



## Agenda Report

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**File #:** 19-0376

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### **AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION**

**DATE:** April 17, 2019

**TO:** Honorable Mayor and City Council Members

**FROM:** Library and Recreation Services Department

**SUBJECT:**

City Council consideration of Renewal of Lease Agreement with Corona-Norco Family YMCA regarding property at 312 S. Merrill St.

**RECOMMENDED ACTION:**

That the City Council:

1. Approve renewal of a Lease Agreement with Corona-Norco Family YMCA for property located at 312 S. Merrill Street.
2. Authorize the City Manager, or their designee, to execute the Lease Agreement.

**ANALYSIS:**

In September 2013, the Corona-Norco Family YMCA (YMCA) received approval from the Corona Police Activities League (PAL) to renovate and expand the restrooms at the facility in anticipation of being able to offer programs at the facility. The YMCA reported expenditures in excess of \$50,000 for improvements. On March 7, 2014, the City purchased the property located at 312 S. Merrill Street from the PAL. The City subsequently entered into a five-year lease agreement with the YMCA for the property for the provision of community and child care programs. The term of the current lease is May 7, 2014 through May 7, 2019.

The existing Lease Agreement includes the following:

- Outlines the specific responsibilities of the City and YMCA for the maintenance, repairs, improvements, and utility costs of the facility.
- Provides for a second five-year term.
- Allows the City to terminate the lease at any time, without cause, with 90 days' notice or to relocate the YMCA with 30 days' notice should the City determine a higher priority need for the property.

- Provides that all YMCA repairs/improvements to the property require City approval.

The YMCA continues to provide quality programs and valuable services to the community, particularly to economically-challenged Corona families. Thus, there is a proposal to renew the agreement between the parties. The proposed lease would be for the term May 7, 2019 through May 7, 2024. Minimal changes to the agreement ensure that the language is made consistent with the contents of an existing agreement between the City and the YMCA for property at 1100 River Road, where the YMCA provides similar services. All changes are redlined in Attachment 1. Redline of Proposed Lease Agreement

**COMMITTEE ACTION:**

On April 3, 2019, the lease agreement was reviewed by the Public Services Committee and the committee had no objections to the lease agreement per review and consent of the City Attorney. The City Attorney reviewed the agreement and had no objections to the proposed agreement.

**STRATEGIC PLAN:**

This item supports the City's Strategic Plan Goal 4: "Actively engaging in public and private partnerships to provide services and amenities" as the City is partnering with the Corona-Norco Family YMCA in the provision of community and childcare services at the identified property.

**FISCAL IMPACT:**

The amount of the lease remains \$1 per year for a term of five years. Additionally, the YMCA will be responsible for all repairs, maintenance, improvements, and utilities except where major repairs are necessary. Major repairs are identified as roof, foundation, exterior walls, and all structural components as well as major repairs to the plumbing, electrical, and heating/air conditioning systems. Such repairs will remain the responsibility of the City.

**ENVIRONMENTAL ANALYSIS:**

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act

**PREPARED BY:** CRISTINA GAVETT, MANAGEMENT ANALYST

**REVIEWED BY:** DAVID MONTGOMERY-SCOTT, LIBRARY AND RECREATION SERVICES DIRECTOR.

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**REVIEWED BY:** MICHELE NISSEN, ASSISTANT CITY MANAGER

**SUBMITTED BY:** MITCHELL LANSDELL, ACTING CITY MANAGER

**Attachments:**

1. Redline of Proposed Lease Agreement
2. Final Proposed Lease Agreement