

# City of Sacramento

## Legislation Text

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**File #:** 2019-01458, **Version:** 1

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**Title:**

**Lease Amendment with Mutual Assistance Network for Johnston Community Center**

File ID: 2019-01458

**Location:** District 2

**Recommendation:**

Pass a Motion: 1) finding that it is in the best interest of the City to continue to lease the Johnston Community Center to Mutual Assistance Network (MAN) without competitive bidding due to the community programs and building operation and maintenance funding provided by MAN; 2) approving the Second Amendment to the Lease for Johnson Community Center with MAN to extend the term for three years; and 3) authorizing the City Manager or the City Manager's designee to execute the Lease Amendment.

**Contact:** Shannon Brown, Assistant Director, (916) 808-6076; Barbara Smith, Administrative Officer, (916) 808-5762, Department of Youth, Parks, & Community Enrichment

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-Second Amendment to Lease Johnston Community Center

**Description/Analysis**

**Issue Detail:** Over the past several years due to challenges to the General Fund, the Department of Youth, Parks, & Community Enrichment has leased some community centers and clubhouses to non-profit organizations in an effort to keep the doors open and offer programs and services to the surrounding communities.

MAN is a 501(c)(3) charitable nonprofit organization that was formed in 1994 to serve the community of Del Paso Heights. MAN's programs focus on providing social services and improving health of residents by offering parenting classes, recreational classes, after school enrichment programs,

youth sports activities, recreational camps, and sponsoring community events.

MAN has leased the City's Johnston Community Center located at 231 Eleanor Avenue since May 15, 2009. The Community Center building is located within a portion of the 27-acre Johnston Community Park. The lease is set to expire on January 14, 2020. In lieu of rent, MAN pays the City's utility and building service costs and provides low cost community enrichment programs. MAN is willing to continue operating the Johnston Community Center for up to three more years. Staff recommends that the City Council approve the Second Amendment to extend the lease term for three years through December 31, 2022.

**Policy Considerations:** The continued operation of Johnston Community Center as proposed by MAN is consistent with City Council's budget priority to continue to keep park and recreation facilities open to the public. The primary goal is for a Community Based Organization (CBO) to provide recreational and youth programs that will benefit the residents in the surrounding community with services focused primarily on youth. The City has partnered with other non-profit organizations to operate the City's Clunie, Robertson, Shasta, and Slider community centers. Also, the Sierra II and Shepard's Garden and Arts buildings have been under long term leases with CBOs.

**Economic Impacts:** None

**Environmental Considerations:** The lease to allow continued use of the Johnston Community Center by MAN for community service programs and is exempt from environmental review under the California Environmental Quality Act Guidelines Section 15301, Existing Facilities.

**Sustainability:** Not Applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** City Code 3.68.110 E allows for leasing of City facilities to non-profit organizations without competitive bidding. The lessee will be responsible for payment of utility and building service costs, janitorial services, minor repairs, replacement of furniture, fixtures and equipment, and overseeing use of the center by the public.

MAN will manage the Johnston Community Center as a community facility and will offer free and low-cost programs primarily focused on youth and their parents, including community classes, after school programs and summer camps.

**Financial Considerations:** The lease rate is based on an allocation of the building services costs including utilities. The existing lease revenue is \$1,000 per month or \$12,000 annually, which will remain unchanged. Revenue and expenses are budgeted in the General Fund, Community Center Operations (19001641).

**Local Business Enterprise (LBE):** Not Applicable.