



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** JUNE 16, 2026  
**DEPARTMENT:** ADMINISTRATION  
**FROM:** LISA MURPHY, ASSISTANT CITY MANAGER  
**TITLE:** SUBLEASE AGREEMENT WITH VICTORY MISSION FOR 115, 119, AND 125 EAST LAKE STREET

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the City Manager to sign the Sublease Agreement between the City of Salinas and Victory Mission for the City Leased property located at 115, 119 and 125 East Lake Street.

EXECUTIVE SUMMARY:

Since 2014, the City of Salinas has leased the property located at 115, 119, and 125 East Lake Street for use as a homeless shelter known as the Chinatown Navigation Center (CNC). Due to the loss of operational funding, the CNC ceased operations on May 30, 2026. All residents have been relocated into other housing options.

The closure of the facility has created a concern that the vacant building may become susceptible to vandalism, illegal activity, and property deterioration. Victory Mission, a local nonprofit organization that provides services to individuals experiencing homelessness and operates nearby, has expressed interest in utilizing the facility for administrative and program-related purposes.

To ensure the property remains occupied, maintained, and secure while the City's lease remains in effect, staff recommends approval of a sublease agreement with Victory Mission for a nominal fee of \$1.00 per month through the expiration of the City's lease term.

BACKGROUND:

In November 2014, the City entered into a lease agreement with property owner Leon De Asis for the property located at 115, 119, and 125 East Lake Street. The site consists of approximately 3,600 square feet of office and meeting space, together with an adjacent parking lot situated on approximately 0.33 acres.

The property has served as the Chinatown Navigation Center and remains under lease to the City through November 30, 2033. In September 2025, the City provided the property owner with the required two-year notice of its intent to terminate the lease on September 1, 2026.

As a result of funding constraints, operations at the Chinatown Navigation Center ended on May 30, 2026. The facility is now vacant and, if left unoccupied, could become vulnerable to vandalism, unauthorized entry, and other public safety concerns. Recent incidents involving vandalism and structure fires in the surrounding area underscore the importance of maintaining active occupancy and oversight of the property.

Victory Mission is a nonprofit organization providing emergency overnight shelter and day services in the Chinatown neighborhood. Victory Mission operates their program within close proximity of the site and has approached the City regarding temporary use of the building. Victory Mission proposes to utilize the facility for administrative offices and related operations during regular business hours. Because the organization maintains a nearby presence seven days per week, its occupancy of the facility will provide ongoing monitoring and stewardship of the property.

Staff evaluated alternative methods of securing the vacant facility, including the use of private security services. However, the estimated cost of providing continuous on-site security was determined to be financially impractical. Occupancy of the building by a responsible nonprofit partner represents the most cost-effective and efficient means of preserving the property, reducing the risk of vandalism, and maintaining the facility until the City's lease expires.

Accordingly, staff recommends entering into a sublease agreement with Victory Mission for a nominal rent of \$1.00 per month through September 1, 2027.

CEQA CONSIDERATION:

The City of Salinas has determined that the proposed action is categorically exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15301).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes, Government Code §84308/Levine Act applies to this item.

STRATEGIC PLAN INITIATIVE:

Approval of the proposed sublease supports the City's Strategic Plan Goal 5: Public Safety, specifically by fostering collaboration with community partners to address public safety and public health concerns while preserving and securing City-leased assets.

DEPARTMENTAL COORDINATION:

This item has been coordinated with the City Attorney's Office and the Administration Department.

### FISCAL AND SUSTAINABILITY IMPACT:

The City currently pays approximately \$2,100 per month under the existing lease agreement. Approval of the proposed sublease will not increase the City's lease obligations; however, it will substantially reduce the risk of vandalism, property damage, and other costs associated with maintaining a vacant facility.

The proposed arrangement also avoids the potentially significant expense of contracting for private security services while ensuring the continued care and oversight of the property until the lease term expires.

There is no significant fiscal impact associated with the proposed sublease beyond the administrative costs of managing the agreement.

### ATTACHMENTS:

Sublease Agreement  
Resolution

[https://salinasca-my.sharepoint.com/personal/lisagm\\_ci\\_salinas\\_ca\\_us/Documents/Economic Development/Real property/115 119 125 E Lake St Sublease Victory Mission.docx](https://salinasca-my.sharepoint.com/personal/lisagm_ci_salinas_ca_us/Documents/Economic%20Development/Real%20property/115%20119%20125%20E%20Lake%20St%20Sublease%20Victory%20Mission.docx)