



STAFF REPORT
8/25/2021

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Approve execution of lease between City of Coachella and Desert Community College District for property located at 1538 Seventh Street; authorize non-substantive changes as authorized by City Attorney.

STAFF RECOMMENDATION:

Approve execution of lease between City of Coachella and Desert Community College District for property located at 1538 Seventh Street; authorize non-substantive changes as authorized by City Attorney.

EXECUTIVE SUMMARY:

The City of Coachella owns a vacant property at 1538 Seventh Street, Coachella. This property was previously the location of the city's library. The Desert Community College District (COD) has approached the city and advised it is interested in using this property to provide college courses and other educational programs.

COD has identified improvements would be needed and is committed to making building improvements totaling up to \$80,000 to address the following: installation of acoustical sound panels, installation of a public address system, installation of new flooring, and general aesthetic upgrades of the facility restroom. As COD will be making an investment of up to \$80,000 to complete said improvements the recommended rent for the proposed lease is \$1.00 per year.

The facility at 1538 Seventh Street is approximately 3,000 square feet. Based upon the identified investment amount to be made by the lessee, the per month, per square foot lease investment is \$1.90 (based upon the term of the lease). As requested by COD, the term of the agreement is fourteen months from September 1, 2021 through October 31, 2022. Overall, the proposed lease identifies the below lease terms:

- Term = fourteen months; September 1, 2021 – October 31, 2022.
- Utilities = to be paid by Lessee for said property
- Maintenance/Janitorial = to be completed by Lessee for said property.
- Insurance = coverage to be provided by Lessee for said property.
- Rent = \$1.00 per year.
- Building Improvements = \$80,000 to be completed by Lessee.

FISCAL IMPACT:

The recommended action would have a positive fiscal impact overall as the lessee will be making needed improvements to the city owned property at 1538 Seventh Street.

Attachment:

Proposed Lease