

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A NEW GROUND LEASE AGREEMENT WITH MEXICAN AMERICAN OPPORTUNITY FOUNDATION FOR OF A PORTION OF 1210 JOHN STREET FOR USE AS A CHILD CARE CENTER

WHEREAS, the City of Salinas is the owner of that real property (the “Premises”) located at 1210 John Street, in the City of Salinas, California, County of Monterey (APN 003-911-003); and

WHEREAS, on July 2003, City Council approved a 10-year ground lease agreement with the Mexican American Opportunity Foundation, at a rate of \$1 per year, to develop and operate a child day care center on a 44,041 square foot portion within said Premises; and

WHEREAS, the ground lease was subsequently renewed through 2018; and

WHEREAS, MAOF is now seeking to lease the same area to serve as a child care center, an outdoor play area, a storage building, a drive and parking at a monthly rate of \$1,440 with an annual adjustment based on the percentage change in Consumer Price Index (“CPI”) for “All Urban Consumer” for San Francisco/Oakland/San Jose between the last increase and the current year; and

WHEREAS, an appraisal report was prepared on the 44,041 square foot portion of the Premises for the purpose of estimating a fair market price and according to this appraisal report, the initial monthly rental rate of \$1,440 is consistent with other recently negotiated rental agreements with non-profit organizations for use of City-owned facilities; and

WHEREAS, the City desires to enter into a ground lease for the Premises with the MAOF for the term hereinafter provided and the MAOF desires to accept such ground lease upon the terms and subject to the conditions contained herein.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines that the above recitals and accompanying staff report are true and correct and have served as the basis, in part, for the actions of the City Council set forth below.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to enter into a Ground Lease Agreement, by and between the City of Salinas, a Charter City and municipal corporation, and the MAOF, commencing June 4, 2019.

BE IT FURTHER RESOLVED, that the City Council authorizes the City Manager to take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution

PASSED AND APPROVED this 4th day of June, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk