



Legislation Text

File #: 18-1630, Version: 1

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 4/4/2018

TO: Honorable Mayor and City Council Members

FROM: Community Development Department

SUBJECT:

City Council consideration to approve the Termination Agreement between the City of Corona and the Corona Fire Fighters Association for the Historic Civic Center Lease Agreement located at 815 W. Sixth Street, Suite 130.

RECOMMENDED ACTION:

That the City Council:

1. Approve the Termination Agreement between the City of Corona and Corona Fire Fighters Association for the Historic Civic Center Lease Agreement and authorize the City Manager, or his designee, to execute the Agreement and all matters related thereto.
2. Approve an estimated revenue decrease of \$1,546.41 in the Historic Civic Center Fund 232 for the remainder of Fiscal Year 2017-18.

ANALYSIS:

The Corona Firefighters' Association (CFA) is a lessee of the City of Corona Historic Civic Center located at 815 W. Sixth Street, Suite 130. CFA has been a tenant in the building since 2006. A new lease agreement was approved in 2014 and extended the lease term through February 11, 2017. The lease was later amended and extended the lease term through February 28, 2019 (current term) with an option to extend through February 28, 2021. The CFA no longer needs the office space and requested an early termination of the lease.

In accordance with the Termination Agreement the: 1) lease will terminate retroactively on April 1, 2018, 2) security deposits in the amount of \$426.88 may be returned after inspection of the lease premises, and 3) City shall keep the key deposit to offset costs associated with rekeying the leased premises.

Under the current term of the lease, CFA is paying \$515.47 a month. Although the lease termination will result in loss of income, the City will have an opportunity to offer the lease space to another

tenant.

COMMITTEE ACTION:

No committee action taken.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The Agreement will result in an income loss of \$5,670.17 for the months remaining on the current term of the lease. The revenue decrease for the remaining three months of Fiscal Year 2017-18 is \$1,546.41 in the Historic Civic Center Fund 232.

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

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER

Exhibits:

1. Agreement to Terminate the City of Corona - Historic Civic Center Lease Agreement.