

## **C-15**

March 10, 2020

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

### RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary for the Sixth Amendment to Lease No. 30534 between Ocean Capital Partners, LLC, a California limited liability company (Landlord) and the City of Long Beach (Tenant), for office space at 211 East Ocean Boulevard, Suite 410, for the Office of Special Events and Filming. (District 2)

### DISCUSSION

On November 20, 2007, the City Council authorized the execution of Lease No. 30534 (Lease) for office space at 211 East Ocean Boulevard, Suite 410 (Site). The Site was originally occupied by the City's Citizen Police Complaint Commission (CPCC) until 2010, when the CPCC returned to City Hall and the Site became the home of the City's Office of Special Events and Filming (SEF). The Lease has been amended five times to authorize term extensions, construction allowances, and changes in rent. The current term of the Lease is through July 31, 2020.

SEF is responsible for permitting all special events and film productions within the City, permitting more than 400 events each year, including festivals, runs/walks, holiday celebrations, and other activities. SEF issues an average of 500 film permits annually and is a full-service operation that provides assistance to film, television, music, commercial production, and still photography by coordinating and facilitating the permitting process, as well as serving as a liaison with local government, the community, and the production industry. SEF is in the process of finding a suitable location to relocate the office and this proposed Amendment will provided the additional five months required to complete the relocation.

Negotiations have been finalized with the Landlord and the proposed Sixth Amendment to Lease No. 30534 contains the following major terms and provisions:

- Landlord: Ocean Capital Partners, LLC, a California limited liability company.
- Tenant: City of Long Beach, a municipal corporation.
- Term: The Lease will be extended for a five-month period and will terminate on December 31, 2020.
- Leased Premises: The Leased Premises consists of approximately 2,975 rentable square feet (RSF), also known as Suite 410.

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- Base Rent: Effective August 1, 2020, the monthly base rent will increase from \$2.52 per RSF to \$2.85 per RSF. The new monthly base rent will be \$8,478.75.

All remaining terms and provisions of Lease No. 30534 will remain in full force and effect.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on February 18, 2020 and by Grants and Projects Officer Arlen Crabtree on February 19, 2020.

#### TIMING CONSIDERATIONS

City Council action is requested on March 10, 2020, to execute the Sixth Amendment to the Lease in a timely manner for the continued occupancy of the Site by SEF.

#### FISCAL IMPACT

The requested Amendment will extend the term of the Lease for an additional five months. Beginning on August 1, 2020, the monthly cost of the new base rent will be \$8,479, which is an increase of \$982 per month for a total increase of \$4,909 in rent costs through the new five-month term of the Lease. The total base rent through the extension period will be \$42,394, which includes \$16,958 in Fiscal Year 2020 and \$25,436 in Fiscal Year 2021. Sufficient funds for rental payments are currently appropriated in the Special Advertising and Promotions Fund Group in the City Manager Department. This recommendation has no staffing impact beyond the budgeted scope of duties and is consistent with existing City Council priorities. Approval of this recommendation will provide continued support to the local economy.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER  
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA  
ACTING CITY MANAGER