



July 12, 2016

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Authorize the execution of all documents necessary for a Lease between Ravinder Singh, an individual, and the Housing Authority of the City of Long Beach, for use of the parking lot westerly adjacent to 421 East Fourth Street by the Housing Authority. (Citywide)

DISCUSSION

Since 2000, the Housing Authority of the City of Long Beach (Housing Authority) has leased approximately 3,875 square feet of property in the parking lot westerly adjacent to 421 East Fourth Street (Subject Property) from the Long Beach Housing Development Company (LBHDC) for use by the staff and guests of the Housing Authority located at 521 East Fourth Street. The lease was for \$1 per year and has been on a month-to-month tenancy since January 2010. With the passage of Assembly Bill 26X and Assembly Bill 1484, the Subject Property became an asset of the Successor Agency to the Redevelopment Agency (Successor Agency) and a part of the Long Range Property Management Plan (LRPMP), the goal of which is to dispose of former Redevelopment Agency assets.

The LRPMP was approved by the State Department of Finance on March 10, 2015, and amended on June 24, 2015. The Subject Property was categorized in the LRPMP as "For Sale," which the Successor Agency was required to sell at market value with the proceeds going to the local taxing authorities. Ravinder Singh (Landlord), an individual, purchased the Subject Property from the Successor Agency in November 2015, and assumed the existing month-to-month lease with Housing Authority. Staff initiated negotiations with the Landlord for a new lease while the Housing Authority continued to use the property as it was needed to meet its overall parking needs.

A new lease has been negotiated containing the following major terms and provisions:

- Landlord: Ravinder Singh, an individual.
- Tenant: Housing Authority of the City of Long Beach.
- Leased Premises: Approximate 3,875 square-foot parking lot westerly adjacent to 421 East Fourth Street.

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- Term: Lease shall run through March 31, 2020.
- Option to Terminate: Landlord and Tenant shall have the right to terminate the lease with 180 days prior written notice.
- Rent: Effective and retroactive to December 1, 2015, the monthly fixed rate throughout the term of the Lease for the Leased Premises shall be \$875 per month (\$0.23 per square foot).
- Maintenance: Housing Authority shall be responsible for the daily maintenance of the Leased Premises.

This matter was reviewed by Deputy City Attorney Robin Zur Schmiede on June 21, 2016 and by Budget Analysis Officer Rhutu Amin Gharib on June 23, 2016.

TIMING CONSIDERATIONS

Housing Authority Commission action is requested on July 12, 2016, to execute the Lease in a timely manner to formalize the continued occupancy of the Leased Premises.

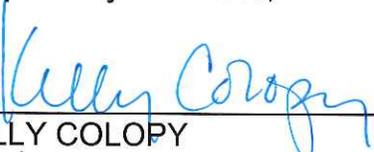
FISCAL IMPACT

The total annual rent under the Lease shall be \$10,500 and will remain fixed throughout the term of the Lease. Sufficient funds to cover rental payments are currently budgeted in the Housing Authority Fund (SR 151) in the Health and Human Services Department (HE).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

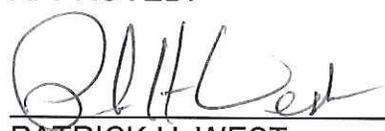


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