



Item No. 4 Town of Atherton

CITY COUNCIL STAFF REPORT – SPECIAL AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER

FROM: ROBERT OVADIA, PUBLIC WORKS DIRECTOR

DATE: APRIL 1, 2020

SUBJECT: KNOX PLAYSCHOOL RENT DEFERRAL OR REFUND DUE TO
COVID-19 SHELTER IN PLACE ORDER AND RELATED
SCHOOL CLOSURE

RECOMMENDATION:

Approve deferral or reduction of rent payments for Knox Playschools until the San Mateo County Health Officer's Shelter-in-Place Order and School Modification Orders are lifted or the school reopens.

BACKGROUND

Knox Playschools Incorporated operates a playschool in Holbrook-Palmer Park in facilities leased by the Town. The current lease was initially executed in 2001 and has been amended seven (7) times, most recently in June of 2019.

Amendment No. 7, approved by the City Council, extended the lease to the Knox Playschool to August 31, 2020 and authorized to Options to Extend via one-year extensions, potentially extending the lease to August 31, 2022.

The Town charges the Knox Playschool rent in the amount of \$7,369 per month. The Playschool was charged and paid rent for the month of March. The Playschool will be charged rent for the month of April this week.

On Friday March 13, 2020, the San Mateo County Health Officer issued Order No. c19-3, a School Operations Modification Order, requiring Schools to dismiss students from regular attendance effective Monday March 16 through Friday April 3, 2020. On Thursday, March 26, 2020, the San Mateo County Health Officer issued Order No. c19-3b, revising the Operations Modification Order issued on March 13, 2020, extending it through May 1, 2020. These orders applied to Knox Playschool.

ANALYSIS

Knox Playschools operates under a calendar similar to the Menlo Park City School District and, like the Menlo Park City School District, was closed to students and the public on March 16, 2020.

Knox Playschool is 100% tuition-funded and tuition is not charged when the students are not in session. Tuition ranges from \$520/month for 2 days/week to \$835/month for 5 days/week. Tuition is paid monthly September - June 12. Summer Camp is paid weekly, in advance, and will run from June 15 - August 7.

Susan Knox's teachers had been creating some online content for the students to cover the initial closure period; but has found it hard to provide good content remotely for preschool age students. Susan Knox will be offering a tuition refund to students for the month of April and will also consider a refund if the directive extends for the month of May.

Susan Knox has rented the facility within Holbrook-Palmer Park for 22 years. There are no outstanding lease issues and Susan Knox has communicated that she would like to continue to rent the facilities for at least a few more years.

Susan Knox is asking for a rent reduction for the month of April, extending through the duration of the Orders. If the rent cannot be reduced, then she is asking for rent deferral until they are back in operation.

Staff is recommending a reduction in the rent for the month of April to \$3,684.50 (50%). Alternatively, it is recommended that the rent be deferred until the School Modification Orders are lifted and the school reopened. Should the Orders be extended beyond May 1, it is recommended that the reduction/deferral be extended commensurate with the extended Orders.

POLICY FOCUS

The rental contract with the Town and Knox Playschool Inc does not state any circumstances for a rent reduction or deferral. The current situation associated with CLOVID 19 is unprecedented for the Town and the County and is having a significant impact to the livelihood of small businesses. Knox Playschool has been an asset to the Town and a reduction/deferral would assist in the viability of this small local business.

FISCAL IMPACT:

Knox Playschools Inc. pays monthly rent to the Town in the amount of \$7,369 (\$88,428 annually) with the price to be adjusted per the CPI on September 1 of each year. The reduction would have a small impact the Park Budget for this fiscal year, (-\$3,684.50 for the month of April).

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town’s electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town’s electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials. The Town maintains an active and up to date Project Website at <http://ca-atherton.civicplus.com/index.aspx?NID=290>.

COMMISSION/COMMITTEE FEEDBACK/REFERRAL

This item ___ has or X has not been before a Town Committee or Commission.

- Audit/Finance Committee (meets every other month)
- Bicycle/Pedestrian Committee (meets as needed)
- PMC & Civic Center Advisory Committee (meets as needed)
- Environmental Programs Committee (meets every other month)
- Park and Recreation Committee (meets each month)
- Planning Commission (meets each month)
- Rail Committee (meets every other month)
- Transportation Committee (meets every other month)

ATTACHMENTS

1. Letter from Susan Knox, dated March 27, 2020, asking for rent reduction or deferral
2. Order of the Health Officer No. c19-3 (School Operations Modification Order) dated March 13, 2020
3. Order of the Health Officer No. c19-3b (Revised) dated March 26, 2020

City Council Meeting
April 1st, 2020
Attachment 1

To the Atherton Town Council:

Playschool has been unable to operate since the 'shelter in place' went into effect on Monday, March 16. San Mateo County Health Department recommended yesterday that schools stay closed until at least May 1 and Menlo Park City School District has announced that they will remain closed until May 1. Playschool will, of course, follow suit.

Playschool is 100% tuition funded and we cannot charge tuition if we are not providing a service. We are trimming costs and trying to stay viable. We hope to return to operation as soon as it is safe to do so. That said, would the Town of Atherton consider a rent reduction? Maybe defer rent until we can be back in operation? I know that is a lot to ask, but I have been a responsible tenant for 22 years and would like to be able to do so for a least a few more.

The last day of school was Friday, March 13. The teachers have made some online content (YouTube channel videos) but it is difficult to provide preschool remotely.

Tuition ranges from \$520/month for 2 days/week to \$835/month for 5 days/week. Tuition is paid monthly September - June 12. Summer Camp is paid weekly, in advance, and will (hopefully) run June 15 - August 7.

I am offering families refunds for April tuition. If we are unable to return to school in May, I will not charge tuition for that month either.

Thank you for the consideration of my request.
Susan Knox
Knox Playschools, Inc.



ORDER OF THE HEALTH OFFICER No. c19-3

DATE ORDER ISSUED: March 13, 2020

Please read this Order carefully. Violation of or failure to comply with this Order constitutes a misdemeanor punishable by fine, imprisonment, or both. (California Health and Safety Code §§ 120295, *et seq.*)

The virus that causes Coronavirus 2019 Disease (“COVID-19”) spreads easily from person to person and may result in serious illness or death, and it is essential that the spread of the virus be slowed to safeguard the public and protect healthcare resources considering the influx of new patients. That is why it is necessary to impose a **School Operations Modification Order** to prevent initial exposure and secondary transmission to our most vulnerable populations (people over 60 years old or those with chronic health conditions). The Order requires Schools, as defined below, in San Mateo County (“County”) to dismiss students from regular school attendance beginning Monday, March 16, 2020 and continuing for two weeks through Friday, April 3, 2020, unless rescinded earlier by further action of the Health Officer.

UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 101040, 101085, AND 120175, THE HEALTH OFFICER OF THE COUNTY OF SAN MATEO (THE “HEALTH OFFICER”) ORDERS:

1. Effective as of Monday, March 16, 2020, and continuing through Friday, April 3, 2020, all Schools in the County, as defined below, are hereby ordered to modify operations in accordance with this Order.
2. This Order comes after the release of substantial guidance from the County Health Officer, the Centers of Disease Control and Prevention (“CDC”) (including “Implementation of Mitigation Strategies for Communities with Local COVID-19 Transmission” available online at www.cdc.gov/coronavirus/2019-ncov/downloads/community-mitigation-strategy.pdf), the California Department of Public Health (“CDPH”) (including “School Guidance on Novel Coronavirus or COVID-19” available online at https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/School%20Guidance_ADA%20Compliant_FINAL.pdf), and other public health officials around the world. The prior guidance included recommendations to consider if student dismissal from regular School attendance is warranted and length of time based on the risk level within the specific community as determined by the local public health officer. To the extent that the CDC or CDPH updates guidance, the Health Officer may modify or rescind this Order.
3. This Order is issued based on scientific evidence and best practices as currently known and available to prevent the spread of the virus that causes COVID-19 specifically, as well as best practices as currently known and available to protect vulnerable members of the public from avoidable risk of serious illness or death resulting from exposure to COVID-19. The age, condition and health of a significant portion of the population of the County places it at risk for serious health complications, including death, from





COVID-19. Although most individuals who contract COVID-19 do not become seriously ill, persons with mild symptoms and asymptomatic persons with COVID-19 may place other vulnerable members of the public at significant risk. This is especially true as some individuals who contract the COVID-19 virus have no symptoms or have mild symptoms, which means they may not be aware they carry the virus. Because even persons without symptoms can transmit the COVID-19 virus, and because evidence shows the disease is easily spread, dismissal of students from regular School attendance can result in preventable transmission of the virus.

4. This Order is issued in light of the existence of 21 cases of COVID-19 in the County, over 130 cases in the surrounding bay area (including 3 deaths), and a significant and increasing number of assumed cases of community transmission. Widespread testing for COVID-19 is not yet available but is expected to increase in the coming days. This Order is necessary to slow the rate of spread of COVID-19 while further data becomes available.
5. This Order is issued to prevent circumstances often present in Schools that may exacerbate the spread of COVID-19, such as: (a) students may be asymptomatic; (b) the prolonged time period in which large numbers of students are in close proximity; (c) the difficulty in tracing exposure when large numbers of students attend the same School; and (d) the inability to ensure that students follow adequate hygienic and social distancing practices.
6. This Order is issued in accordance with, and incorporates by reference, the March 12, 2020 Order of the Health Officer No. c19-2, the March 12, 2020 State of California Executive Order N-25-20, the March 4, 2020 Proclamation of a State of Emergency issued by Governor Gavin Newsom, the March 3, 2020 Proclamation by the Director of Emergency Services Declaring the Existence of a Local Emergency in the County, the March 3, 2020 Declaration of Local Health Emergency Regarding Novel Coronavirus 2019 (COVID-19) issued by the Health Officer, the March 10, 2020 Resolution of the Board of Supervisors of the County of San Mateo Ratifying and Extending the Declaration of a Local Health Emergency.
7. The Health Officer will continue to assess the quickly evolving situation and may, at any time or from time to time, modify or extend this Order, or issue additional orders related to COVID-19.
8. Definitions:
 - a. "School" is any public (including charter) or private institution that educates students in transitional kindergarten through 12th grade operated within the County, regardless of size, but shall not include home schooling. "School" includes Adult Schools operated by School Districts and programs for Special Education students up to age 22.
 - b. For public schools, "School District" is a local education agency directed by an elected local board of education that exists primarily to operate public schools.



9. All School-sponsored and School-related activities, including but not limited to clubs, sports, dramatic and musical productions, fairs, exhibitions, academic and/or athletic competitions, should be canceled or postponed for the duration of this Order and any extension of this Order.
10. Schools and School Districts are encouraged to implement at-home learning models, including but not limited to online learning if feasible. School facilities may remain open to staff for the purposes of performing tasks deemed essential or necessary by the School or School District and providing limited and special services (including but not limited to school meals) to students as deemed appropriate by the School and/or School District.
11. Parents and legal guardians are ordered to take reasonable measures to ensure that students who are not in School as a result of this Order are following recommended guidelines for preventing the transmission of the virus, including social distancing. Students of all ages should be prevented from congregating and engaging in group activities during the pendency of this Order to assist in efforts to prevent transmission of COVID-19.
12. Pursuant to Government Code sections 26602 and 41601 and Health and Safety Code section 101029, the Health Officer requests that the Sheriff and all chiefs of police in the County ensure compliance with and enforce this Order.
13. This Order shall become effective Monday, March 16, 2020 and will continue to be in effect through Friday, April 3, 2020, or until it is earlier rescinded, superseded, or amended in writing by the Health Officer or by the State Public Health Officer.
14. Copies of this Order shall promptly be: (1) posted on the San Mateo County Office of Education website (available at <https://www.smcoe.org/>); (2) posted on the County Public Health Department website (available at <https://www.smchealth.org/>); and (3) provided to any member of the public requesting a copy of this Order. In addition, every School that is impacted by this Order is strongly encouraged to post a copy of this Order onsite in a place accessible to the public during regular business hours, as well as on its website.
15. If any subsection, sentence, clause, phrase, or word of this Order or any application of it to any person, structure, gathering, or circumstance is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, then such decision will not affect the validity of the remaining portions or applications of this Order.

IT IS SO ORDERED:

/signed/

Scott Morrow MD, MPH,
Health Officer
County of San Mateo

Date: March 13, 2020

ORDER OF THE HEALTH OFFICER No. c19-3b (Revised)

DATE ORDER ISSUED: March 26, 2020

Please read this Order carefully. Violation of or failure to comply with this Order constitutes a misdemeanor punishable by fine, imprisonment, or both. (California Health and Safety Code §§ 120295, *et seq.*)

The virus that causes Coronavirus 2019 Disease (“COVID-19”) spreads easily from person to person and may result in serious illness or death, and it is essential that the spread of the virus be slowed to safeguard the public and protect healthcare resources considering the influx of new patients. That is why it was necessary to impose a **School Operations Modification Order** on March 13, 2020, to prevent initial exposure and secondary transmission to our most vulnerable populations (people over 60 years old or those with chronic health conditions). The Order requires Schools, as defined below, in San Mateo County (“County”) to dismiss students from regular school attendance beginning Monday, March 16, 2020 and continuing for two weeks through Friday, April 3, 2020, unless rescinded earlier by further action of the Health Officer. This Order revises the March 13, 2020 School Operations Modification Order to extend it through May 1, 2020, without any substantive changes.

UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 101040, 101085, AND 120175, THE HEALTH OFFICER OF THE COUNTY OF SAN MATEO (THE “HEALTH OFFICER”) ORDERS:

1. Effective Thursday, March 26, 2020, at 12 p.m., Order of the Health Officer No. c19-3 (“the School Operations Modification Order”) originally set to expire on April 3, 2020, is hereby revised to extend through 11:59 p.m. Friday, May 1, 2020. All Schools in the County, as defined below, are hereby ordered to continue to modify operations in accordance with this Revised Order. In all other respects, the School Operations Modification Order shall remain in full force and effect, and its provisions are restated herein for convenience.
2. This Revised Order continuing the School Operations Modification Order comes after the release of substantial guidance from the County Health Officer, the Centers of Disease Control and Prevention (“CDC”) (including “Implementation of Mitigation Strategies for Communities with Local COVID-19 Transmission” available online at www.cdc.gov/coronavirus/2019-ncov/downloads/community-mitigation-strategy.pdf), the California Department of Public Health (“CDPH”) (including “School Guidance on Novel Coronavirus or COVID-19” available online at https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/School%20Guidance_ADA%20Compliant_FINAL.pdf), and other public health officials around the world. The prior guidance included recommendations to consider if student dismissal from regular School attendance is warranted and length of time based on the risk level within the specific community as determined by the local public health officer. The Health Officer has concluded based on an assessment of current conditions that the School Operations Modification Order should be extended. To the extent that the





CDC or CDPH updates guidance and/or conditions change, the Health Officer may modify or rescind this Order.

3. This Revised Order is issued based on scientific evidence and best practices as currently known and available to prevent the spread of the virus that causes COVID-19 specifically, as well as best practices as currently known and available to protect vulnerable members of the public from avoidable risk of serious illness or death resulting from exposure to COVID-19. The age, condition and health of a significant portion of the population of the County places it at risk for serious health complications, including death, from COVID-19. Although most individuals who contract COVID-19 do not become seriously ill, persons with mild symptoms and asymptomatic persons with COVID-19 may place other vulnerable members of the public at significant risk. This is especially true as some individuals who contract the COVID-19 virus have no symptoms or have mild symptoms, which means they may not be aware they carry the virus. Because even persons without symptoms can transmit the COVID-19 virus, and because evidence shows the disease is easily spread, dismissal of students from regular School attendance can result in preventable transmission of the virus.
4. This Revised Order is issued in light of the existence of 195 cases of COVID-19 in the County, over (including 5 deaths), as of 10:30 a.m. on March 26, 2020, and a significant and increasing number of assumed cases of community transmission. Widespread testing for COVID-19 is not yet available but is increasing. This Order is necessary to slow the rate of spread of COVID-19 while further data becomes available.
5. This Revised Order is issued to prevent circumstances often present in Schools that may exacerbate the spread of COVID-19, such as: (a) students may be asymptomatic; (b) the prolonged time period in which large numbers of students are in close proximity; (c) the difficulty in tracing exposure when large numbers of students attend the same School; and (d) the inability to ensure that students follow adequate hygienic and social distancing practices.
6. This Revised Order is issued in accordance with, and incorporates by reference, the March 19, 2020 State of California Executive Order N-33-20, the March 18, 2020 State of California Executive Order N-30-20, the March 16, 2020 Order of the Health Officer No. c19-3, the March 13, 2020 State of California Executive Order N-26-20, the March 12, 2020 State of California Executive Order N-25-20, the March 4, 2020 Proclamation of a State of Emergency issued by Governor Gavin Newsom, the March 3, 2020 Proclamation by the Director of Emergency Services Declaring the Existence of a Local Emergency in the County, the March 3, 2020 Declaration of Local Health Emergency Regarding Novel Coronavirus 2019 (COVID-19) issued by the Health Officer, the March 10, 2020 Resolution of the Board of Supervisors of the County of San Mateo Ratifying and Extending the Declaration of a Local Health Emergency.
7. The Health Officer will continue to assess the quickly evolving situation and may, at any time or from time to time, modify or extend this Revised Order, or issue additional orders related to COVID-19.
8. Definitions:



- a. “School” is any public (including charter) or private institution that educates students in transitional kindergarten through 12th grade operated within the County, regardless of size, but shall not include home schooling. “School” includes Adult Schools operated by School Districts and programs for Special Education students up to age 22.
 - b. For public schools, “School District” is a local education agency directed by an elected local board of education that exists primarily to operate public schools.
9. All School-sponsored and School-related activities, including but not limited to clubs, sports, dramatic and musical productions, fairs, exhibitions, academic and/or athletic competitions, should be canceled or postponed for the duration of this Revised Order and any extension of this Order.
10. Schools and School Districts are encouraged to implement at-home learning models, including but not limited to online learning if feasible. School facilities may remain open to staff for the purposes of performing tasks deemed essential or necessary by the School or School District and providing limited and special services (including but not limited to school meals) to students as deemed appropriate by the School and/or School District.
11. Parents and legal guardians are ordered to take reasonable measures to ensure that students who are not in School as a result of this Revised Order are following recommended guidelines for preventing the transmission of the virus, including social distancing. Students of all ages should be prevented from congregating and engaging in group activities during the pendency of this Revised Order to assist in efforts to prevent transmission of COVID-19.
12. Pursuant to Government Code sections 26602 and 41601 and Health and Safety Code section 101029, the Health Officer requests that the Sheriff and all chiefs of police in the County ensure compliance with and enforce this Revised Order.
13. This Revised Order extends the School Operations Modification Order that went into effect on Monday, March 16, 2020, and will continue to be in effect through 11:59 p.m. Friday, May 1, 2020, or until it is earlier rescinded, superseded, or amended in writing by the Health Officer or by the State Public Health Officer.
14. Copies of this Revised Order shall promptly be: (1) posted on the San Mateo County Office of Education website (available at <https://www.smcoe.org/>); (2) posted on the County Public Health Department website (available at <https://www.smchealth.org/>); and (3) provided to any member of the public requesting a copy of this Revised Order. In addition, every School that is impacted by this Revised Order is strongly encouraged to post a copy of this Revised Order onsite in a place accessible to the public during regular business hours, as well as on its website.
15. If any subsection, sentence, clause, phrase, or word of this Revised Order or any application of it to any person, structure, gathering, or circumstance is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, then such decision will not affect the validity of the remaining portions or applications of this Revised Order.



IT IS SO ORDERED:

A handwritten signature in black ink that reads "Scott Morrow MD". The signature is written in a cursive style with a horizontal line underneath it.

Scott Morrow MD, MPH,
Health Officer
County of San Mateo

Date: March 26, 2020