

RESOLUTION NO. 74022

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE FINDING OUR CITY FOREST EXEMPT FROM THE PROVISION IN CITY COUNCIL POLICY 7-1 RELATING TO FUNDING OF REPAIR AND MAINTENANCE COSTS OF A CITY-OWNED FACILITY

WHEREAS, on September 25, 2007, the City Council of the City of San José (“City”) authorized the City Manager to negotiate and execute a lease agreement that allows Our City Forest (“OCF”), a nonprofit corporation, to use office space at below market rate in the City-owned building at 151 W. Mission Street, from October 1, 2007 to September 30, 2008, with an option for the City to extend the lease on a month-to-month basis thereafter for up to a maximum of two additional years; and

WHEREAS, City Council Policy 7-1, entitled “Below Market Rental Policy for Use of City-Owned Land and Buildings by Nonprofit or Charitable Organizations or for Governmental or Other Public Purposes,” requires that a nonprofit lessee shall pay all repair and maintenance costs associated with the leased space; and

WHEREAS, Council Policy 7-1 also specifies that the rent charged to a nonprofit for use of City-owned facilities shall be valued based on a calculation of the services to be provided to the community by the nonprofit, less the assigned value for the community services provided, and under no circumstances will be less than \$1 per month; and

WHEREAS, the estimated value of the office space leased to OCF equals \$81,000 per year, and this year alone, OCF obtained over \$2 million in grants from outside agencies to enhance the City’s urban forest; and

WHEREAS, since the grant funds obtained and the services provided to the community by OCF greatly exceed the fair market value of the office space leased to OCF, the City

desires to exempt OCF from the requirement to fund repair and maintenance costs for the City-owned facility at 151 W. Mission Street, with the City to be responsible for all utilities, repair and maintenance costs related to OCF's use of the office space;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

Since the grant funds obtained and the services provided to the community by Our City Forest greatly exceed the fair market value of the office space leased to Our City Forest, Our City Forest is exempted from the provision in Council Policy 7-1 that requires a nonprofit lessee to fund repair and maintenance costs of the City-owned facility.

ADOPTED this 25th day of September, 2007, by the following vote:

AYES:	CAMPOS, CHIRCO, CHU, CORTESE, LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS; REED
NOES:	NONE
ABSENT:	CONSTANT
DISQUALIFIED:	NONE

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk