

*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: MARCH 6, 2018**

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

**SUBJECT: LEASE AGREEMENT WITH THE TORO COMPANY AT UNDEVELOPED PARK PROPERTY LOCATED AT 1739 BRADLEY STREET AND 7550 SUMMIT STREET – GOLDEN STAR PARK SITE FOR AN INITIAL TERM OF 60 MONTHS WITH AN OPTION TO EXTEND FOR TWO ADDITIONAL FIVE-YEAR TERMS WITH MONTHLY LEASE REVENUE OF \$2,300**

## **ISSUE:**

Approve the Lease Agreement with The Toro Company (Attachment 1) at undeveloped park property located at 1739 Bradley Street and 7550 Summit Street – Golden Star park site with an initial term of 60 months, with the option to extend for two additional five-year terms, for usage of 19.31 acres of parkland for a turf grass and irrigation testing facility, generating \$2,300 in revenue monthly.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Lease Agreement with The Toro Company at undeveloped park property located at 1739 Bradley Street and 7550 Summit Street – Golden Star Park site for an initial term of 60 months with an option to extend for two additional five-year terms; and
2. Authorize the City Manager, or his designee, to execute necessary documents for the Lease Agreement with The Toro Company.

## **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 available to develop the park site, staff posted Request for Proposals (RFP) #1670 on November 17, 2016 to identify opportunities to provide a potential revenue source for future developments at the park site. The Toro Company's 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's proposal for the Golden Star Park Site (Attachment 3). On December 18, 2017, the Park and Recreation Commission received the same update (Attachment 4). In response to the input provided at these meetings, The Toro Company agreed to add drought tolerant landscaping on Bradley Street and Summit Street frontage, and Staff has reached out to the adjacent neighbors to help facilitate legal access through their private access easement which would eliminate their illegal access through the Golden Star park site.

## **DISCUSSION:**

The Parks, Recreation and Community Services Department (PRCSD) concurs with the Lease Agreement terms summarized below.

### **Toro Lease Agreement Summary**

1. **The Property Leased:** 19.31 acres
2. **The Purpose of Lease:** Turf grass and irrigation techniques evaluation area, raised planter beds for educational opportunities, temporary storage areas for equipment, temporary parking area and a shaded work area for workers sun relief.
3. **Term:** 60 month initial term with two optional terms for five years each for a total of up to 15 years.
4. **Rent:** \$2,300 per month, increased each year to reflect increases, if any, for the Price Index for All Urban Consumers for the Los Angeles-Anaheim-Riverside Standard Metropolitan Statistical Area.
5. **Improvements:** Lessee will be authorized, to install a temporary parking lot (crushed rock), Temporary 20' x 20' Storage Area, Fencing with woven fabric, gate, raised planter beds, temporary wood shade structures, temporary irrigation, water services, electrical services and turf grass evaluation areas with underground irrigation.
6. **Maintenance and Use:** 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. Lessee also agrees to conduct their business and control their employees as to not create a nuisance or risk of fire or other hazard.

The lease agreement is expected to generate revenue totaling approximately \$500,000 over 15 years, and will assist in reducing park related debt.

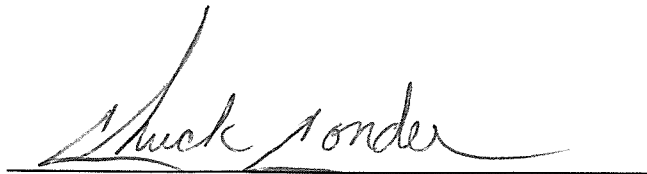
The Purchasing Services Manager concurs that the recommend action is in compliance with the City of Riverside's current Purchasing Resolution.

## **FISCAL IMPACT:**

The total fiscal impact of this action is \$2,300 in monthly lease revenue. The monthly revenue will be deposited into the Park Rental Revenue Account No. 0000101-343610.

Prepared by: Adolfo Cruz, Parks, Recreation and Community Services Director  
Certified as to  
availability of funds: Adam Raymond, Chief Financial Officer/City Treasurer  
Approved by: Al Zelinka, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Concurs with:

A handwritten signature in cursive script, reading "Chuck Conder", is written over a horizontal line.

Chuck Conder, Chair  
Community Services and Youth Committee

Attachments:

1. Lease Agreement
2. Council Report and Minutes
3. Community Services and Youth Committee Report and Minutes
4. Park and Recreation Commission Report and Minutes
5. Presentation
6. RFP Award Recommendation