

CITY OF LONG BEACH

C-11

DEPARTMENT OF TECHNOLOGY SERVICES

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February 2, 2010

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager to execute a lease agreement with the City of Los Angeles to use space at the City's radio transmitter facilities for a term of four years, with the option to renew for an additional five years, subject to the approval of the City Manager. (Citywide)

DISCUSSION

The City of Long Beach 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 leased to several other agencies to allow transmission of their radio signals.

In 2009, the City renewed 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 for a five-year term. At this time, we are requesting to add the City of Los Angeles as a tenant at the site. Los Angeles would like to lease space to improve its public safety communications capability in the region. Incorporated in the agreement are the Master Operation Plan and the Technical Site Rules that had previously been adopted. In addition to the Signal Hill site, there are other transmitter sites in the City that can be used for the same purpose when space is available. The new contract will cover lease options at the Signal Hill site as well as other City locations.

The lease rates will be comparable with other tenants that lease space on the City's radio transmission facilities based on equipment requirements at the site, with annual rate increases equal to the annual Consumer Price Index (CPI) or 3.5 percent, whichever is greater, for the term of the lease.

In order to synchronize the new lease with existing agreements, the term of the proposed lease is four years, with the option of an additional five years, upon approval of the City Manager. The City or the tenant may cancel prior to the end of the term with 90 days written notice.

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This matter was reviewed by Deputy City Attorney Gary Anderson on January 11, 2010 and by Budget and Performance Bureau Manager David Wodynski on January 8, 2010.

TIMING CONSIDERATIONS

This is a new agreement in which the City of Los Angeles is requesting to lease space on the City's radio tower atop Signal Hill as soon as possible. Accordingly, City Council action is requested at the meeting scheduled on February 2, 2010.

FISCAL IMPACT

Revenue derived from existing lease agreements totaled \$137,074 in FY 09 and is currently approximately \$9,557 per month. The new lease with the City of Los Angeles will provide an additional \$1,980 per month, or \$13,860 of incremental revenue in FY 10. Annualized, the new lease will provide revenue totaling \$23,760. Revenue from the lease agreement is deposited in the General Services Fund (IS 385) in the Department of Technology Services (TS).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted.

CURTIS TANI

DIRECTOR OF TECHNOLOGY SERVICES

CT:gls

APPROVED: