



DATE: February 5, 2024

TO: Mayor and Members of the City Council
President and Members of the Estero Municipal Improvement District
(EMID) Board of Directors

VIA: Stefan Chatwin, City/District Manager
Marlene Subhashini, Assistant City/District Manager

FROM: Derek Schweigart, Parks and Recreation Director
Tiffany Oren, Recreation Manager

DEPARTMENT: Parks and Recreation

SUBJECT: SECOND AMENDMENT TO AGREEMENT BETWEEN CITY OF
FOSTER CITY/ESTERO MUNICIPAL IMPROVEMENT DISTRICT
AND FOSTER CITY VILLAGE, INC. EXTENDING TERM FROM
JANUARY 1, 2024 THROUGH DECEMBER 31, 2024, WITH
ADDITIONAL OPTIONAL EXTENSIONS THROUGH JUNE 30, 2026
AND AUTHORIZING CITY/DISTRICT MANAGER TO APPROVE
FUTURE EXTENSIONS, FOR USE OF OFFICE AND
MEETING/CLASSROOM SPACE, INFORMATION TECHNOLOGY
SERVICES AND EQUIPMENT AT THE COMMUNITY CENTER

RECOMMENDATION

It is recommended that the City Council/EMID Board of Directors adopt the attached resolutions authorizing a Second Amendment to an Agreement between the City of Foster City/EMID and Foster City Village, Inc. extending the term from January 1, 2024 through December 31, 2024 with optional extensions thereafter through June 30, 2026 and authorizing the City/District Manager to approve future extensions, for the use of City-owned office and meeting/classroom space, information technology services and equipment at the Community Center.

EXECUTIVE SUMMARY

The Foster City Village (“The Village”) is a non-profit, membership-based organization whose mission is to enable older adults to continue living in their homes and communities as they age. The Village has utilized office space at the Community Center for about eight years under an annual agreement.

The original agreement between the City of Foster City and the Village dated December 13, 2021 (“Agreement”) is one where the Village would take an active “partnership” role in deploying older adult programs and services using City facilities in a way that is both cost efficient and effective to serve Foster City residents. The City’s Recreation Coordinator and the Village counterpart would conduct monthly meetings, sharing program information, and collaborating on opportunities for both Village members and non-members. The initial one-year term of the Agreement expired on December 31, 2022, and a First Amendment to the Agreement was approved by the City Council on January 17, 2023, for an additional one-year period through December 31, 2023. The parties wish to amend the Agreement again to extend the term for an additional one-year period through December 31, 2024.

On January 16, 2024, the Council gave direction to revise the proposed Second Amendment to the Agreement to give the City/District Manager authority to approve future requests to extend the term of the Agreement. Staff has revised Section 1.2 of the proposed Second Amendment of the Agreement to authorize the City/District Manager to exercise the City’s/District’s option to extend the term of the Agreement.

BACKGROUND

The Village is a non-profit, membership-based agency whose mission is to “enable older adults to continue living in their homes and communities as they age by providing mobility, practical assistance, access to services, social connections and educational opportunities.” The Village was chartered as a non-profit on February 13, 2013, and began to provide services that year to its membership base consisting of residents living in the 94404-zip code. As of January 2021, the Village had 115 members, which represents approximately 1% of the estimated 11,030 adults over the age of 55 living in Foster City in 2019 according to the US Census Bureau. The Village leverages its operating revenues, the vast majority of which come from grants, including \$7,000 from the City of Foster City in Fiscal Year 2022-2024, to deploy volunteers who provide in-kind services with a value around \$150,000 in 2020 according to the Village.

The Village has utilized office space at the Community Center for its paid and volunteer staff since its inception. It has operated under an annual lease agreement in which it paid \$3,120 annually for the use of office and program space, a City-owned computer, City-owned printer/copier, building maintenance and information technology assistance. In 2021, the Agreement was introduced which stated that the rent shall be increased by 5% on July 1 of each succeeding year. The current proposed Second Amendment would extend the term of the Agreement for one-year through December 31, 2024, with

additional optional extensions available through June 30, 2026.

ANALYSIS

City staff and the Village worked together to develop the Agreement for use of the Community Center office and additional meeting and classroom space. While this Agreement features specific lease terms for the use of the office space in the Community Center, there are also provisions for the use of meeting and classroom space at no cost in exchange for classes being made available to Foster City residents who are not members of the Foster City Village organization and to the public as a whole. In November 2023, City staff extended the invitation to the Village to amend the Agreement to extend its term for another year and the Village accepted. A 5% increase in annual rent is listed in the existing agreement terms. However, this will not be implemented this year due to the anticipated closure of the Recreation Center and potential limited availability of space at other City facilities.

If the proposed Resolutions and Second Amendment are approved, the City/District Manager will review any future requests that may be made by the Foster City Village for the optional extensions available through June 30, 2026.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The approval of the Second Amendment to the Agreement is not subject to review under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21000, et seq. and the CEQA Guidelines (14 Cal. Code Regs. §§ 15000 et. seq.), including without limitation, Public Resources Code section 21065 and California Code of Regulations 15378 as this is not a “project” that may cause a direct, or reasonably foreseeable indirect, physical change in the environment.

FISCAL IMPACT

The total cost to the Village under the proposed Second Amendment to the Agreement is \$3,276 in annual rent and use of information technology equipment and services. The City also benefits from revenue for classes attended by Foster City residents who are not members of the Village depending upon the actual enrollment. In the current calendar year, the revenue generated to the City through The Village partnership was \$1,180. The benefit to the Foster City Village is approximately \$8,500 annually in low- and no-fee room usage.

Note that since Fiscal Year 2015-2016, the City Council has granted funding to the Village annually in amounts ranging from \$1,000 to \$15,000 through the Annual Non-Profit Grant Funding process. Nothing in the proposed Second Amendment precludes the Village from submitting future requests for funding through this process.

CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Staff Empowerment and Operational Excellence

ATTACHMENTS:

Attachment 1 – City Resolution

Attachment 2 – EMID Resolution

Attachment 3 – Second Amendment to Agreement