



Legislation Text

File #: 11-1193, **Version:** 1

Recommendation to authorize City Manager to execute the Fourteenth Amendment to Historical Site Lease No. 24291 with Rancho Los Alamitos Foundation to provide for the annual management fee for lease year 2011-2012. (District 3)

On October 3, 1995, the City Council authorized an Historical Site Lease (Lease) with the Rancho Los Alamitos Foundation (Foundation) to manage, operate, and interpret the City's historical site known as Rancho Los Alamitos Historic Ranch and Gardens (Rancho). As stated in the Lease, the Foundation is responsible for enhancing the educational value of the site through public and community activities, assemblies, and visits. Maintenance responsibilities include: maintenance of gardens, residential and agricultural structures, interiors and furnishings, fixtures, utilities, carpeting, and equipment.

In consideration of the Foundation's agreement to manage the educational, historical, and community service aspects of the Rancho, the City pays the Foundation an annual management fee. The Lease provides for an annual increase to the management fee based on the Consumer Price Index. Therefore, the Department of Parks, Recreation and Marine annually requests City Council authorization to amend the Lease reflecting the adjusted management fee.

On November 11, 2008, the City Council authorized a payment of \$542,558 for lease year 2008-2009. During the FY 2009-2010 budget process, in accordance with Section 15.8 of the Lease, it was determined that due to financial constraints, the annual management fee for lease year 2010-2011 would be reduced to \$463,043. Due to the ongoing nature of the aforementioned financial constraints, the proposed management fee for lease year 2011-2012 shall remain at \$463,043. A Lease amendment is required to document that there will not be an increase to the proposed management fee this lease year. All other terms and conditions of the Lease will remain in effect.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on November 8, 2011, and Budget Management Officer Victoria Bell on November 21, 2011.

City Council action is requested on December 6, 2011, in order to authorize the execution of the Fourteenth Amendment.

Sufficient funds are budgeted for the Rancho Los Alamitos Foundation's annual management fee of \$463,043 in the General Fund (GP) in the Department of Parks, Recreation and Marine (PR). This amount was approved by City Council on September 6, 2011, as part of the FY 12 Budget Adoption. There is no impact to jobs associated with this request.

Approve recommendation.

GEORGE CHAPJIAN

DIRECTOR OF PARKS, RECREATION AND MARINE

APPROVED:

PATRICK H. WEST
CITY MANAGER