



City Council Report

Date: July 8, 2025
To: City Council
Through: Marc Heirshberg, Assistant City Manager
Candace Cannistraro, Deputy City Manager
From: Lance Webb, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: Approving and authorizing the City Manager to enter into a lease agreement with The A.R.M. of Save the Family Foundation of Arizona on a City-owned property located at 5135 East Evergreen Street, Unit 1209.
Council District 2

Purpose and Recommendation

The purpose of this report is to consider staff's recommendation to enter into a lease agreement with The A.R.M. of Save the Family Foundation of Arizona (Save the Family) on a City-owned property located at 5135 East Evergreen Street, Unit 1209 (Property).

Background

On August 9, 1995, the City of Mesa entered into a 20-year lease with two options to extend, each for an additional five (5) year term, with Save the Family for the residential unit located at 5135 East Evergreen Street, Unit 1209. With the two term extensions exercised, the lease term is a total of 30 years expiring on July 30, 2025.

Save the Family provides a benefit to the public by offering services to low-income families in Mesa. The Property, owned by City of Mesa, is operated by Save the Family to provide housing for homeless families with children.

Discussion

Save the Family would like to continue leasing the Property and desires to enter into a lease agreement with the City at an annual rate of \$5.00 per year. Terms of the lease are a 2-year term with three one-year extension options for a total of five years. The lease would begin on August 1, 2025, and terminate on July 30, 2027 unless the term

options are exercised. If the three one-year options to extend are utilized the lease will terminate on July 30, 2030.

Alternatives

The City Council could choose not to enter into a new lease agreement with Save the Family. Choosing this alternative would result in the disruption to Save the Family providing housing for homeless, low-income families with children at this Property.

Fiscal Impact

The City will receive a nominal amount of lease revenue, \$5.00 per year, from the lease. This lease rate is consistent with other City leases with non-profit agencies that provide public benefit to the Mesa community.

Coordinated With

The lease was coordinated with the Community Services Department, City Attorney's Office, and Real Estate in the Engineering Department.