



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

C-9

June 15, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Cancellation Agreement With the Edward and Joyce Hunt 1985 Trust for Office Space at 2117 North Bellflower Boulevard, Formerly Used as a Fourth District Field Office and Long Beach Police Community Storefront/Bike Patrol Station (District 4)

DISCUSSION

In February 2002, the Property Services Bureau was asked to survey East Long Beach for space to accommodate a Fourth Council District Field Office and a Long Beach Police Department Community Storefront and Bike Patrol Station. A vacant 780-square foot retail space was identified and a lease negotiated for premises at 2117 North Bellflower Boulevard ("Premises") (see Exhibit "A").

On August 6, 2002, the City Council authorized the City Manager to enter into a Lease for a period of three years with the Edward and Joyce Hunt 1985 Trust ("Trust") for the Premises in order to accommodate the Field Office and Community Storefront (see attached Council Letter, Exhibit "B"). The Lease commenced on November 11, 2002 and the original three-year term would have expired on November 10, 2005. The Long Beach Police Department vacated the facility in December 2003. Furthermore, the Fourth Council District has elected a new representative and it has been determined that the Premises will no longer be used for a District Field Office. The Premises are in excellent condition and the City is not in default of any Lease terms.

The Trust has been able to locate a potential tenant who would be willing to enter into a new lease for the Premises effective July 1, 2004. In order to accommodate both the Trust and the City, the Trust has agreed to enter into a Cancellation Agreement with the City effective June 15, 2004. The Cancellation Agreement will cancel Lease Agreement No. 27897, without penalty, and allow the Trust adequate time to prepare the Premises for the new tenant.

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This letter was reviewed by Assistant City Attorney Michael J. Mais on June 2, 2004, and Budget Manager Michael Killebrew on June 8, 2004.

TIMING CONSIDERATIONS

City Council action is requested on June 15, 2004 in order to expedite execution of the Cancellation Agreement.

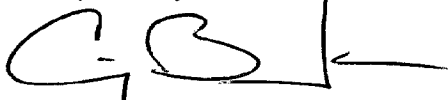
FISCAL IMPACT

Cancellation of the Lease Agreement will save an estimated \$33,312 over the remainder of the lease term.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute a Cancellation Agreement with the Edward and Joyce Hunt 1985 Trust to cancel Lease Agreement No. 27897 effective June 15, 2004 for office space at 2117 North Bellflower Boulevard formerly used as a Police Community Storefront/Bike Patrol Station and the Fourth Council District Field Office.

Respectfully submitted,



For MELANIE S. FALLON
DIRECTOR OF
COMMUNITY DEVELOPMENT

MSF:MFT:lel

Attachments: Exhibit "A"
Exhibit "B" Council Letter Dated August 6, 2002
6.15.04Cancellation Agrmt.4th District.doc

APPROVED:



GERALD R. MILLER
CITY MANAGER