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City of Duluth

Legislation Text

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RESOLUTION AUTHORIZING A THREE-YEAR AGREEMENT WITH ONE ROOF COMMUNITY HOUSING FOR THE LEASE AND MANAGEMENT OF THE CENTRAL HILLSIDE COMMUNITY CENTER FOR THE OPERATION OF ITS HOUSING DEVELOPMENT SERVICES.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to execute a three-year agreement, substantially the same as the agreement attached as Exhibit 1, with One Roof Community Housing for the lease of exclusive space and management of the community areas at the Central Hillside Community Center for the purpose of operating its housing development and other related services. Funds received under this agreement shall be deposited into Fund 110-121-1222- 4622 (General, Public Administration, Property and Facilities Management, Rent of Buildings).

STATEMENT OF PURPOSE: This resolution authorizes a three-year agreement with One Roof Community Housing ("One Roof") for the period January 1, 2020 through December 31, 2022 for the lease of exclusive space and management of the community areas at the Central Hillside Community Center, located at 12 E. Fourth Street ("Community Center"). One Roof has leased and managed the Community Center from the City since 2012 under prior agreements.

One Roof's mission ("Mission") is to enrich lives and communities, one home at a time. One Roof makes home a better place by helping lower income people find and fix their homes and providing housing development services to the Duluth community. One Roof desires to continue to lease the Community Center for the advancement of its Mission and related services to the Duluth community.

One Roof shall lease the Community Center from the City at a reduced cost. The consideration for the lease at lower than market value shall instead be the improved value of the Community Center and public benefit provided by One Roof via its Mission and related services and management of the Community Center. The reduced lease rate is specifically conditioned upon One Roof's continuation of its housing development services to the community and management of the Community Center throughout the term of the agreement.

In consideration for the use of space, One Roof will pay rent in the amount of \$5.57 per square foot for office space (4,521 square feet) and \$3.18 per square foot for storage space on the lower level of the Community Center (488 square feet), for a total rent payment for the year 2020 of \$26,733.81. For the year 2021, One Roof will pay rent of \$6.72 per square foot for office space and \$3.35 per square foot for storage space, for a total rent payment of \$32,015.92. For the year 2022, One Roof will pay rent of \$7.70 per square foot for office space and \$3.50 per square foot for storage space, for a total rent payment of \$36,519.70.

In addition to One Roof's lease of exclusive space, they will be responsible for the management of the Community Center. One Roof's management duties include, but are not limited to, janitorial services, routine maintenance, management and supervision of the public space at the Central Hillside Community Center by community and other user groups, and scheduling recreational and community events and programs.