



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Alexa Jeffress  
Director, EWD

**SUBJECT:** Oakland Fire Department - New  
US&R CA-TF4 Warehouse Lease

**DATE:** September 22, 2020

City Administrator Approval

Date: Sept. 22, 2020

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator Or Designee To Negotiate And Execute A Lease Agreement Between The City, As Tenant, And The California Yards, LLC, As Landlord, For Landlord's Warehouse Located At 9812 Bigge Street For A Term Of Up To Five And A Half (5.5) Years At An Initial Rate Of Thirty Thousand And Twenty-Seven Dollars (\$30,027.00) Per Month, Adjusted Annually To A Maximum Rate Of Forty-Five Thousand Three Hundred And Eleven Dollars (\$45,311.00), For The Purpose Of Providing An Emergency Response Facility Consistent With The Federal Emergency Management Agency (FEMA) Urban Search And Rescue Unit (US&R) Grant Funds, And Terminable Upon A Twelve (12) Month Notice in the Event of Inadequate Future Funding.**

## **EXECUTIVE SUMMARY**

The City of Oakland is the Sponsoring Agency for a Federal Emergency Management Agency (FEMA) Urban Search and Rescue (US&R) Task Force known as the California Task Force Four (CA-TF4). Federal and California funds are provided to the elite Task Force to support a US&R Response System to conduct lifesaving operations.

The Oakland Fire Department (OFD) currently leases the premises located at 4450 Tidewater Avenue, Oakland, California. On September 30, 2020, the lease expires, and no terms have been renegotiated for an extension of the lease.

The location at 9812 Bigge Street is an appropriate size to accommodate all the vehicles and equipment cache supporting CA-TF4. In addition, the response time of the Task Force will be significantly improved if the US&R cache and apparatus are stored in this specific facility with proximity to the Oakland Airport, which has been the site for air transportation of staff on activation orders. Staff recommends approval of the proposed resolution to allow prompt execution of a lease of the new location for the relocation of this essential equipment before the current lease expires.

**BACKGROUND/LEGISLATIVE HISTORY**

The US&R Response System receives federal funding to coordinate, develop, and maintain an emergency response facility to locate, extricate, and provide immediate medical treatment to victims trapped in collapsed or compromised structures. Federal funding of the US&R Cooperative Agreement has increased to provide the Task Force with improved capabilities in water operations and in rescues conducted in a contaminated (chemical, biological, radiological or nuclear) area.

The City Council approved a Memorandum of Agreement for Participation in the National US&R Response System dating back to 2009. This is a three-party agreement with FEMA, the State of California, and the City of Oakland Fire Department. Funding for the Task Force comes from a FEMA Cooperative Agreement and the State of California. The FEMA Cooperative Agreement is approved annually by City Council resolution. In October 2019, the City Council approved Resolution No. 87936 C.M.S. for the grant funding period commencing September 2019 and expiring August 2022 and City Council is concurrently considering a resolution for the grant period commencing September 2020 and expiring August 2023. Federal funding of the US&R Response System has been consistent for three decades with recent increases in funding.

There are twenty-eight (28) FEMA US&R Task Forces in the United States and eight (8) in California. The Oakland FEMA US&R Task Force has agreements with sixteen (16) Participating Fire Agencies in and around the Bay Area which provide Task Force personnel and support the training and response for CA-TF4).

**ANALYSIS AND POLICY ALTERNATIVES**

Executing a lease for warehouse space is critical to OFD operations as a Supporting Agency to the US&R Task Force. If the City fails to retain a warehouse, OFD will not have the space needed for its vehicles, office space, and other equipment cache required to fulfill the terms and conditions of the FEMA Cooperative Agreement. City Real Estate staff conducted a fair market rent analysis and concluded that the rental rate for the premises is within the market rent range for comparable local properties. During the analysis, staff learned that there are no comparable vacancies on the market to which OFD could relocate. Additionally, if comparable vacant space were to become available, OFD does not have the funds required to relocate or pay for tenant improvements required for their operations at a new location.

**Proposed Lease Terms**

Rental of this property will begin at a monthly rate of zero dollars (\$0.00) per month for the period of October 1, 2020 through February 28, 2021, and thereafter in accordance with the following schedule:

<u>Annual Adjustment Period</u>	<u>Monthly Rent</u>
03/01/2021 – 8/31/2021	\$30,027.00
09/01/2021 – 08/30/2022	\$30,928.00
09/01/2022 – 08/30/2023	\$31,856.00
09/01/2023 – 08/30/2024	\$32,811.00
09/01/2024 – 08/30/2025	\$33,796.00
09/01/2025 – 02/28/2026	\$34,995.00

Beginning September 1, 2022 (one year before expiration of the available FEMA funds), the City may terminate the lease with 12 months advance notice in the event that federal FEMA funds cease to be available. In that event the lease payments for the final 12 months would be adjusted as follows:

<i>Notification period</i>	<i>Termination period</i>	<i>Monthly rent increase for final 12 months</i>
Sept 1, 2022 - March 1, 2023	Sept 1, 2023 - March 1, 2024	\$12,500
March 1, 2023 - March 1, 2024	March 1, 2024 - March 1, 2025	\$8,333
after March 1, 2024	after March 1, 2025	\$4,166

### **Summary Of Proposed Lease Terms**

1. Lease commencement: October 1, 2020
2. Lease Term: Approximately five and a half years, from October 1, 2020 to February 28, 2026 unless terminated as provided above.
3. Funding Source: Since 2012, FEMA US&R Cooperative Agreements have been the funding source for this program, including the rent payments for warehouse space, and are projected to fund the rental payments for the warehouse throughout the term of the lease. The lease may be terminated in the event that this funding source ceases to be available and if funding is not approved by City Council.

### **FISCAL IMPACT**

This lease is expected to be funded through the FEMA US&R Cooperative Agreement, Federal Emergency Fund (2124), Special Operations Division (20815), Special Operations Program (PS18), in FEMA Grants Revenue Accounts (46129), Project (1004647), Task (2124.PS18) & Award (23539), Rental Land and Building Account (53211), and the 2020 US&R Project (TBD).

The most recent City Council approval (Resolution Number 87936 C.M.S.) occurred in October 2019 for the grant funding period commencing September 2019 and expiring in August 2022.

The State and Federal grant funding is annual. OFD staff must apply for funding each year. Federal funding of the US&R Response System has been consistent for three decades, with recent increases in funding. There is no expected fiscal impact to the City. However, if the State or Federal Government elect not to renew the grant prior to the expiration of the lease and if funding is not approved by City Council at each budget cycle, the lease may be terminated.

There is no fiscal impact to the City directly, however the OFD anticipates returning to City Council to request support from the City of Oakland for costs associated with storage and maintenance of state-wide and city-wide disaster preparedness and response equipment and programs housed at the US&R warehouse to support city-wide disaster resiliency.

### **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

### **COORDINATION**

The City of Oakland Real Estate Services Division, Oakland Fire Department, City Attorney's Office and Budget Bureau have been consulted in the drafting of this report, resolution and the proposed lease agreement.

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

Staff has determined that this action is not a project subject to CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because the lease agreement authorized by the proposed resolution will not have a significant effect on the environment.

### **SUSTAINABLE OPPORTUNITIES**

***Economic:*** The economic impact to the City of Oakland will be positive because the lease will help to enable OFD and its partners to protect public safety with lease payments funded by annual state and federal funding.

***Environmental:*** There are no environmental impacts associated with this action because the facility will be used for the storage and maintenance of technical rescue equipment.

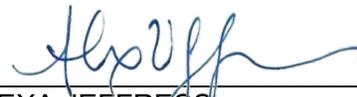
***Race & Equity:*** All the residents of Oakland will benefit from the unique training that is available to members of the FEMA US&R Task Force as these members respond to emergencies within the city on a daily basis. In the event of a local disaster, the US&R Task Force equipment cache will be available to local responders and, by virtue of the property's location, will be situated for immediate use in a Priority Neighborhood according to the City's Geographic Equity Map.

**ACTION REQUESTED OF THE CITY COUNCIL**

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For questions regarding this report, please contact Brendan Moriarty, Real Property Asset Manager, Real Estate Asset Management Division, (510) 238-6354, [bmoriarty@oaklandca.gov](mailto:bmoriarty@oaklandca.gov).

Respectfully submitted,



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