

**REPORT TO MAYOR AND COUNCIL**

TO THE HONORABLE MAYOR AND COUNCIL:

DATE: July 7, 2015

SUBJECT: APPROVAL OF THE FIRST AMENDMENT TO LEASE AGREEMENT WITH THE FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION FOR THE USE OF THE MONUMENT COMMUNITY FIRST 5 CENTER

Report in Brief

This proposed amendment to the lease agreement with the First 5 Contra Costa Children and Families Commission is necessary for the continued use of the First 5 Center (Attachment 1). The Center provides programs for children ages 0-5 and their families. The term of the amended Agreement is for one year and may be renewed for an additional year.

Staff recommends that the City Council approve the First Amendment to Lease Agreement with the First 5 Contra Costa Children and Families Commission and authorize the City Manager, or her designee, to execute the agreement.

Background

In 2003, the City and Monument Community Partnership (MCP) collaboratively applied for a grant to the First 5 Commission for programs that support the healthy development of children ages 0-5 and their families in the Monument Corridor. The First 5 Commission allocates money that is generated through the tobacco tax initiative, Proposition 10, which was approved by voters in 1998. The Commission approved the MCP/City application in June 2003. Almost all funds in the first year allocation of the grant, \$490,000, were designated for capital costs associated with providing a building or other appropriate space to conduct programs. The City provided \$240,000 to augment the funding for construction costs. The First 5 Center is located in a modular building near the Keller House on the north end of Ellis Lake Park.

Additionally, program funds were provided by the First 5 Commission on an annual basis for the operation of the center. City staff launched the programs and in 2005, the City subcontracted with MCP for the daily operations of the Center and the City assumed the role of fiscal agent for the program agreement. Monument Community Partnership operated the Center until June 2012.

In July 2012, First 5 awarded funding for operations of the Center to Aspiranet, a nonprofit organization, which also operates the First 5 Center in Brentwood.

In July 2012, the City entered into a Lease Agreement with First 5 for the continued use of the building for programs for children ages 0-5 and their families. First 5 subsequently subcontracted with Aspiranet for the day-to-day operations.

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July 7, 2015

Page 2

Discussion

The building was initially funded by a forgivable loan by First 5 in 2004 and supplemented by City funds. Terms of the forgivable loan included ensuring that the primary use of the building was early childhood education. After five years, the City fulfilled the obligation of the forgivable loan and the City now owns the building with no restrictions.

The First 5 Center has successfully provided parent education and programs for ages 0-5 at no cost to the participants. The center has served thousands of children and parents including the large Hispanic population in the Monument community. It has drawn enthusiasm from families of many languages and backgrounds, creating a comfortable, diverse environment. The center has been a cornerstone in Central County for providing best practice programs. City staff encourages the continuation of such programs for early childhood development and education of positive parenting skills.

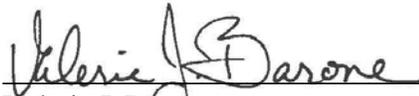
The First Amendment to Lease Agreement with First 5 would provide the continuation of these programs to benefit families in the community.

Fiscal Impact

The City will receive monthly rent of \$1,030 which will be used to offset building maintenance provided by the City.

Recommendation for Action

Staff recommends that the City Council approve the First Amendment to Lease Agreement and authorize the City Manager or her designee to execute the agreement with First 5 Contra Costa Children and Families Commission for the use of the Monument Community First 5 Center.



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City Manager

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FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (“**First Amendment**”) is made and entered into as of July 1, 2015 (“**Effective Date**”) by and between the **CITY OF CONCORD**, a California municipal corporation in its capacity as a property owner and lessor rather than as a public entity (“**Landlord**” or “**City**”), and **CONTRA COSTA CHILDREN & FAMILIES COMMISSION**, a Public Entity Separate from Contra Costa County (“**Tenant**” or “**First 5**”), who agree as follows:

RECITALS

- A. Landlord and Tenant entered into that certain Lease for certain Premises located at 1736 Clayton Road, Concord, California dated July 1, 2012 (“**Lease**”).
- B. There have been no previous amendments to or extensions of the Lease.
- C. Lease Section 2.b provides Tenant with two options to extend the Term. Lease Section 3.b sets Rent for the First Renewal Term.
- D. Landlord and Tenant desire to amend and extend the Lease, all as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

- 1. Capitalized Terms. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Lease.
- 2. Extension of Term. The Term is hereby extended for an additional period of one (1) year commencing on July 1, 2015 and expiring on June 30, 2016 (“**First Renewal Term**”). Tenant has one more option to renew the Lease for the Second Renewal Term as set forth in Lease Sections 2.b and 3.c.
- 3. Rent. Rent for the First Renewal Term shall be One Thousand Thirty dollars (\$1,030.00) per month.
- 4. Certified Access Specialist Inspection. As of the Effective Date, neither the Premises nor the Building have been inspected by a Certified Access Specialist.
- 5. Brokers. Tenant and Landlord each represents and warrants that it has had no dealings with any real estate broker or agent in connection with this First Amendment. Each party shall indemnify and hold harmless the other from and against all claims, demands, costs or liabilities (including, without limitation, attorneys’ fees) asserted by any party based upon dealings of said party with any real estate broker or agent in connection with this First Amendment.
- 6. Lease in Effect. Landlord and Tenant acknowledge and agree that, except as expressly amended by this First Amendment, the Lease remains unmodified and in full force and effect in accordance with its terms.

[signatures follow on next page]

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the Effective Date.

LANDLORD:
CITY OF CONCORD,
a California municipal corporation

TENANT:
CONTRA COSTA CHILDREN & FAMILIES
COMMISSION, a Public Entity Separate from
Contra Costa County

Valerie J. Barone, City Manager

By: _____
Name: _____
Its: _____

Attest:

Joelle Fockler, CMC, City Clerk

By: _____
Name: _____
Its: _____

Approved as to Form:

Mark S. Coon, City Attorney