

**OAKLAND CITY COUNCIL**  
**ORDINANCE NO. 13034 C.M.S.**

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**AN ORDINANCE AUTHORIZING THE ASSUMPTION BY EAST OAKLAND COMMUNITY PROJECT, OF A LEASE ON A CITY-OWNED PROPERTY LOCATED AT 1226-73<sup>RD</sup> AVENUE AND PREVIOUSLY AWARDED TO MERCY PROPERTIES CALIFORNIA FOR USE AS A SHELTER PLUS CARE HOUSING FACILITY, AND AN EXTENSION OF THE LEASE PERIOD FOR ANOTHER THREE YEARS UNTIL JUNE 2015**

**WHEREAS**, the City of Oakland owns a 4-unit complex at 1226-73rd Avenue that is comprised of two two-bedroom and two one-bedroom units ("the Property"); and

**WHEREAS**, pursuant to Ordinance No. 12858 C.M.S. passed in 2008, the City Council authorized a 5-year renewal of the lease agreement with Mercy Properties California (MPC) for the continued use of the property to house homeless persons enrolled in the Shelter Plus Care (S+C) program; and

**WHEREAS**, a collaboration of Alameda County, the City and nonprofit providers apply and receive funding from the Department of Housing and Urban Development (HUD)'s Shelter Plus Care program to provide rental assistance in connection with supportive services for hard-to-serve homeless persons with disabilities; and

**WHEREAS**, MPC informed City staff early last year that they wanted to be released from the lease agreement and to have another non profit organization assume their role and responsibilities in 2010, as it was not cost effective for them to manage the property due to its small size; and

**WHEREAS**, City staff has solicited East Oakland Community Project (EOCP), an Oakland-based non profit with significant experience in managing and operating emergency and transitional housing facilities and programs, to assume the lease on the Property and continue the use of the property for S+C clients; and

**WHEREAS**, the property has never had a dedicated source of funds for major repairs and structural upgrades, and such repairs have had to be undertaken on an adhoc basis and usually under emergencies, and as a result, the City authorized grant funds in the amount of \$25,000 for repairs and general maintenance of the property and that said funds will be fully expended within six months of contract execution; and

**WHEREAS**, the City desires to have EOCP assume the lease on the Property, extend the lease period for another three years until 2015 and make the grant funds available to EOCP; and

**WHEREAS**, Ordinance Number 10142 C.M.S., which established procedures for the sale and lease of City-owned real property which is not surplus property, allows for negotiated leases in certain circumstance; now, therefore

**THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:**

**Section 1.** The City Administrator is authorized to allow East Oakland Community Project to assume the lease previously awarded to Mercy Properties California for the property at 1226-73<sup>rd</sup> Street and to extend the lease period for three more years until June 2015.

**Section 2.** The City Administrator is authorized to enter into a lease agreement with East Oakland Community Project for a minimum of 5 years for the use of the property at 1226-73rd Avenue as long term housing under the Shelter Plus Care program. The rent for the property shall be set as the balance available after operating expenses are deducted from rental payments.

**Section 3.** All Agreements shall be reviewed as to form and legality by the Office of the City Attorney and copies shall be files with the City Clerk.

**Section 4.** Pursuant to Ordinance Number 10142 C.M.S., the City Council determines that the best interests of the City would be served by leasing the property by means of a negotiated lease because of the need to utilize the specialized experience of East Oakland Community Project in operating the property for use as housing for homeless persons.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 27 2010, 2010

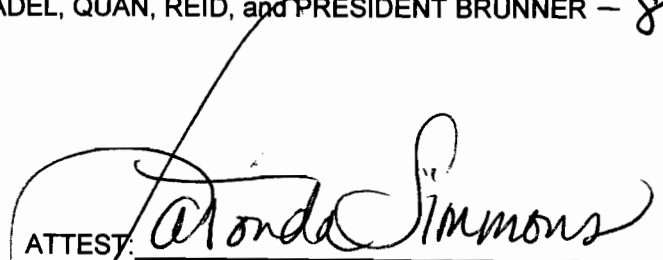
**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER – 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST:   
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

Introduction Date JUL 20 2010

Date of Attestation: 8/5/10

**NOTICE AND DIGEST**

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