

### City of Fayetteville Item Review Form

2013-0192

Legistar File Number

12/17/13

City Council Meeting Date - Agenda Item Only  
N/A for Non-Agenda Item

Yolanda Fields

Submitted By

Development Services

Department

#### Action Required:

Approval of an amendment to the lease agreement for 2190 S Razorback Road which is part of the CDBG Public Facility Lease Program.

Does this item have a cost?  No

Cost of this request	Category or Project Budget	Program or Project Name
Account Number	Funds Used to Date \$0.00	Program or Project Category
Project Number	Remaining Balance	Fund Name
Budgeted Item? <input type="checkbox"/>	Budget Adjustment Attached? <input type="checkbox"/>	

V20130812

Previous Ordinance or Resolution # 199-11

Original Contract Number: \_\_\_\_\_

#### Comments:

Resolution # 199-11 is the original lease that the amendment being approved applies to. Staff recommends approval of the amendment to the lease agreement for 2190 S Razorback Road.

*[Signature]* 11-25-13  
 Paul a. Beck 11-26-2013  
 [Signature] 11-26-13  
 [Signature] 11/26/13

11-25-13 P01:42 RCVD

*[Signature]*  
 ENTERED  
 11/25/13  
 [Signature]

## CITY COUNCIL AGENDA MEMO

---

**To:** City Council and Mayor

**Thru:** Jeremy Pate, Director Development Services

**From:** Yolanda Fields, Director Community Services

**Date:** November 25, 2013

**Subject:** CDBG Public Facility Lease Program – Approval of Lease Amendment 2190 S Razorback Road

---

### **PROPOSAL:**

The property located at 2190 S Razorback Road was constructed with Community Development Block Grant (CDBG) funds. This property is a part of the CDBG Public Facility Lease Program. Properties constructed with CDBG funds are made available through an application process to non-profits that provide services to low and moderate income residents in the City of Fayetteville. Resolution No. 199-11 was passed November 15, 2011 approving the lease with Prism Education Center. Paragraph 2 of the lease was written with the option to extend the lease past 2013. The attached "Amendment to Lease Agreement 2190 S Razorback Road" amends Paragraph 2 to extend the lease.

Prism Education Center was incorporated as a 501(c)3 in April 2009. Prism Education Center provides preschool, after school and summer school tutoring and enrichment programs that benefit low and moderate income families in Fayetteville and Washington County. Prism Education Center also provides resources for parents, including court mandated parenting classes.

### **RECOMMENDATION:**

Staff recommends the approval of the amendment to the lease agreement with Prism Education Center for the property located at 2190 S Razorback Road.

### **BUDGET IMPACT:**

None.

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION APPROVING AN AMENDMENT TO THE LEASE AGREEMENT WITH PRISM EDUCATION CENTER FOR 2190 S. RAZORBACK ROAD WHICH IS PART OF THE CDBG PUBLIC FACILITY LEASE PROGRAM

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby approves an amendment to the lease agreement with Prism Education Center for 2190 S. Razorback Road which is part of the CDBG Public Facility Lease Program.

**PASSED** and **APPROVED** this 17<sup>th</sup> day of December, 2013.

APPROVED:

ATTEST:

By: \_\_\_\_\_  
**LIONELD JORDAN**, Mayor

By: \_\_\_\_\_  
**SONDRA E. SMITH**, City Clerk/Treasurer

AMENDMENT TO LEASE AGREEMENT  
2190 S. RAZORBACK ROAD

The Lease agreement executed on the 15<sup>th</sup> day of November 2011, by and between the City of Fayetteville, Arkansas and Prism Education Center, a non-profit Arkansas corporation, in consideration of the promises, covenants and commitments contained herein, and other good and valuable consideration, is hereby amended as follows:

Paragraph 2 is amended so that after amendment, it shall read as follows:

“2. TERM. The original term of this Lease shall commence on November 15, 2013, and shall extend for a term of one (1) year. This Lease will be automatically extended for successive one (1) year periods unless, within sixty (60) days prior to the end of the Lease term, either the City of Fayetteville or Prism Education Center provide written notice to the other party of its intention to terminate this Lease. This notice shall be effective if mailed or delivered to:

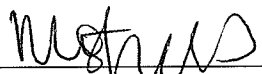
City of Fayetteville  
Mayor’s Office  
113 W. Mountain  
Fayetteville, AR 72701

Prism Education Center  
Executive Director  
2190 S. Razorback Road  
Fayetteville, AR 72701”

IN WITNESS WHEREOF, the parties have executed this Amendment to Lease Agreement on the dates subscribed below.

PRISM EDUCATION CENTER

CITY OF FAYETTEVILLE, ARKANSAS

  
\_\_\_\_\_  
Authorized Agent  
Prism Education Center

\_\_\_\_\_  
Mayor Lioneld Jordan

11/21/13  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
City Clerk Sondra Smith

**RESOLUTION NO. 199-11**


A RESOLUTION APPROVING A LEASE WITH PRISM EDUCATION CENTER FOR PROPERTY LOCATED AT 2190 SOUTH RAZORBACK ROAD PURSUANT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC FACILITY LEASE PROGRAM

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby approves a lease with Prism Education Center for property located at 2190 S. Razorback Road pursuant to the Community Development Block Grant Public Facility Lease Program. A copy of the lease is attached as Exhibit "A".

**PASSED and APPROVED** this 15<sup>th</sup> day of November, 2011.

APPROVED:

By:   
LIONELD JORDAN, Mayor

ATTEST:

By:   
SONDRA E. SMITH, City Clerk/Treasurer





Community Development Block Grant  
Public Facility Lease Program

## LEASE AGREEMENT

2190 S Razorback Road

**THIS LEASE AGREEMENT** executed this 15<sup>th</sup> day of November 2011, by and between the City of Fayetteville, Arkansas and Prism Education Center, a non-profit Arkansas corporation, hereinafter referred to as "Prism Education Center".

**In consideration of the promises, covenants and commitments contained herein, the City of Fayetteville and Prism Education Center hereby agree as follows:**

1. **PREMISES.** The City of Fayetteville hereby leases to Prism Education Center and Prism Education Center hereby leases from The City of Fayetteville, the building, parking lot and premises of 2190 S Razorback Road, Fayetteville, AR 72701.
2. **TERM.** The original term of this Lease shall commence on November 15, 2011 and shall terminate on November 1, 2013 at 5:00 p.m. This Lease may be extended past this date, contingent upon the possible sale of the property, unless written notice of termination is given by City of Fayetteville or Prism Education Center to the other party at least thirty (30) days prior to expiration of the original term of this lease. If the lease will be extended, an addendum to the lease agreement will be executed. This notice shall be effective if mailed or delivered to:

City of Fayetteville  
Mayor's Office  
113 W Mountain  
Fayetteville, AR 72701

Prism Education Center  
Executive Director  
2190 S Razorback Road  
Fayetteville, AR 72701

3. **CONSIDERATION.** In consideration for the use of leased premises Prism Education Center agrees to provide its services to the citizens of Fayetteville and Northwest Arkansas with emphasis on low and moderate income children and youth in Fayetteville. Prism Education Center agrees to provide preschool, after school and summer school tutoring and enrichment programs. The project will also provide resources for parents. Prism Education Center shall maintain at all times a current and complete record of all activities conducted on the leased premises in a form specified by the City of Fayetteville. Prism Education Center shall submit a quarterly activity report to the City of Fayetteville Community Services Division on or before the 15<sup>th</sup> of the month following the end of the quarter. The City of Fayetteville and the United States Department of Housing and Urban Development shall have



Community Development Block Grant  
Public Facility Lease Program

complete access to all of Prism Education Center's records during all reasonable hours and shall have the right to inspect and copy said records.

4. **UTILITIES.** Prism Education Center shall be responsible for prompt and complete payment of all utilities including electric bills, natural gas bills, water and sewer bills, sanitation service bills and telephone bills.
5. **IMPROVEMENTS TO PREMISES.** If previously approved in writing by the Community Services Division of the City of Fayetteville, Prism Education Center may make improvements that are necessary to carry out the services they provide. Prism Education Center agrees that it will keep and maintain the leased premises and all improvements thereon in good condition and repair at all times. Prism Education Center agrees to be responsible for yard maintenance and for the maintenance and replacement of all heating, electrical and air conditioning equipment and plumbing on the premises. Prism Education Center, at its own cost and expense, shall maintain and keep premises in as good repair as when the premises were received or in their highest state of repair during the lease term, ordinary wear and tear and casualties beyond Prism Education Center's control alone are exempted. Prism Education Center shall return the leased premise at the expiration or termination of the Lease in good order and condition excepting only ordinary wear and tear and casualties beyond Prism Education Center's control. Design for any such improvements shall be approved in advance by the City of Fayetteville Community Services Division. Upon termination of this lease all improvements shall become the property of the City of Fayetteville.
6. **MAINTENANCE AND REPAIR FUND.** Prism Education Center will establish and maintain a Maintenance and Repair Fund. Prism Education Center shall immediately begin depositing the amount of **\$500.00** per month in a separate savings account in a savings institute acceptable to the City of Fayetteville for the period of time required to establish and maintain a fund total of **\$30,000.00**. These funds may be used only for the maintenance and repair of the premises. At the end of this Lease Agreement, all funds in this account not needed for repair or maintenance to return the premises to good condition and repair shall become the sole property of Prism Education Center.
7. **FACILITY DEPOSIT.** Prism Education Center will provide a **\$5,000.00 Facility Deposit** to the City of Fayetteville prior to move in unless a letter of understanding is attached to this lease agreement. The entire amount will be held by the city for the duration of the lease. Upon notification of intent to vacate the lease the City will inspect location to determine condition. If repairs are needed to return the premises to good condition the Facility Deposit amount will used to make the repairs. Any remaining balance will be refunded to the Prism Education Center.



Community Development Block Grant  
Public Facility Lease Program

- d. Prism Education Center will comply with Section 109 of the Housing and Community Development Act of 1974, and the regulations issued pursuant thereto (24 CFR Part 570.601), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds proved under 24 CFR 570.
  - e. Prism Education Center will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project.
12. **PERSONAL GAIN.** Prism Education Center will establish safeguards to prohibit employees from using position for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
13. **HATCH ACT.** Prism Education Center will comply with applicable provisions of the Hatch Act.
14. **RIGHT TO INSPECT RECORDS.** Prism Education Center will give HUD and the Comptroller General, through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the program.
15. **ENVIRONMENTAL PROTECTION.** Prism Education Center will ensure that the facilities under its lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify HUD of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
16. **FLOOD DISASTER PROTECTION ACT.** Prism Education Center shall comply with the Flood Disaster Protection Act of 1973, P.L. 93-234, 87stat. 975, approved December 31, 1973. Section 103(a) required, on and after march 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area, that





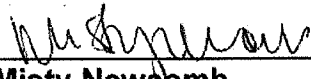
Community Development Block Grant  
Public Facility Lease Program

has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phase "Federal financial assistance" shall be included in any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

**17. CURE OR TERMINATION.** If the City of Fayetteville determines that Prism Education Center has violated a duty, term or condition of this Lease Agreement, it shall so notify Prism Education Center in writing at the address listed above in paragraph 2. Prism Education Center shall have thirty (30) days after notification to cure the breach. If Prism Education Center fails to cure the breach to satisfaction of the City of Fayetteville within the allotted period of time, the City of Fayetteville, acting through its Mayor, may declare this Lease Agreement terminated and so notify Prism Education Center which shall immediately vacate the premises.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement on the date first above written.

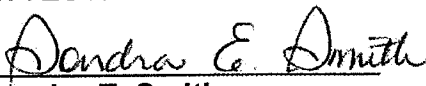
**PRISM EDUCATION CENTER  
d/b/a Prism Education Center**

  
\_\_\_\_\_  
**Misty Newcomb**  
Executive Director

**CITY OF FAYETTEVILLE, ARKANSAS**

  
\_\_\_\_\_  
**Lioneld Jordan**  
Mayor

ATTEST:

  
\_\_\_\_\_  
**Sondra E. Smith**  
City Clerk/Treasurer

