

CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC DEVELOPMENT 333 West Ocean Boulevard 3RD Floor • Long Beach, CA 90802 • (562) 570-6099

September 4, 2018

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary for a lease between Abbas and Shoreh Tousi (Landlord) and the City of Long Beach (City) for the non-exclusive use of a parking located at 421 East 4th Street, for public parking. (District 1)

DISCUSSION

Due to development in the immediate vicinity of 4th Street between Elm Avenue and Atlantic Avenue, local businesses have experienced significant impacts related to the lack of available parking for local business patrons.

To mitigate some of this impact, staff from the Economic Development Department (ED) sought out parking options to serve the local businesses and patrons. The parking lot most accessible to the businesses is located at 421 East 4th Street and is made up of two adjacent properties, but both parcels making up the parking lot are under lease to the Housing Authority of the City of Long Beach (Housing Authority) for employee parking.

A nearby lot was secured for additional Housing Authority parking, which has freed up parking availability at the 421 East 4th Street lot. ED staff negotiated with the Landlord for non-exclusive use of a portion of the lot, when not in use by Housing Authority staff. ED staff worked with Housing Authority staff to free up 14 spaces during daytime business hours to make available for business patron parking. The remainder of the lot will be available for patrons during evening and weekend hours, when not in use by Housing Authority staff.

Additionally, since January 1, 2018, as a courtesy upon request by the City and for the benefit of the local community, the Landlord has not exercised its right to tow patrons during evening and non-business hours. Therefore, it is recommended that the effective date of this lease be retroactive to January 1, 2018.

The proposed Lease contains the following major terms and provisions:

- Landlord: Abbas and Shoreh Tousi, as individuals.
- <u>Tenant</u>: City of Long Beach, a municipal corporation.

- <u>Premises</u>: Approximately 7,500-square-foot parking lot at 421 East 4th Street (Exhibit A).
- <u>Use</u>: Premises shall be used for general parking purposes, when not utilized by the Housing Authority.
- Term: The lease shall be from January 1, 2018, through December 31, 2020.
- <u>Termination</u>: Either party may terminate the Lease upon 30 days prior written notification.
- <u>Rent</u>: Rent shall be \$750 per month.
- Maintenance: Tenant shall be responsible for the daily maintenance of the Premises.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on July 25, 2018 and by Budget Management Officer Rhutu Amin Gharib on August 3, 2018.

TIMING CONSIDERATIONS

City Council action is requested on September 4, 2018, to formalize and execute the Lease in a timely manner.

FISCAL IMPACT

The annual cost for this lease is \$9,000. The FY 18 cost associated with this lease is \$6,750 for the time period of January 2018 to September 2018. Sufficient funds are currently budgeted in the General Fund (GF) in the Economic Development Department (ED) for the annual lease costs. There is no local job impact associated with this recommendation.

SUGGESTION ACTION:

Approve recommendation.

Respectfully submitted,

JOHNKEISLER

DIRECTOR OF ECONOMIC DEVELOPMENT

JK:JMV

Exhibit A - Site Map

APPROVED:

PATRICK H. WEST CITY MANAGER

<u>Exhibit A</u> Site Map

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I21 E. Fourth Stree 7,500 sq ft