



May 12, 2022

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: ADOPT A RESOLUTION AUTHORIZING THE SALE OF SURPLUS PROPERTY AT 286 14TH STREET OAKLAND; AWARD A CONTRACT TO LANDIS GRADEN DBA DCG STRATEGIES INC. FOR REAL ESTATE BROKERAGE SERVICES; DELEGATE AUTHORITY TO INTERIM DIRECTOR OF GENERAL SERVICES AGENCY TO ACCEPT AUCTION BID DEPOSITS, OPEN BIDS, AND SELECT HIGHEST BID; PROCUREMENT CONTRACT NO. 23851; AMOUNT: \$250,000.00

Dear Board Members:

RECOMMENDATIONS:

- A. Adopt a resolution authorizing the sale of 286 14th Street, Oakland, as surplus property via auction per Government Code sections 25526-25535;
- B. Approve a Broker's Agreement (Procurement Contract No. 23851) with Landis Graden DBA DCG Strategies, Inc. (Principal: Landis Graden; Location: Dublin) to provide Real Estate Brokerage Services for the General Services Agency for the contract period of 6/1/2022 through 5/31/2023, in an amount not to exceed \$250,000; and
- C. Delegate authority to Interim Director of the General Services Agency to prepare and execute the Broker's Agreement subject to review and approval as to form by County Counsel, and submit an executed copy to the Clerk of the Board for filing.

DISCUSSION/SUMMARY:

On February 6, 2018, your Board approved (Item No. 17; File No. 30101) the purchase of 286 14th Street, Oakland, ("Property"). The County purchased the Property with the intent of housing various Community Based Organizations (CBO) within the Property, which could allow for more community services in the downtown area of Oakland, specifically within the County Supervisory District Five. Realizing operational, administrative, and legal constraints imposed on the County in staff's attempts to mobilize these types of programs in our owned real estate portfolio, it was determined the Property may not be suitable for County use.

On April 8, 2020, your Board approved (Item No. 50.1; File No. 30516) the declaration of the Property as surplus property and authorized of the General Services Agency (GSA) to develop a disposal plan for the Property and negotiate for its sale. On September 30, 2021, the California Department of Housing and Community Development (“HCD”) determined that the County has met all the requirements under the Surplus Land Act for the purposes of disposing of the surplus land located at 286 14th Street, Oakland. The County was then advised by HCD that it is permitted to proceed with the sale of the Property through an open bid process.

Real Estate Brokerage Services are required in an effort to best market and sell the Property. The Contractor shall provide a broker’s opinion of value, prepare a marketing program for the Property, market the site on multiple listing services and other commercial listing services, provide outreach to local brokers, validate the financial wherewithal of bidders who have submitted auction deposits, run an auction at fair market value to secure a buyer for the Property, and close escrow for the following property: 286 14th Street, Oakland.

The auction process shall be pursuant to Government Code Sections 25526-25535 (Code), where the conveyance of the subject real property by the County shall be made to the highest responsible bidder who most closely meets the terms and conditions of the notice inviting bids pursuant to the Code. The sale shall take place at the Property, following social distancing guidelines, and accepted by a four-fifths vote from your Board. Notice of the sale shall be given for five days prior thereto by publication in a newspaper published in the County. Upon acceptance of the highest bid, the sale of the subject property shall be completed in an escrow of Old Republic Title Company, 555-12th Street, Oakland. Your Board shall approve a successful bid by Resolution. The successful bidder shall close escrow within 30 days of the Board’s bid approval.

On October 12, 2021, your Board approved (Item No. 31) a pool of real estate brokers for real estate services. On March 2, 2022, GSA then issued an Request for Proposal (RFP) to those brokers soliciting proposals to provide a scope of services that would include Broker’s Opinion of Value, marketing, auction, escrow, and other services as deemed necessary specifically for the Property. A selection committee reviewed the proposals and held an oral interview with the two brokers that responded to the RFP, then scored them. Landis Graden DBA DCG Strategies, Inc. received the highest score.

SELECTION CRITERIA/PROCESS:

The GSA – Real Property Management has determined that Alameda County does not currently have the resources to provide real estate brokerage services to properly market and sell the Property.

GSA – Real Property Management developed a RFP, issued on March 2, 2022, and directly sent to the real estate broker pool. Proposals were due on April 15, 2022.

Two brokers, CBRE and Landis Graden DBA DCG Strategies, Inc., provided complete proposals and attended mandatory bid walks. The responses were evaluated and interviewed by the County Selection Committee. A maximum total of 100 evaluation points was available for this RFP. The total evaluation points include preference points derived from a 5% preference for local vendors

and a 5% preference for certified Small Local Emerging Business (SLEB) vendors, for a total of 10%.

Landis Graden DBA DCG Strategies, Inc., was the highest scoring qualified vendor, a certified SLEB, and is recommended for award (Certification Number: 21-00031; Expiration Date: 03/31/2023).

The following is the evaluation summary:

EVALUATION SUMMARY

| <i>Vendor</i> | <i>Location</i> | <i>Local</i> | <i>SLEB</i> | <i>Evaluation Points</i> |
|---|------------------------|---------------------|--------------------|---------------------------------|
| <i>Landis Graden DBA DCG Strategies, Inc.</i> | <i>Dublin, CA</i> | <i>Y</i> | <i>Y</i> | <i>91.33</i> |
| <i>CBRE</i> | <i>Oakland, CA</i> | <i>Y</i> | <i>Y</i> | <i>72</i> |


FINANCING:

Funding for the brokerage service calculated at 5% of the property selling price will be deducted from the sales proceeds to the broker at the close of escrow. No additional appropriations are required and there will be no increase in net County cost.

VISION 2026 GOAL:

Marketing and disposition of unneeded real estate meets the 10X goal pathway of **Accessible Infrastructure** in support of our shared vision of a **Prosperous and Vibrant Economy**.

Respectfully submitted,

DocuSigned by:

BB3D9AF6ACCD422...
Kimberly Gasaway
Interim Director, General Services Agency

I:\BOARD LETTERS\RPM\LETTERS\2022\BOS.05.24.22.RPM.AWARD CONTRACT TO DCG STRATEGIES 286 14TH BL

Attachment

cc: County Administrator
Auditor-Controller
County Counsel

Approved as to Form
DONNA R. ZIEGLER, County Counsel

DocuSigned by:
By Andrew Massey
Andrew Massey, Deputy

THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA
RESOLUTION NUMBER: R-2022 - 253

**AUTHORIZE THE PUBLIC SALE OF SURPLUS PROPERTY; ASSIGN BROKERAGE
TO SELL PROPERTY; SET TERMS AND CONDITIONS; DATE, TIME, AND PLACE
FOR OPENING PROPOSALS; POST AND PUBLISH**

WHEREAS, the County of Alameda, a political subdivision of the State of California, is the fee simple owner of that certain improved real property located at 286 14th Street Oakland, CA, more particularly designated and described as:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

WHEREAS, this Board of Supervisors found and determined that said real property should be offered for public sale; and

WHEREAS, the requirements of Sections 54222 and 65402 of the Government Code of the State of California have heretofore been complied with, insofar as said code sections apply to the public sale of said real property; and

NOW THEREFORE, BE IT RESOLVED, that said real property described in the attached Exhibit "A" is approved for public sale under the following terms and conditions, to wit;

1. **AUTHORIZE PAYMENT OF COMMISSION TO BROKER**

Retain Landis Graden from DCG Strategies, Inc. ("Broker") as the County's broker to whom commission shall be paid from the proceeds of sale of the Property at the rate of 2.5%, except in the event the winning bidder is also represented by a broker, the commission shall be 5%, which amount shall be split evenly between said broker and Broker. In no event shall the brokerage fee exceed a maximum of Two Hundred Fifty Thousand Dollars. (\$250,000).

2. **MINIMUM PROPOSAL**

The minimum acceptable written proposal for the purchase of the property is Two Million Five Hundred Thousand Dollars (\$2,500,000.00).

2. **OFFICIAL PROPOSAL FORM**

No written proposal will be considered unless submitted on the County of Alameda's Official Proposal form, which is available from DCG Strategies 7600 Dublin Blvd., Suite 275 Dublin, CA 94568, telephone (925) 479-1350, on or before **Friday, August 26, 2022**, by 4:30 p.m.

3. **DEPOSIT**

Each bidder shall deposit with Old Republic Title the sum of FIFTY THOUSAND DOLLARS (\$50,000.00) by a cashier's check or certified check, payable to "Old Republic Title c/o 286 14th Street". Personal checks are not acceptable. The required deposit must be submitted with each written proposal in order for such proposal to be considered. In the event of oral bids, each person present who has submitted the required deposit and completed the Official Proposal Form is an eligible oral bidder. No deposits will be accepted by Old Republic Title, nor shall oral bids be accepted if the proposed bidder has not submitted the required deposit and completed the Official Proposal Form and delivered it to Old Republic Title Company c/o 286 14th Street, 555 12th Street, Ste. 2000 Oakland, CA 94607 on or before **Tuesday, August 30, 2022, by 4:30 p.m.** Upon completion of all bidding and acceptance of the highest bid, Old Republic Title will return the deposits to all parties except the high bidder, whose deposit will be retained, becomes non-refundable, and will be credited to the purchase price of the property.

4. **SALE PROCEDURE**

(a) Written Proposals:

All of the written proposals received will be opened, examined, and declared acceptable or not by the Director of the General Services Agency, or her designee. Of the proposals submitted which conform to all of the terms and conditions herein stated, and which are made by responsible proposers, the proposal, which is the highest shall be accepted, unless a higher oral bid is accepted or the Director of the General Services Agency, or her designee, rejects all written proposals and oral bids. If no acceptable written proposal is received, the property will be withdrawn from sale.

(b) Oral Bids:

If the Director of the General Services Agency is in receipt of one or more acceptable written proposals, the Broker will call for oral bids immediately following the opening examination, and declaration of acceptability of the written proposals. If, upon the call for oral bids, any responsible person who has made the required deposit and completed the Official Proposal Form as set forth above can offer to purchase the property upon the terms and conditions herein stated, for a price exceeding the highest written proposal made by a responsible proposer by at least five percent (5%). After an initial oral bid is made, oral bidding may proceed in increments set by the Broker until the highest oral bid is finally made and accepted.

(c) Duplicate High Proposals:

In the event that two or more written proposals are received which are equal in amount, and no oral bids are made, the proposal accepted shall be that of the proposer whose name is drawn by lot immediately after the call for oral bids.

(d) Rejection of Written Proposals and/or Oral Bids:

The Director of the General Services Agency, or her designee, at his or her discretion, may reject any and all written proposals and/or oral bids and withdraw the property from sale. If the sale is canceled, all deposits will be refunded without payment of interest.

(e) Final Acceptance by Board of Supervisors

Final acceptance of the highest written or oral bid, as the case may be, shall be subject to approval of the Board of Supervisors by resolution.

5. **GENERAL**

The property is sold "as is" and the County of Alameda will pay to Broker the commission in accordance with the terms of paragraph 1 of this resolution in connection with the sale. Recording and survey monument preservation fees and documentary transfer tax shall be paid by the purchaser. The County of Alameda makes no representations as to the condition of the property, conformance to zoning requirements or permit regulations, soil conditions, or the existence, if any, of hazardous materials on the property. No title shall pass until the transaction is completed by recordation of the Quitclaim or Grant Deed, at County's discretion. Purchaser is responsible for conducting their own due diligence.

6. **CONDITIONS OF SALE**

The total balance of the approved purchase price shall be paid in full on or before the first working day following thirty (30) calendar days after the date of acceptance of either the highest written proposal or oral bid by the Board of Supervisors. Payment shall be made by cashier's check or certified check payable to "Old Republic Title c/o 286 14th Street". At the time of payment, the recording and survey monument preservation fees and documentary transfer tax shall also be paid by check payable to "Old Republic Title c/o 286 14th Street". Check(s) shall be delivered to Old Republic Title Company c/o 286 14th Street, 555 12th Street, Ste. 2000 Oakland, CA 94607, by no later than 4:30 p.m. of the aforesaid first working day following the 30th calendar day after the aforesaid date of acceptance. On the day of receipt of said funds or prior thereto, or on the following first working day, Real Property Management shall cause the recordation of the Quitclaim or Grant Deed, at County's discretion, at the office of the Alameda County Recorder, thereby completing the transaction.

7. **ESCROW**

Escrow shall be conducted by Old Republic Title and the escrow number of the escrow so opened within one (1) day of Board of Supervisors acceptance. The instructions for the escrow will be based upon the terms and conditions specified in this Resolution. The successful bidder shall pay all costs of this escrow, including recording fees, documentary transfer taxes, and any other title and escrow fees and charges. The sale shall be at no

expense to the County. This transaction is to close within 30 days of Board acceptance of the highest bid.

8. **ENTRY ON PROPERTY TO CONDUCT INVESTIGATION**

If a prospective proposer needs to gain entry to the property to conduct any form of investigation or to tour the property prior to the below stated date of opening written proposals, said party shall schedule a prospective appointment to tour the property with Real Property Management (510) 301-0002. Open houses shall be conducted by the Broker, who shall advertise open house dates and times property is to be held open.

9. **DEFAULT**

The non-payment of the full purchase price by the first working day following the 30-day time limit shall result in cancellation of the sale and forfeiture of deposit. No extension of time for payment will be granted.

The proposer or oral bidder understands and agrees that failure to comply with the provisions herein or other default will result in actual damages to the County, which will be extremely difficult to ascertain and determine. The County has determined that the required deposit is equal to or less than the estimated actual damages, which will be incurred by the County by the proposer's or oral bidder's default. Therefore, to avoid uncertainty and litigation should default occur, the County and the proposer or oral bidder agree that the required deposit represents appropriate liquidated damages.

AND BE IT FURTHER RESOLVED that **Monday, September 12, 2022**, at the hour of **11:00 a.m.**, at **286 14th Street, Oakland, CA**, be and the same are hereby fixed as the date, time and place for opening written proposals for the purchase of the real property described in Exhibit "A"; and

BE IT FURTHER RESOLVED those copies of this resolution, signed by the President of this Board of Supervisors, shall be posted in three (3) public places in the County of Alameda, not less than fifteen (15) days prior to the date hereinbefore fixed for reception and opening of written proposals; and

BE IT FURTHER RESOLVED that this resolution shall be published once a week for three (3) successive weeks prior to the date of reception and opening of proposals in Inter-City Express, a newspaper of general circulation, published in Alameda County; and

BE IT FURTHER RESOLVED that the proceeds from the sale of said real property shall be deposited in the County of Alameda Supervisorial District 5 Miscellaneous Designation Fund.

BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA, THIS 24TH DAY OF MAY 2022.

Exhibit A
LEGAL DESCRIPTION

Beginning at the point of intersection of the Northern line of 14th Street with the Eastern line on Harrison Street, as said Northern line of 14th Street is shown on the Map of "Plat Showing Lands to be taken for, and District to be Assessed to pay expenses of Extending Fourteenth Street in the City of Oakland, California," etc. - filed August 1, 1908, in Book 24 of Maps at Page 16, in the Office of the County Recorder of Alameda County, and as said Eastern line of Harrison Street is shown on the "Map of Alice Park Property, Oakland" - filed February 26, 1868, in the Office of the County Recorder of Alameda County, which said point is distant 280 feet Northerly from the point of intersection of the Northern line of 13th Street with the Eastern line of Harrison Street, according to Kellersberger's Map of the City of Oakland, on file and of record in the Office of the County Recorder of Alameda County; running thence Easterly along said Northern line of 14th Street, 100 feet; thence at right angles Northerly, and parallel with said Eastern line of Harrison Street, 98 feet; thence at right angles Westerly and parallel with said North line of 14th Street, 100 feet to said Eastern line of Harrison Street; and thence Southerly along said last named line, 98 feet to the point of beginning.

Being portions of Lots 2 and 3, Map of Alice Park Property, Oakland - filed February 26, 1868, in Book 3 of Maps, Page 7, Alameda County Records.


APN: 008-0626-021

THE FOREGOING was **PASSED** and **ADOPTED** by a majority vote of the Alameda County Board of Supervisors this **24th** day of **May, 2022**, to wit:

AYES: Supervisors Brown, Haubert, Miley & President Carson – 4

NOES: None

EXCUSED: Supervisor Valle - 1



PRESIDENT, BOARD OF SUPERVISORS

File No: 30847
Agenda No: 36
Document No: R-2022-253



I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Supervisors, Alameda County, State of California

ATTEST:

Clerk of the Board
Board of Supervisors

By:  _____
Deputy