



**Contra
Costa
County**

To: Board of Supervisors
From: Brian M. Balbas, Public Works Director/Chief Engineer
Date: October 22, 2019

Subject: TERMINATION of County's lease of a portion of real property located at 217 South 11th Street, Richmond and transfer ownership to Rosie the Riveter.

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Public Works Director, or designee, to terminate the lease dated April 13, 2010, between the Rosie the Riveter Trust, as lessor, and the County, as lessee, for a portion of the property located at 217 South 11th Street, Richmond.

DECLARE as surplus the modular building located at 217 South 11th Street, Richmond, having Serial Nos. 170990313, 1700990314, 170990315 and 170990316 (the Modular), and AUTHORIZE the Public Works Director, or designee, to execute a Bill of Sale to transfer ownership of the Modular to the Rosie the Riveter Trust, a nonprofit public benefit corporation, in accordance with Government Code Section 25372.

FISCAL IMPACT:

There is no negative impact to the General Fund. The County pays \$1 per year as rent under the lease that is proposed to be terminated. No County funds were used to acquire the modular building.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **10/22/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Diane Burgis, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

ABSENT: Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: October 22, 2019

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Jann Edmunds (925)
957-2454

cc:

BACKGROUND:

In 1995, the County acquired approximately 1.34 acres of real property located at 1014 Florida Avenue and 217 South 11th Street in Richmond (the Property). The Property is the site of the Maritime Child Development Center (Maritime Center), an historic building that was constructed during World War II for use by mothers working at the Kaiser shipyards. The County operated childcare development programs at the Maritime Center until 2004. At that time, the Maritime Center was deemed unsafe and the programs were moved to another location in Richmond.

In 2004, the County leased a portion of the Property to the Richmond Elementary School (RES), a private non-profit corporation for the sole purpose of operating a pre-school and other related social services, educational or administrative activities from a modular building located on the Property. The County owns the modular, which was acquired with funds provided by the Administration for Children and Families, an agency of the Federal Government's Department of Health & Human Services (ACF). Until August 2016, the ACF maintained an interest in the modular.

On April 6, 2010, pursuant to a Board Order, the County donated the Property to the Rosie the Riveter Trust (Rosie the Riveter). At that time, ACF declined to allow the County to donate the modular. As a result, the County leased back that portion of the Property that is the site of the modular under a 20-year lease and subleased the site and the modular to RES. The sublease between the County and RES terminates by its terms on April 30, 2020.

Under the terms of the lease between the County and Rosie the Riveter, (i) Rosie the Riveter is responsible for maintaining the Property, (ii) the County is responsible for maintaining the modular, which is considered to be the personal property of the County, (iii) the County has the right to terminate the lease with 30 days' notice, and (iv) if the County elects to convey the modular to Rosie the Riveter, Rosie the Riveter must accept the conveyance.

In August 2016, in a letter addressed to the County's Community Services Bureau, ACF released its interest in the modular and consented to the modular being donated. With the release of ACF's interest in the modular, there is no reason for the County to continue to own it. Since the County no longer needs to own the modular, the reason for the County's lease of a portion of the Property, and simultaneous sublease to RES, no longer applies. Staff therefore recommends:

- The County terminate the lease between the County and Rosie the Riveter effective April 30, 2020, the same day that the sublease between the County and RES terminates by its terms.
- The County declare the modular to be surplus property and convey it to Rosie the Riveter through a bill of sale effective April 30, 2020.

CONSEQUENCE OF NEGATIVE ACTION:

Failure to terminate the lease between the County and Rosie the Riveter and to convey the modular to Rosie the Riveter will result in the County continuing to be responsible for maintaining property that is no longer required for County purposes.

ATTACHMENTS

RTR Bill of Sale