



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Katy Allen

**SUBJECT: FORMER BERRYESSA LIBRARY  
LEASE NEGOTIATION**

**DATE:** 11-24-08

Approved

Date

12/2/08

**COUNCIL DISTRICT: 4**

## RECOMMENDATION

1. Authorize staff to conduct an exclusive negotiation, for a period of 90 days, with East Side Union High School District for a lease agreement of the former Berryessa Library building at 3311 Noble Avenue.
2. If the lease negotiations are not successful, direct staff to return to Council with actions to demolish the building and improve for parking to serve Noble Park and the new Berryessa Branch Library.

## OUTCOME

Assuming a successful negotiation, the City and the East Side Union High School District (ESUHSD) will conclude a below-market lease agreement for the vacant former Berryessa Library building, for purposes that are consistent with the preferred uses identified by the community's Berryessa Library Reuse Committee, with terms that are consistent with Council Policy 7-1 and include a required reimbursement to the City for costs associated with mold removal. If an agreement on a lease is not reached within 90 days, staff will proceed to bring forward actions necessary to demolish the building and expand the parking available for Noble Park and the new library.

## BACKGROUND

Upon completion and opening of the new Berryessa Library in March 2005, the adjacent old Berryessa Library at 3311 Noble Avenue – a one story structure of approximately 8,400 square feet – was vacated and has not since been reused. To determine how the old Berryessa Library could be utilized to serve the community, in June and August 2007, the City sponsored community meetings. An RFP was issued to solicit a tenant /operator for the facility in October 2007; however the community was not supportive of the uses proposed by the respondents. Based on feedback from the community, it was determined that the building should be used to provide services to youth (K-12) and/or senior members of the surrounding community.

Following staff inspection of the structure, the City commissioned a consultant study completed in April 2008 which concluded that the building contains mold requiring remediation prior to occupancy. The cost of that remediation was estimated to be \$46,850.

On September 29, 2008, the City issued a Request for Proposals for a "Facility Operator for Old Berryessa Library." On October 7, 2008, the City conducted a "walk through" of the building for potential proposers. The deadline for submittal of proposals was October 10, 2008. The only proposal received by the City was submitted by East Side Adult Education, a program of ESUHSD. A review panel composed of representatives of the community's Berryessa Library Reuse Committee and staff from the City's Parks, Recreation and Neighborhood Services and Public Works Departments unanimously concluded that the proposal, as submitted, failed to meet the requirements of the RFP.

### **ANALYSIS**

The City does not have an identified municipal use for the former Berryessa Library building which has been vacant since 2005. In order that the vacant building be reused to meet the stated community objectives, the RFP Review Panel recommended that, subject to administrative review and City Council approval, staff be authorized to conduct an exclusive negotiation with the parent organization of the proposer - East Side Union High School District - for a lease agreement for the former Berryessa Library building. Consistent with the RFP that was issued; the lease terms would be based on City Council Policy 7-1. While the criteria and review requirements of this policy were written to address below-market leases to non-profits, the programmatic and financial reporting requirements of the policy are also appropriate for a below-market lease that would allow another public agency to provide services to the community. Successful negotiation of a lease with ESUHSD will result in reimbursement of funds to be expended by the City for mold remediation and a use of the building that is consistent with community preferences.

### **EVALUATION AND FOLLOW-UP**

A negotiated lease agreement for the former Berryessa Library building will be subject to review and approval by the City Council.

### **POLICY ALTERNATIVES**

*Alternative 1:* Demolish the vacant structure and use the property to expand parking for the new Berryessa Library.

**Pros:** Demolition of the now vacant building would allow the City to utilize the site for expansion of the parking lot of the adjacent new Berryessa Library.

**Cons:** Demolition costs are estimated to be \$575,000.

**Reason for not recommending:** The community's Berryessa Library Reuse Committee has requested the building be used to provide services to youth and/or senior community members of

11-24-08

Subject: Former Berryessa Library Lease Negotiation

Page 3

Council District 4. Additionally, there are no funds currently budgeted for the building's demolition.

**PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This action does not meet any of the above listed criteria; however this memorandum will be posted on the City's website for the December 16, 2008 Council agenda.

**COORDINATION**

This memorandum has been coordinated with the Parks, Recreation and Neighborhood Services Department and City Attorney's Office.

**CEQA**

CEQA: Not a project.



KATY ALLEN  
Director, Public Works Department

For questions please contact PHILIP PRINCE, DEPUTY DIRECTOR, at (408) 535-8300.