



Legislation Text

File #: 18-0440, **Version:** 1

Recommendation to authorize City Manager, or designee, to execute all documents necessary for the First Amendment to Parking Structure Lease DT 383 with SRE-OW 100 Broadway Owner, LLC, a Delaware limited liability company, for full-time operation and management of the parking structure located at 100 West Broadway. (District 2)

On December 1, 1992, the Redevelopment Agency of the City of Long Beach (RDA) entered into a Parking Structure Lease agreement with IDM Corporation for the rights to 150 parking spaces and after hour operations at the parking structure located at 100 W. Broadway (Attachment A). During this agreement, the City of Long Beach (City) has utilized its parking operator to manage the staffing booth, which is the last non-automated facility within the Public Works Department's oversight. Subsequent to the 1992 agreement, IDM's interest was transferred to SRE-OW 100 Broadway Owner, LLC (Landlord).

On January 24, 2018, the Successor Agency to the RDA assigned the City all of its right, title, and interest in the Parking Structure Lease so that the City may amend the existing lease with the Landlord.

The City and Landlord desire to amend Parking Structure Lease DT 383 to allow for enhancement and maximization of operations, revenues, and efficiencies (Attachment B). In doing so, the City agrees to allow the Landlord to manage and operate the garage on a 24-hour, seven days a week basis. In exchange, the Landlord agrees to upgrade the parking equipment technology with a revenue share agreement. This amendment will save the City money within its current Citywide Parking Operations and Management Services agreement as the current staffing costs to support the booth operations are not fully offset by revenue collected at this facility.

The proposed amended Parking Structure Lease contains the following major terms and provisions:

- Landlord: SRE-OW 100 Broadway Owner, LLC, a Delaware limited liability company.
- Tenant: City of Long Beach, a municipal corporation.
- Premises: Parking structure with approximately 625 parking stalls at 100 W. Broadway.
- Lease Term: The amended Parking Structure Lease shall commence approximately June 1, 2018.

- Revenue Share: Revenue collected Monday through Friday from 5:00 a.m. through 6:00 p.m. shall be the sole property of the Landlord. Revenue collected Monday through Friday from 6:00 p.m. through 5:00 a.m. and all day Saturday and Sunday shall be shared equally between the Landlord and Tenant.

The Landlord shall be responsible for all costs associated with the implementation of automated pay-on-foot stations and any necessary gate arms upon entry and exit of the garage, as well as all operating and maintenance costs.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on May 7, 2018 and by Budget Analysis Officer Julissa José-Murray on May 7, 2018.

[Timing Considerations]

[Fiscal Impact]

Approve recommendation.

[Enter Body Here]

APPROVED:

PATRICK H. WEST
CITY MANAGER