



# CITY OF LONG BEACH R-31

DEPARTMENT OF PUBLIC WORKS

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December 6, 2011

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute any and all documents necessary for a Lease with Art Exchange Visual Arts Center, Inc., a California nonprofit corporation, for commercial office space at 340, 352, and 356 East 3<sup>rd</sup> Street. (District 2)

## DISCUSSION

The City is the owner of commercial property located at 340-356 East 3<sup>rd</sup> Street (Subject Property). The Subject Property is located within the East Village Arts District at the corner of 3<sup>rd</sup> Street and Elm Avenue (near the former Acres of Books) and contains six suites, comprising approximately 7,880 total square feet (Attachment). One of the suites (Suite 340) contains approximately 1,250 square feet and is currently leased by the Art Exchange Visual Arts Center, Inc. (Art Exchange), a nonprofit corporation, for use as office and storage space. The existing lease is month-to-month and may be terminated by either party upon thirty (30) day's written notice. The remaining square footage of the Subject Property is currently vacant.

In addition to providing professional art training, Art Exchange offers after-school programs and summer workshops in graphic and visual arts to disadvantaged and physically challenged children and youth. Both the City and Art Exchange wish to further activate this space in the East Village Arts District by making the aforementioned programs available at the Subject Property. As such, City staff proposes to enter into a new lease (Lease) with Art Exchange for Suite 340 and two additional suites (Suite 352 and Suite 356) to consolidate its operations into one central location.

The proposed Lease contains the following major terms and provisions:

- Landlord: City of Long Beach.
- Tenant: Art Exchange Visual Arts Center, Inc., a California nonprofit corporation.
- Premises: 340, 352, and 356 East 3<sup>rd</sup> Street, consisting of approximately 4,750 square feet of commercial office space.

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- Use: The Premises shall be utilized for offices, storage, workshops, galleries and artist studio space.
- Term: The term of the Lease shall be month-to-month commencing December 1, 2011.
- Termination: Either party may terminate the Lease for all or any portion of the Premises upon ten (10) day's prior written notification.
- Rent: The Premises shall be leased for the nominal fee of \$1 per month. As additional consideration, Tenant shall provide low or no cost after school and summer art related educational workshops to Long Beach disadvantaged youth and other community art based programming.
- Maintenance: Tenant shall be responsible for all routine maintenance of the Premises. Landlord shall be responsible for all major capital repairs to the building and its major components associated with normal use and occupancy of the Premises.
- Utilities: Tenant shall pay for all utilities serving the Premises.
- Insurance: Tenant shall maintain property, liability and other insurance at all times satisfactory to Landlord.
- Relocation Benefits: Tenant waives any rights to future relocation benefits.
- Tenant Improvements: The Tenant shall be responsible for all costs associated with tenant improvements (including all permitting fees) required for its occupancy.
- Restroom Upgrades: Landlord shall be responsible for restroom upgrades to ensure compliance with the Americans with Disabilities Act.

This letter was reviewed by Deputy City Attorney Richard F. Anthony on November 21, 2011 and Budget Management Officer Victoria Bell on November 11, 2011.

TIMING CONSIDERATIONS

City Council action on this matter is requested on December 6, 2011, in order to formalize and execute the Lease in a timely manner and to facilitate educational arts programming and other associated activities in the building.

FISCAL IMPACT

All lease payments shall accrue to the General Fund. There is no known local job impact associated with the recommended action.

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**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY  
DIRECTOR OF PUBLIC WORKS

MPC:VSG:MTB  
12.06.11 AM ArtEx Lease v3

Attachment: Site Map

**APPROVED:**



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PATRICK H. WEST  
CITY MANAGER

Subject Property: 340 – 356 E. 3<sup>rd</sup> Street

