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OFFICE OF THE CITY CLERK
OAKLAND

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

2009 SEP 17 PM 4:19

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: September 29, 2009

RE: **An Agency Resolution Awarding A Contract For The Demolition Of A Structure At The Southwest Corner Of 73rd Avenue And Foothill Boulevard To The Lowest Responsible Bidder, Thomas D. Eychner, In An Amount Not-To-Exceed \$150,000.00 In Accord With The Plans And Specifications For The Project And Contractor's Bid Therefor, And Allocating Central City East Redevelopment Funds To Pay For The Work.**

SUMMARY

Agency staff requests authorization to award a contract to Thomas D. Eychner in amount not to exceed \$150,000 for the demolition of the property owned by the Agency located on the southwest corner of 73rd Avenue and Foothill Boulevard, and to allocate funds from the Central City East Redevelopment Fund to pay for the work. A competitive bid process and walk through of the site was conducted by Building Services staff and four bids were received. Thomas D. Eychner, a demolition specialty contractor, was the lowest responsible bidder at \$111,230.

FISCAL IMPACT

Funds in the amount of \$150,000 of Central City East Tax Allocation Bond Series 2006A-T (Taxable) Bonds Fund (9543), Central City East Organization (CCE) (88699) and CCE Land Acquisition Project (\$233351) to pay for the demolition contract costs were included as part of the Agency resolution to purchase the property. The contract award to Thomas D. Eychner will be for \$111,230 with an additional \$38,770 requested for contract contingency costs, to be approved only on an as needed basis, for a total of not to exceed \$150,000.

BACKGROUND

On July 1, 2008, the Redevelopment Agency approved the purchase of the property located at 73rd Avenue and Foothill Boulevard for the purchase price of \$2,340,000 plus an additional \$150,000 for customary real estate closing and demolition costs (Agency Resolution No. 2008-0063 C.M.S.). The property consists of 50,160 square feet of land on a triangular shaped level lot. The lot contains a vacant 10,700 square foot structure that was previously used for an automotive service building with a basement. The zoning allows for a wide range of retail uses typically found along a major thoroughfare. The Property is zoned C-30 Community

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Commercial Zone Regulation. The current structure impedes future development to the highest and best use of the property. The demolition of the structure will facilitate new development on the site and will allow staff to move forward on the clean up and preparation of the site for future development.

KEY ISSUES AND IMPACTS

Staff recommends the demolition of this property in order to facilitate future development. The Property is located on a primary corner in the Central East Oakland neighborhood. At this time the property is vacant, boarded up, and underutilized. Development at this strategic location will allow for greater impact in the area and may also assist to revitalize the surrounding community.

PROJECT DESCRIPTION

This site is one of several properties the Central City East Redevelopment Area has purchased as part of an overall strategy to revitalize Central City East neighborhoods. In order to move forward with the development of this site, the demolition of the structure should take place as soon as possible.

SUSTAINABLE OPPORTUNITIES

Economic: In its present condition the Property makes minimum economic contribution to the area. The vacant commercial building provides an opportunity for illegal dumping and other blighted related problems. The future development of the property will help to stimulate the revitalization of this corner and the surrounding community.

Environmental: All material removed from the property will be done according to the City of Oakland's Construction and Demolition Debris Recycling Requirements (OMC 15.34).

Social Equity: The proposed development of this site will provide a better use and welcomed contribution to the continued safety, growth, and stability of the neighborhood.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no impact on access for senior citizens or disabled.

RECOMMENDATION(S) AND RATIONALE

Staff recommends that the Agency adopt the resolution to award a contract to demolition contractor, Thomas D. Eychner, for an amount not to exceed \$150,000, for the demolition of the property owned by the Agency at the southwest corner of 73rd Avenue and Foothill Boulevard.

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ACTION REQUESTED OF THE CITY COUNCIL


Council is requested to adopt the Agency Resolution to authorize a contract for an amount not to exceed \$150,000 to Thomas D. Eychner, a demolition contractor, for the demolition of Agency property on the corner of 73rd Avenue and Foothill Boulevard, and to allocate funds from the Central City East Redevelopment Fund to pay for the work.

Respectfully submitted,



Walter S. Cohen, Director

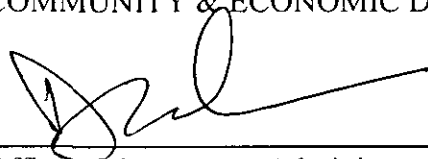
Community and Economic Development Agency

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

Larry Gallegos, Area Manager for the Central City East &
Coliseum Areas

Prepared by:
Theresa Navarro-Lopez, Urban Economic Analyst IV
Central City East Redevelopment Area

APPROVED AND FORWARDED TO THE
COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE:

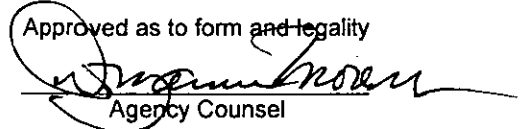


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Approved as to form and legality


Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

RESOLUTION AWARDING A CONTRACT FOR THE DEMOLITION OF A STRUCTURE AT THE SOUTHWEST CORNER OF 73RD AVENUE AND FOOTHILL BOULEVARD TO THE LOWEST RESPONSIBLE BIDDER, THOMAS D. EYCHNER, IN AN AMOUNT NOT-TO-EXCEED \$150,000.00 IN ACCORD WITH THE PLANS AND SPECIFICATIONS FOR THE PROJECT AND CONTRACTOR'S BID THEREFOR, AND ALLOCATING CENTRAL CITY EAST REDEVELOPMENT FUNDS TO PAY FOR THE WORK

WHEREAS, the Central City East Redevelopment Plan includes the elimination of blight and unsafe conditions as a goal for the Central City East Project Area; and

WHEREAS, the Redevelopment Agency is implementing projects in the Central City East Redevelopment Project Area as part of the Redevelopment Plan to improve the Project Area; and

WHEREAS, Section 33420 of the California Community Redevelopment Law (Health & Safety Code Sections 33000, et seq.) authorizes the redevelopment agency to clear buildings, structures, or other improvements from any real property acquired; and

WHEREAS, the Agency purchased real property (APN 039-3291-020) located at the southwest corner of 73rd Avenue and Foothill Boulevard (the "Property") within the Central City East Redevelopment Project Area; and

WHEREAS, the Property consists of a 1.22 acre parcel with a vacant structure of 10,700 square feet that is currently blighted and underutilized; and

WHEREAS, the Agency held a bid process for the demolition of the structure on the Property and is recommending the lowest bidder, Thomas D. Eychner, to be the demolition contractor for the demolition of the vacant building; and

WHEREAS, staff requests approval of a contract in an amount not-to-exceed \$150,000.00 with Thomas D. Eychner for the work (\$111,230.00 for the work plus a contingency of \$38,770.00 on an as-needed basis only); and

WHEREAS, pursuant to Oakland Charter Section 902(e), the Agency Administrator finds that this contract is of a professional, scientific or technical and temporary nature, is in the

public interest because of economy or better performance and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

WHEREAS, the funding for the demolition is available from the Central City East Tax Allocation Bond Series 2006A-T (Taxable) Bonds Fund (9543), Central City East Organization (88699), Central City East Land Acquisition Project (S233351); now, therefore, be it

RESOLVED: That the Agency awards a contract for demolition of a structure at the southwest corner of 73rd Avenue and Foothill Boulevard to Thomas D. Eychner in accord with plans and specifications for the project and contractor's bid therefore in an amount not-to-exceed \$150,000.00 (\$111,230.00 for the original work and a contingency in the amount of \$38,770.00 as needed); and be it

FURTHER RESOLVED: That the Agency Administrator is authorized to allocate funds from the Central City East Tax Allocation Bond Series 2006A-T (Taxable) Bonds Fund (9543), Central City East Organization (88699), Central City East Land Acquisition Project (S233351) to pay for the work; and be it

FURTHER RESOLVED: That the plans and specifications for the demolition of a structure at the southwest corner of 73rd Avenue and Foothill Boulevard prepared by the City of Oakland Building Official or his designee are hereby approved; and be it

FURTHER RESOLVED: That the contractor shall submit good and sufficient performance and payment bonds covering one hundred percent (100%) of the contract price; and be it

FURTHER RESOLVED: That Agency Counsel shall review and approve all agreements as to form and legality, and a copy shall be placed on file with the Agency Secretary; and be it

FURTHER RESOLVED: That the Agency Administrator or his/her designee is hereby authorized to take whatever action is necessary with respect to the demolition and the contract consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2009

PASSED BY THE FOLLOWING VOTE:

AYES - KERNIGHAN, NADEL, QUAN, DE LA FUENTE, BROOKS, REID, KAPLAN, AND
CHAIRPERSON BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California