



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

**C-17**

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

June 20, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute the Second Amendment to Sublease to Lease No. 25165 with the State of California Employment Development Department extending the Sublease term through January 31, 2008 with a monthly base rent of \$10,620, for office space at the Career Transition Center at 3447 Atlantic Avenue. (District 7)

## DISCUSSION

On June 3, 1997, the City Council approved Lease No. 25165 (Lease) for approximately 14,222 square feet of office space at 3447 Atlantic Avenue for use as the Career Transition Center (CTC). The Lease has been amended to increase the lease area to 35,701 square feet. The CTC houses programs, operated by the City of Long Beach, composed of 16 various public and private organizations that assist approximately 2,500 job seekers monthly with free job training and employment placement services.

On December 1, 2001, the City Council approved a sublease to Lease No. 25165 with the State of California Employment Development Department (EDD) for approximately 5,450 square feet of office space. As part of the "one-stop" concept of comprehensive employment services, the EDD provides services in cooperation with the City and the other organizations occupying the CTC. On March 9, 2004, the City Council approved the First Amendment to the sublease increasing the subleased area to 5,802 square feet and adjusting the rent. The sublease will terminate on August 31, 2006.

EDD wishes to continue its operations at the CTC beyond the termination date. The proposed Second Amendment to Sublease to Lease No. 25165 contains the following major terms and conditions:

- Sublease Term: The term of the sublease shall be extended through January 31, 2008 and shall be co-terminus with the Master Lease.
- Premises: The subleased premises will decrease from 5,802 square feet to 5,772 square feet.

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- Rent: The monthly base rent shall be \$10,620.48, or \$1.84 per square foot, and shall mirror the terms of the Master Lease.
- Other Shared Costs: The EDD's proportional share of the building's operating costs will decrease from 17 percent to 15 percent.

This item was reviewed by Deputy City Attorney J. Charles Parkin on June 1, 2006 and Budget Management Officer David Wodynski on June 8, 2006.

TIMING CONSIDERATIONS

City Council action is requested on June 20, 2006 in order to execute the Second Amendment in a timely manner.

FISCAL IMPACT

Effective September 1, 2006, annual rental payments of \$127,446 will accrue to the Community Development Grants Fund (SR 150) in the Department of Community Development (CD). There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST  
DIRECTOR OF COMMUNITY DEVELOPMENT

PHW:VLA:lei

APPROVED:



GERALD R. MILLER  
CITY MANAGER