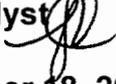


**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Jeremy Laurentowski, Parks and Recreation Director 

BY: Jessica Sandifer, Management Analyst 

DATE: December 6, 2013 (CC Mtg. December 18, 2013)

SUBJECT: Consider Second Amendment to Lease Agreement with First 5 Neighborhoods for Learning

BACKGROUND

In June 2012, the City Council approved the lease agreement for First 5 Neighborhoods for Learning (First 5) for Space D (now Suite 401) in the Ruben Castro Human Services Center (RCHSC). Staff has previously approved an amendment to the lease allowing First 5 to store their mobile service recreational vehicle at the Moorpark Public Services Facility. The proposed second amendment is to build a shade structure over First 5's outdoor play area.

DISCUSSION

When the RCHSC was constructed, the outdoor play area adjacent to Space D was designed to include a rubberized play surface. A light color was selected for the rubberized material in an effort to maintain cooler temperatures during the warmer seasons. Lighter color surfaces tend to reflect light, thus reducing the amount of light that is absorbed in the material and heat that is produced. However, even with the selection of the lighter surface color, the play surface and ambient outside temperature in the play area becomes too warm to utilize the space during the warmer periods of the year. The play area is primarily south/east facing and is subject to direct sun light for the majority of the day.

First 5, has requested a shade structure to be installed over the outdoor play area to allow use of the area during the warmer months of the year. The overall size of the outside play area is approximately 32' by 42'. Due to the relatively large size of the area, and excessive installation and maintenance costs associated with a wood or metal structure, staff recommends the installation of a series of fabric shade sails strategically designed to minimize the sun exposure. The shade sails have a life span of approximately ten to twelve years and are installed with stainless steel hardware and

powder coated support posts. In addition to providing a cost effective and fun shade solution for the play area, staff feels that the overall appearance of the shade sails will complement the architectural design of the building. The example shown in Attachment 2 is provided to demonstrate the overall appearance of the structure. The final design and colors will be selected to compliment the building.

Staff estimates the total cost of the shade sails, including installation, to be approximately \$16,000. A conservative estimate for a metal shade structure of similar size is approximately \$70,000 and a comparable wood structure would cost approximately \$56,000 depending on the overall design. Staff recommends fronting the cost of the shade sail structure for the tenant, with the tenant paying an additional rental amount of \$260/month to repay the City. The cost of the shade structure would be recaptured over the initial five year lease term. After the initial five year term of the lease, the monthly rental will be set aside for replacement of shade sail fabric and any future maintenance costs associated with the supporting structure. The lease amendment would start a new five year lease term and add the monthly repayment cost of the shade structure. The amendment to the lease would be executed prior to construction of the shade structure.

FISCAL IMPACT

As stated, the estimated cost of the shade structure is \$16,000. Staff is proposing to use remaining RDA 2006 Bond Funds to construct the shade structure. A staff report will be prepared for the Successor Agency board to approve the construction agreement and fund allocation for the shade structure at the next meeting of the City Council/Successor Agency Board. The additional rent payment will go back to the General Fund to reimburse the cost of the shade structure and be set aside for future replacement and maintenance costs.

STAFF RECOMMENDATION

Approve Amendment No. 2 to First 5 Neighborhoods for Learning lease extending the term and providing for repayment of the construction costs for a shade structure, and authorize City Manager to sign, subject to final language approval of the City Manager and City Attorney.

Attachments:

1. Amendment
2. Shade Sail Structure

ATTACHMENT 1

**AMENDMENT NO. 2
TO LEASE AGREEMENT BETWEEN THE CITY OF MOORPARK AND
MOORPARK/SIMI VALLEY NEIGHBORHOODS FOR LEARNING, FIRST 5
VENTURA COUNTY**

This Amendment No. 2 to the Lease Agreement between the City of Moorpark, a municipal corporation ("City"), and Moorpark/Simi Valley Neighborhoods for Learning, First 5 Ventura County, a non-profit organization, ("Tenant"), is made and entered into the _____ day of _____, 201__.

RECITALS

WHEREAS, on August 30, 2012, the City and Tenant entered into an Lease Agreement for 612 Spring Road, Suite 401 at the Ruben Castro Human Services Center (RCHSC); and

WHEREAS, on _____, 201__, the City and Tenant entered into an Amendment No. 1 for the Lease Agreement authorizing Tenant to park a mobile service recreational vehicle at the Moorpark Public Services Facility; and

WHEREAS, Tenant needs a shade structure to be built over the outdoor play area adjacent to Suite 401; and

WHEREAS, City agrees to provide construction of said shade structure; and

WHEREAS, Tenant agrees to pay City an additional rental sum to repay City for construction of the shade structure; and

WHEREAS, the City and Tenant now desire to amend the Agreement to extend the lease agreement for five (5) years and increase the rental rate by two hundred and sixty dollars (\$260) per month as repayment for the construction of the shade structure over the outdoor play area adjacent to Suite 401, and document said agreement to amend by jointly approving Amendment No. 2 to the Agreement.

NOW, THEREFORE, it is mutually agreed by and between the parties to the Agreement as follows:

I. Section 2, TERM, is amended by replacing this section in its entirety as follows:

"The term of this Lease shall commence on August 30, 2012 and all terms and conditions of the lease shall continue for a six (6) year term to the 31st day of July, 2019, unless sooner terminated as provided for in this agreement.

City's obligations hereunder shall be contingent upon Tenant's payment in full of any obligations described in Section 5 below, and Tenant's complying with all other provisions set forth herein."

ATTACHMENT 1

II. Section 5, RENT, is amended by replacing the first paragraph of Section 5 in its entirety with the following language:

“Monthly rent for Premises shall be \$1.35 per square foot based upon 3,077 square feet totaling four thousand one hundred fifty-three dollars and ninety-five cents (\$4,135.95) per month during the first two years (2) years of the initial term. In December 2015, the rental rate will be increased by three percent (3%) to four thousand two hundred and eighty dollars and eleven cents (\$4,280.11). The rental rate will be further increased by three percent (3%) for each of the extended terms contemplated by Section 3, if Tenant should elect to extend the Lease agreement. Tenant will also pay an additional rental amount of two hundred and sixty dollars (\$260) per month for the five year term of the Agreement as repayment for construction of the shade structure beginning the first month after Amendment No 2 is signed. At the end of the five year term, the shade structure will be repaid and Tenant will no longer be obligated to pay the additional rental amount.”

III. Remaining Provisions:

Except as revised by this Amendment No. 2, all of the provisions of the Agreement shall remain in full force and effect.

In Witness Whereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF MOORPARK

MOORPARK/SIMI VALLEY
NEIGHBORHOODS FOR LEARNING,
FIRST 5 VENTURA COUNTY

By: _____
Steven Kueny, City Manager

By: _____
Virginia Hayward, President and CEO

Attest:

Maureen Benson, City Clerk

