



January 20, 2015

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Authorize the execution of all documents necessary for the Third Amendment to Lease No. 26572 between Craig A. MacPherson and Stuart S. MacPherson, as individuals, and the Housing Authority of the City of Long Beach for 12 parking spaces located at 523 East Fourth Street, for continued occupancy by the Housing Authority. (Citywide)

DISCUSSION

In 1999, the Housing Authority Commission authorized the execution of Lease No. 26572 (Lease) between Craig A. MacPherson and Stuart S. MacPherson (collectively, Landlord), and the Housing Authority of the City of Long Beach (Tenant) for 11 parking spaces located at 523 East Fourth Street (Premises), for use by Housing Authority staff. Subsequent amendments extended the term and expanded the Premises to include 12 parking spaces. The current term of the Lease is set to expire on March 31, 2015.

To provide for the continued occupancy of the Premises by the Housing Authority, the Third Amendment to Lease No. 26572 has been negotiated containing the following major terms and provisions:

- Landlord: Craig A. MacPherson and Stuart S. MacPherson, as individuals.
- Tenant: Housing Authority of the City of Long Beach.
- Leased Premises: The Leased Premises consist of 12 parking spaces, which are part of an approximate 5,000 square foot parking lot located at 523 East Fourth Street.
- Term: The term of the Lease shall be extended through March 31, 2020.
- Option to Terminate: Landlord and Tenant shall have the right to terminate the lease with 180 days prior written notice.
- Rent: The initial monthly rent for the leased premises shall continue to be \$768 (\$64.00 per space) and shall increase by 5% per year according to the terms of the existing Lease.

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- Maintenance: Landlord shall, at its expense, maintain the parking lot and improvements thereon, in good working, sanitary and safe condition.

All other remaining terms and provisions of Lease No. 26572 shall remain in full force and effect.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on December 17, 2014 and Budget Management Officer Victoria Bell on December 26, 2014.

TIMING CONSIDERATIONS

Housing Authority Commission action is requested on January 20, 2015 to execute the Third Amendment in a timely manner to formalize the continued occupancy of the leased premises.

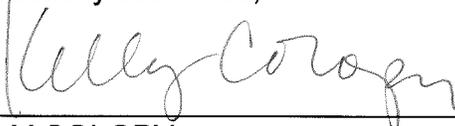
FISCAL IMPACT

The total annual rent under the Lease is currently \$8,775 and shall increase to \$9,216 for the first year and then increase by five percent (5%) per year for the subsequent years. Sufficient funds to cover rental payments are currently appropriated in the Housing Authority Fund (SR 151) in the Health Department (HE).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

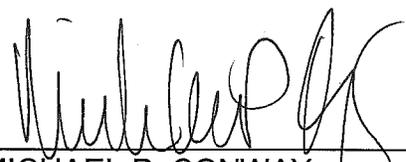


KELLY COLOPY
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APPROVED:



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