



Legislation Text

File #: 18-0399, **Version:** 1

Recommendation to authorize the execution of all documents necessary for a lease with the Israel Dakar Trust, and the Housing Authority of the City of Long Beach for the premises located at 402 Atlantic Avenue, for parking. (District 1)

The property located at 402 Atlantic Avenue is a privately-owned former gas station at the corner of Atlantic Avenue and 4th Street (Premises). The site has been vacant for several years, although it is periodically rented out by the property owner for the staging of film activities. The Premises have a relatively prominent location on Atlantic Avenue, and are accessible to both Downtown and East Village area residents.

Currently, the Lessor leases the Premises to the Housing Authority of the City of Long Beach for potential special events programming and associated parking. The Premises have been underutilized for that purpose. The Lessor has agreed to lease the Premises for more general parking uses. The Premises could provide more than 30 additional parking spaces to be utilized by Housing Authority staff. The City will terminate its current lease effective as of the start date of this lease.

A lease was negotiated with the following major terms and conditions:

- Lessor: Israel Dakar Trust.
- Lessee: Housing Authority of the City of Long Beach.
- Leased Premises: 402 Atlantic Avenue comprised of two parcels; 7281-006-101 and 7281-006-011.
- Purpose/Use: The Premises will be used for parking.
- Term: The Lease shall be for one (1) year, with option to extend for an additional year.
- Rent: Initial Payment of \$2,300 upon execution, to be paid by Economic Development (ED), then \$1,250 per month to be paid by the Lessee.
- Maintenance/Utilities: Lessee shall be responsible for keeping the lot clear of dumping and debris. Lessor shall remain responsible for all other utilities/maintenance/repair not arising from Lessee's direct use of the Premises.
- Termination: The lease agreement can be terminated by either party with 60 days written notice.
- Unavailability of Premises: Lessor retains the right to rent the site for the purpose of filming and staging through the Office of Special Events and Filming, with at least 14 days written notice.

This matter was reviewed by Deputy City Attorney Linda T. Vu on April 17, 2018 and by Revenue Management Officer Geraldine Alejo on April 20, 2018.

Housing Authority Commission action is requested on May 8, 2018, to facilitate future programming at the Premises.

A one-time payment of \$2,300 is due upon execution of the lease and is budgeted in the General Fund (GF) in the Economic Development Department (ED). Rent will remain fixed throughout the term and will be \$15,000 per year. The annual maintenance cost is currently estimated at \$4,800. Funding to cover the lease and maintenance costs is currently budgeted in the Housing Authority Fund (SR 151) in the Health and Human Services Department (HE). There is no local job impact associated with this recommendation.

Approve recommendation.

KELLY COLOPY
ASSISTANT EXECUTIVE DIRECTOR

JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER