



Legislation Details (With Text)

File #: ID 22-1249 **Version:** 1 **Name:**
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File created: 7/26/2022 **In control:** City Council
On agenda: 8/11/2022 **Final action:** 8/11/2022

Title: Actions pertaining to an operations agreement with the State of California Department of Parks and Recreation:
1. ***RESOLUTION - Adopting the 3rd Amendment to the Annual Appropriation Resolution (AAR) No. 2022-154 to appropriate \$140,000 for the operations and maintenance, and capital outlays relating to the Maxie L. Parks Community Center, located at 1802 E. California Ave., Fresno, CA 93706 (Requires 5 Affirmative Votes) (Subject to Mayor's Veto)
2. Approve an operations agreement between the Parks, After School, Recreation and Community Services Department (PARCS) and the State of California Department of Parks and Recreation (State Parks) for the acceptance of settlement funds in the amount of \$70,000 annually, not to exceed \$700,000 over ten years, from an escrow account established by State Parks for distribution to the City of Fresno (City) for Maxie. L Parks Community Center (Council District 3).
3. Authorize the PARCS Director or their designee to execute the operations agreement.

Sponsors: Parks, After School, Recreation and Community Serv

Indexes:

Code sections:

Attachments: 1. 3rd Amendment to the Annual Appropriation Resolution No. 2022-154, 2. Operations Agreement

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|---------|--------|
| 8/11/2022 | 1 | City Council | ADOPTED | Pass |

REPORT TO THE CITY COUNCIL

FROM: AARON A. AGUIRRE, Director
Parks, After School, Recreation and Community Services Department

BY: ALDI RAMIREZ, Assistant Director
Parks, After School, Recreation and Community Services Department

SUBJECT

Actions pertaining to an operations agreement with the State of California Department of Parks and Recreation:

- ***RESOLUTION - Adopting the 3rd Amendment to the Annual Appropriation Resolution (AAR) No. 2022-154 to appropriate \$140,000 for the operations and maintenance, and capital outlays relating to the Maxie L. Parks Community Center, located at 1802 E. California Ave., Fresno, CA 93706 (Requires 5 Affirmative Votes) (Subject to Mayor's Veto)
- Approve an operations agreement between the Parks, After School, Recreation and Community Services Department (PARCS) and the State of California Department of Parks and Recreation (State Parks) for the acceptance of settlement funds in the amount of \$70,000 annually, not to exceed \$700,000 over ten years, from an escrow account established by State

Parks for distribution to the City of Fresno (City) for Maxie. L Parks Community Center (Council District 3).

3. Authorize the PARCS Director or their designee to execute the operations agreement.

RECOMMENDATION

Staff recommends that City Council adopt the 3rd Amendment to the AAR No. 2022-154 allocating \$140,000 for operations, maintenance and capital outlays for Maxie L. Parks Community Center, approve an operations agreement with State Parks, and authorize the PARCS Director to execute the operations agreement on behalf of the City.

EXECUTIVE SUMMARY

State Parks has established an escrow account to distribute settlement funds to the City for the operations, maintenance, and capital outlays at Maxie L. Parks Community Center. The escrow account was established in 2020 and has accrued \$140,000 thus far. The escrow account will continue to accrue \$70,000 annually through June 2030, for a not to exceed amount of \$700,000 over a ten-year period. Staff recommends approval of the operations agreement to allow the City to receive the settlement funds annually via reimbursement or advance payment.

BACKGROUND

In October 2004, State Parks awarded the Fresno County Economic Opportunities Commission (EOC) a \$2.5 million Urban Parks Act (UPA) Grant for the acquisition and development of a Neighborhood Youth Center located at 1802 E. California Ave., Fresno, CA 93706, what is now referred to as Maxie L. Parks Community Center (Center). In November 2009, EOC sold the Center to the City for \$3,717,967.63. After the sale, a dispute arose between EOC and State Parks concerning their respective rights and obligations under the UPA Grant Agreement that resulted in a settlement agreement. According to the settlement agreement, the EOC agreed to pay \$70,000 each year, beginning in 2020, for the next ten years into an escrow account that State Parks has established for the distribution to the PARCS Department exclusively for the operations, maintenance, and capital outlays related to the Center. To ensure the settlement funds are spent in a manner consistent with the settlement agreement, State Parks and the City are entering into an operations agreement.

The performance period of the operations agreement shall end no later than June 30, 2033. The scope of the agreement allows for the settlement funds to be used on the operations, maintenance, and capital outlays of the Center, excluding the exterior landscaping and pathways of access. The term "operations" includes programming expenses and community events and is capped at 25% of the total settlement funds. Eligible costs aside from programming could include, but are not limited to, utilities, janitorial services, repairs, general maintenance, lighting, security, etc. The settlement funds may be received by the City via reimbursement or advance payment on a yearly basis, subject to written approval by State Parks. Any future funding appropriated from this settlement will be reflected in future year budgets.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this

item does not qualify as a project as defined by the California Environmental Quality Act.

LOCAL PREFERENCE

Local Preference is not applicable to this item because this does not include an award of a construction or consultant contract.

FISCAL IMPACT

The operations agreement has no negative impact to the General Fund. The escrow account has been established by State Parks and currently has a balance of \$140,000. The remaining yearly accruals will be available for disbursement to the City via reimbursement or advance payment, subject to written approval by State Parks.

Attachments:

3rd Amendment to the Annual Appropriation Resolution No. 2022-154
Operations Agreement