

REDEVELOPMENT AGENCY  
BOARD

HARRY S. MAVROGENES  
EXECUTIVE DIRECTOR

SEE BELOW

APRIL 17, 2006

### **INFORMATION**

**SUBJECT: WORK UNDERTAKEN THROUGH USE OF EXECUTIVE DIRECTOR'S EMERGENCY AUTHORITY TO ABATE MOLD AT AGENCY-OWNED PROPERTY AT 366 SOUTH FIRST STREET**

On May 3, 2005, the Redevelopment Agency entered into a Lease Agreement with Brian Eder and Cheri Lakey, individuals dba Two Fish Design Group, for an Agency-owned building located at 366 South First Street (the former Camera One building). The lease required that Two Fish Design Group be responsible for all improvements necessary to occupy the building.

Subsequently, Two Fish Design Group requested Agency assistance to make building improvements, including: handicapped-accessible restroom; modified storefront for handicapped-accessible entry; installation of panic hardware on exit doors; and modifications to the building's rear exit. The lease was amended on January 12, 2006, to allow the Agency to undertake these improvements. On February 27, a contract with Calstate Construction in the amount of \$48,200 was executed to construct the work required under the amendment.

On March 23, Two Fish Design Group was notified that mold was discovered in the interior walls of the restroom. Although the provisions in the Lease provide that Two Fish is responsible for the repair and maintenance of interior walls, to expedite the work and to immediately mitigate unknown health issues, the Agency authorized a change order on March 27, in the amount of \$15,000, to treat the mold. The contractor completed the mold abatement work on March 31. Agency staff is in contact with the Two Fish principals to arrange a repayment schedule for the cost of this work.

HARRY S. MAVROGENES  
Executive Director