

CITY COUNCIL

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Reso No. _____

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Agenda Item No.: 20

Date: November 14, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Jerry H. Van Leeuwen, Director of Community Services

SUBJECT: Escondido Success Center: Status Report

RECOMMENDATION:

City Council is requested to receive the status report and provide direction to staff.

FISCAL ANALYSIS:

Costs to provide tenant improvements at the East Valley Community Center for a new Escondido Success Center are unknown. It is recommended that Council direct staff to work with potential tenants to develop cost estimates for tenant improvements. In addition, staff requests conceptual approval to pay for tenant improvements with recovery of those costs to be incorporated into a four to five year lease.

PREVIOUS ACTION:

Council directed staff to close the East Valley Branch Library and seek tenants for the space.

BACKGROUND:

The branch library located at the East Valley Community Center was closed at Council direction in FY 2011-12. At that time, staff was directed to seek a tenant for the space. Several months ago, a meeting of potential tenants with similar purposes was convened to explore an idea of creating a center for workforce development in the approximately 10,000 square foot space. These potential tenants included Escondido Education COMPACT, ResCare Workforce Services, Escondido Adult School, San Diego Futures Foundation and other auxiliary partners.

The group supported the concept of creating the Escondido Success Center. The purpose of the Success Center is to create a one-stop shop for workforce development, serving both youth (ages 16-21) and adults. The Center will improve access to job development opportunities as well as more efficiently coordinating services for local employers/companies and job seekers to meet the demands of their present and future workforce. A similar facility is operating in the City of Long Beach and has been identified as a model for workforce development activities.


Preliminary planning for the building has begun with the larger tenants identifying their space requirements. A common issue for the service providers is the inability to pay for capital improvements due to the nature of their contracts, primarily Department of Labor funding issued competitively thru the San Diego Workforce Partnership. Staff is suggesting that the City, as landlord, install tenant improvements at the specification of the tenants and amortize the cost over the term of the lease. Based on Council direction, the potential tenants have been told the space will be leased at market rates. The tenant improvements amortization would be in addition to the base rent, unless Council directs otherwise at a later date. In addition, the soon to be opened Escondido Technology Center is also located in the same former branch library space. The computer lab will be very beneficial for job seekers and for skill development and can be incorporated into the operations of the Success Center.

Escondido Education COMPACT is acting as the convener of the potential tenants. If negotiations are successful, Education COMPACT will vacate the space they currently occupy adjacent to the former branch library. The vacated space can in turn be leased to other tenants or used for other community purposes. If so directed by Council, staff will explore both commercial and other potential uses for the vacated space.

Staff is supportive of the proposal. Escondido Education COMPACT, as a long-time partner of the City, has demonstrated the ability to provide quality workforce development services. They have been successful in acquiring resources to sustain and expand their activities over many years and are a respected leader, particularly with youth oriented services.

The East Valley Community Center was constructed to provide community activities. The Success Center is consistent with that purpose. The addition of the Success Center facility will provide an efficient and coordinated effort to sustain and improve high quality workforce development services to area residents. The location is consistent with the education focus of the immediate area and with the City Council's goal of raising the median income of Escondido residents. In addition, the services will provide an opportunity for local business to reach out to local residents to fill local job opportunities.

Respectfully Submitted,


Jerry Van Leeuwen