

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MEGAN BASINGER, INTERIM DIRECTOR
HOUSING AND COMMUNITY SERVICES

SUBJECT: EXTENSION OF THE LEASE BETWEEN THE HOUSING
AUTHORITY OF THE CITY OF SANTA ROSA AND SOUTHWEST
COMMUNITY HEALTH CENTERS FOR 983 SONOMA AVENUE

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Department of Housing and Community Services that the Housing Authority, by resolution, approve an extension to the lease between the Housing Authority and Southwest Community Health Center and authorize the Executive Director to sign, subject to approval by the General Counsel of the Housing Authority, that extends the lease for two (2) years with the option to enter into two (2) additional, one (1) year extensions with all other terms remaining the same.

EXECUTIVE SUMMARY

In 2010, the Housing Authority approved Resolution No. 1496 approving a lease with Southwest Community Health Center (doing business as Santa Rosa Community Health (SRCH)) for a term of ten (10) years. The lease commenced on April 1, 2011 and expires on March 31, 2021. SCHC desires to extend the term of the lease and continue operation of the Brookwood Health Center at the current location. The parties have agreed on a two (2) year extension, with the option for two (2) additional, one (1) year extensions; all other lease terms remain the same.

BACKGROUND

In 2002, the Housing Authority acquired the property located at 983 Sonoma Avenue and later that year opened a 40-bed homeless shelter that was operated by Catholic Charities of the Diocese of Santa Rosa. As a result of the budget constraints that the City of Santa Rosa and the Housing Authority faced in Fiscal Year 2008/2009, the homeless shelter closed, and the 40 beds were moved to the Sam Jones Hall Homeless Shelter.

In 2009, staff conducted a Request for Proposals (RFP) for new uses at the site that would alleviate the financial constraints of the City and Housing Authority and provide a beneficial use at the site. In September 2010, the Housing Authority approved a lease with SRCH, and they began occupying the site and operating the Brookwood Health Center in April 2011.

The lease between SRCH and the Housing Authority began on April 1, 2011 for a ten (10) year term ending on March 31, 2021. As a result of the lease expiring and SRCH's future location at the Caritas Center being under construction, an extension of the lease is necessary.

On January 25, 2021, the Housing Authority held a Closed Session and gave staff direction on the terms of the Lease Extension. Since that time, staff and SRCH have negotiated reasonable terms with the parameters set by the Housing Authority

PRIOR HOUSING AUTHORITY REVIEW

On September 27, 2010, the Housing Authority, by Resolution No. 1496 approved the lease with Southwest Community Health Center.

On January 25, 2021, the Housing Authority, in closed session, gave direction to staff on price and terms for the negotiation of the lease extension.

ANALYSIS

SRCH has been operating the Brookwood Health Center at 983 Sonoma Avenue since April 2011. The current lease has a ten (10) year term, expiring March 31, 2021, with no options for extension. SRCH intends to move to the Caritas Center, site of the Catholic Charities Family Support Center, once it is completed. Approving a two (2) year lease extension with two (2), one (1) year options to extend will provide SRCH with adequate time to relocate and provides the continued operation of the Health Center at the current location.

The lease extension also provides the Housing Authority with additional time to review future uses for the site when SRCH relocates.

FISCAL IMPACT

Approval of this action does not have a fiscal impact on the General Fund, ongoing revenue payments from the lessee go to the Housing Authority.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the

environment, pursuant to CEQA Guideline Section 15378.

COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

SRCH has been notified via email.

ATTACHMENTS

- Attachment 1 – Lease
- Attachment 2 – First Amendment to Lease
- Resolution

CONTACT

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