



CITY OF LONG BEACH

C-14

DEPARTMENT OF TECHNOLOGY AND INNOVATION

411 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6455 • FAX (562) 570-5270

August 20, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute lease agreements, and any subsequent amendments, with Long Beach City College, Long Beach Transit, St. Mary Medical Center, Southern California Gas Company, City of Cerritos, and City of Signal Hill, to use space at the City's radio transmitter facility, at 2321 Stanley Avenue in Signal Hill, CA, for a period of five years, with the option to renew for an additional five-year period, at the discretion of the City Manager, with no change to the current rates, except for an annual Consumer Price Index (CPI) adjustment. (Citywide)

DISCUSSION

The City of Long Beach (City) manages and maintains the City's main radio transmitter facility (Site) atop Signal Hill. The Site, at 2321 Stanley Avenue in Signal Hill, is strategically located to serve Long Beach. In addition to supporting the City's own transmissions, the Site is sub-leased to several other agencies to allow transmission of their radio signals.

In 2009, the City renewed the lease agreements with its tenants including Long Beach City College, Long Beach Transit, St. Mary Medical Center, City of Signal Hill, City of Cerritos, and Southern California Gas Company. The term of these lease agreements will expire on September 30, 2019. The agreements include the Master Operation Plan and the Technical Site Rules, as previously adopted.

In developing the proposed lease rates, the intent was to remain competitive while fully recovering the cost to operate the sites by allocating a portion of the costs to tenants based on their equipment requirements at the Site. As a result, a proposed rate increase of the annual year-over-year percent change in Consumer Price Index for All Urban Consumers (CPI-U), Los Angeles July-July or 3.5 percent, whichever is greater, is recommended for the term of the leases with Long Beach City College, Long Beach Transit, St. Mary Medical Center, City of Signal Hill, City of Cerritos, and Southern California Gas Company.

This matter was reviewed by Deputy City Attorney Amy R. Webber on July 30, 2019 and by Budget Management Officer Rhutu Amin Gharib on August 1, 2019.

TIMING CONSIDERATIONS

City Council action is requested on August 20, 2019, to ensure the City can renew its lease agreements in a timely manner.

FISCAL IMPACT

Revenue from the existing lease agreements totaled \$93,534 in FY 18. The approximate FY 19 revenue is currently \$8,098 per month and the incremental revenue derived from the updated CPI rate structure will generate approximately an additional \$2,652, annually. Revenue from the lease agreements is deposited in the General Services Fund Group in the Technology and Innovation Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA D. ERIKSEN
DIRECTOR OF TECHNOLOGY AND INNOVATION

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APPROVED:


PATRICK H. WEST
CITY MANAGER