



CITY OF LONG BEACH

C-9

DEPARTMENT OF PUBLIC WORKS

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November 19, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute any and all documents necessary for the Fourth Amendment to Lease No. 30620 between the City of Long Beach and Navy Yacht Club - Long Beach, a California non-profit corporation, for the continued use of City-owned property at 223 Marina Drive. (District 3)

DISCUSSION

The Navy Yacht Club – Long Beach (NYCLB) was established in 1967 for the purpose of providing and encouraging sailing to the military community. NYCLB is affiliated and sponsored by the United States Navy and its membership includes active duty military from all branches of the armed forces, retired military, veterans, and Coast Guard Auxiliary personnel. The organization actively participates in local charitable activities, including the Long Beach Charity Regatta benefiting the Children's Clinic of Long Beach.

Since 2004, NYCLB has leased an approximate 300 square foot City-owned building located on an approximately 3,500 square foot parcel of land located at 223 Marina Drive (Leased Premises). On December 4, 2007, the City Council authorized a Lease for a one-year term, with two, one-year renewal options. Both renewal terms were exercised and memorialized by the First and Second Amendments to the Lease. On March 13, 2012, the City Council authorized the execution of the Third Amendment to Lease, which extended the term through November 30, 2013.

In anticipation of the expiration of the current term, the NYCLB requested an extension of the Lease. A recent appraisal determined the fair market rental value of the leasehold interest at \$775 per month. Given that no alternative use is immediately foreseen in the next five years, staff recommends an extension of the Lease term. Pursuant to the existing terms of the Lease, either party would be able to terminate the Lease upon ninety (90) days prior written notification.

The Fourth Amendment to Lease No. 30620 would contain the following major terms and provisions:

- Lessor: City of Long Beach.
- Lessee: Navy Yacht Club – Long Beach, a California non-profit corporation.

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- Use: The Premises shall be used for the operation of a yacht club office including use for meetings and social events.
- Term: The term of the Lease shall be extended through November 30, 2018.
- Rent: Effective December 1, 2013, the monthly base rent shall increase from \$736 to \$775 and shall be subject to annual increases based upon the Consumer Price Index (CPI). Annual CPI increases shall be no less than three percent (3%) and no more than five percent (5%).

All other remaining terms and provisions of Lease No. 30620 shall remain in full force and effect.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on October 25, 2013 and Budget Management Officer Victoria Bell on November 1, 2013.

TIMING CONSIDERATIONS

City Council action on this matter is requested on November 19, 2013 in order to formalize and execute the Fourth Amendment prior to the expiration of the current term.

FISCAL IMPACT

Revenue in the amount of \$9,300 per year shall accrue to the Marina Fund (TF 403) in the Department of Parks, Recreation and Marine (PR). Approval of this recommendation will provide continued support to the local economy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ARA MALOYAN, PE
ACTING DIRECTOR OF
PUBLIC WORKS

AM:GC:JMLR:MTB
NYCLB Fourth Amendment.v1

Attachment: Vicinity Map



GEORGE CHAPJIAN
DIRECTOR OF PARKS,
RECREATION AND MARINE

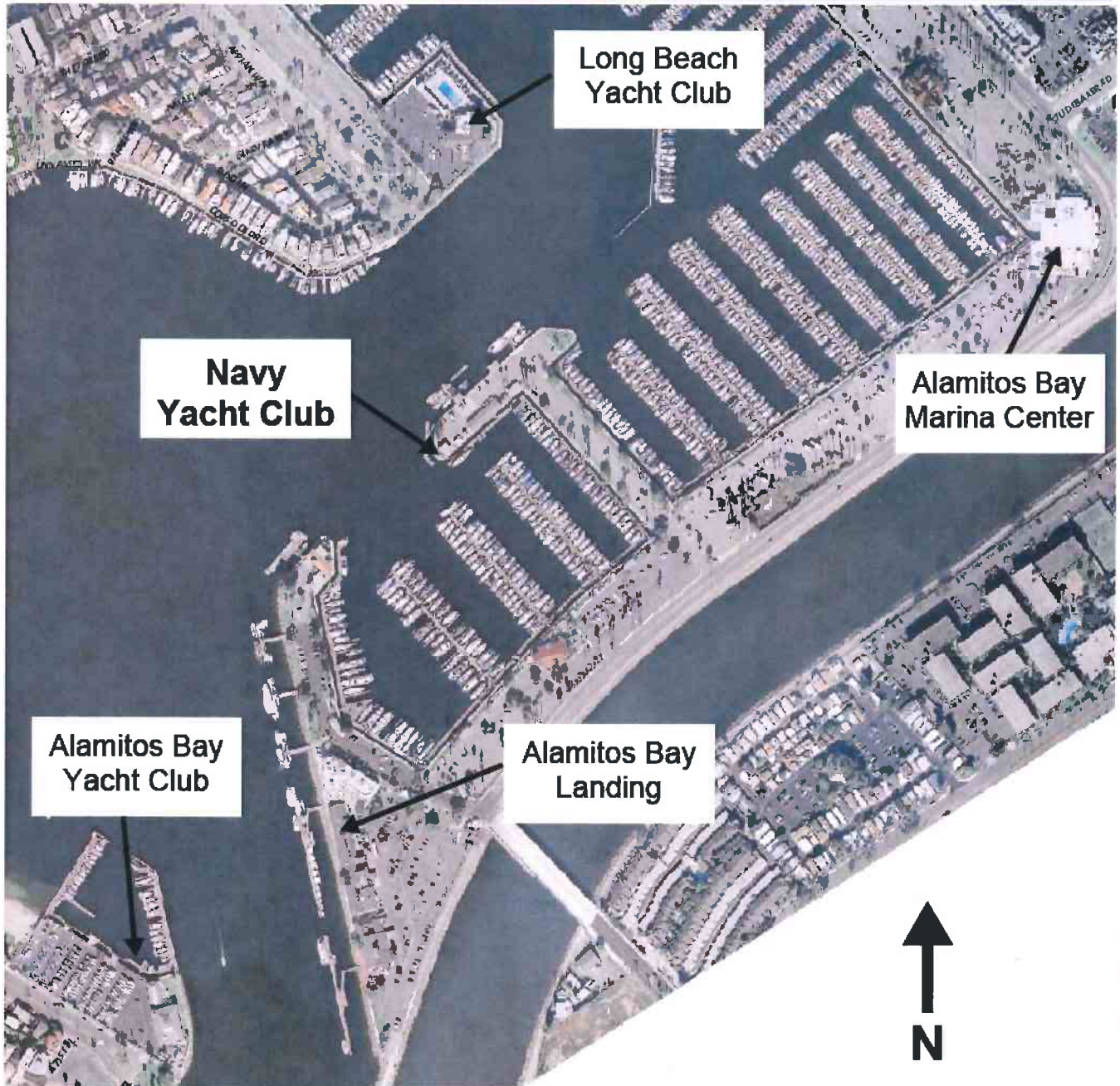
APPROVED:



PATRICK H. WEST
CITY MANAGER



Navy Yacht Club - Vicinity Map



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