

Staff Report

March 4, 2002

TO: Jim Antonen, City Manager

VIA: Donna Silva, Parks and Communtiy Services Director

FROM: Anne Brunette, Community Partnership Coordinator

SUBJECT: Amendment to Boy Scout agreement to delete reference to Rotary Building

Recommendation

1. Approve the attached resolution (attachment 2) authorizing the City Manger to amend the Boy Scout agreement entered into on August 1, 2000 to delete the reference to the Rotary Building or other facilities.
2. Direct staff to work with the Historic Resources Management Commission to develop a recommendation for a reuse plan for the Boy Scout Cabin building.

Fiscal Impact

There are no fiscal impacts associated with this amendment. The city acquisition of the Cabin has resulted in some additional cost as a result of adding new landscape and building maintenance. The addition maintenance cost is minimal and no budget adjustment is being requested.

Background and Analysis

Summary of Agreements

There are three separate agreements which affected the property at 616 First Street. The first is the Boy Scout lease with UCD for the westerly portion of the property. The scouts had owned the cabin and had a lease with UCD that would have extended to 2005. This agreement was between the Boy Scouts and UCD and was a straight forward lease. The Scouts are no longer in the cabin and have transferred their ownership interest and lease to the city.

The second agreement is a lease between the city and UCD for the easterly portion of the property. The city has for some time leased the parking lot portion of the site. The city constructed and maintains a parking lot on the property. The lease extends until the year 2005. As part of the lease the city has an option to purchase the entire property. The purchase option will expire in June unless extended by the city.

The third agreement is the compensation for a portion of the leasehold. This is an agreement between the city and Boy Scouts compensating them for taking the land used for the Richards right turn lane. The agreement also compensated the Scouts if they moved out of the cabin before their lease was up and transfer their interest and lease to the city.

The current status is that the Scouts no longer have a lease with UCD and no longer occupy the cabin. The city is the sole tenant of the property/cabin at 616 First Street. The Scouts have complied with all provision of the agreement for compensation of a portion of the leasehold and can withdraw the money in the joint account at any time. The only outstanding issue in the agreements is language in the compensation of a portion of the leasehold specifying that the compensation amount be spent on the Rotary building.

Compensation for a portion of a leasehold agreement

On August 1, 2000 the city of Davis entered into an agreement with the Golden Empire Council, Boy Scouts of America, for compensation of a portion of a leasehold at 616 First Street. The compensation was required to accommodate the right-of-way necessary to construct the Richards Blvd. right turn lane. In addition to the compensation of a portion of the leasehold the agreement contained terms for purchase of the cabin and the remainder of the leasehold. The Boy Scouts provided official notice to the city that they vacated the premises on January 23, 2002 (attachment 1). The door locks have been changed to city locks and the city is responsible for the building. The purpose of this report is to amend the original agreement to delete reference to the Rotary Building. All other terms of the agreement have been met. The end of the report discusses possible future uses of the building.

Amendment to the original agreement between the city and Golden Empire Council BSA.

The agreement entered into on August 1, 2000 (attachment 4) contained the following language regarding the payment of the Right of Way purchase price and remainder purchase price.

6. Payment of the Right of Way Purchase Price and Remainder Purchase Price. Payment of the Right of Way Purchase Price and the subsequent payment of the Remainder Purchase Price shall be deposited by the City into an interest bearing account with US Bank, 304 F Street, Davis, CA 95616 Bank (the "Account"). The City and the Owner shall be named as owners of the Account. All funds and any interest accruing in the account shall be jointly owned by the City and Owner, and shall only be used for construction of the Rotary Community Building, except that, if the funds and any interest accruing in the account are not used for construction of the Rotary Community Building within Three (3) years of the date of this Agreement, such funds and interest shall be used to provide meeting space elsewhere for use by the Owner, unless such project is denied by the city or no longer pursued by Rotary. Any withdrawals from the Account shall only be made upon the signature of authorized representatives of the City and Owner.

The Rotary Building project described in the agreement no longer exist. It is the city's desire to amend the agreement to delete the reference to the Rotary Building or other meeting space. The agreement is a recorded document that runs with the title to the land. The clean up of the

language is necessary to maintain a clean title on the property. If the language was left it would be revisited if the property was to change hands in the future. At that time it could be more difficult and time consuming to correct. The amended text (attachment 3) will be revised to read:

E. WHEREAS, the Parties have agreed that any portion of the purchase price for the Right of Way and the purchase price for the remainder of the Leasehold and the Cabin that is paid to the Owner, up to the entire purchase price for the Right of Way and the purchase price for the Leasehold and the Cabin, as defined in Sections 1 and 2 of this Agreement, shall be used as determined by Owner to pay a portion of the cost of construction of the community building to be built by the Rotary Club, as more particularly described in Exhibit C attached hereto and incorporated herein by reference (the "Rotary community Building");

Section 2. Recital F of the Agreement is hereby deleted.

~~F. WHEREAS, if the purchase price for the Right of Way and the purchase price for the remainder of the Leasehold is not used to pay a portion of the cost of construction of the Rotary Community Building, said purchase prices shall be used to provide meeting space for the Owner.~~

Section 3. Section 6 of the Agreement is hereby amended to read as follows:

6. Payment of the Right of Way Purchase Price and Remainder Purchase Price. Payment of the Right of Way Purchase Price and the subsequent payment of the Remainder Purchase Price shall be deposited by the City into an interest bearing account with US Bank, 304 F Street, Davis, CA 95616 (the "Account"). ~~The City and the Owner shall be named as owners of the Account. All funds and any interest accruing in the account shall be jointly owned by the City and Owner, and shall only be used for construction of the Rotary Community Building, except that, if the funds and any interest accruing in the account are not used for construction of the Rotary Community Building within Three (3) years of the date of this Agreement, such funds and interest shall be used to provide meeting space elsewhere for use by the Owner, unless such project is denied by the city or no longer pursued by Rotary.~~ All funds and any interest accruing in the account shall be owned by the Owner. Any withdrawals from the Account shall only be made upon the signature of authorized representatives of the Owner. Owner may withdraw all, or a portion, of the funds in the account at any time.

Future use of the building

The cabin building is a city Designated Historical Resource. The building is eligible for the National Register of Historic Buildings. The building was constructed in 1927 and contains approximately 1000 square feet. Due to the historic nature of the building staff recommends that the Historic Resources Management Commission discuss possible future uses for the building. The Commissions discussion and comments could then be incorporated into future plans for the building.

RESOLUTION NO. , SERIES 2002

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AMENDMENT TO THE AGREEMENT FOR COMPENSATION OF A PORTION OF A LEASEHOLD ENTERED INTO ON AUGUST 1, 2000 WITH THE GOLDEN EMPIRE COUNCIL

WHEREAS, the city has entered into an agreement regarding the compensation of a portion of a leasehold at 616 First Street; and

WHEREAS, certain terms of the agreement can not be completed by the Golden Empire Council due to a change in circumstances;

NOW, THEREFORE, BE IT RESOLVED that: The City Council authorizes the City Manager to enter into an amendment to the original agreement to delete references to the Rotary building or other meeting places and if necessary make minor modifications, subject to City Attorney concurrence, to the documents necessary to amend the August 1, 2000 agreement with the Golden Empire Council of Boy Scouts..

PASSED AND ADOPTED by the City Council of the City of Davis on this th day of April, 2002 by the following vote:

AYES:

NOES:

ABSENT:

Susie Boyd
Mayor

ATTEST:

BETTE RACKI
City Clerk