



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 10/23/2012

Report Type: Consent

Title: Supplemental Agreement: Coloma Community Center

Report ID: 2012-00847

Location: 4623 T Street, District 6

Recommendation: Pass a Motion: 1) finding that it is in the best interest of the City to amend the lease for designated portions of the property at 4623 T Street, commonly known as the Coloma Community Center, without bidding, pursuant to Sacramento City Code section 3.68.110E; 2) authorizing the City Manager or the City Manager's designee to execute the Second Amendment to the Lease for portions of the Coloma Community Center with Sacramento Community Cable Foundation, Inc.; and 3) authorizing the City Manager or the City Manager's designee to execute such additional documents and to take additional actions as may be necessary to implement the Second Amendment to the Lease.

Contact: Teresa Jackson, General Recreation Supervisor, (916) 808-3818; Vincene Jones, Neighborhood Services Manager, (916) 808-5072, Department of Parks and Recreation

Presenter: None

Department: Parks & Recreation Department

Division: Neighborhood Services

Dept ID: 19001511

Attachments:

1-Description/Analysis

2-Second Amendment to Lease

City Attorney Review

Approved as to Form
 Sheryl Patterson
 10/12/2012 4:16:09 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
 Russell Fehr
 10/5/2012 10:55:55 AM

Approvals/Acknowledgements

Department Director or Designee: Jim Combs - 10/11/2012 11:56:04 AM

Description Analysis:

Issue: Sacramento Community Cable Foundation, Inc. entered into a Lease Agreement, dated November 7, 2002 (City Agreement No. 2002-200) for use of the Sutter Creek, Coulterville, Fiddletown and Mariposa Rooms in the Coloma Community Center located at 4623 T Street. The Lease consists of 3,382 square feet for operation of the Access Sacramento public radio operation and administrative offices. The term of the Lease was for a period of five years, commencing on November 1, 2002 to October 31, 2007, with two five-year extension options, with a lease rate of \$.95 per sq. ft. Under the provisions of the First Amendment to the Principal Agreement, the Lease term was extended for the initial five-year option period, to expire on October 31, 2012, and the rental rate was adjusted to \$1.10 per sq. ft. to reflect the fair market rental rate at that time.

Sacramento Community Cable Foundation, Inc. has agreed that the current fair market rental rate for the Premises to allow for the exercise of the second five-year renewal option would be at the same \$1.10 per sq. ft. rate. The Second Amendment would extend the term of the Lease for five additional years, from November 1, 2012 to October 31, 2017.

Sacramento Community Cable Foundation, Inc. would also like to expand the definition of the “Premises” to add the Rough and Ready Room at 765 sq. ft. The revised size of the Premises would be 4,147 sq. ft.

Staff is recommending the City Council authorize the City Manager or his designee to execute the Second Amendment to the Lease with Sacramento Community Cable Foundation, Inc for the for designated portions of the Coloma Community Center Community Center at the current rental rate through October 31, 2017.

Policy Considerations: This recommendation is consistent with: 1) the provisions of City Code Section 3.68.110E, which stipulates if the City Council finds it is in the best interest of the City, it may lease City-owned property without bidding to a nonprofit tax-exempt community civic organization with a membership comprised predominantly of persons residing in the city; 2) City Council direction to keep community centers and clubhouses open without impacting the City’s General Fund; 3) City Council priorities of preserving and enhancing neighborhoods through strong neighborhood associations and leadership; and 4) Policy 4.1, of the *Parks and Recreation Master Plan 2005-2010, 2009 Technical Update*, to maximize space/facility utilization, while balancing revenue generation with community use, generally giving preference to City residents.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): The leasing of existing public structures or facilities involving negligible or no expansion of use is exempt from the CEQA under the Class 1 Categorical Exemption as defined by the CEQA Guidelines (Title 14 Cal. Code Reg. § 15000 et seq.), Section 15301, “operation of existing public structures or facilities involving no expansion of use.”

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Sacramento Community Cable Foundation, Inc. has demonstrated its commitment to the community and its ability to operate and manage its public radio operation from within a City facility. The monthly rent will help off-set the building’s utility and routine maintenance costs which would otherwise be supported by the General Fund.

Financial Considerations: The Second Amendment of the Lease begins on the November 1, 2012, and expires on October 31, 2017. Lease revenue will be \$4,561.70 per month or \$54,740.40 annually. The revenues and expenditures have been budgeted for Fiscal Year 2012/13.

Emerging Small Business Development (ESBD): Not applicable.



SECOND AMENDMENT TO LEASE COLOMA COMMUNITY CENTER

THIS SECOND AMENDMENT (the "Amendment") is made as of _____, 2012, by and between the **CITY OF SACRAMENTO**, a municipal corporation, ("LESSOR") and **SACRAMENTO COMMUNITY CABLE FOUNDATION, INC.**, a California non-profit public benefit corporation ("LESSEE").

RECITALS

- A. The above-named parties entered into a Lease Agreement (the "Principal Agreement"), dated November 7, 2002, City Agreement No. 2002-200 (the "Lease"), for use of the Sutter Creek, Coulterville, Fiddletown and Mariposa Rooms in the Coloma Community Center located at 4623 T Street, consisting of 3,382 square feet (the "Premises") for operation of the Access Sacramento public radio operation and administrative offices.
- B. The term of the Lease under the Principal Agreement was for a period of five years commencing on November 1, 2002 to October, 31, 2007, with two five year renewal options, with a lease rate of \$.95 per sq. ft. Under the provisions of the First Amendment to the Principal Agreement, the Lease term was extended for the initial five year option period, to expire on October 31, 2012, and the rental rate was adjusted to \$1.10 per sq. ft. to reflect the fair market rental rate at that time.
- C. LESSOR and LESSEE have agreed that the current fair market rental rate for the Premises to allow for the exercise of the second five year renewal option would be at the same \$1.10 per sq. ft. rate, and LESSEE desires to expand the Premises to include the Rough and Ready Room at 765 sq. ft.
- D. The Parties desire to amend the Principal Agreement to expand the definition of the "Premises" to add the Rough and Ready Room and to set the rental rate for the second renewal option period.
- E. In addition LESSEE desire to make improvements to the Rough and Ready Room and to acquire certain furnishings and equipment from LESSOR as part of the expansion of its operations at the Coloma Community Center.

NOW THEREFORE, it is mutually agreed between the Parties as follows:

1. **Description of Premises.** Commencing on November 1, 2012, Section 1, Description of Premises, of the Principal Agreement is amended to add the following:

"The Premises shall also include the Rough and Ready room which measures 765 sq. ft. The revised size of the Premises is 4,147 sq. ft."

All other terms and provisions in Section 1 of the Principal Agreement shall remain unchanged.

2. **Term.** LESSEE hereby exercises its right to the Second Renewal of the Term of the Principal Agreement for five years, from November 1, 2012 to October 31, 2017.

3. **Rent.** Section 3 (a) of the Principal Agreement is amended to read as follows:

“(a) Commencing on November 1, 2012, the Rent payable hereunder shall be Four Thousand Five Hundred and Sixty One Dollars and Seventy Cents (\$4,561.70) per month calculated on One Dollar and Ten Cents (\$1.10) for the 4,147 square feet of leased space.”

All other terms and provisions in Section 3 of the Principal Agreement shall remain unchanged.

4. **Alterations; Mechanic Liens.** LESSEE may undertake alterations and improvements in the Rough and Ready Room in accordance with the terms and conditions of the Principal Agreement, in particular Section 10, which requires LESSOR’s prior written consent with regard to the scope and schedule to undertake such alterations and improvements.

5. **Acquisition of LESSOR’s Furniture and Equipment.** LESSEE desires to acquire, and LESSOR is willing to sell, the following items of furniture and equipment owned by LESSOR and currently located in the Premises for the amounts set forth below:

1 desk at the price of \$1,500

6. **Entire Agreement.** This Amendment constitutes the entire agreement, and supercedes any prior written or oral agreements, between the Parties with respect to the matters contained herein. All other terms and conditions of the Principal Agreement not modified by this Amendment shall remain in full force and effect.

7. **Authorization.** Each individual executing this Amendment on behalf of any entity represents and warrants that he or she has been duly authorized to do so by the entity on whose behalf he or she executes this Amendment and said entity will thereby be obligated to perform the terms of this Amendment.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF, this Second Amendment has been executed by LESSOR and LESSEE as of the day and year first stated above.

LESSOR:

CITY OF SACRAMENTO,
a municipal corporation

By: _____
Jim Combs
Director of Parks and Recreation

For: John F. Shirey, City Manager

Approved as to form:

By: _____
Senior Deputy City Attorney

Attest:

By: _____
City Clerk

LESSEE:

SACRAMENTO COMMUNITY CABLE FOUNDATION, INC.,
a California non-profit public benefit corporation

By:  _____
Name:
Title: *Executive Director*