



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: SEPTEMBER 20, 2022**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT **WARD: 6**

SUBJECT: AGREEMENT WITH RIVERSIDE COUNTY OFFICE OF EDUCATION AT ARLANZA YOUTH AND FAMILY RESOURCE CENTER FOR HEAD START PROGRAM IN THE AMOUNT OF \$721.72 PER MONTH FOR THE TERM OF SEPTEMBER 1, 2022, THROUGH AUGUST 31, 2023; WITH FOUR ONE-YEAR OPTIONS TO EXTEND FOR LEASE REVENUE TOTALING \$47,855.48

ISSUE:

Approve a Lease Agreement with the Riverside County Office of Education at the Arlanza Youth and Family Resource Center to be used for the Head Start Program, for rent of \$721.72 per month for the term of September 1, 2022, through August 31, 2023, with four one-year options to extend for a total lease revenue of \$47,855.48.

RECOMMENDATIONS:

That the City Council:

1. Approve the Lease Agreement with Riverside County Office of Education for rent of \$721.72 per month for the term of September 1, 2022, through August 31, 2023, with four one-year options to extend; and
2. Authorize the City Manager, or his designee, to execute the agreement, including making minor and non-substantive changes and execution of all term extensions.

BACKGROUND:

On March 3, 2008, the City, and Riverside County Office of Education (RCOE) entered into a Lease Agreement for the Arlanza Youth and Family Resource Center at 7940 Philbin Avenue for a five-year term commencing on September 1, 2007, through August 31, 2012.

On December 7, 2010, the City Council approved the First Amendment to the Lease Agreement, which reduced the rental rate for the RCOE due to economic constraints and dwindling funding sources.

On March 6, 2012, the City Council approved a Second Amendment to the Lease to allow construction of a picnic shelter adjacent to the childcare center, on leased premises, for use by children of the center as protection from the sun. As a permanent fixture to the property, the picnic shelter remained the property of the City and shall not be removed by RCOE.

On November 27, 2012, the City Council approved a Third Amendment to the Lease, allowing a five-year extension to the term.

On April 11, 2017, the City Council approved a fourth Amendment to the Lease, allowing a five-year extension to the term.

DISCUSSION:

RCOE offers a Head Start childcare center at this facility, located at Bryant Park. Over 34 families are currently enrolled in the Head Start program. Services provided include childcare, free screenings for vision, dental, hearing, parenting classes, and nutrition services.

The lease consists of 1,632 square feet of classroom and office space, approximately 9,350 square feet of adjacent outdoor play area, use of a picnic shelter, and playground.

The City uses this property for office space from which various non-profit organizations or associations operate programs that benefit the citizens of Riverside. Agencies enhance equity by providing educational and social services for members of the community. For example, these centers are currently providing office space for Latino Lawyers, Inc., Riverside Unified School District, Farmworker's Institute of Education, and Leadership Development. The City and RCOE have mutually executed a new Lease Agreement for a term of September 1, 2022, through August 31, 2023.

STRATEGIC PLAN ALIGNMENT:

The lease agreement with RCOE supports **Strategic Priority 2 – Community Well Being**, and **Goal 2.5** by creating partnerships that contribute to the community's social service needs.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Childcare, parenting classes, nutrition services and free health screenings are a critical need for many families. This lease agreement assists the community by supporting agencies who can provide social services to low-income families.
2. **Equity** – This lease agreement makes childcare, parenting classes, nutrition services and free health screenings accessible for families at or below the federal poverty level.
3. **Fiscal Responsibility** – Lease agreements generate rental income for the City, assisting in offsetting costs for facility maintenance and lease administration.
4. **Innovation** – Lease agreements with other agencies assists the City in providing social services to address the community's needs.
5. **Sustainability & Resiliency** – This lease agreement partners the City of Riverside and

RCOE to ensure that critical social service needs will continue to be met and are accessible to the community.

FISCAL IMPACT:

The total fiscal impact of this action is \$47,855.88, including renewal options. Revenue generated will be deposited into the General Fund, Land and Building account 5205000-373100. The table below outlines revenue generated per each term of the agreement and total revenue generated as a result of this agreement and term extensions:

Term	Monthly Rate	Annual Revenue
September 1, 2022 - August 31, 2023	\$ 721.72	\$ 8,660.64
September 1, 2023 - August 31, 2024	\$ 757.81	\$ 9,093.72
September 1, 2024 - August 31, 2025	\$ 795.70	\$ 9,548.40
September 1, 2025 - August 30, 2026	\$ 835.49	\$ 10,025.88
September 1, 2026 - August 30, 2027	\$ 877.27	\$ 10,527.24
Total:		\$ 47,855.88

Prepared by:	Pamela M. Galera, Parks, Recreation and Community Services Director
Certified as to availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney
 Attachment:	 Agreement