

# Agenda Report

DATE:

JULY 15, 2002

TO:

CITY COUNCIL

FROM:

CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT:

EXTENSION OF TIME REQUIRED TO MEET CONDITION FOR AMENDMENT TO THE ALKEBU-LAN CULTURAL CENTER

LEASE AT 1435 NORTH RAYMOND AVENUE.

## **RECOMMENDATION:**

It is recommended that the City Council take the following actions:

- 1. Approve a two-year extension for Alkebu-Lan to raise 75% of the estimated \$1,300,000 construction costs through donations or grants prior to commencement of construction on the proposed addition and thereby meet the requirements for a 50-year lease extension.
- 2. Authorize the City Manager to execute the Lease Amendment and all other documents pertaining thereto and to perform such other and further acts as required under the Lease Amendment.

### RECOMMENDATION OF THE NORTHWEST COMMISSION

Staff presented this item to the Northwest Commission at its July 9, 2002 meeting. The Northwest Commission recommended that the City Council approve the proposed two-year extension for fund raising to begin at the start of the Alkebu-Lan campaign in September 2002.

### BACKGROUND

Alkebu-Lan, a cultural arts center, currently has a 10-year lease with a 5-year option on City property at 1435 Raymond Avenue that will expire February 28, 2009. The property includes an old fire station, which they have converted for their use at a cost of approximately \$400,000 and an adjacent attached building now used for storage.

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MEETING OF	1/10/2002	A	GENDA ITEM NO	

Alkebu-Lan has been using the property and providing services at this location since 1994. The children that participate in the Alkebu-Lan cultural center are exposed to cultural activities, trips, visits to museums and other recreational activities. During the year, 65 to 85 Pasadena children per week are served by Alkebu-Lan, with that number increasing to 100 children during the summer.

In order to expand and provide more services, Alkebu-Lan plans to remodel the attached building to accommodate a 99 seat theatre, classrooms, practice rooms, etc., at an estimated cost of \$1,300,000. They plan to pay for the construction through grants and donations.

On July 24, 2000 City Council approved a 50-year lease term for Alkebu-Lan with the requirement that within two years they raise 75% of the estimated \$1,300,000 construction costs through donations or grants prior to commencement of construction on the proposed addition. Alkebu-Lan delayed the beginning of its campaign drive due to the reduced availability of funding opportunitics after September 11. They are now ready to begin their campaign and have requested the agreement be modified to reflect the revised start date.

Recently, Alkebu-Lan was the recipient of \$ 32,500 of CDBG funds to help pay for architectural plans and other related start-up costs for the project so that the fund raising campaign can begin.

#### FISCAL IMPACT

This action will not result in a direct fiscal impact to the City. The property will continue to be leased to Alkebu-Lan Cultural Center for one dollar per year and they will continue to be responsible for the maintenance of the property and to provide human, social and cultural services to the community.

Respectfully Submitted

CYNTHIA J. KURTZ

City Manager

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