



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

October 24, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all documents necessary for a lease between the City of Long Beach and the Historical Society of Long Beach, California, a California nonprofit corporation, for the use and occupancy of City-owned property at 4258-4260 Atlantic Avenue for a twenty-year term. (District 8)

DISCUSSION

On September 19, 2006, the City Council authorized the acquisition of property at 4258-4260 Atlantic Avenue and the execution of a Right of Entry Permit with the Historical Society of Long Beach, California. The property, formerly occupied by the Icaro Gallery, is located just north of Carson Street, in the heart of Bixby Knolls, near restaurants, coffee shops, retail shops, and the Black Box Theater (see Exhibit "A"). The building on the property encompasses more than 5,000 square feet of gallery space, a mini kitchen, high ceilings, and a basement vault area.

The property was acquired in anticipation of occupancy by the Historical Society. The property would provide a permanent location for the Historical Society to display historical artifacts in one location for public viewing and to offer retail sales of promotional items. Additionally, the concrete basement vault would provide excellent storage space for historical archives. The Historical Society currently occupies the property under a Right of Entry Permit to allow certain improvements to be initiated to prepare for a Smithsonian Exhibit *Our Journeys/Our Stories: Portraits of Latino Achievement*. This exhibition, in partnership with the Arts Council for Long Beach, is a national tour that includes this site as the only scheduled Southern California location.

To accommodate the Historical Society on a long-term basis, a proposed lease has been negotiated with the following major provisions:

- Lessor: City of Long Beach
- Lessee: Historical Society of Long Beach, California, a California nonprofit corporation.

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- Leased Premises: 4258-4260 Atlantic Avenue, Long Beach, CA 90807.
- Term: The initial term of the Lease shall be for 20 years commencing November 1, 2006 and terminating October 31, 2026.
- Rent: The annual base rent for the Leased Premises shall be one dollar. In addition, the Lessee shall ensure that the Leased Premises are open and available to the public for a minimum of 40 hours per week. The 40 hours shall consist of a minimum of five days per week, including either a Saturday or Sunday, and three evenings per week until 8:00 PM.
- Options to Renew: Lessee shall be provided with two 10-year options to extend the Term of the Lease upon the mutual agreement of both parties.
- Early Termination: Either party may terminate the Lease upon providing 180-day prior written notice to the other party.
- Maintenance: Lessee shall be responsible for all day-to-day maintenance of the Leased Premises. Lessor shall be responsible for all major repairs to the building and the major components thereof associated with regular use and occupancy of the premises. Any major repairs needed as a result of Lessee negligence will be provided by the Lessee.
- Utilities: Lessee shall be responsible for all costs associated with utilities for the Leased Premises.
- Insurance: Lessee shall maintain property, liability and other insurance at all times satisfactory to the Lessor.
- Relocation Benefits: Lessee waives any rights to any future relocation benefits.
- Tenant Improvements: Lessee shall not undertake any tenant improvements on the Leased Premises without the prior written approval of the Lessor. If approved, Lessee shall be responsible for all costs including any permits and entitlements necessary.

This letter was reviewed by Deputy City Attorney Richard F. Anthony on October 6, 2006 and Budget Management Officer David Wodynski on October 12, 2006.

TIMING CONSIDERATIONS

City Council action is requested on October 24, 2006, to convert the Historical Society's occupancy from a temporary to a long-term status in a timely manner.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF
COMMUNITY DEVELOPMENT

PHW:MPC:lel

Attachments: Exhibit A

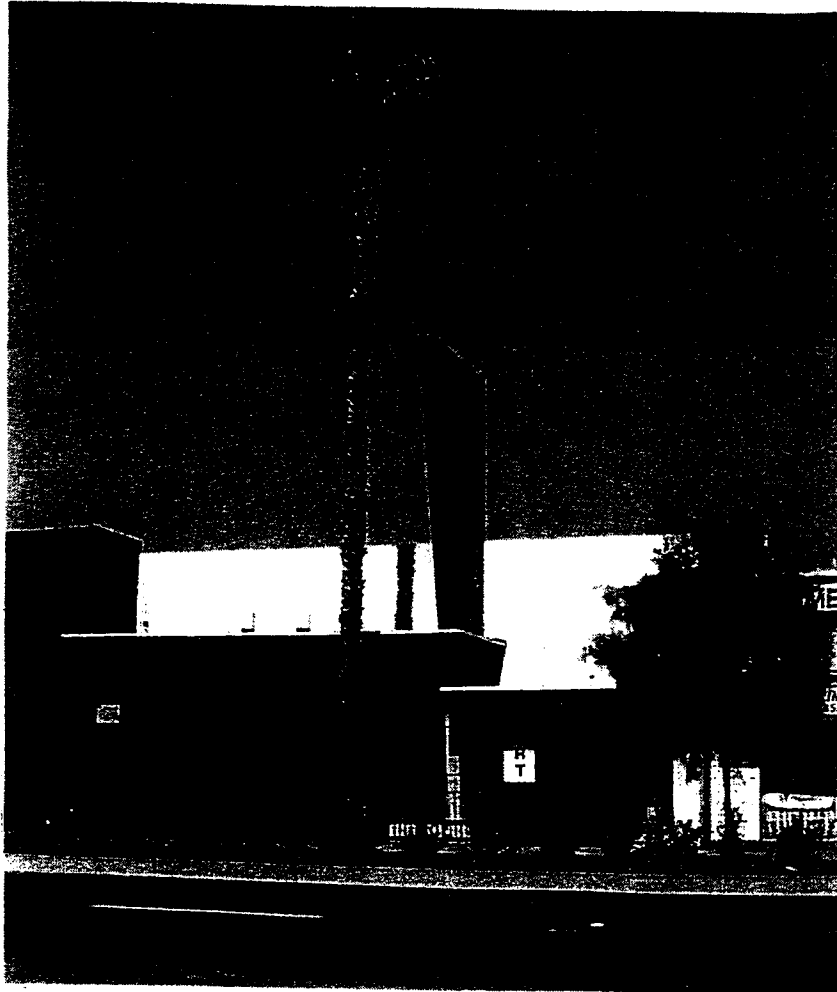
APPROVED:



GERALD R. MILLER
CITY MANAGER

4258/4260 Atlantic Ave, Long Beach

EXHIBIT "A"



Signature retail building in a premier location in pedestrian friendly Bixby Knolls commercial district.



- 5000 sf retail store/office space
- Can be 1-3 units
- Spectacular concrete walled vault
- Dramatic high ceilings
- Zoned monitored alarm
- Many upgrades

