



CITY OF LONG BEACH

C-17

DEPARTMENT OF TECHNOLOGY AND INNOVATION

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December 4, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute a lease agreement, and any necessary documents or amendments, with the Long Beach Unified School District to use space at the City's radio transmitter facilities, for a term of five years, with the option to renew for an additional five-year period, at the discretion of the City Manager, or designee, 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, located at 2321 Stanley Avenue in the City of 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 tenants including Long Beach City College, Long Beach Transit, Long Beach Unified School District, St. Mary Medical Center, City of Signal Hill, City of Cerritos, and Southern California Gas Company. The term of Long Beach Unified School District's lease expired on September 30, 2018. The agreement includes 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 (CPI-U), Los Angeles July-July or 3.5 percent, whichever is greater, is recommended for the term of the lease with Long Beach Unified School District.

This matter was reviewed by Deputy City Attorney Amy R. Webber on October 29, 2018 and by Budget Management Officer Rhutu Amin Gharib on November 1, 2018.

TIMING CONSIDERATIONS

City Council action is requested on December 4, 2018, to ensure the City can renew its lease with Long Beach Unified School District in a timely manner.

FISCAL IMPACT

Revenue from existing lease agreement totaled \$13,988 in FY 18 and is currently \$1,180 per month. Incremental FY 19 revenue derived from the updated CPI rate structure is approximately an additional \$461, for a revised total of \$14,449. Revenue from the lease agreement is deposited in the General Services Fund (IS 385) in the Technology and Innovation Department (TI).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA D. ERIKSEN
DIRECTOR OF TECHNOLOGY AND INNOVATION

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APPROVED:



PATRICK H. WEST
CITY MANAGER