TO: Office

Office of the City Administrator

ATTN:

Dan Lindheim

FROM:

Community and Economic Division Agency

DATE:

April 5, 2011

RE:

A Supplemental Report Regarding 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

At the presentation of this item on March 22, 2011, the Finance Committee requested a supplemental report detailing the Oakland Fire Department's Urban Search and Rescue California Task Force Number Four (CATF-4) site specifications for the storage of this search and rescue equipment, and the efforts made by City of Oakland Real Estate staff to identify a storage site on property already owned by the City of Oakland (City).

KEY ISSUES AND IMPACTS

The CATF-4 currently occupies space at 5050 Coliseum Way for the storage of emergency equipment. This space is owned by a private party and leased by the City. This space is primarily used as a maintenance yard for the Public Works Department. The CAFT-4 does not pay rent for its space at this location, and the space eventually became too small for the storage required, leading to the need for expansion space.

The Oakland Fire Department is required to demonstrate to the grantor why a particular property is the best choice and if there were more cost effective ways to house required program elements. Therefore, the Oakland Fire Department CATF-4 provided the Real Estate Division with the following expansion space site specifications:

- Building size: approximately 1,600 square feet
- Ceiling height: 35 feet
- Entrance height for emergency vehicles: 25 feet
- Required exterior space: 1,700 square feet of paved area, adjacent to building
- Security: security gate in a secure location

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- Location amenities: near the freeway and Oakland International Airport
- Space Requirement: the interior and exterior space to be exclusive, stand alone not to be commingled or shared with other tenants

Prior to executing a lease with the Port of Oakland in April 2010, the Real Estate staff evaluated sites that were for lease by the City of Oakland's Community and Economic Development Agency (CEDA), other opportunities available through the Public Works Department, the Park and Recreation Department, Army Base, and CEDA-controlled property at the Port of Oakland. Staff at CATF-4 investigated opportunities to lease space from the Oakland Police Department.

None of the City agencies to which this inquiry was made had vacant or under-utilized space which fit the CATF-4 parameters. Any City or CEDA-owned space which was identified either required tenant improvements which exceeded budget limits for both parties, or failed to meet the minimum site specification requirements, or both.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the Council approve the resolution which accompanies the March 22 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

APPROVED AND FORWARDED TO THE CITY COUNCIL:

Office of the City Administrator

Item:

City Council April 5, 2011