



# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL                      DATE: MAY 12, 2026**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT              WARD: 1**  
**DEPARTMENT**

**SUBJECT: ASSIGNMENT AND ASSUMPTION AGREEMENT WITH RUBEN BARRAGAN AND LUIS HERNANDEZ DOING BUSINESS AS FIRE UP GRILL, FOR RESTAURANT SPACE – MISSION SQUARE BUILDING, 3750 UNIVERSITY AVENUE, SUITE 190, ASSIGNING THE LEASE SOLELY TO LUIS HERNANDEZ**

**ISSUE:**

Approve the Assignment and Assumption Agreement with Ruben Barragan and Luis Hernandez doing business as Fire Up Grill, for restaurant space – Mission Square Building, 3750 University Avenue, Suite 190, assigning the lease solely to Luis Hernandez.

**RECOMMENDATIONS:**

That the City Council:

1. Approve the Assignment and Assumption Agreement (Attachment 1 – Agreement) with Ruben Barragan and Luis Hernandez, dba Fire Up Grill; and
2. Authorize the City Manager, or his designee, to execute the Approve the Assignment and Assumption Agreement with Fire Up Grill, including making minor and non-substantive changes.

**BACKGROUND:**

On October 13, 2015, the City acquired the Mission Square Building at 3750 University Avenue (Property), which was funded by Riverside Public Utilities (RPU). As such, RPU is now the landlord of the Property. The Property consists of approximately 127,533 square feet of rentable office and retail space in a six-story building, plus a basement level and a 490-stall parking garage, situated on approximately 2.5 acres of land in downtown Riverside.

On August 8, 2017, the City Council approved a Commercial Lease Agreement with Ruben Barragan and Luis Hernandez, doing business as Fire Up Grill, for approximately 1,000 square feet of rentable office space located at 3750 University Avenue, Suite 570.

On September 11, 2018, the City Council approved the First Amendment to the Commercial Lease Agreement with Ruben Barragan and Luis Hernandez doing business as Fire Up Grill, revising the Commencement date from January 10, 2018, to September 1, 2018.

On October 3, 2023, the City Council approved a Second Amendment to the Commercial Lease with Ruben Barragan and Luis Hernandez doing business as Fire Up Grill, extending the lease for an additional 60 months.

**DISCUSSION:**

On June 12, 2025, Newmark notified staff that Luis Hernandez has requested an Assignment and Assumption of Lease for Fire Up Grill to remove former partner Ruben Barragan from the existing lease and transfer all lease rights and obligations solely to Mr. Hernandez. The current lease is jointly held by Mr. Hernandez and Mr. Barragan, and Mr. Hernandez has indicated that the partnership has dissolved.

The lease provides for an assignment fee equal to \$1,000 or 10 percent of the monthly rent, whichever is greater. Based on the approval of the Second Amendment, the monthly base rent is \$3,183.00. As such, the assignment fee is \$1,000.

**FISCAL IMPACT:**

The total fiscal impact of the action requires collecting a \$1,000 assignment fee from the lessee. All revenue will be deposited into the Mission Square Property Management Trust Account, which is controlled by RPU, and used to pay the property's operating expenses.

Prepared by:	Sheryn Smay, Supervising Real Property Agent
Approved by:	Miranda Evans, Interim Community & Economic Development Director
Certified as to availability of funds:	Julie Nemes, Interim Finance Director
Approved by:	Mike Futrell, City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Assignment and Assumption of Lease
2. Presentation