



Onizuka LRA Meeting: December 9, 2008

SUBJECT: Adoption of Onizuka Air Force Station (AFS) Redevelopment Plan and Homeless Assistance Submission

REPORT IN BRIEF

Upon conclusion of the Onizuka Local Redevelopment Authority's (LRA) December 2, 2008 Public Hearing, the LRA directed staff to return to Council on December 9, 2008 for formal LRA adoption, and authorization for staff to submit to the Department of the Air Force (AF) and the Department of Housing and Urban Development (HUD) the following:

- 1) An Onizuka AFS Redevelopment Plan (Attachment A) including a preferred land use of Auto Center; and including a recommendation for the Economic Development Conveyance of the property to the LRA by the Air Force, and
- 2) A Homeless Assistance Submission (Attachment B) with a Legally Binding Agreement (Attachment C) to accommodate the homeless.

The Plan and related BRAC application materials are scheduled to be submitted to the Air Force on December 15, 2008.

This LRA meeting is for the purpose of formal adoption as directed by the LRA.

BACKGROUND

At its December 2, 2008 Public Hearing, the Onizuka LRA reviewed Report to the LRA #08-005, *Recommended Reuse of Onizuka Air Force Station: Onizuka Redevelopment Plan, Homeless Assistance Submission, and Approval to Apply for Department of Defense Funding*, and the LRA received public comments regarding the proposed Plan, Homeless Assistance Submission, legally binding agreement with homeless service providers, and other documents that make up the BRAC submissions to the Department of the Air Force and HUD. A summary of public comment shall be included in the Application as required by federal regulation 32 CFR 176.20 (C), and has been incorporated into the Housing Assistance Submission. It is also attached separately to this report as Attachment D, *Summary of Public Comment from the Onizuka AFS LRA Public Hearing on December 2, 2008*.

EXISTING POLICY

➤ **Legislative Management Sub-Element**

Goal 7.3C: Participate in intergovernmental activities, including national, state and regional groups, as a means to represent the City's interests, influence policy and legislation, and enhance awareness.

City Policy: The City of Sunnyvale has existing policy governing all elements of the Onizuka Final Reuse Application. In preparing this application, the LRA relied upon a consensus of community interests that have been recorded over time to balance a variety of housing and development values. These values are documented in the City of Sunnyvale General Plan, the April 2004 *Moffett Park Specific Plan* and the May 2005, City of Sunnyvale's *2005-2010 Consolidated Plan* which identifies homeless housing needs and City objectives to address them.

Federal Policy: The Base Realignment and Closure (BRAC) process is governed by the *Defense Base Closure and Realignment Act of 1990, as amended by the Base Closure Community Redevelopment and Homeless Assistance Act of 1994*. The U.S. Department of Housing and Urban Development (HUD) guidelines and regulations also govern many aspects of the process.

DISCUSSION

The LRA's formal adoption of the Redevelopment Plan and Housing Assistance Submission is the last official step in the LRA's obligation to the Department of the Air Force to submit a redevelopment Plan for Onizuka's transition to civilian reuse. Further analysis of fiscal, economic and land use feasibility will be required for the LRA to make a final decision on whether an LRA implementation role is appropriate.

At its December 2, 2008 LRA meeting public testimony suggested that impacts of Innovation Way to the redevelopment of Onizuka AFS had not been acknowledged in the Plan. Staff notes, however, that the Plan reviewed by the LRA on December 2, 2008 addressed Innovation Way in the narrative at the top of page six:

Only the easternmost portion of Innovation Way, directly adjacent to Mathilda Avenue, is publicly owned. The remainder of Innovation Way is owned by adjacent private property owners pursuant to their acquisition of property from Lockheed Martin. The LRA's consultant team has been informed by these property owners that the Air Force's existing access to Onizuka is pursuant to a lease that

expires in 2012. This means that reuse of Onizuka will require obtaining new rights of access on Innovation Way, either through a lease, dedication, easement, or other agreement. The to-be-determined cost for future access on Innovation Way so that Onizuka can be redeveloped would need to be included in the determination of fair market value.

Because cost estimates are subject to negotiations with the adjacent property owner, staff expects to address cost impacts during 2009 in the business plan required for the economic development conveyance.

This attached Plan complies with the LRA's action and direction on December 2, 2008.

FISCAL IMPACT

There is no direct fiscal impact associated with this report. As discussed in detail in the December 2, 2008 report (RTC 08-005) approval of the recommendations will start the LRA on a development path for Onizuka including, as required by an economic development conveyance, the development of a business plan to detail the economic and fiscal impacts of the proposed reuse option. The business plan will be subject to LRA approval prior to submission to the Department of the Air Force.

PUBLIC CONTACT

Public contact for this report was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site. The extensive public outreach process for the attached Plan and Housing Assistance Submission is discussed in each of those documents.

ALTERNATIVES

I. Adopt and direct staff to submit to the Department of the Air Force (AF) and the Department of Housing and Urban Development (HUD), the attached Onizuka AFS redevelopment plan including:

- A. A Preferred Land Use: Auto center (Attachment A)

B. A Conveyance Recommendation:

Economic Development Conveyance of the Onizuka property to the LRA by the AF (Attachment A). Direct staff to prepare a grant request to OEA for funding to develop a business plan and related activities as required to prepare for an Economic Development Conveyance of Onizuka AFS to the LRA.

II. Adopt and direct staff to submit to the AF and HUD, the attached Homeless Assistance Submission (Attachment B) with the legally binding agreement to accommodate the homeless.

III. Do not adopt or direct staff to submit to the Department of the Air Force (AF) and the Department of Housing and Urban Development (HUD), the attached Onizuka AFS redevelopment plan including:

A. A Preferred Land Use: Auto center (Attachment A)

B. A Conveyance Recommendation:

Economic Development Conveyance of the Onizuka property to the LRA by the AF (Attachment A). Direct staff to prepare a grant request to OEA for funding to develop a business plan and related activities as required to prepare for an Economic Development Conveyance of Onizuka AFS to the LRA.

IV. Do not adopt or direct staff to submit to the AF and HUD, the attached Homeless Assistance Submission (Attachment B) with the legally binding agreement to accommodate the homeless.

V. Other action as identified by the LRA.

RECOMMENDATION

Pursuant to the LRA direction at its December 2, 2008 meeting, staff recommends that the LRA:

I. Adopt and direct staff to submit to the Department of the Air Force (AF) and the Department of Housing and Urban Development (HUD), the attached Onizuka AFS redevelopment plan including:

A. A Preferred Land Use: Auto center (Attachment A)

B. A Conveyance Recommendation:

Economic Development Conveyance of the Onizuka property to the LRA by the AF (Attachment A). Direct staff to prepare a grant request to OEA for funding to develop a business plan and related activities as required to prepare for an Economic Development Conveyance of Onizuka AFS to the LRA.

II. Adopt and direct staff to submit to the AF and HUD, the attached Homeless Assistance Submission (Attachment B) with the legally binding agreement to accommodate the homeless.

This recommendation follows LRA direction at the December 2, 2008 LRA meeting.

Reviewed by:

Robert Walker, Assistant City Manager
Prepared by: Robert Switzer, BRAC Project Manager

Approved by:

Gary M. Luebbbers
City Manager

Attachments

- A. *The Onizuka AFS Redevelopment Plan*
- B. *The Onizuka AFS Housing Assistance Submission* (due to their large volume, exhibits to the HAS that have not changed since the December 2, 2008 report are not attached but are available online)
- C. *The Legally Binding Agreement* (HAS Exhibit 4)
- D. *Summary of Public Comment from the Onizuka AFS LRA Public Hearing on December 2, 2008*