



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Arturo Vela, Interim City Manager

PREPARED BY: Ralph Wright, Parks and Recreation Director

MEETING DATE: October 28, 2025

SUBJECT: Consideration of Resolution 2025-154, a Resolution of the City Council of the City of Banning Approving a License Agreement between the City of Banning and Kids Cures Foundation for the Use of the Art Welch Community Center located at 2041 Nicolet Street in Banning, California.

RECOMMENDATION:

Adopt Resolution 2025-154

BACKGROUND:

The City of Banning owns the Art Welch Community Center, formally named the Armory Building located at 2041 Nicolet Street. The property was leased to the State of California until January of 2020. The Art Welch Community Center currently is used for a number of activities: 1) The Parks and Recreation Department one of the rooms to store equipment and supplies and the department offers some recreation programming in the facility; 2) The facility houses a local HAM radio club, through a similar license agreement in one of the small office rooms; and 3) The Kids Cures feeding program uses the facility for food storage and to offer their monthly food distribution program.

At the December 14, 2021 meeting of the City Council, the Council adopted Resolution 2021-127 approving a license agreement with Kids Cures Foundation, allowing them to use one large storage room, located on the northwest corner of the building and an adjacent space, approximately 22' x 40' on the main warehouse floor for Kids Cures to adequately store their food and supplies and to offer their monthly food distribution program. The initial license agreement was for a three-year term, with the ability to extend the agreement if mutually agreed upon. The agreement expired in December of 2024 and there was a belief that an extension had been agreed upon, and completed and approved extension was not completed. Kids Cures has continued to use the site and complied with all requirements of the agreement after the expiration including maintaining and providing insurance for use of the facility, paying an annual rental fee of \$1 and a monthly utility fee of \$100.

As part of a Climate Resiliency grant that was awarded to the city, a consultant has been brought on to develop a long-range plan for the Art Welch Community Center facility. The grant scope has plans for the facility to be a long-term option to house the City's EOC when activated and operate as a Community Center/Resiliency Center to provide needed services for the community. The creation of the plan is expected to last a year to a year and a half, after which depending on funding, the availability for housing a program like this may change. For that reason, this new draft license agreement has a one-year term with options to extend subsequent years as direction and facility availability warrant.

The agreement requires Kids Cures Foundation to indemnify the City of Banning and continue to maintain in full force the required insurance for use of the premises and their operations. Kids Cures

Foundation is a nonprofit 501(c)(3) corporation and the annual rent for the license will be \$1.00. Additionally, Kids Cures shall pay a portion of the electricity costs for the building of \$100.00 per month. Based on electric consumption in the building over the last twelve months and taking into consideration the Banning Electric utilities recently adopted rate changes, the average monthly electricity charges are estimated to be \$220.00 to \$300.00. The license agreement allows for a change to the monthly electric fee if the City enters into subsequent license agreements for use of the shared building space during the term of the agreement.

JUSTIFICATION:

The facility is used for storage and programming as possible but at this time, the space being used by the Kids Cures Foundation does not have another planned use. The Kids Cures Foundation has been serving the City of Banning for many years with monthly food distribution events taking place in the Community Center Parking Lot prior to the original license agreement for use of the Art Welch Community Center. The food distributions generally occur on the 4th Saturday of the month with up to 300 families in need are provided with food and supplies each month.

FISCAL IMPACT:

In the near term, there are no formalized planned uses of the building that are in conflict with this license agreement. However, the agreement has a term of one-year and does allow for a 60-day termination without cause if the City decides there is a more effective use of this space. As part of the license agreement, Kids Cures Foundation will pay for a share of the electric costs in the building.

ALTERNATIVES:

Do not adopt Resolution 2025-154 and provide alternative direction.

BUDGETED?:

No

CONTRACT/AGREEMENT:

Yes

ATTACHMENTS:

1. [Resolution_2025-154.docx](#)
2. [Draft License Agreement_KidsCures Foundation_Oct 2025.pdf](#)