a subcommittee 2 years ago to work on development proposals for the portion of MLK from Apgar to 40th Street that is adjacent to the BART Station. This two-block area contains a number of vacant and underutilized parcels, a portion of which are owned by public entities (see attached aerial map).

Mike Ramstrom, a member of the subcommittee and a property owner on MLK, has taken the lead in hiring architects to work with the subcommittee and develop some preliminary site plans for the project. The outcome of their planning process resulted in BART entering into a ground lease with Mike Ramstrom for their vacant property at 40th and MLK, which is directly adjacent to his property. Mike Ramstrom is presently negotiating to purchase the Lucky's Auto Body property. The Redevelopment Agency has agreed to include our parcel in this development proposal and is working with Mike Ramstrom to complete a portion of the predevelopment work on this project, including environmental site assessment and attraction of a development partner.

- **Provide a brief description of the anticipated community benefits including social, economic, and environmental improvements.**

Development on the vacant and underutilized sites adjacent on MLK adjacent to the BART station will reduce blight and will help stimulate investment and revitalization on the west-side of the BART station. This area has suffered for years from disinvestment and physical blight. The vacant lot presently owned by the Redevelopment Agency has been plagued by illegal dumping, vandalism, and transient occupants and has been a source of complaint for the neighborhood for some time. The proposed project will include some market rate units that should be successful given their proximity to the BART Station. The influx of residents with higher-income levels will help support some of the fledgling neighborhood-serving businesses on MLK.

- **Provide a brief description of the direct or immediate benefits that would be gained from the TSI efforts.**

The direct benefit of the TSI effort would be the characterization of the environmental condition of two properties that are proposed for development along MLK as part of the larger MacArthur Transit Village Project. With this knowledge, the Redevelopment Agency can work with the owner of Lucky's Auto Body to remediate both properties, if needed, to allow for multi-family residential development. With the uncertainty of potential contamination removed as a barrier, it will be easier to solicit developer interest in implementing the community vision for this project.

Attachment 2

TARGETED SITE INVESTIGATION SCORING SHEET

Applicant (contact person and organization): Kathy Kleinbaum, Oakland Redevelopment Agency

Site name (if any): Lucky's Auto Body and Vacant Redevelopment Agency Parcel

Site addresses (street address, city, and zip code): 3860-3884 Martin Luther King, Jr. Way
Oakland, CA 94612

Current owner's name: Oakland Redevelopment Agency and Hillary Lockett

Meets eligibility criteria (brownfields status, current ownership, site access, and local agency/community support): Y N (circle one)

| Scoring Factors | Score low to high | | | | | Comments and Justification for Score |
|--|-------------------|---|---|---|---|--------------------------------------|
| | 1 | 2 | 3 | 4 | 5 | |
| 1. Current uncertainty over site contamination (1=low uncertainty, 3=moderate uncertainty, 5=high uncertainty) | | | | | | |
| 2. Uncertainty reduction - likelihood that TSI will reduce uncertainty over the degree of site contamination (1=low likelihood, 3=moderate likelihood, 5=high likelihood) | | | | | | |
| 3. Pioneer status - first brownfields redevelopment in immediate neighborhood (1=economically viable area, 3=some redevelopment initiated sites, 5=pioneer site) | | | | | | |
| 4. Ability to perform/site access (1=unlikely to initial TSI in the next 6 months, 3=need to resolve minor issues, 5= ready) | | | | | | |
| 5. Plans for Reuse (1= no reuse plans, community opposition, no financing, 3 = within redevelopment area, no community opposition, early planning and financing phases, 5 = project ready, strong community and financial support) | | | | | | |
| 6. Community Benefit: (1= private development with no community benefits, 3= community improvement /taxes, 5= project will greatly benefit the community) | | | | | | |

Total score (all six factors)*:

Other considerations:

* min=6, max=30, sites with higher scores are more likely to be selected

ASSESSOR'S MAP 12

Map of the Montgomery Tract N^o 1. (21.13-19.2)

Code Area No. 17-042

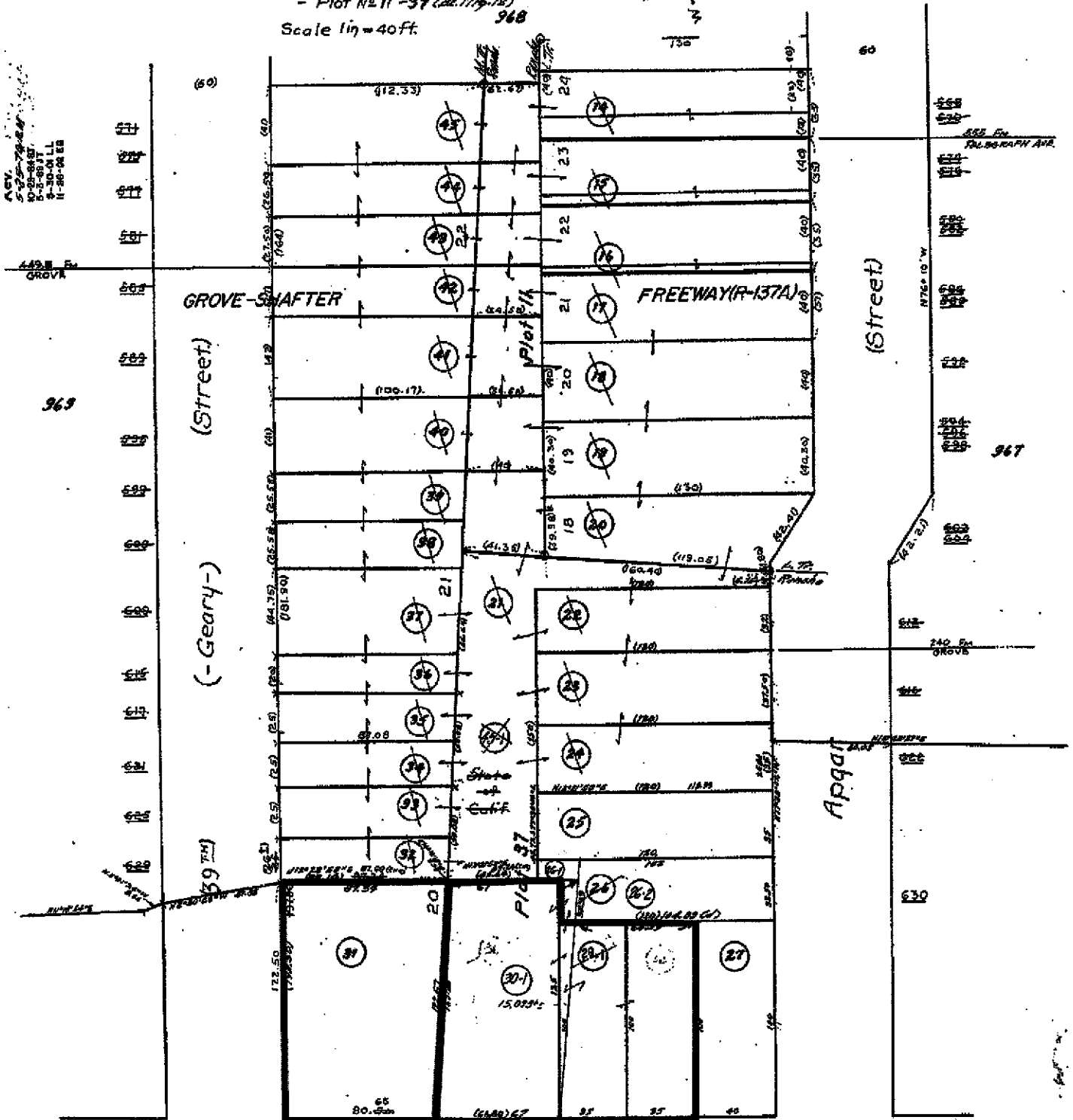
12

968

Map of the Luning Tract N^o 2. (21.22-19.37)

Page 2 Map of the Rancho of Vicente and Domingo Peralta.

- Plot N^o 11 - 37 (21.179-18)
968
Scale 1 in = 40 ft.



Martin Luther King, Jr.

Way

3654
OL STA.

3652

3653

3655
3656
3657

Ind 1

Proposed Development Site and Subject Parcels for Site Investigation

