



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MAY 16, 2023**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT **WARD: 4**

SUBJECT: FIRST AMENDMENT TO THE LEASE AGREEMENT WITH THE TORO COMPANY AT UNDEVELOPED PARK PROPERTY LOCATED AT 1739 BRADLEY STREET – GOLDEN STAR PARK SITE FOR THE TERM OF JULY 1, 2023, TO JUNE 30, 2028

ISSUE:

Approve the First Amendment to the Lease Agreement with The Toro Company at the undeveloped park property located at 1739 Bradley Street – Golden Star Park site for the term of five years from July 1, 2023, to June 30, 2028.

RECOMMENDATIONS:

That the City Council:

1. Approve the First Amendment to the Lease Agreement with The Toro Company for the term of July 1, 2023, to June 30, 2028; and,
2. Authorize the City Manager, or designee, to execute necessary documents for the Lease Agreement with The Toro Company, including making minor and non-substantive changes.

BACKGROUND:

On April 11, 2006, City Council authorized the appropriation of funding to purchase the Golden Star Park site for future development of a neighborhood park (Attachment 2). With no immediate plans or funding to develop the park site, staff posted Request for Proposals (RFP) #1670 on November 17, 2016. The Toro Company’s (Toro) proposal was the only proposal received that met the minimum qualifications, and it was reviewed and scored by the selection committee.

On December 13, 2017, the Community Services and Youth Committee (CSYC) received an update and provided input regarding the Toro Company proposed Lease for the Golden Star Park site. On December 18, 2017, the Park and Recreation Commission received an update as well. In response to the meetings and comments, Toro has agreed to add drought tolerant landscaping on Bradley Street and Summit Street frontage, and staff has contacted the adjacent neighbors to help facilitate legal access through their private access easement which would eliminate Toro’s illegal access through the Golden Star Park site.

On March 6, 2018, City Council approved an initial term of 60 months with an option to extend for two additional five-year terms.

DISCUSSION:

The Parks, Recreation and Community Services Department (PRCSD) oversees and manages the lease agreement for Toro at the undeveloped park property located at 1739 Bradley Street – Golden Star Park site with monthly lease revenue of \$2705.59; the lessee agrees to maintain and keep the premises in good condition and repair and to keep the premises in an attractive, neat, clean, and orderly condition.

The current agreement with Toro will terminate on June 30, 2023. To ensure that the undeveloped park property is maintained, PRCSD is requesting to enter into a five-year agreement with Toro. The Toro Company has agreed to enter into a new lease agreement for a five-year term of July 1, 2023, to June 30, 2028, with an anticipated increase to the lease per the May Consumer Price Index which data was unavailable at the time of drafting this staff report.

STRATEGIC PLAN ALIGNMENT:

The work contributes to **Strategic Priority 1 – Arts, Culture and Recreation** and **Goal 1.3** in addressing parks and open space maintenance needs.

This action aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Well maintained open space serves the public interest, benefits the City's diverse populations, and results in the greater public good.
2. **Equity** – Well-maintained open space contributes to public safety.
3. **Fiscal Responsibility** – Continuous open space maintenance is fiscally prudent, as it is more costly to restore open space to adequate conditions due to overgrowth.
4. **Innovation** – The Agreement ensures that the open space is maintained and be utilized for new emerging lawnmower technology.
5. **Sustainability & Resiliency** – The lease agreement preserves the beautification and maintenance of open space for future use.

FISCAL IMPACT:

The total fiscal impact of this action is currently unknown. Current monthly revenue is \$2,705.59. An increase to the lease revenue is anticipated per the May Consumer Price Index which data was unavailable due to the timing of the staff report. Revenue from the lease will be deposited into the General Fund, Parks, Land and Building revenue account 5215000-373100.

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/City Treasurer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Lease Agreement