STAFF REPORT
10/11/2023

To: Honorable Mayor and City Council Members

From: Maritza Martinez, Public Works Director

Subject: Approve a new lease between the City of Coachella and Sunline Transit Agency for the forthcoming new transit center on Fourth Street; authorizing City Attorney to make minor non-substantive changes.

STAFF RECOMMENDATION:

Approve a new lease between the City of Coachella and Sunline Transit Agency for the forthcoming new transit center on Fourth Street; authorizing City Attorney to make minor non-substantive changes.

EXECUTIVE SUMMARY:

In 2019, the City of Coachella along with its project partners, Chelsea Investment Corporation and Sunline Transit Agency, received a funding award from the California Strategic Growth Council under the Affordable Housing Sustainable Communities (AHSC) program to build affordable housing, a transit hub, implement a rideshare program, increase headways with zero emission buses, and install street improvements.

Sunline Transit Agency is operating a transit hub locally out of the city's facility located at 790 Vine Street. The Sunline Transit Agency is leasing this space from the City, as approved by City Council on October 14, 2015.

On July 26, 2023, City Council approved appropriations to support the construction of the new Transit Hub component of the AHSC Program awarded. Sunline Transit Agency is leading the construction efforts for the new Transit Hub at this location. Once constructed Sunline will lease the building from the City and will operate the Transit Hub at this new location. Similar to the lease they currently have with the City at the Vine Street location, below are the terms of the new lease for the Fourth Street location:

- Rent = one dollar annually
- Term = 30 years
- Utilities = to be paid by Lessee for said property
- Maintenance/Janitorial = to be completed by Lessee for said property
- Insurance = to be provided be Lessee for said property

FISCAL IMPACT:

None.

Attachments: Proposed Lease