



Department: Administration
Cost Center: 1001
For Agenda of: 7/20/2021
Placement: Consent
Estimated Time: N/A

FROM: Greg Hermann, Deputy City Manager
Greg Avakian, Parks & Recreation Director
Prepared By: Robert Hill, Sustainability & Natural Resources Official
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SUBJECT: SAN LUIS OBISPO MUSEUM OF ART – LEASE AMENDMENT AND
COMMUNITY PARTNERSHIP AGREEMENT

RECOMMENDATION

Approve a Lease Amendment and Community Partnership Agreement between the City of San Luis Obispo and the San Luis Obispo Museum of Art, in a final form to the satisfaction of the City Attorney.

DISCUSSION

Background

The City of San Luis Obispo enjoys a long-standing public / private partnership with the San Luis Obispo Museum of Art (SLOMA) that stretches back over 50 years. While the relationship and nature of the partnership has supported a wide variety of activities and initiatives in support of the visual arts, a core element has been the City's lease of a portion of real property at the corner of Monterey Street and Broad Street tangent to Mission Plaza where the museum facility itself is located.

This report seeks approval of a lease amendment (Attachment A) in order to allow SLOMA the near-term ability to implement renovations and improvements to the existing structure while they continue to assess their longer-term facility needs that can be accomplished in the future with the design of a new facility. The City's Parks and Recreation Department also proposes to enter into a Community Partnership Agreement (Attachment B) with SLOMA for the purpose of building capacity and expertise in the administration of the City's Public Art Program over the course of an initial two-year term. Identified projects include: 1) Downtown Public Art Installations, 2) Roundabout Public Art Installations, and 3) Neighborhood Greenway Installations.

Concurrently, in furtherance of its recent efforts to advance public art, as well as to draw more patrons and visitors into the museum, SLOMA desires to utilize a portion of the lawn area located to the northeast between the museum and Mission Plaza through rotating installations of outdoor sculpture; the Community Partnership Agreement allows and sets forth parameters for the shared use of the space for this purpose.

Previous Council Action

On February 20, 1967, the City Council adopted Resolution No. 367 (1967 Series) in order to allow for the lease of a portion of Mission Plaza to be used for the purposes of operating a museum structure addressed at 1010 Broad Street within a defined premises that is further identified in that 1967 Lease Agreement.

On February 18, 2010, the City entered into an updated Lease Agreement with SLOMA (formerly the San Luis Obispo Art Center and prior to that the San Luis Obispo Art Association) to include terms and provisions to extend the lease term until 2065, specify operational hours and procedures, and construct a new facility on the premises on or before 2025.

Policy Context

The City's Financial Management Manual (Section 475-C) allows for long-term leases of City property, as well as provisions for leases to non-profit organizations, where there is a clear link between the proposal and accomplishment of significant City goals, plans or policies and where the proposal has a clear and measurable community benefit. Staff and prior Councils have considered supporting the visual arts to be in the public interest in accordance with this policy framework.

The recommended actions are also in accordance with the City's goals for the "Arts and Cultural District" concept that is one of the hallmarks of the Downtown Concept Plan and are in furtherance of the City's long-standing Public Art Program. Lastly, entering into a community partnership to implement the City's public art objectives is a key strategy in the Public Art Master Plan.¹

Public Engagement

The proposed Lease Amendment and Community Partnership Agreement are considered matters of routine City business. However, prior to installation, any and all public art shall be considered and reviewed in accordance with the City's Public Art Policies and Procedures Manual and the public art jury process described therein.

CONCURRENCE

The City's Public Works Parks Maintenance staff have been briefed on the provision for shared use of the lawn area adjacent to the museum and have indicated their support.

ENVIRONMENTAL REVIEW

Entering into the Lease Amendment and Community Partnership Agreement with SLOMA is not considered a project under CEQA Guidelines.

¹ [San Luis Obispo Public Art Master Plan](#): Page 29 "EXPLORE DIFFERENT STAFFING AND COMMUNITY PARTNERSHIP-MODELS: Different models to manage this program should be explored from staffing opportunities to expanded community partnerships".

FISCAL IMPACT

Budgeted: No
Funding Identified: No

Budget Year: 2021-22

Fiscal Analysis:

| Funding Sources | Total Budget Available | Current Funding Request | Remaining Balance | Annual Ongoing Cost |
|------------------------|-------------------------------|--------------------------------|--------------------------|----------------------------|
| General Fund | | | | |
| State | | | | |
| Federal | | | | |
| Public Art Fees | \$468,039 | \$120,000 | \$348,039 | N/A |
| Other: | | | | |
| Total | \$468,039 | \$120,000 | \$348,039 | N/A |

The Community Partnership Agreement provides for funding in the amount of \$60,000 annually, or \$120,000 total for the two-year term, to SLOMA as compensation for the administration of the public art program and the duties and obligations described therein.

Entering into the Lease Amendment and Community Partnership Agreement with SLOMA has very modest fiscal implications in and of itself. It will require only modest staff time from City Administration and the Parks and Recreation Department to oversee the agreements. SLOMA's lease will continue to be at \$1.00 per year, consistent with other non-profit community partnerships and the City's Financial Management Manual (Section 475).

ALTERNATIVES

1. Approve the Lease Amendment and/or the Community Partnership with changes.
2. Deny the Lease Amendment and/or the Community Partnership Agreement, although this is not recommended given the Council's goals for public art and the "Arts and Culture District."
3. Continue the item with specific direction to staff to provide more information or make changes, or if more discussion time is required before taking action.

ATTACHMENTS

A – Draft Lease Agreement Amendment No. 1 – San Luis Obispo Museum of Art
B – Draft Community Partnership Agreement – San Luis Obispo Museum of Art