

MORCS Lease and Development Agreement Approval Request

Summary

YPICS Staff and consultants have been negotiating the lease and development agreements with the LAUSD. After multiple conversations the LAUSD has agreed to change the lease agreement to change the term of lease language to include an opportunity to renew the lease at the end of the 40 year term.

Background

The district is recommending the following language change and explanation to the Lease agreement. These two items are the final items that have been of concern.

1. Term of Lease. This Lease is effective, subject to the Conditions Precedent contained in Article 3, as of Effective Date. However, the Term shall be measured from and shall commence on the Term Commencement Date (assuming the conditions set forth in Article 3 are satisfied) and shall terminate at 11:59 p.m. on the day prior to the 40th anniversary thereof, if not sooner terminated (the “**Expiration Date**”). At least one (1) year but no more than three (3) years prior to the Expiration Date, Tenant shall notify Landlord in writing of its desire to remain in occupancy of the Leased Premises. After receipt of Tenant’s notice, Tenant and Landlord shall negotiate a new lease for Tenant’s occupancy of the Leased Premises. Landlord’s Board of Education shall accept or reject the terms and conditions of said new lease as it deems appropriate and prudent prior to any execution of said new lease by Landlord. If the parties cannot mutually agree upon the terms and conditions of a new lease for Tenant’s occupancy of the Leased Premises, Landlord may require and Tenant agrees to execute a Proposition 39 occupancy/use agreement for a school year, a 30-day license or such other instrument that will allow Landlord and Tenant to continue to negotiate and mutually agree upon the terms and conditions of Tenant’s occupancy of the Leased Premises. The term of this Lease shall not automatically extend regardless of any renewal of Tenant’s charter petition because Landlord’s Board of Education should be provided with the opportunity to review Tenant’s occupancy of the Leased Premises, the proposed terms and conditions under which Tenant will continue its occupancy of the Leased premises and make a reasonable decision regarding said proposed terms and conditions.

2. Below is an explanation of the process for MORCS to use space on the Berendo campus after school:
 - a. If one time use – MORCS can submit the attached form to Steve Cotton, Leasing and Asset Management. Assuming it is a school event, MORCS would be charged the costs incurred. LAUSD currently charges for utilities, supplies (i.e. toiletries), and custodial costs by the hour (For the gym, the cost would be \$37.12 per hour.)
 - b. For recurring use (i.e. School Basketball Practice/Games), then MORCS would work with Steve Cotton, Leasing and Asset Management to execute a license agreement. The fee is same as above.

Recommendation:

Approve the lease and development agreement between the LASUD and Monseñor Oscar Romero Charter School with the Term of Lease language above and the clarification of use of facilities after school.