



City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 4, 2020

FROM: OFFICE OF HOMELESS SOLUTIONS WARD: 1

SUBJECT: FOURTH AMENDMENT TO THE LEASE AGREEMENT WITH THE COUNTY OF RIVERSIDE, RIVERSIDE UNIVERSITY HEALTH SYSTEMS - BEHAVIORAL HEALTH TO OPERATE A SAFE HAVEN SUPPORTIVE HOUSING PROGRAM AT 2800 HULEN PLACE FOR AN ADDITIONAL 180 DAYS WHILE A NEW LEASE IS NEGOTIATED

ISSUES:

Authorization of a Fourth Amendment to a Lease Agreement with the County of Riverside, Riverside University Health Systems – Behavioral Health, extending the current Lease by 180 days to facilitate the negotiation of a new Lease Agreement, in order to continue to operate a Safe Haven Supportive Housing program at a City-owned building located at 2800 Hulen Place.

RECOMMENDATIONS:

That the City Council:

1. Approve the attached Fourth Amendment to Lease Agreement with the County of Riverside, Riverside University Health Systems – Behavioral Health to operate a Safe Haven Supportive Housing Program at 2800 Hulen Place for an additional 180 days while a new Lease is negotiated; and
2. Authorize the City Manager, or his designee, to execute the Fourth Amendment to Lease Agreement, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete this transaction.

BACKGROUND:

On June 14, 2005, the City Council approved the purchase of an approximately 8,700 square foot building located at 2800 Hulen Place to expand supportive services for the homeless in partnership with the County of Riverside. On September 1, 2006, the City entered into a two-year lease agreement with the County to utilize approximately two-thirds of the space in the building to establish a Safe Haven Supportive Housing program for behavioral health clients. This Lease was subsequently extended through Amendments dated March 23, 2012 and June 23, 2015.

DISCUSSION:

The County and City have been negotiating a new Lease for the City-owned property located at 2800

Hulen Place that would include the build out of the remaining warehouse space by the County. The County would cover the rehabilitation cost of approximately \$2 million to increase capacity from the current capacity of 25 clients in 13 shared bedrooms to 33 clients each with their own bedroom. The negotiation of the new Lease, with complex project planning inclusive of possible temporary tenant relocations, has necessitated the extension of the current Lease by 180 days. Staff will bring a new Lease Agreement to the City Council for consideration in the first quarter of 2020.

FISCAL IMPACT:

This Fourth Lease Amendment, effective February 1, 2020, is for an additional 180 days with the County paying \$11,390 monthly. Currently, the County pays \$10,848 monthly, so the new rate represents an approximately \$540/month increase as allowed under the current Lease. All revenue from the Lease will be deposited into General Fund account 2855301-373100 – Land and Building Rental.

Submitted by:	Michelle Davis, Housing Authority Manager
Certified as to	
Availability of funds:	Edward Enriquez, Chief Financial Officer / City Treasurer
Approved by:	Moises Lopez, Deputy City Manager
Approved as to form:	Gary G. Guess, City Attorney

Attachment: Fourth Amendment to Lease