



Legislation Details (With Text)

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Title: City Council consideration of the Third Amendment to the City of Corona Historic Civic Center Lease Agreement with Inspire Life Skills Training, Inc. (located at 815 W. Sixth Street, Suite 160)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Staff Report.pdf, 2. Staff Report with attachments.pdf

Date	Ver.	Action By	Action	Result
10/17/2018	1	City Council	approved	

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 10/17/2018

TO: Honorable Mayor and City Council Members

FROM: Community Development Department

SUBJECT:

City Council consideration of the Third Amendment to the City of Corona Historic Civic Center Lease Agreement with Inspire Life Skills Training, Inc. (located at 815 W. Sixth Street, Suite 160)

RECOMMENDED ACTION:

That the City Council:

1. Approve the Third Amendment to the City of Corona - Historic Civic Center Lease Agreement with Inspire Life Skills Training, Inc.
2. Approve an estimated revenue increase of \$368.00 in the Historic Civic Center Fund 232 for Fiscal Year 2018-19.

ANALYSIS:

Inspire Life Skills Training, Inc. (Inspire) is a local non-profit dedicated to serving, mentoring and training former foster and homeless youth become self-sufficient through the pursuit of higher education. Since September 17, 2014, Inspire has occupied Suite 160 at the Historic Civic Center (HCC) located at 815 W. Sixth Street. Their lease has been amended twice, October 1, 2015 and

September 21, 2016, extending their term. Inspire wishes to amend the lease a third time to add storage space.

Suite 160 is a modestly sized office space, roughly 573 square feet, and serves as Inspire's office, meeting and storage space. This fiscal year, Inspire was awarded Community Development Block Grant funds for up to three years. These funds are earmarked to hire a new staff member. To accommodate the additional staff, Inspire needs storage space. HCC contains two basement areas, Basement A and Basement B, that are ideal for storage. Space is available in Basement B, as depicted in Exhibit 2, located in the east wing of HCC. This basement area is prone to dampness and less desirable as it limits what can be stored. Inspire is fully aware of the conditions and remains interested in leasing two rooms for a total of 230 square feet.

Because of the damp conditions, the rent rate was negotiated below the average HCC storage rate of \$0.30 per square feet. The space is being offered at \$0.20 per square foot. If this third amendment to the lease is approved, Inspire will pay an additional \$46.00 per month or \$552.00 per year. All other terms, conditions and obligations will remain in full effect.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

The lease agreement is consistent with the City's Strategic Plan goal to Actively Engage in Public and Private Partnerships to Provide Services and Amenities because it provides a place of opportunity for a private enterprise to provide programs and services for youth groups within the City.

FISCAL IMPACT:

Approval of this action will generate a nominal amount of \$46.00 monthly or \$552.00 annually. The Fiscal Year 2018-19 revenue increase will be \$368.00 based on an effective date of November 1, 2018. Rent income will be deposited into Civic Center Fund 232. The additional income provides for a reduction in the operating cash transfer needed from the General Fund 110.

GENERAL FUND	
Budget Workshop May 23, 2018 - Est. Revenue Over Expenditures	\$6,626,911
Previously approved budget adjustments (net)	(6,120,285)
Revised Estimated Revenue Over Expenditures	\$506,626
Revenue Increase - Historic Civic Center Lease Agreement	368
Revised Estimated Revenue Over Expenditures	\$506,994
Estimated Budget Balancing Measures Reserve 06/30/18	\$20,645,252
Estimated FY 2018-19 Change in Budget Balancing Measures	506,994
Estimated Budget Balancing Measures Reserve 6/30/19	\$21,152,246

Note: For financial reporting purposes, the Historic Civic Center Fund is part of the General Fund.

ENVIRONMENTAL ANALYSIS:

The execution of this lease agreement is not a project under the California Environmental Quality Act, therefore, an environmental analysis was not required.

PREPARED BY: CYNTHIA LARA, ADMINISTRATIVE SERVICES MANAGER II

REVIEWED BY: JOANNE COLETTA, COMMUNITY DEVELOPMENT DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER

Attachments:

Exhibit 1 - Third Amendment to Lease Agreement

Exhibit 2 - Leased Premises (Basement B)

Exhibit 3 - Leased Premises (Suite 160)