



CITY COUNCIL STAFF REPORT

DATE: September 16, 2015

CONSENT CALENDAR

SUBJECT: APPROVE AMENDMENT NO. 1 TO THE LEASE AGREEMENT WITH THE AGUA CALIENTE CULTURAL MUSEUM, A NON-PROFIT ORGANIZATION, FOR USE OF THE CITY OWNED PROPERTY LOCATED AT 219 SOUTH PALM CANYON DRIVE FOR THE PURPOSE OF CULTURAL EXHIBITIONS AND EDUCATION.

FROM: David H. Ready, City Manger

BY: Community & Economic Development Department

SUMMARY

The City Council will consider an amendment to the Lease Agreement for use of the City owned property at 219 South Palm Canyon Drive at the Village Green by the Agua Caliente Cultural Museum, a non-profit organization. The approval of Amendment No. 1 to the Lease Agreement will allow the Cultural Museum to use the facility for an additional three (3) years with an option to extend the lease term for two (2) years, for the purpose of operating a museum to promote the history and culture connected with the Agua Caliente Band of Cahuilla Indians.

RECOMMENDATION

- 1) Approve Amendment No. 1 to Agreement No. A5961 with Agua Caliente Cultural Museum in the amount of \$680.40 per month, for non-exclusive use of the City owned property at 219 South Palm Canyon Drive for the purpose of promoting cultural education, for three (3) years and an option to extend for two years at the mutual consent of both parties.
- 2) Authorize the City Manager or his designee to execute all the necessary documents, subject to review and approval of the City Attorney.

BACKGROUND

The Agua Caliente Cultural Museum has leased the space at the Village Green from the City since 1992 for the purpose of operating a museum. In 1991, when the museum

was established, it did not have an operating facility; in April of 1992 the Museum established itself at this site.

The Agua Caliente Cultural Museum desires to renew the Lease Agreement with the City, for use of this property. The Museum has leased the property and paid the City rent based on the amount established in the current lease agreement. The current lease has a monthly rental rate of \$680 per month.

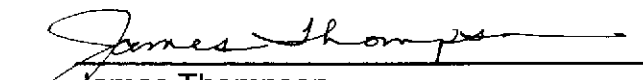
Staff recommends entering a new three (3) year lease agreement with a rental rate of \$680 per month (adjusted annually by the Consumer Price Indexes Pacific Cities and U.S. City Average Table) and an option to extend the lease term for a period of two (2) years. The lease will continue to allow the Museum to continue to operate in an efficient manner promoting the culture and history of the Agua Caliente Band of Cahuilla Indians to tourists and the local community.

FISCAL IMPACT

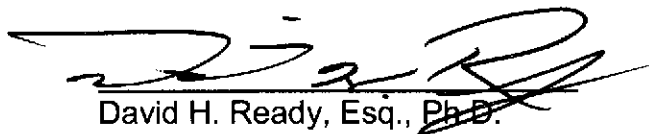
The Lease Agreement would provide the City revenue of \$680 per month. The lease provides that the Museum pay the cost of their individual utility expenses.



Jennifer Henning
Arts and Special Projects Coordinator



James Thompson
Chief of Staff



David H. Ready, Esq., Ph.D.
City Manager

Attachments:
Agua Caliente Cultural Museum Lease Agreement
Amendment No. 1 to Lease Agreement

**AMENDMENT NO. 1 TO LEASE FOR
219 S. PALM CANYON DRIVE
"VILLAGE GREEN" PREMISES**

This Amendment No. 1 ("Amendment") to Lease Agreement for, 219 S. Palm Canyon Drive at the "Village Green" is hereby entered into this 1st day of July, 2015, by and between the City of Palm Springs, a California charter city and municipal corporation, ("City"), and the Agua Caliente Cultural Museum ("Tenant").

Recitals

1. On July 1, 2010 the Community Redevelopment Agency of the City of Palm Springs ("Agency") and Tenant entered into a Lease ("Lease") by which the Tenant leased from the Agency certain spaces in and around the Agency's "Village Green" at 219 S. Palm Canyon Drive ("Village Green"), for a term of five (5) years, ending on June 30, 2015, on terms and conditions specified therein. The Tenant requests to renew the Lease term for an additional three (3) years with an option to renew for an additional two (2) years.

2. In 2011, the "Village Green" Premises was transferred from the Agency to the City, subject to the terms of the Lease.

3. The City and Tenant desire to extend the term of the Lease for an additional three (3) year period to expire July 1, 2018 with an option to renew for an additional two (2) years.

NOW, THEREFORE, the City and Tenant hereby agree as follows:

Agreement

1. The term "Agency" as it appears throughout the Lease shall mean the City of Palm Springs.

2. Section 1.2 of the Lease shall be revised to read as follows:

"Lease Commencement Date. The Lease shall commence July 1, 2015. Lease Term: Three (3) years. Lease Termination Date: June 30, 2018 with an option to renew for an additional two (2) years, at the mutual consent of both parties.

3. Section 1.3 of the Lease shall be revised to read as follows:

"Rental. Tenant shall pay Agency SIX HUNDRED EIGHT DOLLARS AND FORTY CENTS (\$680.40) ("Rent") per month, with Tenant to pay all operational, utility and maintenance cost necessary to operate the Premises in accordance with the maintenance standards of Section 5.3 and the other provisions of the Lease. Upon each annual anniversary date of the Commencement Date, monthly rental shall be adjusted in proportion to the published changes in the Consumer Price Index ("CPI") for, All Items, for the Riverside/San Bernardino Metropolitan Statistical Area. Notwithstanding the foregoing, at the City's sole discretion the Property may be reappraised to establish a new base Purchase Price every year on the Commencement Date. The reappraised purchase price shall be adopted in lieu of the annual CPI adjustment for that year.

4. All other provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have duly executed this Amendment on the date first set forth above.

AGUA CALIENTE CULTURAL
MUSEUM ("Tenant")

THE CITY OF PALM SPRINGS
("City")

By: _____
Michael Hammond
Executive Director

By: _____
David Ready, Esq., Ph.D
City Manager

Attest: _____
James Thompson
City Clerk

Approved as to Form:

Douglas C. Holland
City Attorney