



Legislation Text

File #: 09-0972, **Version:** 2

Recommendation to authorize City Manager to execute any and all documents necessary for a lease between the City of Long Beach and the Historical Society of Long Beach, California, a California nonprofit corporation, for the use and occupancy of City-owned property located at 4258-4260 Atlantic Avenue for a twenty-year term, at an annual rent of \$1.00. (District 8)

On September 19, 2006, the City Council authorized the acquisition of property located at 4258-4260 Atlantic Avenue and the execution of a temporary Right-of-Entry Permit with the Historical Society of Long Beach (Historical Society) in anticipation of occupancy by the Historical Society. During the past three years, the premises have provided a permanent location for the display of historical artifacts and retail sales of promotional items.

The Historical Society is now requesting to enter into a long-term Lease for the facility. To accommodate the organization, a long-term Lease has been negotiated with the following major terms and provisions:

- Lessor: City of Long Beach.
- Lessee: Historical Society of Long Beach, California, a California nonprofit corporation.
- Premises: The lease Premises shall consist of approximately 5,000 square feet at 4258-4260 Atlantic Avenue.
- Term: The initial term of the Lease shall be for 20 years, commencing on September 1, 2007 and expiring on August 31, 2027, which reflects the actual dates of occupancy.
- Rent: The annual base rent for the leased Premises shall be \$1.00. As additional consideration, the Lessee shall ensure the leased Premises will be open during all Bixby Knolls Improvement Association special events and at least one weekend day per week.
- Options to Renew: The Lessee shall have two options to renew for a period of 10 years each.
- Early Termination: Either party may terminate the Lease upon providing 180- day prior written notice to the other party.
- Maintenance: The Lessee shall be responsible for all day-to-day maintenance of the leased Premises. Lessor shall be responsible for all major repairs to the building and the major components thereof associated with regular use and occupancy of the leased Premises. Any major repairs needed as a result of Lessee negligence will be provided by the Lessee.
- Utilities: The Lessee shall be responsible for all costs associated with all utilities for the leased

Premises.

- Insurance: The Lessee shall maintain property, liability and other insurance at all times satisfactory to the Lessor.
- Relocation Benefits: The Lessee waived any rights to future relocation benefits.
- Tenant Improvements: The Lessee shall not undertake any tenant improvements on the leased property without prior written approval of the Lessor. If approved, the Lessee shall be responsible for all costs associated with tenant improvements including any necessary permits and entitlements.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on January 12, 2010, and Budget and Performance Management Bureau Manager David Wodynski on January 14, 2010.

City Council action is requested on February 2, 2010, in order to formalize a Lease for the Historical Society's continued occupancy of the premises at 4258-4260 Atlantic Avenue.

Funding sources will have to be identified to cover any future unbudgeted costs associated with required major repairs to the building.

Approve recommendation.

DENNIS J. THYS
DIRECTOR
DEPARTMENT OF COMMUNITY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER