

CITY OF OAKLAND
AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: January 9, 2007

RE: **A Resolution Authorizing The City Administrator To Amend Professional Service Contracts For On-Call Design Services For The Neighborhood Commercial Revitalization Façade Improvement Program To Increase The Amount By \$120,000 For A Total Of \$420,000 For The Period Of February 1, 2007 Through June 30, 2007.**

SUMMARY

This item is a request for City Council approval of a resolution authorizing the City Administrator to amend third-party design contracts necessary to administer the Neighborhood Commercial Revitalization (NCR) Façade Improvement Program (FIP) to increase the amount by \$120,000 for a total of \$420,000 for the period of February 1, 2007 through June 30, 2007.

FISCAL IMPACT

Amending the third-party design contracts in an amount not to exceed \$120,000 for the NCR Façade Improvement Program will be funded out of the approved budget for NCR from the U.S. Department of Housing and Urban Development-Community Development Block Grant Fund (2108), Neighborhood Commercial Revitalization Organization (88569), NCR Public Improvement Project (G04600). These expenditures will have no negative impact on the General Fund. Additionally, funding for the Façade Improvement Program may require building permits and may result in an increase in sales tax and business tax revenue for the City of Oakland which will augment the General Fund in future years.

BACKGROUND

The Neighborhood Commercial Revitalization Façade Improvement Program was approved by the City Council on September 30, 1997. Since its inception more than 300 projects have been completed in approximately 15 NCR target areas throughout the City's Community Development Districts. There are currently more than 100 active projects with approximately \$300,000 in façade grants committed.

As part of the NCR Façade Improvement Program, participants are provided with free limited architectural services to develop design concepts for exterior improvements. Professional design assistance is provided to ensure that façade improvements are of a high quality and enhance

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architecturally and historically significant features of commercial building storefronts. The maximum amount available for design assistance is \$3,000 per project.

NCR and Redevelopment staff completed a competitive Request for Qualifications (RFQ) process in 2005 that resulted in the selection of architects to provide design assistance Façade Improvement Programs in NCR and Redevelopment areas in the Downtown, West Oakland, Broadway/MacArthur/San Pablo, and Central City East Redevelopment Areas. Six firms were selected by NCR to provide on-call design services from this pool of architects. The selected design firms comply with the City's contracting requirements including the SLBE/LBE requirements.

KEY ISSUES AND IMPACTS

On July 19, 2005 City Council approved Resolution No. 79386 C.M.S. which authorized the City Administrator to enter into contracts for on-call design services for the NCR FIP in an amount not to exceed \$300,000 for the period of July 1, 2005 through June 30, 2009 without returning to the City Council. This funding level anticipated design services for approximately 50 projects per year at a cost of \$3,000 per project. The actual number of projects that utilized design assistance was approximately 70. This increase in FIP activity is attributed to the establishment of façade improvement programs in the Broadway/MacArthur/San Pablo, West Oakland, and Central City East Redevelopment Areas; a deployment of staff to coordinate façade projects in NCR target areas; referrals from Service Delivery System teams and Neighborhood Law Corp as well as consistent marketing efforts on the part of staff and community based organizations involved in commercial district revitalization efforts.

PROGRAM DESCRIPTION

Architectural design services are a key component of the FIP. There are currently six architectural firms under contract to provide on-call design services with approximately \$65,000 remaining in only three contracts. Design contracts were initially funded in ranges from \$25,000 to \$50,000. Smaller contracts were awarded to firms working with the program for the first time and larger contracts were awarded to firms with experience working with the FIP. With more than 125 active projects, some of which are entering the design phase, additional funds are needed to enable the continuation of the program. Authorizing the City Administrator to amend third party design contracts using Community Development Block Grant funds allocated to the Neighborhood Commercial Revitalization (NCR) Program will facilitate the continued administration of the NCR FIP.

Architectural firms currently under contract were selected through a Request for Qualifications (RFQ) process conducted in 2005. Staff proposes to conduct another RFQ process for on-call design services in spring 2007 and select another group of architects to provide design services to the FIP for FY 2007-09.

SUSTAINABLE OPPORTUNITIES

Economic: The NCR Façade Improvement Program improves the physical and economic health of commercial districts by providing financial assistance to property and business owners to make improvements to their commercial properties.

Environmental: The Façade Improvement Program helps to stimulate usage of underutilized and blighted properties in neighborhood commercial districts.

Social Equity: The financial assistance provided by the Façade Improvement Program provides an opportunity for participation by property and business owners in the revitalization of their properties.

DISABILITY AND SENIOR CITIZEN ACCESS

Any new construction that occurs on the properties that participate in the NCR Façade Improvement Program will be required to comply with city, state and federal ADA requirements.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution authorizing the City Administrator to amend third-party design contracts in an amount not to exceed \$120,000 for a total of \$420,000 for the period of February 1, 2007 to June 30, 2007, which is necessary to administer the Neighborhood Commercial Revitalization Façade Improvement Program.

Respectfully submitted,



Dan Vanderprie, Director of
Redevelopment, Economic Development and
Housing and Community Development

Prepared by:
Stephanie Floyd-Johnson, Program Manager
Neighborhood Commercial Revitalization

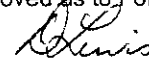
**APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE**



OFFICE OF THE CITY ADMINISTRATOR

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Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN ADDITIONAL \$120,000 FOR A TOTAL OF \$420,000 FOR ON CALL DESIGN SERVICES FOR THE NEIGHBORHOOD COMMERCIAL REVITALIZATION FAÇADE IMPROVEMENT PROGRAM FOR THE PERIOD OF JANUARY 1, 2007 THROUGH JUNE 30, 2007; AND AUTHORIZING THE CITY ADMINISTRATOR TO AMEND EXISTING PROFESSIONAL SERVICES CONTRACTS FOR ON CALL DESIGN SERVICES.

WHEREAS, the City Council approved Resolution No. 79386 C.M.S. which authorized the City Administrator to negotiate and enter into design contracts for the Neighborhood Commercial Revitalization ("NCR") Façade Improvement Program in an amount not to exceed \$300,000 for the period of July 1, 2005 to June 30, 2009, without returning to the City Council; and

WHEREAS, the \$300,000 funding level anticipated design services for approximately 50 projects per year at the cost of \$3,000 per project, whereas to date, the actual number of projects that utilized design assistance was approximately 70; and

WHEREAS, pursuant to a Request for Qualification process conducted in 2005, six architectural firms were selected and hired to provide on-call design services for the NCR Façade Improvement Program with contract amounts ranging from \$25,000 to \$50,000 each; and

WHEREAS, the City has executed contracts with three of the six selected architectural firms, and plans to contract with the remaining three architectural firms to provide additional design services for façade improvement projects in NCR target areas citywide; and

WHEREAS, the City Council previously authorized the City Administrator to approve and execute all third-party design contracts within the available budget for the Façade Improvement Program (Resolution No. 73818 C.M.S.) without returning to the Council; and

WHEREAS, the Façade Improvement Program provides incentives for property owners and business owners to rehabilitate and revitalize commercial buildings and storefronts in targeted commercial districts of the City located in eligible Community Development Districts and;

WHEREAS, such rehabilitation and revitalization assists in the elimination of blight in the target districts and assists with retaining and attracting businesses, increasing job opportunities and sales tax revenues for the City of Oakland; and

WHEREAS, the City finds that these services are of a professional nature and will be temporary in duration; and

WHEREAS, the City finds that these contracts will not result in the loss of employment or salary by any person having permanent status in the competitive services; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("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 hereby authorizes an additional \$120,000, for a total amount of \$420,000, for design services for the Neighborhood Commercial Revitalization Façade Improvement Program to be funded from the U.S. Department of Housing and Urban Development-Community Development Block Grant Program Fund (2108), Neighborhood Commercial Revitalization Project Development (G83200); and be it

FURTHER RESOLVED: That the City Council independently finds and determines that this Resolution complies with CEQA as the project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15301 (existing facilities), and the City Administrator or her designee is directed to cause to be filed a Notice of Exemption with the appropriate governmental agencies; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator or her designee to negotiate and execute, amend, modify and extend all third-party design contracts necessary to carry out the Neighborhood Commercial Revitalization Façade Improvement Program for an additional amount not to exceed \$120,000; and be it

FURTHER RESOLVED: That all agreements executed pursuant to the Resolution be approved as to form and legality by the Office of the City Attorney and be filed in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, QUAN, BROOKS, REID, CHANG, AND
PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST:

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