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2017 JUN 29 PM 12: 54

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Gerry Garzón
Director of Library Services

SUBJECT: Piedmont Avenue Branch Library
Lease Agreement with OUSD

DATE: June 28, 2017

City Administrator Approval

Date:

6/28/17

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing A Lease Agreement With The Oakland Unified School District (OUSD) For The City's Use Of The Modular Building At 80 Echo Avenue For The Piedmont Avenue Branch Library For a Five-Year Term With Lease Payments Of \$2,500 Per Month.

EXECUTIVE SUMMARY

The Piedmont Avenue Branch Library has been located at 80 Echo Avenue on the property of the Piedmont Avenue Elementary School since November 2012.

The current lease expires in September 2017. This lease extension is proposed for 5 years, with monthly rental costs under the proposed agreement, unchanged at \$2,500 per month; \$30,000 per year. However, the agreement stipulates that OUSD is "undertaking a comprehensive facilities master planning process which may identify standardized rates for Agreements such as this." Should OUSD choose to exercise their option to adjust the rent, the City will be provided with six months' notice. The City may elect to terminate the lease at that time. Library staff will seek additional City Council approval for any increase in lease payments or lease term extensions.

The annual rental costs of \$30,000 associated with the Lease Renewal, is currently budgeted and available in the Library's Proposed FY 2017-19 Budget: Measure Q Fund (2241), Land and Building Rental Account (53211), Piedmont Avenue Branch Library Organization (61347), Library Administrative Project (1000013).

In addition, the annual utility, maintenance, repair and custodial costs associated with the Lease Renewal will be paid for from the City's Facilities Services Fund (4400), which are included in the Library's Proposed Fiscal Year 2017-19 Budget: General Purpose Fund (1010), General Facilities Support Account (56113), Piedmont Avenue Branch Library Organization (61347), Library Administrative Project (1000013).

Item: _____
Life Enrichment Committee
July 11, 2017

BACKGROUND / LEGISLATIVE HISTORY

The Piedmont Avenue Branch Library was established in 1932, located at 160 41st St. It moved to its current location at 80 Echo Avenue on the property of the Piedmont Avenue Elementary School in November 2012, after rent at the 41st St. location increased from \$1 per month to \$4,250 per month, and eventually to \$4,900 per month.

The current lease with OUSD expires on September 6, 2017; five years from the date of the original lease. That lease was approved by the City Council on July 3, 2012, City Resolution No. 83960 C.M.S.

ANALYSIS AND POLICY ALTERNATIVES

The current location on Echo Avenue has successfully addressed concerns relating to accessibility, traffic, and safety without any incidents in the four and a half years at this location. The library has established itself as a model neighbor and an integral member of the Piedmont Avenue community. This recommended Lease Agreement allows for continuous library service in the Piedmont Avenue neighborhood.

The five-year Lease Agreement will give the Oakland Public Library time to pursue other avenues in building or attaining a permanent location for the Piedmont Avenue Branch Library. While the modular building is a good solution, it is not a permanent solution. One option is to build a library on the Key Route parking lot, on Howe St. between 40th and 41st Streets, with an underground parking structure, a library on the ground floor level, a community room on the second floor, and affordable housing on the top two-three levels. Library staff are presently working on this idea as well as other options.

Library staff have held phone meetings with the Deputy Chief of OUSD's Facilities Planning and Management Department. OUSD has confirmed that the school district has no plans to remove the modular building in which the library is located, and consequently, the Branch Library may continue to operate from this location.

The Friends of the Piedmont Avenue Branch Library are supportive of the library remaining in its current location until a permanent home is found.

Should the City Council not approve this Lease Agreement, the Piedmont Avenue Library will be required to close since there are no other options available for a facility to operate.

FISCAL IMPACT

- The monthly rental cost of the modular building associated with renewing the lease with OUSD remains the same, \$2,500 per month. Since OUSD has reserved the right to adjust the monthly rent, depending upon the outcome of the facilities study previously noted, the rent may increase; however, Library staff will seek additional Council approval for any rent increases.
- The monthly rental costs are included in the Library's Proposed Fiscal Year 2017-19 Budget: Measure Q Fund (2241), Account (53211), Org (61347), Project (1000013).
- The monthly utility, maintenance, repair, and custodial costs associated with renewing the lease with OUSD will be paid for from the City's Facilities Services Fund (4400), which are included in the Library's Proposed Fiscal Year 2017-19 Budget: General Purpose Fund (1010), Account (56113), Org (61347), Project (1000013).

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for the report beyond the standard City Council agenda noticing procedures.

COORDINATION

In preparation of this staff report, staff coordinated with the Budget Office, the Office of the City Attorney, and the Real Estate Services Division.

SUSTAINABLE OPPORTUNITIES

Economic: Libraries are destination points, drawing visitors from throughout the City and beyond. In many communities, it has been documented that branch libraries act as economic development anchors.

Environmental: As proposed in this recommendation, the library will continue to re-use a modular facility which was originally used by OUSD as a classroom.

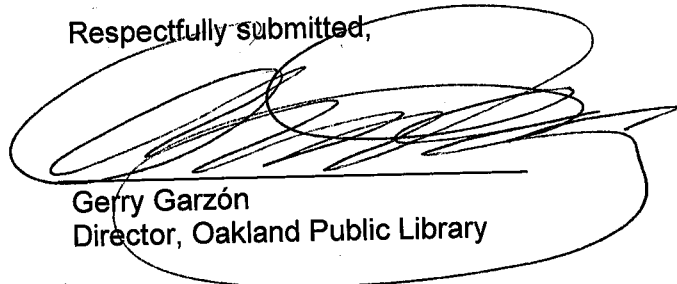
Social Equity: The Library is a great equalizer, with resources for all, and welcomes all members of the community. It reflects the rich diversity of Oakland with programs and materials for a wide variety of languages, cultures, lifestyles, and family types.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution authorizing a Lease Agreement with the Oakland Unified School District (OUSD) for the City's use of the modular building at 80 Echo Avenue for the Piedmont Avenue Branch Library for a Five-Year term with lease payments of \$2,500 per month.

For questions regarding this report, please contact Mary Schrader, Supervising Librarian for Special Projects at 510-238-6720.

Respectfully submitted,



Gerry Garzón
Director, Oakland Public Library

Prepared by:
Mary Schrader, Supervising Librarian

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2017 JUN 29 PM 12:50

Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING A LEASE AGREEMENT WITH THE OAKLAND UNIFIED SCHOOL DISTRICT FOR THE CITY'S USE OF THE MODULAR BUILDING AT 80 ECHO AVENUE FOR THE PIEDMONT AVENUE BRANCH LIBRARY FOR A FIVE YEAR TERM WITH LEASE PAYMENTS OF \$2,500 PER MONTH

WHEREAS, since 2012 the Piedmont Avenue Branch Library has been located on Oakland Unified School District (OUSD) property at 80 Echo Avenue at the Piedmont Avenue Elementary School; and

WHEREAS, the current lease agreement with OUSD for use of the modular building at 80 Echo Avenue expires September 6, 2017; and

WHEREAS, the City wishes to continue to operate a public library in this location; and

WHEREAS, the OUSD will lease the facility to the City at \$2,500 per month for five (5) years after the date of full execution of the lease agreement; and

WHEREAS, the OUSD is undertaking a comprehensive facilities master planning process which may identify standardized rates for agreements and which may call for an amendment to the proposed lease agreement and an adjustment to the lease payments, and City staff will seek City Council approval for any increase to the term of the lease or increase in the lease payments; and

WHEREAS, pursuant to the proposed lease, the City will be responsible for utilities on a prorated basis based on the square footage of the facility, and maintenance and custodial of the interior and surrounding premises of the facility; and

WHEREAS, the continuation of the library at this location will benefit not only OUSD students and area residents, but also others throughout the City; and

WHEREAS, the City desires to lease the property for a five-year period; and

WHEREAS, funding for the lease payments is available for fiscal year ("FY") 2017 - 2019, in Measure Q Fund (2241); and

WHEREAS, funding for the utilities, maintenance and custodial payments is available for FY 2017 - 2019, in City Facilities Services Fund (4400); now, therefore, be it

RESOLVED: That the City Administrator is hereby authorized to execute a lease agreement with the Oakland Unified School District for City's use of the modular building at the Piedmont Avenue Elementary School for a five (5) year term with lease payments of \$2,500 per month; and be it

FURTHER RESOLVED: That the City Administrator or her designee is hereby authorized to amend the lease agreement, not including extensions of the term or rent increases, without returning to the City Council, and to take any and all actions with respect to the lease necessary and consistent with this Resolution; and be it

FURTHER RESOLVED: That the lease agreement and other documents shall be approved as to form and legality by the Office of the City Attorney and a copy shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, KALB, KAPLAN AND
PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California