

Agenda Report



MEETING DATE: Tuesday, July 9, 2024

TO: City Council

FROM: PARKS & COMMUNITY SERVICES DIRECTOR CALUBAQUIB
SR. ADMINISTRATIVE ANALYST ZAVALA
PROJECT MANAGER PERALTA

SUBJECT: LEASE BETWEEN THE CITY OF WATSONVILLE AND PAJARO
VALLEY ARTS COUNCIL FOR USE OF PROPERTY LOCATED AT
37 SUDDEN STREET

RECOMMENDED ACTION:

It is recommended that the City Council adopt a resolution approving a 5-year Lease between the City of Watsonville and Pajaro Valley Arts Council (PV Arts) for the use of City-Owned property located at 37 Sudden Street, commencing July 1, 2024, and ending June 30, 2029, authorizing the City Manager to execute the same and any amendments of a non-substantive nature subject to legal approval.

BACKGROUND:

The Pajaro Valley Arts Council Gallery and administration office is located within Emmett Courts Park at 37 Sudden Street. The property was deeded to the City in 1997 by Jim and Marjorie Peixoto whose interest was to locate and construct two 3-wall handball courts at the rear of the property. PV Arts was founded as a nonprofit 501(c)(3) in 1984. Their mission is to create access to high-quality visual arts exhibits, foster cultural events, and promote art education in our community. PV Arts produces seven to eight exhibits each year with the support of staff and volunteers.

PV Arts has been leasing this property since 1997. During this time, PV Arts' Board of Directors and volunteers have completed facility improvements required by the City to meet the Americans with Disability Act (ADA) guidelines and requirements, as well as others initiated by PV Arts. PV Arts board members and volunteers contributed an extensive amount of expertise, labor, and materials to complete the facility improvements valued at \$48,560.09 from 2012 to date.

PV Art's last lease with the City of Watsonville for use of 37 Sudden Street terminated on May 31, 2017, and PV Arts has become a month-to-month tenant since then.

DISCUSSION:

PV Arts plays a significant and unique role in our community, invites cultural tourism through its very unique exhibits, supports and promotes local artists, and offers art education opportunities for youth. Residents and the general public can attend their gallery tours throughout the year.

PV Arts purchased the property known as the Porter Building, located at 280 Main Street in Watsonville from the City in July of 2022. In time, PV Arts plans to relocate their operations and Gallery to the Porter building. However, in order for that to occur the building must undergo extensive renovations and repairs estimated to take over 3 years to complete. While the design and renovation work is completed, PV Arts would like to continue the use of 37 Sudden Street for their Gallery and administration office.

Based on the existing benefits to the community the following lease terms are recommended:

1. Term: Five (5) years beginning July 1, 2024
2. Rent: \$1 per year for the duration of the term.
3. Lessee will be responsible for all utilities and routine building maintenance.

STRATEGIC PLAN:

The recommended action is consistent with the City's Strategic Plan goals of:

- 1-Economic Development (Downtown Revitalization) by creating place making art in the heart of downtown
- 5-Public Safety (Youth Prevention Programs) by providing youth with a safe, positive environment through the development of a free arts center
- 6-Community Engagement & Well-Being (Parks and Community Services, Youth Activities & Programs) by engaging the community in the creation of large art Installation

FINANCIAL IMPACT:

There is no financial impact to the City by approving this lease agreement. The programming that will take place at 37 Sudden Street will continue being a great addition to City programs. There is no significant alternate programming or use of this building.

ALTERNATIVE ACTION:

The City Council may choose not to approve the execution of this Lease.

ATTACHMENTS AND/OR REFERENCES (If any):

None