

CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

521 E. 4TH STREET • LONG BEACH, CALIFORNIA 90802 • (562) 570-6985 • FAX: (562) 499-1052

July 14, 2020

HONORABLE HOUSING AUTHORITY COMMISSION City of Long Beach California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to extend the term of Lease No. 26572 between Palmroy, LLC, 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, to extend the current lease for parking to be co-terminus with the building lease. (Citywide)

DISCUSSION

Since 2000, the Housing Authority of the City of Long Beach (Housing Authority) has leased approximately 3,875 square feet (Subject Property) from Palmroy, LLC (Landlord), as successor-in-interest to the Long Beach Housing Development Company and Ravinder Singh, respectively, pursuant to Lease No. 26572 (Lease) for use by staff and guests of the Housing Authority at 521 East Fourth Street.

The current Lease expired on March 31, 2020, and staff now requests a month-to-month extension of the Lease term not to exceed 12 months. There will be an increase in the monthly rental rate from \$875 to \$1,000.

- <u>Landlord</u>: Palmroy, LLC, a limited liability corporation.
- <u>Tenant</u>: Housing Authority of the City of Long Beach, a municipal corporation.
- Rent: \$1,000.00/month, a rate increase of \$125.00 per month.
- Option to Terminate: Landlord and Tenant have the option to terminate on a month-to-month basis.
- <u>Maintenance</u>: Housing Authority will continue to be responsible for the daily maintenance of the leased premises.
- <u>Leased Premises</u>: The leased premises consist of an approximate 3,875-square-foot parking lot westerly adjacent to 421 East Fourth Street.
- <u>Term</u>: Month-to-month not to exceed 12 months, beginning retroactively on April 1, 2020.

HONORABLE HOUSING AUTHORITY COMMISSION July 14, 2020 Page 2

This matter was reviewed by Deputy City Attorney Richard F. Anthony on June 15, 2020 and by Revenue Management Officer Geraldine Alejo on June 17, 2020.

TIMING CONSIDERATIONS

Housing Authority Commission action is requested on July 14, 2020, to execute the Lease extension in a timely manner.

FISCAL IMPACT

The total cost for the 12-month lease extension will not exceed \$12,000. Sufficient appropriation to support the lease extension and maintenance for the premises is budgeted in the Housing Authority Fund Group in the Health and Human Services Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

APPROVED:

KELLY COLOPY

ASSISTANT EXECUTIVE DIRECTOR

APPROVED:

THOMAS B. MODICA

EXECUTIVE DIRECTOR