



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

C-3

January 4, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Second Amendment to Lease No. 28045 With Catholic Healthcare West, a California Nonprofit Public Benefit Corporation, for Space at the West Facilities Center at 2125 Santa Fe Avenue (District 7)

DISCUSSION

On August 19, 2003, the City Council approved the First Amendment to Lease No. 28045 with Catholic Healthcare West (Lessee), DBA California Hospital Medical Center Los Angeles, for the use of space for a primary care clinic (Clinic) at the West Facilities Center (Facility) at 2125 Santa Fe Avenue (Exhibit "A"). The Facility is owned by the City and operated by the Department of Health and Human Services. Since 1997, community-based primary care clinical services for residents of the Westside of Long Beach have been provided from this location. The Lessee oversees the operation of the Clinic, which provides valuable services to a medically underserved region of the city.

Lease No. 28045 expired December 31, 2004. In order to maintain uninterrupted service, a Second Amendment to Lease No. 28045 has been proposed containing the following provisions:

- **Premises:** The premises will remain unchanged and consist of approximately 2,462 square feet of office space at 2125 Santa Fe Avenue.
- **Lease Extension Term:** The Lessee will exercise a two-year extension option, extending the term of the Lease from January 1, 2005 to December 31, 2006.
- **Rent Adjustment:** The Lease provides for a percentage increase in the rent based on the Consumers Price Index. The current monthly rental lease payment will be increased by approximately 7.19 percent to \$4,098 (\$49,176 annually).
- **Utilities:** Monthly utility payments of approximately \$450.00 (\$5,400 annually) will continue for the duration of the lease extension.

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With the exception of the above changes, all other terms, covenants, and conditions in Lease No. 28045 shall remain in effect.

This item was reviewed by Senior Deputy City Attorney Donna F. Gwin on December 28, 2004 and Budget Management Officer David Wodynski on December 21, 2004.

TIMING CONSIDERATIONS

City Council action is requested on January 4, 2005, to exercise the lease extension in a timely manner.

FISCAL IMPACT

Annual revenue in the amount of \$54,576 for a two-year period will accrue to the General Fund (GP) in the Department of Health and Human Services (HE).

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute the Second Amendment to Lease No. 28045 allowing Catholic Healthcare West, a California Nonprofit Public Benefit Corporation, extending the term for two years for a primary care clinic at the West Facilities Center at 2125 Santa Fe Avenue.

Respectfully submitted,



MELANIE S. FALLON
DIRECTOR OF
COMMUNITY DEVELOPMENT



RONALD R. ARIAS
DIRECTOR OF
HEALTH AND HUMAN SERVICES

MSF:RRA:VLA:lel

Attachment: Exhibit "A" Council Letter Dated August 19, 2003
1.4.05 CC Ltr 2125 Santa Fe

APPROVED:


for GERALD R. MILLER
CITY MANAGER