



Legislation Text

File #: 23-0337, Version: 1

Recommendation to authorize City Manager, or designee, to execute all documents necessary to enter into a new lease with Janet M. Todd, doing business as Todds Christmas Trees, for the sale of Christmas trees and related ancillary items, using a portion of the former Pacific Electric Right-of-Way property located between 7th Street and Ximeno Avenue, for a period of three months from October 1 through December 31, 2023; with two, one-year renewal options for the same three-month period in 2024 and 2025, at the discretion of the City Manager. (District 3)

Janet M. Todd, doing business as Todds Christmas Trees (Lessee), has continuously sold Christmas trees with her family for over 60 years. On April 13, 1993, the City Council approved Lease No. 22897 for the Lessee's use of a portion of the former Pacific Electric Right-of-Way (PEROW) property located between Ximeno and Tremont Avenues, for the operation of a seasonal Christmas tree lot. During the 2010 holiday season, the Lessee's operation was moved to a different portion of the PEROW, located between 7th Street and Ximeno Avenue (Premises), where it has remained (Attachment - Site map).

On October 3, 2017, the City Council approved the twenty-first amendment to Lease No. 22897 through December 31, 2019. On April 14, 2020, the City Council approved Lease No. 35559 that expired on December 31, 2022. A new lease is needed for the Lessee to continue to operate the Christmas tree lot.

To update the terms of the Lease and to allow the Lessee to continue to operate, the Parks, Recreation and Marine Department (Department) would like to enter into a new lease. The Lessee has successfully operated at the PEROW location and has asked to return for additional holiday seasons.

Approval of the lease will allow a unique park partnership to continue and support the Department's Strategic Plan goal of building innovative and lasting partnerships. Although the exact number is not known at this time, the action will create job training and seasonal employment opportunities for neighboring youth.

The proposed Lease contains the following major provisions:

- Term: October 1, 2023, through December 31, 2023.
- Options to Renew: Two, one-year options to renew for the three-month period, October 1 to December 31, for the years 2024 and 2025 at the discretion of the City Manager, or designee.
- Termination: 30-day written termination notice by either party to the other party, no later

than March 1 each year.

- Premises: The portion of the former PEROW located between 7th Street and Ximeno Avenue as shown on the Attachment.
- Authorized Use: The Premises will be used for the sale of Christmas trees and related ancillary items only.
- Premises Rent: Beginning on October 1, 2023, and in subsequent renewal periods, the \$4,723 in rent paid for 2023 will be adjusted by a three-year preceding average of the percent change in the Consumer Price Index (CPI) for the Los Angeles-Long Beach-Anaheim, CA area (June to June), as published by the United States Department of Labor, Bureau of Labor Statistics. Percent change will not be less than 3 percent or exceed 8 percent. A \$1,000 rent deposit is due by October 1 each year with the balance due by January 31 the following year.
- Maintenance of Premises: Lessee will be solely responsible for maintaining the Premises in good condition. At the end of December each year during the term of the Lease or sooner termination, Lessee will restore the Premises to its original unused state, as deemed satisfactory by the City Manager, or designee.
- Utilities: Lessee will be solely responsible for all costs related to the temporary installation and use of utilities at the Premises.
- Insurance: Lessee will provide and maintain insurance as required and approved in advance by the City of Long Beach's (City) Risk Manager.

This matter was reviewed by Deputy City Attorney Anita Lakhani on March 20, 2023 and by Budget Analysis Officer Greg Sorensen on March 22, 2023.

City Council action is requested on April 11, 2023, to allow the execution of the Lease in a timely manner.

Annual revenue is estimated in the amount of \$4,723. The revenue will accrue to the General Fund Group in the Parks, Recreation and Marine Department. The revenue will increase in years 2024 and 2025, depending on the CPI percent change, between 3 and 8 percent; however, the exact amounts are unknown at this time. This recommendation has no staffing impacts beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This recommendation will result in a positive impact on jobs, as several part-time seasonal jobs will be created by the Lessee to assist in its operation during the three-month term.

Approve recommendation.

BRENT DENNIS
DIRECTOR
PARKS, RECREATION AND MARINE

APPROVED:

THOMAS B. MODICA
CITY MANAGER