

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK

2007 JUN 12 11:03:22

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: June 12, 2007

RE: A Resolution Authorizing The City Administrator To Enter Into A Two-Year Lease With An Additional Two Year Option, With Peter And Helen Shiu For Real Property Located At 530 Lake Park Avenue, For Use As A Community Meeting Facility. In An Annual Amount Not To Exceed \$40,000 Plus Telephone And Utility Costs And A \$200 Monthly Water Charge, For The Initial Term And The Option Term Of Two Years.

SUMMARY

Since July 1998, the City of Oakland has leased this store-front building at 530 Lake Park Avenue, and is now referred to as the Grand Lake Neighborhood Center ("Premises"). It currently serves as offices for a number of community groups in the Grand-Lakeshore area, including the Grand-Lake Neighborhood Crime Prevention Council (NCPC), Grand Lake Kiwanis and Oakland Merchants Leadership Forum. The facility is well used by the community groups and thus provides a valuable service to the community and to the City. Emergency preparedness supplies are sold there, a free tutor is available after school once a week and low cost internet access is available.

This store front building contains approximately 5,100 square feet. The proposed resolution will authorize a two year lease term with an additional two year option for the City. Each year the annual rent would not exceed \$40,000 plus telephone and utility costs, and a monthly water charge of \$200.

FISCAL IMPACT

Approval of the proposed resolution will authorize approximately \$40,000 in annual lease and operating costs for the Grand Lake Neighborhood Center. Funds for the lease are available in non department city wide projects in the General Fund 1010. Staffing for the Neighborhood Community Center and Neighborhood Services are not paid City personnel. The Oakland Police Department Neighborhood Services Coordinator (NCS) is a paid City position.

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BACKGROUND

In past years, the lease has been funded through various sources which are no longer available, including CEDA, the City Administrator's Office and OPD. OPD's previous use of the Premises as a Community Policing Substation accommodated community groups such as the Grand-Lake NCPC and Lakeshore BID which use the Premises extensively as office space and meeting room for local issues concerning the neighborhood. Currently, OPD staffs the premises with a Neighborhood Services Coordinator 6 hours per week (3-2 hour time slots).

KEY ISSUES AND IMPACTS

The Grand Lake Neighborhood Center is used by 12 different community groups, including the Neighborhood Crime Prevention Council (NCPC), and the Oakland Merchant Leadership Forum. There is a Board of Directors that oversees the office and activities on the Premises. One current activity is selling emergency preparedness equipment in order to raise additional funds for outreach to the community. The cost of this lease is modest, and other suitable facilities are extremely difficult to find in the neighborhood, especially with public parking readily available. The Real Estate Division conducted a site search within the target area and, based on available parking, size of the building and price, the location at 530 Lake Park remains the best available location.

SUSTAINABLE OPPORTUNITIES

This lease will support local property ownership and the local Business Improvement District which in turn will help to increase the City's economic vitality. The social benefits will flow from public access to OPD Neighborhood Service Coordinator, and foster continued civic engagement and citizen creativity by retaining a forum for community group advocacy in improving Oakland neighborhoods.

DISABILITY AND SENIOR CITIZEN ACCESS

The Premises are improved to meet Title 24 (American Disabilities Act), and other access standards for the Disabled and Senior Citizens.

RECOMMENDATION AND RATIONAL

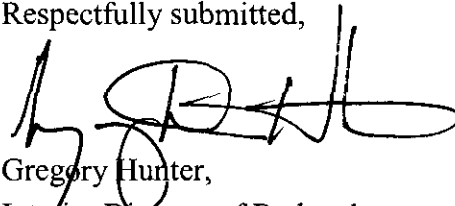
Staff recommends adoption of this Resolution authorizing the City Administrator to enter into a two-year lease with an additional two year option, with Peter and Helen Shiu for continuing the use as the Grand Lake Neighborhood Center and the Neighborhood Crime Prevention Facility. Adoption of this Resolution will encourage and support civic engagement.

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ACTION REQUESTED OF THE CITY COUNCIL

CEDA recommends that the Council adopt the Resolution approving this lease with Peter and Helen Shiu for two years with one additional two year option at the rental rate not to exceed \$40,000 per year plus telephone and utility costs and \$200 per month for water charges.

Respectfully submitted,



Gregory Hunter,
Interim Director of Redevelopment, Economic
Development, Housing and Community
Development

Reviewed by:

Frank Fanelli, Manager, Real Estate

Prepared by:

Ronald M. Basarich,
CEDA Real Estate

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:

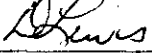


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Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

Introduced by Councilmember _____

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A TWO-YEAR LEASE WITH AN ADDITIONAL TWO YEAR OPTION, WITH PETER AND HELEN SHIU FOR REAL PROPERTY LOCATED AT 530 LAKE PARK AVENUE, FOR USE AS A COMMUNITY MEETING FACILITY IN AN ANNUAL AMOUNT NOT TO EXCEED \$40,000 PLUS TELEPHONE AND UTILITY COSTS AND A \$200 MONTHLY WATER CHARGE, FOR THE INITIAL TERM AND THE OPTION TERM

WHEREAS, since July 1998 the City of Oakland (the "City") has leased the property at 530 Lake Park Ave. for use as a Community Meeting Facility and Community Police Station; and

WHEREAS, the current lease expires in June 2007 and the City desires to continue the lease with Peter and Helen Shiu ("Owners") for a term of two years plus one additional two year option period at an annual rent not to exceed \$40,000 plus telephone and utility costs; and a water charge reimbursement to Landlord of \$200.00 per month (fixed) added to the Rent for the initial term and the option term; and

WHEREAS, neighborhood groups in the Lake Park Avenue community wish to renew this lease to continue with established civic and business engagement activities and programs for the local community; and

WHEREAS, over the past six months, the Real Estate Division conducted site searches for a possible relocation site, seeking the best location, based on available parking, size, location and price; and

WHEREAS, comparison of alternative rental sites affirmed that 530 Lake Park Avenue is the best site to meet the needs of the community groups who use the facility; and

WHEREAS, the Owners are willing to extend the lease for the Premises for an additional two years at an annual rental not to exceed \$40,000 per year, plus \$200 per month for water charges, with one additional two year option; and

WHEREAS, the City Council wishes to authorize the City Administrator to enter into a lease extension to provide a neighborhood meeting center and support continued operation of OPD's Neighborhood Services Coordinators; 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 finds and determines that it would be in the best interests of the City to continue to lease the location at 530 Lake Park Avenue for the period of the proposed lease for community and police uses; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to execute a lease agreement for the sum not to exceed \$40,000 per year plus telephone and utility costs, including a monthly water charge of \$200, for two years with one two year option; Funds for the lease and operating costs are available by re-allocating funds from existing citywide projects in the General Fund 1010; and be it

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

FURTHER RESOLVED: That the City Administrator or her designee is hereby authorized and directed to take any and all actions necessary and consistent with this Resolution to complete the Lease Agreement transaction and to decide, in her discretion, to exercise the option without returning to the City Council; and be it

FURTHER RESOLVED: That the City Administrator shall cause to be filed with the County of Alameda, a Notice of Exemption; and be it

FURTHER RESOLVED: That the lease shall be approved as to form and legality by the Office of the City Attorney and a copy shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2007

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