



Folsom City Council Staff Report

MEETING DATE:	2/22/2022
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10803 - A Resolution Authorizing the City Manager to Execute Amendment No. 3 to the Operation and Maintenance Agreement with the Murer House Foundation
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends approval of Resolution No. 10803 - A Resolution Authorizing the City Manager to Execute Amendment No. 3 to the Operation and Maintenance Agreement with the Murer House Foundation

BACKGROUND / ISSUE

In 1997 the City assumed ownership of the 3 parcels (APN 070-0091-007; 070-0091-008; and 070-0090-012) that constitute the Murer House properties located at 1121 Joe Murer Court; 1125 Joe Murer Court; and 1127 Joe Murer Court, respectively. These properties were previously owned by the Baker Family Trust.

On November 18, 1997, a Purchase and Sale Agreement was recorded between the City and the Baker Family Trust, outlining the terms and conditions of a 40-year agreement that will expire in 2037. This Agreement focused on the purchase and sale details but also included some parameters of how the property would be managed and maintained. One key requirement of the Purchase and Sale Agreement is that the City must maintain the house on the property and the grounds as an historic site and make the property open to the general public until 2037.

The Murer House Foundation (MHF) is a California nonprofit 501(c)(3) that is comprised of citizen volunteers who have made a commitment to assist the City in preserving the site as a historic site open to the general public.

To define the maintenance and management responsibilities between the City and the MHF, a Memorandum of Understanding (MOU) was created in 2003, then a new agreement was created in 2013 which expired in 2016, and then the most recent agreement was created in 2016, which has had two recent amendments (No. 1 and 2) to allow time for discussions with the MHF. The current agreement expires March 31, 2022.

In 2021, the MHF reached out to the City to discuss the Foundation's future plans for enhancing their core operation of protecting and preserving the Giuseppe Murer House and grounds along with promoting public awareness of Folsom's Italian History. A Business Plan (2021-2024) was provided to the City outlining MHF's concepts for raising funds to make improvements and advance the goals of preserving the cultural heritage of the site through programming, gardening, and historical events.

POLICY / RULE

Pursuant to Folsom Municipal Code section 2.36.270, the disposition of real property interests in city property shall be approved by the City Council. A city may lease property owned, held, or controlled by it for a period not to exceed 55 years. Government Code Section 37380.

ANALYSIS

In 2021, the MHF reached out to the City to discuss the Foundation's future plans for enhancing their core principles of protecting and preserving the Giuseppe Murer House and grounds along with promoting public awareness of Folsom's Italian History. A Business Plan (2021-2024) was provided to the City outlining concepts for raising funds to make improvements and advance the goals of preserving the cultural heritage of the site through programming, gardening, and historical events.

The MHF's long-range plan is to improve the Learning Center building. Details of the proposed improvement have not been worked out but could include demolition and reconstruction, significant renovation, or other remodeling of buildings on the site. Any proposed plans to modify any buildings on the site would have to go through the city's standard development application process and reviews.

In order for the Foundation to attract interested investors to participate in the future fund raising efforts, they have asked the City for an agreement that would be in place for 40 years (bringing it to year 2062) with an automatic extension of 15 years (bringing it to year 2077). This total length of the term would therefore be 55 years, which is within the City Council's approval authority.

Language would be added to the agreement that would only allow termination of the agreement by the city for good cause, if MHF moves forward with renovations. Otherwise, no significant changes are proposed to the City's and MHF's existing roles and responsibilities for maintenance and operation of the Site.

FINANCIAL IMPACT

This amendment to the existing agreement does not have a financial impact.

ENVIRONMENTAL REVIEW

This amendment to the agreement is not subject to CEQA. Any future proposal to improve the Learning Center Building or otherwise renovate the property would be subject to CEQA.

ATTACHMENTS

Resolution No. 10803 - A Resolution Authorizing the City Manager to Execute Amendment No. 3 to the Operation and Maintenance Agreement with the Murer House Foundation

Submitted,

Lorraine Poggione
Director of Parks and Recreation

RESOLUTION NO. 10803

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE
AMENDMENT NO. 3 TO THE OPERATION AND MAINTENANCE AGREEMENT
WITH THE MURER HOUSE FOUNDATION**

WHEREAS, on August 31, 2016, a five-year Agreement between the City and Murer House Foundation (MHF) was approved to define the maintenance and operation responsibilities of both parties; and

WHEREAS, the Agreement has been amended twice, once on July 12, 2021 (Amendment No. 1) and again on December 14, 2021 (Amendment No. 2) to allow time for discussion related to a future agreement; and

WHEREAS, the City is supportive of MHF's desire to improve the operations of the site by making city-approved changes to the property, subject to MHF's compliance with the City's standard development application process and reviews; and

WHEREAS, the City is in agreement with MHF's desire for a 40-year agreement term with the option for an extension of 15 years; and

WHEREAS, this agreement will be in a form acceptable to the City Attorney.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute Amendment No. 3 to the Operation and Maintenance Agreement with the Murer House Foundation.

PASSED AND ADOPTED this 22nd day of February 2022, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Kerri M. Howell, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK