

Agenda Report

TO: CITY COUNCIL DATE: NOVEMBER 22, 2004

FROM: CITY MANAGER

SUBJECT: EXTENSION OF TIME REQUIRED TO MEET CONDITION FOR
AMENDMENT TO THE ALKEBU-LAN CULTURAL CENTER'S
LEASE AT 1435 NORTH RAYMOND AVENUE.

RECOMMENDATION:

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

1. Approve an extension until May 31, 2007 for Alkebu-Lan to raise 75% of the estimated \$1,500,000 in construction costs through donations or grants prior to commencement of construction on the proposed addition and thereby meet the requirements of the 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 November 9, 2004 meeting. The Northwest Commission recommended that the City Council approve the proposed extension for fund raising for construction of the proposed addition.

BACKGROUND

Alkebu-Lan, a cultural arts center, currently has a 10-year lease with a 5-year option on City property at 1435 N. 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.

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, about 100 Pasadena children per week are served by Alkebu-Lan, with that number increasing to approximately 125 children during the summer.

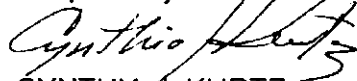
In order to expand and provide more services, Alkebu-Lan plans to remodel the attached building to accommodate a 99 seat theatre, classrooms, practice rooms, etc., at an updated estimated cost of \$1,500,000. They plan to pay for the construction through grants and donations.

On July 24, 2000 City Council approved a 50-year lease term for Alkebu-Lan conditioned upon them providing proof that 75% of the estimated \$1,300,000 construction costs had been collected through donations or grants prior to commencement of construction on the proposed addition. On July 15, 2002, City Council approved a two-year extension to provide the required proof of funds. Due to the state of the economy, funding opportunities are more and more limited and the competition for capital dollars is continually increasing. Because of this situation, Alkebu-Lan delayed its capital campaign for the proposed improvements that currently are estimated to cost \$1,500,000. They have continued to raise funds for the sustainability of the programs at the Center, while at the same time setting strategies for a successful capital campaign for the proposed improvements. The requested extension would allow Alkebu-Lan to serve the community and persist in its capital campaign goals.

FISCAL IMPACT

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,



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City Manager

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