



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

R-37

2760 N. Studebaker Road, Long Beach, CA 90815-1697

(562) 570-3100 • FAX (562) 570-3109

www.lbparks.org

June 5, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a lease between the City of Long Beach and Special Olympics Southern California, Inc., for use of approximately 38,760 square feet of City-owned land and building area, more commonly known as 6730 East Carson Street, to be used as office space for a term of three years, through June 30, 2010, with two one-year renewal options; and authorize the City Manager to execute amendments to extend the lease term. (District 5)

DISCUSSION

In 1963, Eunice Kennedy Shriver started the concept of Special Olympics as a day camp for people with intellectual disabilities to provide them with the therapeutic effects of physical fitness and sports. One thousand athletes from the United States, Canada, and France competed in the first International Special Olympics Games in 1968. The same year, Special Olympics was founded as a non-profit organization. In July 1969, the First Annual Western Regional Special Olympics was held at the Los Angeles Memorial Coliseum. Nine hundred athletes from Arizona, California, Colorado, Hawaii, New Mexico, Nevada, and Utah participated.

In July 1995, California Special Olympics was divided into two separately incorporated chapters, Special Olympics Southern California, Inc. (SOSC), and Special Olympics Northern California, Inc. The SOSC is bounded by San Luis Obispo, Kern, and Inyo Counties on the north, and the state line on the south. The change afforded each new California Chapter the opportunity to greatly expand outreach efforts.

Long Beach has an extended history with SOSC. In 2007, Long Beach will host the SOSC Summer Games for the ninth year in a row. More than three decades ago, SOSC set up their first Southern California office in Long Beach. SOSC then moved on to the west side area of Los Angeles, residing in Culver City, California for the past 11 years. The current office space has become too small for the growing organization and the lease will expire in August 2008. In October 2006, SOSC issued a request for proposal (RFP) to solicit proposals for larger accommodations. The RFP was distributed to several cities, including Long Beach. The City of Long Beach (City) submitted the best RFP response and is now working with SOSC to identify an

appropriate relocation site. To accommodate SOSC's interim office needs and provide a local command post for their logistics efforts, SOSC (Lessee) will lease City-owned property located at 6730 East Carson Street. It is anticipated SOSC may require use of the property for up to five years.

American Golf Corporation (AGC) has an existing lease with the City for use of City-owned property that encompasses 6730 East Carson Street. AGC has acknowledged that the approximately 38,760 square feet of land and building area is used on a limited basis. In light of the limited use, the City discussed the proposed SOSC transaction with AGC and they have agreed to the removal of the 6730 East Carson Street property from the leased premises. AGC will, however, retain landscape maintenance responsibility of the area. To make the proposed SOSC transaction possible, AGC's lease must be amended to document the removal of 6730 East Carson Street from the leased premises. A separate City Council letter, dated June 5, 2007, has been prepared to request authorization to amend AGC Lease No. 17448.

The City has negotiated lease terms with SOSC for use of the property beginning in late July 2007. SOSC will install trailers for additional office space immediately adjacent to and east of the building. The proposed lease contains the following major terms and provisions:

- Premises: Approximately 38,760 square feet of land and building area, more commonly known as 6730 East Carson Street (Attachment 1).
- Lease Term: Three years, through June 30, 2010.
- Renewal Options: Two, one-year renewal options. The City Manager shall be authorized to execute amendments to extend the lease term.
- Use: The leased premises will be utilized as office space.
- Rent: Annual rent in the amount of \$1.
- Utilities: Lessee shall be responsible for the cost of all utilities. The City will ensure adequate utilities are connected to the leased premises.
- Maintenance and Repairs: Lessee shall be responsible for custodial services and ordinary maintenance and repairs.
- Landscape Maintenance: Lessee shall reimburse AGC for the cost to maintain the landscaped area within the 38,760 square feet leased premises. The annual landscape maintenance cost is estimated at \$4,000.
- Planned Improvements: Lessee shall obtain all necessary approvals, permits, and other entitlements required for the installation of the trailers and other improvements, if any, approved by the City.

- Signage: Lessee may change the signage on the building at its sole expense.
- Termination: Either party may terminate the lease by providing a 90-day advance written notice to the other party.
- Insurance: Lessee shall provide insurance coverage as defined by the City's Risk Manager.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on May 3, 2007, and Budget and Performance Management Bureau Manager David Wodynski on May 10, 2007.

TIMING CONSIDERATIONS

City Council action is requested on June 5, 2007, to enable the execution of the lease.

FISCAL IMPACT

Revenue in the amount of \$1 annually will accrue to the General Fund (GP) in the Department of Parks, Recreation and Marine (PRM).

SUGGESTED ACTION:

Approve recommendations.

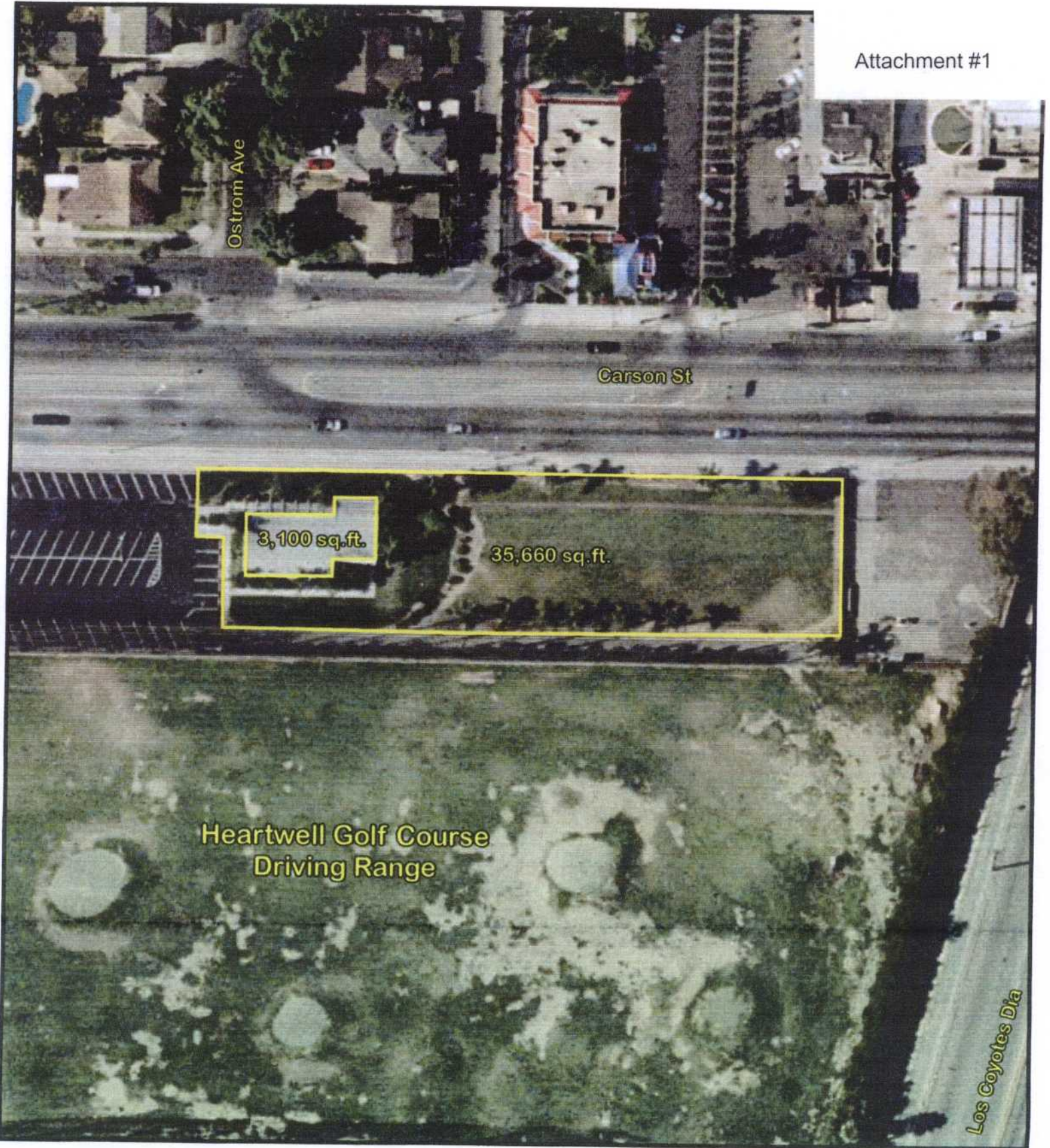
Respectfully submitted,



PHIL T. HESTER
DIRECTOR OF PARKS, RECREATION AND MARINE

APPROVED:


for
GERALD R. MILLER
CITY MANAGER



Special Olympics Southern California, Inc. Leased Premises

Approximate Building Area: 3,100 sq.ft.
Approximate Landscape Area: 35,660 sq.ft.
Total Lease Area: 38,760 sq.ft.

