

EXHIBIT A TO ALL APPROVAL DOCUMENTS

CEQA FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVAL OF THE WOOD STREET PROJECT

CITY COUNCIL HEARING
MAY 17, 2005

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I. INTRODUCTION

1. These CEQA findings are adopted by the City Council of the City of Oakland as lead agency for the Wood Street Project, and by the Oakland Redevelopment Agency as a responsible agency. For ease of reference, the agency adopting these findings is referred to as the “City.” These findings pertain to the Environmental Impact Report prepared for that project, SCH #2004012110 (“EIR”).

2. These CEQA findings are attached as Exhibit A and incorporated by reference into each ordinance or resolution approving the Wood Street Project. That ordinance or resolution also includes an Exhibit B, which contains the Mitigation Monitoring and Reporting Program (MMRP), and which references impacts, mitigation measures, levels of significance before mitigation, and resulting levels of significance after mitigation. Also attached is an Exhibit C, which contains the conditions of approval, and an Exhibit D that contains findings

regarding other matters, including compliance with the Municipal Code and General Plan consistency. In addition, the Zoning Ordinance has an Exhibit E, which sets forth the Wood Street Zoning District Regulations. All Exhibits are incorporated by reference into each other, and into the ordinance or resolution to which each is attached. Capitalized terms in any of these documents that are not defined in these documents have the same meaning as they have in the EIR.

3. Exhibit C to the VTPM Resolutions contains definitions relating to Train Station facilities that are used in all findings as well. Specifically, references to the 16th Street Train Station and its various components are as follows. “16th Street Train Station” refers to all facilities associated with the station, which are as follows:

- the “Main Hall” (including its north and south wings, and the canopy at the Wood Street entrance to the Main Hall)
- the “Elevated Platform” (which housed the Elevated Tracks before they were removed in the 1940s)
- the “Baggage Wing”
- the “Signal Tower”
- the “Elevated Platform Feasibility Study Area,” which is the area of the Elevated Platform immediately adjacent to the Main Hall and the Baggage Wing

Each of these capitalized, quoted terms refers to facilities that comprise the 16th Street Train Station, as depicted in Figure 1 attached to the VTPM Conditions of Approval (Exhibit C to the VTPM Resolution). References to portions of the 16th Street Train Station to be preserved or rehabilitated, and references to portions of the 16th Street Train Station to be demolished, refer to the portions to be preserved, rehabilitated and demolished after implementation of VTPM Conditions 52A, 56A, 56B and 57A.

4. These findings are based upon the entire record, described below, and some findings are based on specific references, as noted below. References to specific reports and specific pages of documents are not intended to identify those sources as the exclusive basis for the findings.

II. THE PROJECT

5. The Wood Street Project is a collection of nine separate development proposals being pursued by various developers in West Oakland. All nine development proposals combined occupy approximately 29.2 acres. The site is approximately two miles from downtown Oakland, and is surrounded by the I-880 freeway to the west; the elevated portion of Grand Avenue to the north; a mixture of single family homes, warehouses and Raimondi Park across Wood Street to the east; and the California Waste Solutions directly to the south. While the development proposals are being pursued by different applicants and along different timelines, the applicants have jointly proposed a General Plan amendment for the Project Area and a new zoning district to accommodate the proposed uses. The zoning district is entitled the “Wood Street Zoning District.” It allows a range of mixed uses, with flexibility in the combinations of uses allowed. The range of development allowed under the Wood Street Zoning

District, as it is enacted by the Council, is the “Project” referenced in these findings. The Project, the General Plan Amendment, the Redevelopment Plan Amendment, the Rezoning and the Vesting Tentative Parcel Maps are within the range of uses studied in the EIR.

III. ENVIRONMENTAL REVIEW OF THE PROJECT

6. Pursuant to CEQA, the CEQA Guidelines, and the Oakland Environmental Review Guidelines in Oakland Municipal Code Chapter 17.158 (collectively, “CEQA”), the City determined that an EIR would be prepared. The City issued a Notice of Preparation, which was circulated to responsible agencies and interested groups and individuals for review and comment. A copy of the Notice of Preparation and comments thereon are included in Appendix A of the Draft EIR.

7. A Draft EIR was prepared for the Wood Street Project to analyze its environmental effects. The DEIR included the water supply assessment referenced in Water Code sections 10910 and following, and especially section 10911(b). The DEIR was circulated for public review and comment from September 21, 2004 to November 15, 2004. The Landmarks Preservation Advisory Board and the Planning Commission held public hearings on the DEIR and received oral comments on October 18, 2004 and October 20, 2004, respectively.

8. The City received numerous written and oral comments on the DEIR. The City prepared responses that describe the disposition of significant environmental issues raised by the comments, and made changes to the DEIR. The comments, responses to comments, changes to the DEIR and additional information were published in a Final EIR on February 7, 2005. In addition, EIP, the City’s environmental consultants, prepared and presented additional materials responding to environmental issues raised in communications that were received by the City after publication of the FEIR, which were presented to the Council for its May 3, 2005 hearing (attachments F and J to the staff report prepared for the May 3, 2005 Council meeting). The City deems this information to be part of the FEIR. The DEIR, the FEIR, and all the appendices comprise the “EIR” referenced in these findings.

9. The Planning Commission held two additional hearings on the Project and on the EIR on January 26, 2005 and March 16, 2005. The Landmarks Preservation Advisory Board held public hearings on February 28, 2005 and April 11, 2005. The Community and Economic Development Council Committee held a public hearing on April 12, 2005. The Council and Oakland Redevelopment Agency held a joint hearing on May 3, 2005. At all public hearings, the City staff and its engineering and environmental consultants provided information about the Project. At each hearing, members of the public had the opportunity to ask questions and express their concerns and interest about the Project.

10. The City prepared an EIR on the range of development that would be permitted under the Wood Street Zoning District. The EIR evaluates the basic framework proposed for future development of the Project Area. The Project, by its nature, is flexible enough to allow the Project Sponsors to respond to market conditions as development occurs, in an area of the City that faces substantial market challenges. The uses permitted as of right and with a use permit cover a broad spectrum, including such uses as residential units, live/work units, childcare, health care, food sales, personal and financial services, laundromats, retail

business supply, fast-food restaurants, community assembly, construction sales and services, and custom manufacturing activities. The EIR thus faced an unusual challenge in evaluating the impacts of such a broad and flexible range of uses. It met this challenge by describing three development scenarios – one emphasizing residential uses, one emphasizing commercial uses, and one emphasizing trip-generating uses – to provide a comprehensive study of the range of development possibilities. The Maximum Residential Scenario involves approximately 1,557 residential units, 27,847 square feet of commercial space, and 122,925 square feet of proposed open space. As explained in note d on page 2-12 of the DEIR, this Maximum Residential Scenario studies more residential units than are actually permitted in Development Area 8, resulting in a study of more development impacts than are reasonably projected to occur. The Maximum Commercial Scenario involves approximately 1,084 residential units, 539,626 square feet of commercial uses and 88,350 square feet of open space. The Maximum Trip Scenario involves approximately 1,273 residential units, 318,847 square feet of commercial space, and 107,250 square feet of open space. The City finds that the EIR used a reasonable range and variety of development scenarios and provided comprehensive information regarding reasonably foreseeable development possibilities in the Project Area. The EIR thus discloses the environmental impacts the Project would cause if it were approved and developed. The EIR provides a project-level analysis of such environmental impacts of the Project, and supports all levels of approval necessary to implement the Project.

11. On March 16, 2005, the Planning Commission certified the EIR and approved five Vesting Tentative Parcel Maps (VTPMs) for the Project, subject to numerous conditions. Margaretta Lin, on behalf of Just Cause Oakland and the Coalition for West Oakland Revitalization, appealed the Commission's certification of the EIR. Arthur D. Levy appealed the Commission's approval of the VTPMs, certification of the EIR, and CEQA findings. These are collectively referenced as the Appeals. The City's environmental consultant, EIP, prepared a report responding to the issues raised in the Appeals, and another report addressing issues raised in correspondence received after publication of the FEIR. Both reports were presented to the City for the Council's May 3, 2005 meeting. These reports and their attachments are deemed part of the EIR.

IV. THE RECORD

12. The record upon which all findings and determinations related to the Project are based includes the following:

- a. The EIR, and all documents referenced in or relied upon by the EIR.
- b. All information (including written evidence and testimony) provided by City or Redevelopment Agency staff to the Landmarks Preservation Advisory Board, the Planning Commission, the Community and Economic Development Committee, the City Council, or the Oakland Redevelopment Agency relating to the EIR, the proposed approvals for the Project, the Project or its alternatives.

- c. All information (including written evidence and testimony) presented to the Landmarks Preservation Advisory Board, the Planning Commission, the Community and Economic Development Committee, the City Council, or the Oakland Redevelopment Agency by the environmental consultant and sub consultants who prepared the EIR, and all information incorporated into reports presented to any of those bodies.
- d. All information (including written evidence and testimony) presented to the City or Redevelopment Agency from other public agencies relating to the Project or the EIR.
- e. All applications, letters, testimony and hearing presentations given by any of the project sponsors or their consultants to the City or Redevelopment Agency in connection with the Project.
- f. All information (including written evidence and testimony) presented at any public hearing related to the Project and the EIR.
- g. For documentary and information purposes, all locally-adopted land use plans and ordinances, including, without limitation, general plans, specific plans, redevelopment plans and ordinances, together with environmental review documents, findings, mitigation monitoring programs and other documentation relevant to planned growth in the area.
- h. The Mitigation Monitoring and Reporting Program for the Project.
- i. All other documents comprising the record pursuant to Public Resources Code section 21167.6(e).

13. The City concludes that all the evidence supporting these findings was presented in a timely fashion, and early enough to allow adequate consideration by the City. The custodian of the documents and other materials that constitute the record of proceedings on which the City's decision is based is Claudia Cappio, Development Director, Community and Economic Development Agency, or designee. Such documents and other materials are located at 250 Frank H. Ogawa Plaza, Suite 3315, Oakland, California 94612.

14. These findings are based upon substantial evidence in the entire record before the City. The reference to certain pages or sections of the EIR set forth in these findings are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

IV. CERTIFICATION OF THE EIR

15. In accordance with CEQA, the City denies the Appeals and certifies that the EIR has been completed in compliance with CEQA, that the EIR was presented to the decision making body and that the decision making body reviewed and considered the information contained in the EIR prior to approving any aspect of the Project. Preparation of the EIR has been overseen by the Environmental Review Officer or his/her representative, and the

conclusions and recommendations in the document represent the independent conclusions and recommendations of the City. The EIR and these findings represent the independent judgment and analysis of the City. By these findings, the City confirms, ratifies and adopts the findings and conclusions of the EIR, as supplemented and modified by these findings.

16. The City recognizes that the EIR contains clerical errors. The City has reviewed the entirety of the EIR and bases its determinations on the substance of the information it contains.

17. The City certifies that the EIR is adequate to support the approval of the Project, each alternative in the EIR, and variations within the range of alternatives in the EIR. The EIR is adequate for each entitlement or approval required for construction or operation of the Project.

18. The City recognizes that additional modifications have been made to the text of the Wood Street Zoning District regulations and to the Project since the EIR was published; all resulting in the Project in the form it is approved by the City. The zoning regulations have been modified from the draft version contained in the EIR to incorporate minor refinements, including clarifications of the relation of the zoning district to the Oakland Municipal Code, revised regulations for live/work units to conform to current and proposed Oakland Municipal Code regulations, minor adjustment to maximum area of limited uses to achieve consistency with parking regulations, more precise standards for the 16th Street Plaza, more precise phasing requirements and shorter period of PDP approval, limitations on signage, additional flexibility in planted areas in group-usable open space, making alcoholic beverage sales and convenience market uses conditional uses rather than permitted uses, , and additional parking requirements. The new standards for the Plaza are consistent with the original intent and concept of the Plaza as described in the DEIR, and merely provide additional detail to ensure that the Plaza is developed as a publicly accessible outdoor space that provides an appropriate foreground setting for the Main Hall. Parking requirements have been increased slightly for all residential activities, providing a small amount of additional parking for Project residents. However, there has been no change in the standards related to screening or buffering of parking from the surrounding streets and open space areas. The City has adopted the measures to promote affordable housing, and measures to buffer Wood Street Zoning District uses from the nearby California Waste Systems facility, as reflected in Conditions 68A and 100, and in response to suggestions made by commentors. The economic measures regarding the affordability of homes do not affect the physical environment, and the buffer conditions ensure an even higher level of neighborhood compatibility. In addition, various documents in the record reflect various applications of 40 foot, 50 foot, and 65 foot height limitations for Development Area 3, and some of those references embody clerical errors. The EIR studied the 40-foot, 50-foot and 65-foot height limitations depicted in Figure 5.23-1 of the 8-4-04 version of zoning district included in Appendix H of the DEIR, and those are the height limitations imposed by the zoning district enacted by the City.

19. The above-described refinements to the Wood Street Zoning District regulations have little to no effect on physical impacts of the Project and do not raise additional environmental concerns. Other changes were made to incorporate mitigation measures, or to make the Project more environmentally beneficial. Other changes were made to address

planning, practical, financial or logistical concerns and these changes have little to no effect on physical impacts of the Project. The changes include the expanded protection of the historic 16th Street Train Station reflected in VTPM Conditions 52A, 56A, 56B and 57A, which are environmentally beneficial. The changes include additional buffering referenced in VTPM Condition 68A, which is also environmentally beneficial, as it provides greater compatibility of land uses. The local hire and affordable housing provisions of VTPM Conditions 7A and 100 address economic matters, and are not expected to result in physical impacts on the environment.

20. The City is apprised of all these modifications, and determines that the EIR is adequate to support approval of the Project. The impacts of the Project as it is approved are within the range of impacts studied in the EIR. The City certifies that the EIR is also adequate to support approval of each component of the Project, any project within the range of alternatives described and evaluated in the EIR, each component of any of these alternatives, and any minor modifications to the Project or the alternatives. The City also certified that the EIR is adequate to support any future discretionary approvals needed to implement the Project.

V. ABSENCE OF SIGNIFICANT NEW INFORMATION

21. The City recognizes that the EIR incorporates information obtained and produced after the DEIR was completed, and that it contains additions, clarification, and modifications. The City further recognizes that the additional modifications have been made as noted above. The City has reviewed and considered the FEIR and all of this information. Neither the FEIR, nor any of these modifications, adds significant new information to the DEIR that would require recirculation of the EIR under CEQA. The new information does not involve a new significant environmental impact, a substantial increase in the severity of an environmental impact, or a feasible project alternative or mitigation measure considerably different from others previously analyzed that the project sponsor declines to adopt and that would clearly lessen the significant environmental impacts of the Project. The EIR adequately addresses the Project as it is approved by the City. No information indicates that the DEIR was inadequate or conclusory.

22. The City also recognizes that additional information has been produced since the EIR was completed. For example, EIP responded to issues raised in the Appeals and in correspondence received since the Final EIR was prepared, which confirmed the accuracy of the conclusions of the prior environmental analyses. This information merely clarifies the analysis already contained in the DEIR, and does not affect either the environmental conclusions or the type of evidence and study upon which those conclusions are based.

23. Accordingly, no information has revealed the existence of (1) a significant new environmental impact that would result from the Project or an adopted mitigation measure; (2) a substantial increase in the severity of an environmental impact; (3) a feasible project alternative or mitigation measure not adopted that is considerably different from others analyzed in the DEIR that would clearly lessen the significant environmental impacts of the Project; or (4) information that indicates that the public was deprived of a meaningful opportunity to review and comment on the DEIR. The City finds that the changes and modifications made to the Project and to the EIR after the DEIR was circulated for public review and comment do not

collectively or individually constitute significant new information within the meaning of Public Resources code section 21092.1, CEQA Guidelines section 15088.5, or the Municipal Code.

VI. MITIGATION MEASURES, CONDITIONS OF APPROVAL AND MMRP

24. Public Resources Code section 21081.6, CEQA Guidelines section 15097 and provisions with Chapter 17.158 of the Oakland Municipal Code, require the City to adopt a monitoring or reporting program to ensure that the mitigation measures and revisions to the Project identified in the EIR are implemented. The Mitigation and Monitoring Program (“MMRP”) is included in Exhibit B, and is adopted by the City. The MMRP satisfies the requirements of CEQA and of the Oakland Municipal Code.

25. The mitigation measures recommended by the EIR as reflected in the conditions of approval are specific and enforceable. The condition of approval of the legislative actions ensures that these mitigation measures are fully enforceable, and that they will be included as conditions of adjudicatory approvals. As appropriate, some mitigation measures define performance standards to ensure no significant environmental impacts. The MMRP adequately describes conditions, implementation, verification, a compliance schedule and reporting requirements to ensure the Project complies with the adopted mitigation measures. The MMRP ensures that the mitigation measures are in place, as appropriate, throughout the life of the Project.

26. The mitigation measures set forth in Exhibit B and corresponding conditions of approval of the VTPMs are derived from the mitigation measures set forth in the DEIR. The City has modified the language of some of the mitigation measures in the FEIR and the corresponding conditions for purposes of clarification and consistency, to enhance enforceability, to defer more to the expertise of other agencies with jurisdiction over the affected resources, to summarize or strengthen their provisions, and/or to make the mitigation measure more precise and effective, and to reflect the use of defined terms used throughout the conditions and findings, all without making any substantive changes to the mitigation measures.

27. The City adopts and imposes the mitigation measures recommended in the EIR, as modified, as enforceable conditions of the Project. The recommended General Plan Amendment, Zoning Ordinance, Rezoning Ordinance and Redevelopment Plan Amendment, include an enforceable condition requiring that these mitigation measures be made enforceable conditions of approval of any Vesting Tentative Parcel Map or Preliminary Development Plan for any aspect of the Project, with the measures to be accomplished within the deadlines set forth in the MMRP and as geographically appropriate to the Map or Development Plan at issue. It is the City’s intent to incorporate all mitigation measures referenced in the EIR into the Project or into the Conditions of Approval, as reflected in the MMRP attached as Exhibit B. It is also the City’s intent to incorporate all applicable conditions of the Oakland Army Base Redevelopment Plan, which were part of the project studied in the EIR, as separate conditions of approval of each Vesting Parcel Map or Preliminary Development Plan, as appropriate in light of the time for compliance indicated in Exhibit B (the MMRP).

28. The mitigation measures comprise the measures necessary to reduce significant impacts to a level less than significant wherever it is feasible to do so. The City has

substantially lessened or eliminated all significant environmental effects where feasible. The mitigation measures incorporated into and imposed upon the Project will not have new significant environmental impacts that were not analyzed in the DEIR. In the event a mitigation measure recommended in the EIR has been inadvertently omitted from the conditions of approval or the MMRP, that mitigation measure is adopted and incorporated from the EIR into the MMRP by reference and adopted as a condition of approval of the VTPMs, as geographically appropriate to each map.

VII. FINDINGS REGARDING ENVIRONMENTAL CONCLUSIONS

29. In accordance with Public Resources Code section 21081, CEQA Guidelines sections 15091 and 15092, and Oakland Municipal Code Chapter 17.158, the City adopts the findings and conclusions regarding impacts and mitigation measures that are set forth in the EIR, and summarized in Exhibit B (the MMRP), both before and after mitigation. These findings do not repeat the full discussions of environmental impacts contained in the EIR. The City ratifies, adopts and incorporates the analysis, explanation, findings, responses to comments, and conclusions of the EIR. The City adopts the reasoning of the EIR, of the staff reports presented to the Landmarks Preservation Advisory Board, the Planning Commission, the Community and Economic Development Committee, the City Council, or the Oakland Redevelopment Agency, and of materials presented by City staff or any of the project sponsors, as they support the City's conclusions.

30. The City adopts the conclusion of the EIR that impacts to the historic 16th Street Train Station are significant and unavoidable. However, the impacts are not as severe as identified in the DEIR, since additional mitigation measures, as reflected in VTPM Conditions 52A, 56A, 56B and 57A, have been imposed. The only demolition of any portion of the 16th Street Train Station that is approved is demolition of the north and south ends of the Elevated Platform that extend beyond the Elevated Platform Feasibility Study Area, and demolition of the portion of the Elevated Platform Feasibility Study Area, if any, that is not retained after implementation of VTPM Conditions 57A.

31. The City recognizes that the environmental analysis of the Project raises several controversial environmental issues, and that a range of technical and scientific opinion exists with respect to those issues. The City acknowledges that there are differing and conflicting expert and other opinions regarding the Project. Some of the differences of opinion and expert opinion pertain to the methodologies the EIR employed, the historical significance of buildings and other facilities within the Project area, the feasibility of mitigating impacts to historic resources, the best means of encouraging use of public transit, trip generation rates, trip distribution modeling, vulnerability of the West Oakland neighborhood to gentrification, the causes of any projected or existing gentrification, whether housing prices or hiring practices would affect physical impacts, population projections, and the ability to make reliable forecasts regarding physical impacts that might result from socio-economic impacts. The City has, by its review of the evidence and analysis presented in the EIR and in the record, acquired a better understanding of the breadth of this technical and scientific opinion and of the full scope of the environmental issues presented by the Project. In turn, this understanding has enabled the City to make fully informed, thoroughly considered decisions after taking account of the various viewpoints on these important issues. These findings are based on full appraisal of all

viewpoints expressed in the EIR and in the record as well as other relevant information in the record of proceedings for the Project. The City adopts the analysis, methodology and opinions that support these findings for the reasons stated in the EIR, in staff reports presented to the Landmarks Preservation Advisory Board, the Planning Commission, the Community and Economic Development Committee, the City Council, or the Oakland Redevelopment Agency, and in presentations made by the applicants.

32. Under Public Resources Code section 21081(a)(2), CEQA Guidelines section 15091(a)(2) and 15092(b)(2)(A), and Chapter 17.158 of the Municipal Code, the City recognizes that some mitigation measures require action by, or cooperation from, other agencies. Similarly, mitigation measures requiring a project sponsor to contribute towards improvements planned by other agencies will require the relevant agencies to receive the funds and spend them appropriately. The City also recognizes that some cumulative impacts will be feasibly mitigated when other agencies build the relevant improvements, which also requires action by these other agencies. For each mitigation measure that requires the cooperation or action of another agency, identified as such in the MMRP, the City finds that adoption and/or implementation of each of those mitigation measures is within the responsibility and jurisdiction of another public agency, and that the measures can and should be adopted and/or implemented by that other agency. If such other agency did not implement these mitigation measures, the level of significance would remain as stated in the MMRP before mitigation.

33. Under Public Resources Code section 21081(a)(3) and (b), CEQA Guidelines sections 156091(a)(3), 15092(b)(2)(B) and 15093, and Chapter 17.158 of the Municipal Code, the City determines that the remaining significant effects on the environment, as reflected in the EIR and in Exhibit B, are unavoidable and are acceptable due to the overriding considerations described below.

VIII. FINDINGS REGARDING SOCIAL AND ECONOMIC FACTORS

34. The City acknowledges that there is substantial controversy, differences of expert opinion, and conflicting evidence regarding whether the Project will cause socioeconomic impacts that will lead to physical impacts. The City has reviewed extensive information presented by commentors, some of whom are experts, and some of whom, in turn, cite other expert reports and studies, regarding these issues. The City adopts the conclusions of the several experts whose opinions support the conclusions stated in the EIR, for the reasons stated in the EIR, in staff reports presented to the Landmarks Preservation Advisory Board, the Planning Commission, the Community and Economic Development Committee, the City Council, or the Oakland Redevelopment Agency, and in presentations made by any project sponsor.

35. Other experts support the City's conclusions regarding whether social, cultural and economic issues (including but not limited to gentrification, housing, jobs and displacement) will in turn cause any significant effects on the environment. The experts whose opinions support the City's conclusions regarding these subjects include Hausrath Economics Group, Bay Area Economics, Conley Consulting Group, Mundie and Associates, Rodney Jeung of EIP Associates, and members of the City Staff with expertise. To the extent the social, cultural and economic issues were claimed to affect circulation impacts, the experts also include Dowling Associates. The City acknowledges the voluminous evidence and numerous citations to studies

and reports presented in support of conclusions opposite to those reached by the City. However, that evidence and the studies cited were reviewed by other experts, who explained how the evidence and analysis submitted by the commentors did not establish a reasonable probability that the Project's social, cultural or economic impacts would cause physical impacts. (See, for example, Appendix B of the Final EIR, the discussion of Gentrification in Chapter 4 of Appendix C of the Final EIR, and the discussion in the materials presented by EIP in response to the Appeals for the 5/3/05 Council meeting.) The City finds these explanations reasonable.

36. In particular, there will be no Project-caused displacement within the OARB Redevelopment Plan Area under Health and Safety Code sections 33410 and following. However, the City agrees with commentors that it is reasonable to project that the Project may likely contribute toward some rise in property values in the surrounding West Oakland area, that gentrification can in some circumstances be quantified, and that the West Oakland neighborhood's vulnerability to gentrification can be assessed. It is not reasonable to quantify or project what contribution the Project would make toward gentrification in the West Oakland area, or assess the Project's possible contribution to it in any meaningful way. It is especially difficult to ascertain what contribution the Project may make to rising property values in light of other planned redevelopment in the area, which is itself intended to raise property values. Other redevelopment is planned for the entirety of the OARB Redevelopment Area (which includes the Project Area), and the West Oakland Redevelopment Plan Area (which does not include the Project Area).

37. The West Oakland Redevelopment Plan Area contains many of the residences where commentors suggest gentrification may occur, and property values in the area are planned and intended to be raised by the redevelopment proposed in the West Oakland Redevelopment Plan. It cannot be reasonably projected what residents would remain unaided by efforts undertaken by the Redevelopment Agency to address direct displacement within the West Oakland Redevelopment Plan Area under Health and Safety Code section 33411, and therefore left vulnerable to economic pressures from the Wood Street Project. It is not reasonably possible to ascertain the amount of any Project contribution to gentrification also in light of expert opinion that gentrification appears to have begun before the Project was proposed, that the process is likely to continue with implementation of the West Oakland Redevelopment Plan (which does not include the Project), and that these factors, independent of the Project, virtually assure that housing prices in the area will continue to rise. The City also finds it speculative to conclude that any Project-caused displacement would cause the physical impacts the commentors claim.

38. The City also adopts the reasoning and conclusions of the reports prepared by EIP in response to the Appeals and in response to correspondence received after publication of the FEIR, and in the reports and materials presented by the Project Sponsors, all of which was presented to the City for the Council's May 3, 2005 meeting.

IX. FINDINGS REGARDING HISTORIC RESOURCE ISSUES

39. The City acknowledges that there is substantial controversy, differences of expert opinion, and conflicting evidence regarding the impacts of the Project to historic resources. With respect to historic resources, the experts whose analyses and opinions support

the City's conclusions include Alan Dreyfus, Neil Brower, Rodney Jeung, other personnel at EIP, and employees of the City with substantial experience in Oakland's extensive history of evaluating historic resources. In addition, the City has considered the determinations and conclusions it adopted previously regarding the importance of resources claimed to be significant historic resources, which were made in consultation with community members and experts participating in the Oakland Cultural Heritage Survey. The City has also considered the conclusions of the Historic Preservation Element of the City's General Plan, likewise already adopted by the City prior to consideration of this Project. The EIR results from an extensive and comprehensive examination of anecdotal and documented evidence regarding the times and circumstances surrounding the Project Area, including those involving the 16th Street Train Station, Bea's Hotel, the four buildings comprising the Pacific Coast Canning Company (and the Cannery Building in particular), and the historic districts in and near the Project Area. This evidence and these analyses are reflected in the EIR, especially in section 3.7 of the Draft EIR and Master Response 4 of the Final EIR. The City has also considered the evidence regarding the 16th Street Train Station referenced below. The City bases its determination regarding impacts of the Project to historic resources on the totality of evidence, including these expert analyses and opinions.

A. Project Emphasizing Retention.

40. The Project includes retention of the Main Hall, retention of the Baggage Wing, retention of the Elevated Platform Feasibility Study Area as described in VTPM Conditions 52A and 57A, and retention of the Signal Tower. Restoration of the Main Hall, retained portions of the Elevated Platform Feasibility Study Area, and the Baggage Wing is proposed using tax increment financing, if approved by the Redevelopment Agency. Restoration of the Signal Tower is required using private funding. In addition, the Project Sponsor must provide an opportunity to the Redevelopment Agency to fund retention of the Baggage Wing (VTPM Condition 56A), and to seek Redevelopment Agency or other funding for restoration and reuse of the Baggage Wing if the Agency decides to fund retention of the Baggage Wing (VTPM Conditions 56A, 58 and 59). Also, the Project Sponsor must explore additional means of retaining the Elevated Platform Feasibility Study Area as set forth in VTPM Conditions 52A and 57A, and may demolish only the portion of the Elevated Platform Feasibility Study Area that is approved for demolition pursuant to additional evidence of infeasibility presented with the Preliminary and/or Final Development Plans for the site. Therefore, the only demolition of any portion of the 16th Street Train Station that is approved is demolition of the north and south ends of the Elevated Platform that extend beyond the Elevated Platform Feasibility Study Area, and demolition of the portion of the Elevated Platform Feasibility Study Area, if any, that is not retained after implementation of VTPM Condition 57A.

41. The City adopts the conclusions of the evidence submitted by the Project Sponsors, showing that it is feasible to rehabilitate and reuse the Main Hall, even if lot lines were drawn immediately around the Main Hall as initially proposed by the Project Sponsor, since a variety of reuse proposals could feasibly be implemented within the space of the Main Hall itself. The City is not approving any lot line that would sever the Main Hall from the Baggage Wing. However, the City is approving a Project under which the Redevelopment Agency has discretion to fund rehabilitation and reuse of the Main Hall without funding rehabilitation and reuse of the

Baggage Wing. This evidence establishes that it would be feasible to reuse the Main Hall without reusing the Baggage Wing.

42. The City further finds that it is feasible for the Redevelopment Agency to fund retention and rehabilitation of the portions of the 16th Street Train Station to be retained and rehabilitated, using tax increment funding to be generated within the Project Area. The evidence supporting these conclusions is contained within the EIR, in materials attached to the staff report for the Planning Commission meeting of March 16, 2005, and in materials subsequently presented by the Project Sponsor and by Mundie & Associates. As noted in paragraph 32 above, the City finds that these actions are within the jurisdiction of the Redevelopment Agency, and that the Redevelopment Agency can and should implement these measures. The City further finds that if the Redevelopment Agency does not provide funding, the impacts will be more significant than they would be without action by the Redevelopment Agency. The impacts are overridden as noted below.

43. The Main Hall is considered more important to preserve and reuse than the Baggage Wing or Elevated Platform because the resulting combination of preserved structures and new plaza would emphasize the most prominent and significant aspects of the historic buildings and improve their access and visibility from Wood Street. The 62-foot tall Main Hall structure proposed for preservation figured most prominently in the experience of passengers and railroad workers alike, while the Baggage Wing was built as a private, utilitarian space to support the publicly accessible Main Hall. As noted in Ordinance 10435, the elevated tracks themselves were removed from the Elevated Platform in the 1940s, severing a strong link between the Elevated Platform and the use of the 16th Street Train Station for regional trains. The City considers the Main Hall better suited for retention and possible restoration also for the reasons stated in Master Response 4 of the FEIR, and in materials presented by staff, EIP and Project Sponsors for the May 3, 2005 Council hearing.

B. Other Proposals For The 16th Street Train Station Are Not Feasible.

44. Several other proposals for retention, rehabilitation, and/or reuse of various portions or all of the 16th Street Train Station were explored in the EIR, suggested by staff, suggested by members of the Landmarks Preservation Advisory Board, suggested by commentators, suggested in the Appeals, and considered by the City. The proposals include the following: the Preservation Alternative, the Reduced Project Alternative; proposals to retain and/or restore a greater portion of, or all of, the 16th Street Train Station; proposals to provide greater opportunities for restoring a greater portion of, or all of, the 16th Street Train Station; proposals to require a greater degree of funding by the Project Sponsor of Development Area 6 in implementing the mitigation measures adopted; proposals to require a larger lot for the Main Hall to allow for more varied uses; proposals to limit the height of new construction adjacent to the 16th Street Train Station to 25 feet instead of 65 feet; and proposals to provide greater or different restrictions on the reuse of the retained portions of the 16th Street Train Station. The City concludes that each of these other proposals is not feasible or will not feasibly reduce significant impacts to a greater degree than the measures imposed, regardless whether these proposals are considered mitigation measures or alternatives.

45. The evidence supporting these conclusions is contained within the EIR. In particular, the City adopts the conclusions of feasibility contained in Master Response 4 of the Final EIR. In addition, evidence of infeasibility is contained in materials attached to the staff report for the March 16, 2005 Planning Commission meeting, materials presented by staff and by the Project Sponsor for the April 12, 2005 CEDA meeting, and materials presented to the Council for its May 3, 2005 meeting. This evidence includes: a report dated March 2005 submitted by BUILD, entitled “Information and Analysis Pertaining to the Reuse of the 16th and Wood Train Station,” a letter dated February 28, 2005 from BUILD conveying evidence regarding the estimated cost of renovating the Main Hall, along with the estimated bonding capacity from tax increment revenues generated by the Wood Street Project; another letter dated February 28 from BUILD regarding Economic Infeasibility of Retaining Baggage Wing and Entirety of Elevated Tracks; a letter dated February 7, 2005 submitting a preliminary construction improvement budget; an appraisal contained in a letter dated February 17, 2005 prepared by Carneghi-Blum & Partners, Inc.; a report prepared by Conley Consulting Group dated February 2005, entitled “Tax Increment and Bonding Capacity Support by Wood Street Projects”; a report prepared by Mundie & Associates dated March 2005, entitled “The Proposed Wood Street Project: Fiscal Impact Analysis”; the response of EIP to issues raised in the appeals, including attached materials, and materials presented with the staff report and by the Project Sponsors for the May 3, 2005 Council meeting, especially attachment A-2 to the response prepared by EIP to the Appeals, and the Financial and Appraisal Information Associated with Development Costs of Wood Street Zoning District Development Area 6, presented as Attachment I to the 5/3/2005 staff report.

46. The City finds these proposals infeasible on two independent and alternative grounds. First, the City finds that the Project, as mitigated and conditioned, presents the best combination of attributes for the City of Oakland, weighing and balancing probable success of the mitigation measures or alternatives, within a reasonable time, which in turn requires a weighing and balancing economic, environmental, legal, social and technological factors, and evaluating the likelihood of achieving project objectives. Second, the City finds the proposals economically infeasible.

47. The City concludes that all the evidence supporting its findings of infeasibility was presented in a timely fashion, and early enough to allow adequate consideration by the City. The City is satisfied, in light of the fact that the first finding of feasibility concerns the weighing and balance of evidence, which is peculiarly within the City’s ultimate prerogative, and in light of the fact that law does not require public input on the issue of economic feasibility, that it received adequate public input and review of this evidence before adopting these findings.

1. The Other Proposals For The 16th Street Train Station Are Not Feasible Based On Project Objectives and City Goals.

48. Regarding the first finding of infeasibility, the City notes that the determination whether a proposal is feasible involves consideration of whether it is capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social and technological factors. These factors involve a weighing and balancing of social, economic, technical, General Plan and project goals and objectives, which in turn involves a balancing of policy-related issues. The City finds that the

combination of benefits and impacts presented by the Project, as conditioned and mitigated, comprises a feasible, economic and rational method of achieving goals promoting private investment and revitalization in redevelopment areas, while offering benefits to the public that would not otherwise occur. The combination presented provides a realistic opportunity to preserve the Main Hall and Baggage Wing, restore them to Secretary of Interior Standards, in a manner that can realistically be accomplished using tax increment funding to be generated by this very Project. The Project proposes a reuse that provides greater historic benefit to the citizens of Oakland than would a typical restoration into modern, private uses. The proposed reuse honors the history the Station represents, also unlike a more typical restoration into modern, private uses. The Project enables the creation of a Public Plaza, which will greatly enhance the visibility and accessibility of the Main Hall, while providing additional benefits to the citizens of Oakland by comprising a publicly-accessible plaza where community and city-wide events can occur. The retention of the Main Hall and Baggage Wing, and the opportunities for preserving the entire width of the Elevated Platform Feasibility Study Area, will not reduce significant impacts to a level less than significant, but will preserve and enhance the association of the site with the historic uses of the 16th Street Train Station. Private reuse of the Baggage Wing to achieve project objectives is not feasible in its present configuration because of the modifications that would be required for ingress and egress to render the building acceptable for residential use. The other proposals would elevate one concern above all the other issues addressed by the Project, and there would present a combination of attributes that lessen implementation of the goals achieved by the Project. The City therefore finds it not reasonable to conclude that these other proposals would successfully be implemented within a reasonable time.

49. For example, implementation of some of the proposals would likely result in the need to achieve greater development densities in other areas of Development Area 6, which would require high rise buildings employing more difficult construction techniques. This, in turn, would result in greater visual impacts, and longer construction times, delaying receipt of revenues that would otherwise accrue earlier. Other proposals could be feasibly implemented only if a Project Sponsor developed in the areas presently proposed for the plaza, which would remove a major amenity from the Project, and lessen implementation of goals to enhance the 16th Street Train Station setting, provide better view corridors from Wood Street, and provide publicly accessible open space. Proposals to require all or portions of the 16th Street Train Station to be rehabilitated and reused using private funding, even if economically feasible, would likely result in a private reuse of portion of the 16th Street Train Station, and lessen achievement of goals of allowing public access, reusing the Station in a manner that honors the Station's history, and inviting community input on the determination of the type of reuse. Not developing the Project would lessen implementation of the goals described in the findings below regarding the No Project/No Action alternative.

50. The other proposals would also lessen achievement of goals of the Historic Preservation Element to a greater extent than would the combination of attributes presented by the Project. The other proposals would be more likely to result in private reuse, achieving the following goals to a substantially lesser extent than would the Project: goal 1(1) to stress positive community attributes expressed by well-maintained older properties, goal 1(6) encouraging education and enhancement of the spiritual, social and cultural dimensions of the Main Hall, and goal 1(6) encouraging continued educational, social and cultural exposure to

tangible reminders of the past. Proposals that might result in elimination or restriction of the plaza would achieve the following goals to a substantially lesser extent than would the Project: goal 1(2) to enhance the historic character, distinct charm and special sense of place provided by the Main Hall and goal 1(4) to promote tourist trade. The other proposals would be more likely to lessen achievement of goal 1(4) to stabilize neighborhoods, enhance property values, and increase public and private economic and financial benefits.

51. The Project also proposes a development project that can feasibly be developed within the time frame set forth in the EIR, allowing and promoting generation of tax increment funding and sales tax revenues, and generation of jobs, all of which ultimately benefit the residents of the City of Oakland, within a reasonable time. The other proposals, in contrast, would infeasibly delay generation of these revenues and jobs because of the need for revised plans, additional processing and additional information regarding rehabilitation of the structures, reconfiguration of the development proposed, and in some instances, lack of a ready market for the use or development proposed.

52. The Project thus achieves the fundamental project objectives of developing market-rate residential units at urban densities, expanding West Oakland's market-rate housing stock, developing urban infill housing, and redeveloping and revitalizing underused and vacant land within the OARB redevelopment area, while also achieving project and City objectives of protecting and enhancing the 16th Street Train Station in an economically viable manner, creating publicly accessible open space directly in front of the Main Hall, and providing additional open space throughout the Project Area. The combination of attributes offered by the Project, when considered in light of the social, technical, goal and policy factors referenced above, achieves these project objectives to a much greater extent than would the other proposals.

53. The combination of attributes presented by the Project thus comprises a rational accommodation of the social, economic and environmental interests with which this City must concern itself. The City therefore finds that other proposals are not feasible because they provide less assurance that project objectives will be achieved, and because they are not capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.

2. The Other Proposals For The 16th Street Train Station Are Not Economically Feasible.

54. Regarding the second finding of infeasibility – that the proposals referenced above are not economically feasible – the City finds that economic infeasibility would thwart goal 1(4) of the Historic Preservation Element, to enhance property values and increase public and private economic and financial benefits. As explained in the appraisal presented by the Project Sponsor of Area 6, in the cover letter submitted by BUILD, in the staff report for the March 16, 2005 meeting, and in the additional materials presented by BUILD for the May 3, 2005 Council meeting, development of the land occupied by the portions of the 16th Street Train Station proposed for demolition, at the density proposed, is necessary to enable a reasonable rate of return on the investment represented by reasonable acquisition costs. The City considered shifting the development proposed for that portion of the property over to the other portions of Area 6, which would result in dramatic increases in density on those other portions. The

increased density would not result in increased value, since construction costs would increase, and the market desirability of each unit would decrease, decreasing market values. Requiring development of fewer, larger units in that other portion would likewise not appreciably increase values. The development would remain high-density and located in an area where housing prices are not high. The end result would be lower revenues, which in turn would drive entitled land values down further.

55. The City also considered restoration of the entire 16th Street Train Station, and its commercial use. However, commercial activities would not generate sufficient revenue to support rehabilitation, leaving the tax increment financing and perhaps other public or private funds or grants proposed for the Main Hall and Baggage Wing as the only feasible means of funding rehabilitation of those facilities. The City does not think it likely that additional funds or opportunities are available for preserving or rehabilitating the entire 16th Street Train Station, or any portion of it, that would provide greater mitigation than arises from Mitigation Measures CR-2.1 through CR-2.8, and VTPM Conditions 53 through 61. The City concludes that it is unlikely another party could purchase the site and preserve and restore the entire 16th Street Train Station complex in reasonable time.

56. In addition, the City adopts the conclusions of feasibility contained in Master Response 4 of the Final EIR. The economic conclusions reached by BUILD, as referenced in that master response, have been explained, substantiated and confirmed as indicated in the preceding paragraphs. The City further adopts the conclusions of the materials presented at the May 3, 2005 Council hearing regarding feasibility of reusing the 16th Street Train Station presented by EIP and by the Project Sponsors.

C. Finding Regarding Infeasibility of Specific Proposals Relating To the 16th Street Train Station.

57. Additional evidence and reasoning regarding both the first and second findings of feasibility are presented in the following paragraphs, with respect to particular proposals for the 16th Street Train Station. In addition, additional findings of infeasibility are included in the discussion of alternatives below.

58. This paragraph pertains to the feasibility of retaining the entire width of the Elevated Platform Feasibility Study Area. The evidence presented to date indicates that retention of entire width of this section is likely not to be feasible. The evidence of economic feasibility referenced above indicates that, when considered in light of the whole parcel, it does not appear likely to be economically feasible to retain the entire width. In addition, the letter from Dowling and Associates that is included with the materials EIP presented in response to issues raised in the Appeals indicates that the access road behind the Main Hall needs to be a substantial distance away from the frontage road, which indicates that the access road, which is necessary for adequate circulation, will likely render retention of the entire width of this portion of the platform infeasible. Also, retention of at least the 20-foot section of the Elevated Platform Feasibility Study Area, as proposed by the Project Sponsor, highlights the most useable portion of the structure – the waiting platform and decorative canopy immediately adjacent to the Main Hall and Baggage Wing – while removing the unusable sunken beds that used to hold the elevated tracks that were removed in the 1940s, and the inaccessible far platform. Removal of portions of

the width of the Elevated Platform Feasibility Study Area would also help open up the back and sides of the Main Hall and Baggage Wing to view. The evidence therefore indicates that retention of the entire width is not feasible. However, the width of this portion of the platform is a matter of fine detail, and therefore can be finally judged only when the precise details of the development plan for the area immediately west of the Main Hall and Baggage Wing are known. Therefore, the City is not presently finding that retaining the entire width of the Elevated Platform Feasibility Study Area is infeasible, and is creating the process reflected in Condition 57A to require the Project Sponsor to present additional evidence of infeasibility with the precise contours of development are presented in an application for a preliminary development plan.

59. The City finds that avoiding demolition of portions of the Elevated Platform that extend north and south of the Elevated Platform Feasibility Study Area is infeasible. This demolition will open up the Main Hall and Baggage Wing to views that would not otherwise exist. Demolition is also necessary to: a) allow continuation of 16th Street in keeping with the existing neighborhood street pattern, b) provide emergency access to the Project Area from Wood Street and the frontage road, c) facilitate public access to the future rear entrance of the Main Hall, and d) provide access directly to the frontage road from future projects in Development Areas 6, 7 and 8 in order to minimize traffic impacts on the surrounding neighborhood. The City disagrees with a suggestion in an Appeal that other streets could provide the necessary circulation or emergency access. The extensions proposed by the Project Sponsors to 14th, 16th, 18th and 20th Streets provide for logical, orderly patterns of development among the separate development areas controlled by separate developers. Seventeenth Street could not be extended through the Project without cutting through the Baggage Wing, and Eighteenth Street is already proposed to be extended through the Project but does not provide adequate circulation or emergency access for the areas accessible from the Sixteenth Street extension. The north extension of the Elevated Platform that extends beyond the Feasibility Study Area would impose further, unreasonable, restrictions on the developability of Development Area 6 in light of the unusual layout of the area, and the fact that project design is already constrained by the need to avoid the Main Hall and Baggage Wing, the narrowness of the strip of land behind the Elevated Platform Feasibility Study Area, and the presence of the Signal Tower. The north and south ends of the Elevated Platform do not merit public funding of their retention or rehabilitation. This is especially so in light of the comparative importance of the Main Hall and Baggage Wing proposed for retention, the additional efforts the City is requiring with respect to retention of as much of the Elevated Platform Feasibility Study Area as possible, and the fact that a substantial portion of the Elevated Platform Feasibility Study Area will be retained in any event. In addition, as established in the letter from Dowling Associates to EIP that is contained in the materials EIP presented in response to issues raised in the Appeals, the extension of 16th Street could not be rerouted around the Elevated Platform without causing circulation problems, which Dowling recommends be addressed by relocating the access road so that it cuts through the area planned for the Plaza. The City does not find it feasible to have a road cut through the Plaza. Doing so would eliminate or drastically reduce the area of the Plaza, and/or require it to be reconfigured in a manner where it is bisected into two or more pieces. Doing so would inhibit public access to the Main Hall, reduce the amount and availability of publicly-accessible open space within the Project, would interfere with the mitigation of enhancing the 16th Street Train Station setting and providing a visual focus and view corridor to the Main Hall, render the Plaza less useable, and interfere with plans to make the Plaza suitable for gatherings and outdoor events.

60. With respect to the Baggage Wing, the City finds retention and reuse of the Baggage Wing infeasible absent funding from the Redevelopment Agency, for the reasons set forth in section B above. However, the City is imposing a condition to requiring the Project Sponsor to allow the Redevelopment Agency to fund retention of the Baggage Wing to the extent necessary to make development feasible. That process is embodied in VTPM Condition 56A. In addition, VTPM Condition 56B provides further assurances that the Baggage Wing may not be demolished as part of this approval, and sets forth a process to ensure even more consideration of feasibility should the Project Sponsor seek permission to demolish the Baggage Wing at some future date. These processes provide additional opportunities for mitigation. As noted in paragraph 32 above, the City finds that funding is within the jurisdiction of the Redevelopment Agency, and that the Redevelopment Agency can and should implement these measures. The City finds that payment by the Redevelopment Agency of only the Project Sponsor's purchase price plus interest plus taxes (as proposed in the staff proposal to the Planning Commission) would not make up the economic shortfall caused by lack of developability of the Baggage Wing site, and therefore would not be feasible for the reasons stated in Section B above.

61. Some of the proposals also would not offer a greater degree of mitigation than does the Project. The City acknowledges that there is controversy regarding the mitigation measures imposed to reduce the impacts arising from loss of a portion of the historic 16th Street Train Station. In particular, the City acknowledges controversy regarding the best use to be made of the Main Hall and/or Baggage Wing upon their potential rehabilitation. Suggestions have been made regarding uses the commentators consider the most beneficial to the West Oakland neighborhood, or the most reflective of the Station's history. The suggestions are in many instances mutually exclusive or contradictory. The City finds that the restrictions and processes imposed by Mitigation Measures CR-2.1 through CR-2.8 represent a reasonable means of ensuring that the proposed restored Main Hall and/or Baggage Wing will be used in a manner that emphasizes their historical significance in a way that will reduce the Project's impact to the fullest extent feasible. Other processes or uses of the proposed restored Main Hall and/or Baggage Wing would not achieve a greater degree of mitigation. Disagreements about the best reuse are disagreements about the merits of any given reuse proposal.

62. The City adopts the EIR's discussion and conclusions regarding the applicability of mitigation measures suggested in the Historic Preservation Element. These are addressed in Master Response 4 of the FEIR. The City finds that the Project incorporates and adopts these mitigation measures to the extent feasible.

D. Bea's Hotel And The Pacific Coast Canning Company.

63. Bea's Hotel is located on Development Area 4. The existing design of Bea's Hotel lacks sufficient individual architectural distinction and historical association to be considered an historic structure. The building has been significantly altered with the addition of false stone at the pilasters, aluminum siding replacing or covering the original wood siding, and metal sash replacing the original wood sash. This has left its current design undistinguished, and it does not warrant retention. The Building has not been designated an Historic Property, and the district in which the building lies has not been designated a Preservation District by the City. The Building has also not been designated as a Heritage Property. The conclusions of the

Oakland survey regarding the lack of historical significance of Bea's Hotel were recently confirmed by Alan Dreyfuss, in a letter included with the materials presented by EIP in response to the Appeals. Because the building is not historically significant, there are no significant impacts to historic resources associated with its demolition.

64. The Pacific Coast Canning Company buildings consist of four separate buildings, one of which is referred to as the Cannery Building. These buildings are located at 1111 through 1119 Pine Street, between 11th and 13th Streets, in Development Area 2. One building (the Cannery Building) is proposed for reuse. The two smaller buildings are currently proposed for demolition. The fourth building (referred to as the Icehouse) will continue to be used for warehouse storage and is zoned to accommodate future residential development, and may be demolished. These buildings are described in Master Response 4 of the FEIR. The City adopts the EIR's analysis of the historic significance of these buildings, and finds that the buildings do not constitute significant historic resources under CEQA. Lew Hing's granddaughter expressed support for the development proposal for Development Area 2.

X. FINDINGS REGARDING ALTERNATIVES

65. The City finds that specific economic, social, environmental, technological, legal or other considerations make infeasible the alternatives to the Project as discussed in the EIR, and justify approval of the Project despite remaining impacts, as more fully discussed in the Statement of Overriding Considerations.

66. The City adopts the EIR's analysis and conclusions regarding alternatives eliminated from further consideration, both during the scoping process and in response to comments.

67. The EIR evaluated a reasonable range of alternatives to the Project, which are described below. This range included the range identified in the EIR. In addition, the City has considered numerous proposals made by commentors, each of which might be called an alternative. The City has adopted the affordable housing and buffer measures reflected in VTPM Conditions 68A and 100 in response to suggestions made by commentors, and these may be considered alternatives. In addition, the City has considered the proposals referenced in the Findings Regarding 16th Street Train Station section above, each of which might be considered an alternative. Some of these proposals have been incorporated into the Project, in the expanded mitigation measures for impacts to the 16th Street Train Station that are stated in the FEIR, and in VTPM Conditions 52A, 56A, 56B and 57A. The City has rejected the other proposals/alternatives for the reasons stated in that section of these findings. The City certifies that it has independently reviewed and considered the information on alternatives provided in the EIR and in the record. The EIR reflects the City's independent judgment as to alternatives. The City finds that the Project provides the best balance between satisfaction of the project objectives, mitigation of environmental impacts, implementation of General Plan goals, policies and programs, and feasibility. The alternatives are rejected as infeasible, for the reasons stated in the EIR and for the following reasons.

68. *No Project/No Action Alternative.* Under this alternative, all existing structures would remain on site in the current use and location. None of the Project components

would be constructed. This is the environmentally superior alternative. It is rejected as infeasible for the following reasons. This alternative would not attain most of the Project objectives. In addition, this alternative would facilitate further deterioration of the historic 16th Street Train Station. This alternative would hinder implementation of General Plan policies to use historic preservation to foster the economic vitality and quality of life in Oakland (Historic Preservation Element, Goal 1), and especially to do so by stabilizing neighborhoods, enhancing property values, and increasing public and private economic and financial benefits (Historic Preservation Element, Goal 1(4)). It would hinder implementation of the directive in the Historic Preservation Element that “any physical environmental feature related to human activity that enhance Oakland’s quality of life through historical, aesthetic, or education value should at least be considered for preservation. (Historic Preservation Element, page 2-2). It would fail to realize the benefits identified in the Historic Preservation Element, which include enhanced quality of life and urban revitalization (Historic Preservation Element, page 2-3), employment opportunities (Historic Preservation Element, page 2-6), economic development opportunities, community identity, public relations and “image” (Historic Preservation Element, page 2-6), and educational, cultural and artistic values. (Historic Preservation Element, page 2-6). The entirety of the 16th Street Train Station would remain private property, off limits to the public, without facilitation of opportunities to restore and enhance portions of the Station. This alternative would continue the current conflict between nearby residential uses and the trucking and other industrial uses presently operating on the site. It would also fail to implement the Redevelopment Plan, or any of the Redevelopment Plan goals. With no change in the visual setting, the Project Area would remain blighted in appearance, which would not advance the OARB Area Redevelopment Plan goal to eliminate physical blighting influences in the Project Area. It would not advance the City’s General Plan policy of promoting economic investment in economically distressed areas of the City. It would hinder implementation of the Key West Oakland Implementation Strategies found on pages 187 and following in the Land Use and Transportation Element (LUTE) of the City’s General Plan. This section of the LUTE references improvement of Wood and Pine Street infrastructure and landscaping. (LUTE, page 186). It references community desire for economic development assistance, better transportation linkages and overall improvements to the appearance of the community, investment and maintenance of infrastructure. (LUTE, page 187). It references establishment and enforcement of development guidelines and City codes, development of new codes specific to the various types of conditions found on each block, and “a comprehensive overhaul of the City’s Zoning Ordinance, including development of new zoning districts, criteria and standards for development, and a set of clear and concise design guidelines.” (LUTE, pp. 187-188) In addition, this alternative would not implement economic and environmental sustainability provisions on page 27 of the LUTE. The Project, in contrast, would promote these goals, policies and benefits.

69. *No Project/OARB Alternative.* Under this Alternative, the Project Area would be developed as evaluated in the *OARB Area Redevelopment Plan EIR*. The development envisioned would be a mix of commercial, research and development, and retail space along with live/work units and light industrial space. This Alternative would not substantially reduce significant impacts while achieving most of the Project objectives. This Alternative is not environmentally superior to the Project. Compared to the Project, this Alternative would cause greater impacts relating to freeway segments, air quality, noise and hazardous materials, while causing lesser impacts relating to BART capacity. This alternative could create internal land use conflicts due to the proximity of industrial or container storage uses to live/work units or park

uses. In addition, the OARB Alternative could introduce high-intensity industrial or high-traffic container storage uses into areas adjacent to existing residential uses, which could worsen land use compatibility to a greater degree than the Project. Construction and operational noise impacts could be more severe under this alternative than under the Project due to a larger proportion of the Project Area allocated to industrial and commercial uses which typically have larger heating, ventilation and air conditioning demands. The larger number of trucks under this alternative would result in greater vehicular noise than the Project which could impact nearby residences. Impacts to air quality could be more severe than the Project due to increases in truck traffic, and the fact that light industrial facilities have higher emissions than residential and commercial uses. This Alternative also does not meet most of the Project objectives, as noted on page 5-25 of the Draft EIR.

70. *No Project/General Plan Alternative.* Under this Alternative, the Project Area would be built out entirely with Business Mix uses, as specified by the *City of Oakland General Plan*. This Alternative would not substantially reduce significant impacts while achieving most of the Project objectives. This Alternative is not environmentally superior to the Project. Under this alternative, the introduction of industrial development could lead to greater land use conflicts with adjacent residential uses. Noise impacts under this alternative would be more severe than under the Project, due to the addition of heavy industrial uses and the associated noise of mechanical equipment, loading activities and truck traffic. Impacts to air quality could be more significant than under the Project due to truck traffic and the construction of heavy industrial facilities which have high emissions compared to the residential emphasis of the Project. The potential for neighborhood exposure to odors and toxic air contaminants would increase under this alternative and could create a potentially significant impact. The impacts to the 16th Street Train Station would remain significant. This Alternative also does not meet most of the Project objectives, as noted on page 5-25 of the Draft EIR.

71. *Preservation Alternative.* This alternative would involve a mix of commercial and residential uses. It proposes 1,570 dwelling units and 36,700 square feet of commercial space. Impacts to the 16th Street Train Station would be avoided by preserving the Station and its components, its setting, and the relationship among existing elements. This Alternative is considered potentially environmentally superior to the Project. However, while this alternative avoids Project impacts to the Station complex, it assumes a significant capital investment beyond that contemplated by the Project and does not meet the Project objective of constructing financially feasible developments with reasonable returns on investment. See the findings in section IX above. This alternative would also provide less open space than would the Project. The requirement of greater setbacks and lower building heights near the Station would necessitate the placement of residential buildings in areas that would be Private Open Space under the Project in order to maintain the same development potential.

72. *Reduced Project Alternative.* Under this Alternative, the Project's development program would be reduced in order to preserve historic resources, mitigate traffic impacts and reduce construction noise impacts by shortening the construction time. Under this alternative, there would be more commercial development, and less residential development, than proposed by the Project, with preservation of the entire 16th Street Train Station. This Alternative is considered potentially environmentally superior to the Project. However, because

it requires preservation of the entire 16th Street Train Station, it is not feasible. See the findings in section IX above.

73. No Redevelopment of Bea's Hotel Alternative. Under this Alternative, the development would be essentially the same as the Project, but without redevelopment of the Bea's Hotel property. This alternative would create greater impacts than the Project in the areas of conflicts with land use plans, policies or regulations; and conformance to General Plan policies concerning design and visual resources. Unlike the Project, it would not create a significant impact regarding cumulative impacts on MTS roadway segments. The alternative would be inconsistent with the OARB Area Redevelopment Plan goals of integrated development and elimination of blight, as Bea's Hotel would be inconsistent in scale and design with adjacent structures, and the retention of the hotel would contribute to the perception of blight in the area. Based on these factors, this alternative creates significant unavoidable land use impacts that are more severe than those under the Project. This alternative also impedes the goal of visual integrated development as Bea's Hotel is situated at the key location of 16th and Wood Streets. The inability to integrate this key site would be noticeable and would create a significant and unavoidable visual impact.

XI. STATEMENT OF OVERRIDING CONSIDERATIONS

74. The City finds that each of the following specific economic, legal, social, technological, environmental and other considerations and benefits of the Project independently outweighs these remaining significant, adverse impacts and is an overriding consideration independently warranting approval. The City finds the significant impacts of the Project overridden by each of these considerations, standing alone. The remaining significant adverse impacts of the Project are acceptable in light of each of these overriding considerations.

75. The Project will bring private investment to an economically distressed area of the City, eliminate blight, and help promote revitalization of the area, in keeping with the goals of the OARB Redevelopment Plan. Promoting viable economic investment is consistent with LUTE Policy I/C1.4.

76. The Project is proposed by a known group of Project Sponsors who have indicated an interest, backed up by a substantial investment in processing, in pursuing development of the Project Area within a reasonable time frame. This makes the realization of tax increment funding, which ultimately benefits residents of the City of Oakland, more certain and more likely to occur sooner. In contrast, there are no developers indicating an interest in developing under the baseline, No Project, or any other scenarios.

77. The Project will provide much-needed urban infill housing near the center of the Bay Area with convenient access to public transit and an existing major freeway, promoting smart growth principles and helping Oakland to meet its fair share of regional housing. The Project will therefore implement Policies 1.7, 7.3 and 7.4 of the Housing Element of the General Plan as well as with Policies T2.3 and N3.1 of the Land Use and Transportation Element of the General Plan (LUTE).

78. The Project will redevelop and revitalize underutilized and vacant land within the Oakland Army Base Redevelopment Project Area to create pedestrian-friendly, mixed-use, residential and commercial developments including live/work units. The Project would be more consistent with surrounding uses than are the existing uses, thus promoting LUTE Policies N5.3 and N6.1 which support and encourage live/work units and projects which provide a variety of housing types and sizes. The Project is also consistent with City of Oakland Housing Policy 2 which encourages the development of a variety of types of housing opportunities including live/work units. Through revitalization of the area, the Project furthers the goals of Housing Element Policy 4.3. Finally, the Project is consistent with LUTE Pedestrian Master Plan Policy 3.2 which promotes land uses and site designs that make walking convenient and enjoyable.

79. The Project will preserve, and provide opportunities to rehabilitate, the historic 16th Street Train Station's Main Hall, Signal Tower, Baggage Wing and a portion of the Elevated Platform Feasibility Study Area to the extent feasible. This action is consistent with LUTE Policy N9.8 and N9.9, and also with Historic Preservation Element Policy 3.1. Without the Project, the historic structures would likely continue to deteriorate. The current uses are restricted because of the dilapidated condition and further because there is no grand setting for the 16th Street Train Station as would be provided by the publicly-accessible plaza. The project will benefit the citizens of Oakland by providing opportunities to make the Main Hall and Baggage Wing more accessible, more useable, highlighted in a view corridor to be provided by the plaza, and offer opportunities for reuse that are more respectful of the 16th Street Train Station's history than is its current use.

80. The Project will create a publicly accessible plaza directly in front of the 16th Street Train Station. This action implements the objective of creating new civic open spaces in neighborhood commercial areas and in high-intensity redevelopment areas contained in Policy OS-11.2 of the Open Space, Conservation and Recreation Element of the General Plan (OSCAR).

81. The Project will provide economic incentives for persons of low or moderate incomes to purchase homes within the Project Area, furthering the City's goals of meeting the needs of all economic segments of the community.