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2011 MAR 10 PM 5:57

CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Division Agency
DATE: March 22, 2011

RE: A Resolution Authorizing The City Administrator To Negotiate and Execute A Two-Year Lease Agreement With Three Additional One-Year Renewal Options With The Port of Oakland For Property Located At 8135 Earhart Road To Use As A Storage Facility For Urban Search and Rescue Equipment For The Initial Amount Of \$24,517 Plus An Annual Rent Escalator Not To Exceed 5%

SUMMARY

The Oakland Fire Department (OFD) sponsors the local California Task Force 4 (CATF-4) for Urban Search and Rescue under supervision of the Federal Emergency Management Agency (FEMA) and the U.S. Department of Homeland Security. Oakland Fire Department has received additional federal grant funding to continue a long-term storage plan for rescue equipment and related supplies. The grant will allow the City to extend its existing lease at its present warehouse location at 8135 Earhart Rd. (*Attachment "A"*) for storage of emergency response equipment.

It is recommended that this lease be approved for the initial amount of \$24,517, plus an annual rent escalator not to exceed 5% per annum. The Lease for this free-standing, 3588 +/- square foot warehouse and apron is for a term of 2 years with three (3) one year extension options. The funding for the lease is from grant funds received from FEMA.

FISCAL IMPACT

This warehouse will function solely as a "drop-storage" facility and will not require any additional fire department staff or other employees to staff this facility. The CATF-4 received a Weapons of Mass Destruction (WMD) grant from FEMA in October 2002 and the current grant in April 2006. For FY 2010-2011 the funds will be allocated from Federal Emergency Management Agency Fund (2124), Fire - U.S.A.R. Org. (20815), U.S.A.R. Project (G364810). The grant provides the cost of leasing a facility as a provision within the grant. The approval of the Amended Lease will not require any City funds nor will it have any fiscal impact on the City, as no matching funds are required.

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Finance and Management Committee
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BACKGROUND

The City has been leasing the warehouse space at its present location since April 1, 2010 and the lease expired in February of 2011. In March 2011 the lease converted to a month-to-month agreement without a holdover penalty. The Oakland Fire Department participates along with other Fire Departments throughout the State in regional or local groupings to support State sponsored Urban Search and Rescue Task Forces.

The Oakland Fire Department sponsors the local group known as California Task Force 4 (CATF-4). This Task Force encompasses neighboring cities on Oakland's borders to which any of the cities would be able to access the rescue supplies and equipment in an event or emergency situation requiring such response. Because Oakland is the most centrally located city and the Oakland Fire Department is the sponsoring agency, it is logical to house the supplies and equipment in Oakland.

Neither FEMA nor the State requires that the supplies and equipment be housed or located in Oakland, the lease of a warehouse and its location could be anywhere inside or outside of the Oakland city limits should this Amended Lease not be approved.

KEY ISSUES AND IMPACTS

Approval of the Resolution will allow the Oakland Fire Department to make local purchases of goods and materials supporting the warehousing operation; reduce travel time and costs of Oakland Fire Department personnel in accessing the site at various times and days. The location of this storage facility in another jurisdiction would be contrary to City Policy to spend grant funds locally.

There is a distinct advantage to keeping the storage facility in Oakland. The emergency equipment and supplies could be quickly and more readily available to the Oakland residents during an emergency response. Location in another City would require the Oakland Fire Department to travel to that City and back with required emergency supplies and equipment.

The Real Estate Division has negotiated the lease terms which will be reviewed by the City Attorney. There are no regulatory issues with the intended use of this warehouse site.

SUSTAINABLE OPPORTUNITIES

Economic: The project will generate additional business taxes and other revenue to the City and support local property ownership.

Environmental: There are no identifiable environmental issues arising from this use.

Social Equity: The social benefits flow from the increased safety that the location brings to the community by having these supplies and equipment within the City.

DISABILITY AND SENIOR CITIZEN ACCESS

This facility is not open to the public and is for dry storage only. There is no impact on disability and/or senior citizen access.

RECOMMENDATION AND RATIONAL

Staff recommends approving the resolution authorizing the lease of warehouse space at 8135 Earhart Rd., Oakland, CA in the initial amount of \$24,517 for 2 years, and a not to exceed 5% rental rate adjustment per annum for each of the three (3) options to extend periods. This site is ideal due to its proximity to other sites used for this purpose.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the Council approve the resolution which accompanies this staff report.

Respectfully submitted,



Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by: Gregory Hunter, Deputy Director
Economic Development and Redevelopment

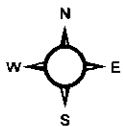
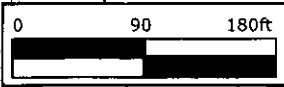
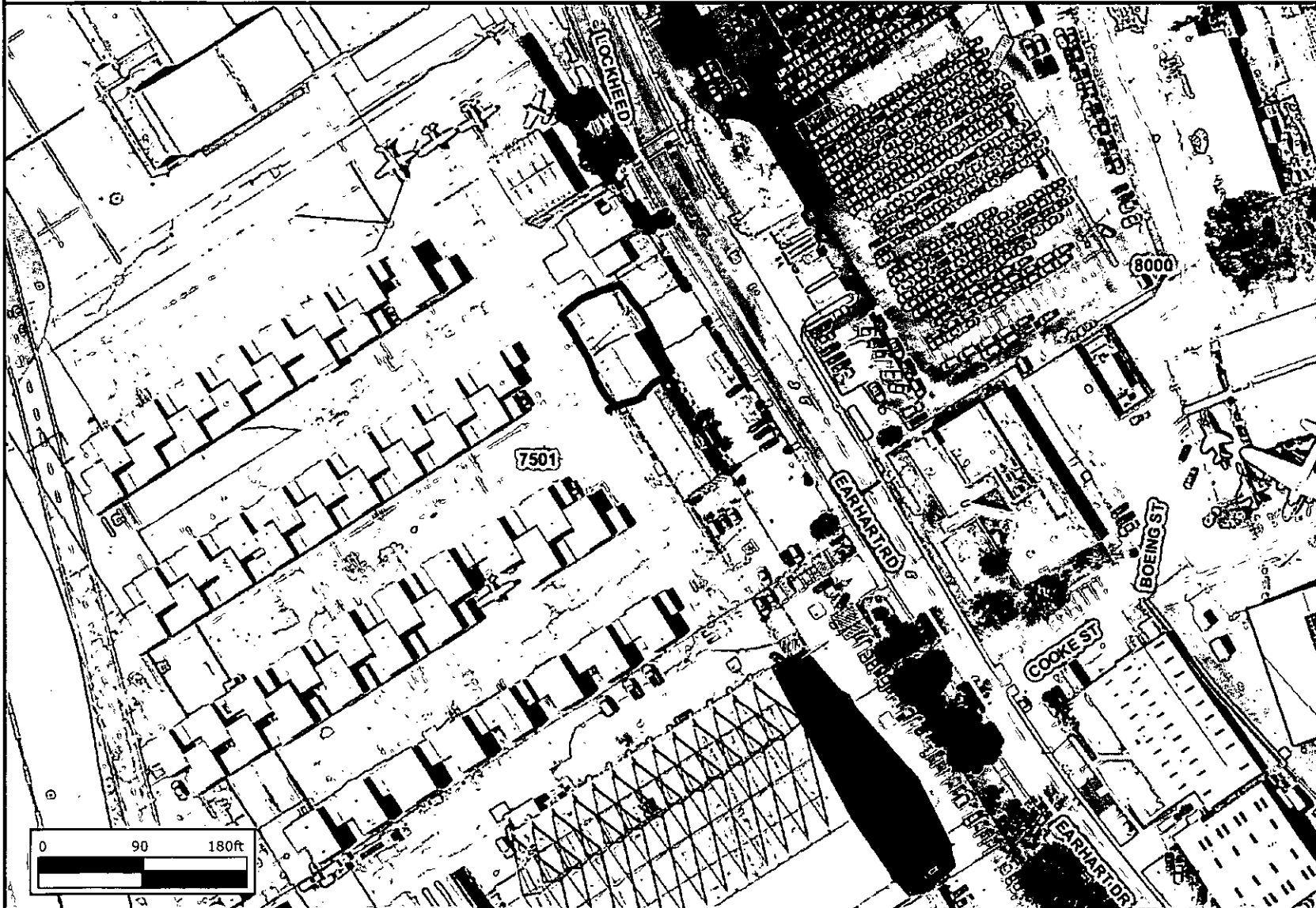
Reviewed by: Frank Fanelli, Manager
Real Estate Services Division

Prepared by: Anthony J. Reese
Real Estate Agent








**FORWARD TO THE FINANCE
AND MANAGEMENT COMMITTEE:**


Office of the City Administrator

Item: _____
Finance and Management Committee
March 22, 2011



Legend

-  Selected Features
-  City Limits
-  Parcels
-  Freeways
-  Major Sts
-  Streets
-  Water
- 2003 ORTHOPHOTOS

It is imperative that you obtain BOTH the Zoning and General Plan designations for the property(s) you are searching for.

Questions? Contact a planner at (510)238-3911.

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Approved as to Form and Legality

D. Miller

Office of the City Attorney

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

Introduced by Councilmember _____

A Resolution Authorizing The City Administrator To Negotiate and Execute A Two-Year Lease Agreement With Three Additional One-Year Renewal Options With The Port of Oakland For Property Located At 8135 Earhart Road To Use As A Storage Facility For Urban Search and Rescue Equipment For The Initial Amount Of \$24,517, Plus An Annual Rent Escalator Not To Exceed 5%

WHEREAS, the City of Oakland Fire Department ("OFD") is the sponsor of the Urban Search and Rescue, California Task Force 4 (CATF-4) under supervision of the Federal Emergency Management Agency ("FEMA") and the U.S. Department of Homeland Security; and

WHEREAS, FEMA has consistently awarded OFD Urban Search and Rescue ("USAR") grants since 1993; and

WHEREAS, staff anticipates that OFD will continue to receive annual funding to sustain the USAR operation, including the warehouse payments; and

WHEREAS, the USAR grants required OFD to develop and continue a long-term plan for rescue equipment and related supplies, and to secure appropriate warehouse space for that equipment; and

WHEREAS, the Port of Oakland (the "Port"), owner, currently leases to OFD a 3,588 square foot warehouse and apron at 8135 Earhart Rd., Oakland, CA (the "Premises") for storage of the rescue equipment and related supplies ; and

WHEREAS, OFD desires to enter into a new Lease for the Premises for a two (2) year term, with three (3) one year options to renew (the "Lease"); and

WHEREAS, the continuation of the long-term storage of the equipment and supplies in Oakland will benefit the City and its citizens by spending federal dollars locally and keeping the rescue equipment warehoused near residents in Oakland; and

WHEREAS, the Port is willing to enter into a new Lease for the Premises for an initial amount of \$24,517 for two (2) years, with three (3) one year options to extend, with rent escalators not to exceed 5% per year; and

WHEREAS, the City Council wishes to authorize the City Administrator to enter into a Lease to provide the OFD with a facility for continued long-term storage of supplies and equipment; and

WHEREAS, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; now, therefore, be it

RESOLVED: That the City Council finds and determines that it would be in the best interests of the City to continue to warehouse supplies and rescue equipment in the City of Oakland as provided for in the two FEMA grants under the Urban Search and Rescue Plan of California Task Force 4 (CATF-4), in which the Oakland Fire Department is the local sponsoring agency; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to execute a new Lease for a term of two (2) years for the initial sum of \$24,517 effective March 1, 2011, with three (3) one year options to extend with a not to exceed 5% rent escalator per year; and be it

FURTHER RESOLVED: For FY 2010-2011 the funds will be allocated from Federal Emergency Management Agency Fund (2124), Fire – U.S.A.R. Org. (20815), U.S.A.R. Project (G364910), and Special Operation Program (PS18); and be it

FURTHER RESOLVED: That the City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines that this action complies with CEQA because this action on the part of the City Council is exempt from CEQA under Section 15301 (existing facilities) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the City Administrator or his designee is hereby authorized to negotiate and execute, amend, or modify the Lease, and to take any and all actions necessary and consistent with this Resolution; and be it

FURTHER RESOLVED: That the City Administrator shall cause to be filed with the County of Alameda a Notice of Exemption and an Environmental Declaration (Fish and Games Code Sec. 711.4); and be it

FURTHER RESOLVED: That the Lease and any other related documents shall be reviewed and approved as to form and legality by the Office of the City Attorney and copies shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF and
PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California