



EXHIBIT "A"

# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

C-7

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

August 24, 1999

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HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

SUBJECT: Lease With the Donald B. Truitt Family Trust for Office Space at 425 Atlantic Avenue for the City of Long Beach Neighborhood Resource Center (District 1)

## DISCUSSION

On February 14, 1995, the Long Beach City Council approved Lease No. 24111 at 451 Long Beach Boulevard, Space Nos. 420 and 430, also known as the Long Beach Plaza, to establish a Neighborhood Resource Center (Center). The Center, which is a component of the Neighborhood Improvement Strategy, is used as a multipurpose service facility for the Central Long Beach Redevelopment Project Area Committee, City-wide neighborhood associations and youth seeking employment.

At the Center, the Central Long Beach Redevelopment Project Area Committee conducts its monthly meetings and community workshops. Additionally, the Center provides several neighborhood associations with access to a variety of resources including: agendas for the City Council and Planning Commission meetings; a library of informational materials describing various community services, neighborhood improvement and housing programs; computers for writing neighborhood newsletters; copier services for printing flyers; and other items necessary to prepare and conduct neighborhood meetings. The Center also coordinates the Safe Streets, NOW! Program which is designed to assist neighborhood residents in resolving neighborhood nuisances in a safe and legal manner.

In June of this year, the new owners of the Long Beach Plaza announced plans to redevelop the property. As a result, the Neighborhood Resource Center is required to vacate its current site and move to a new location.

To accommodate the Neighborhood Resource Center, a new lease has been negotiated for approximately 2,715 rentable square feet of office space at 425 Atlantic Avenue. The site is close to public transportation, has offstreet parking, is fully accessible to the disabled and is centrally located for emerging neighborhood associations in the City's Neighborhood Improvement Strategy (NIS) areas. The proposed lease contains the following major provisions:

- Length of Term: Five years.
- Extension Option: The City shall have one option to extend the lease for a period of five years.

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- Rent: The monthly rent shall be \$2,715.00, or \$1.00 per rentable square foot per month, which is considered very competitive for office lease rates in the downtown area.
- Security Deposit: None.
- Use: General offices of the Neighborhood Resource Center.
- Utilities, Services and Taxes: The Landlord shall pay for real property taxes. The City shall pay for electricity, gas, water and janitorial services.
- Tenant Improvements: The Landlord shall provide \$18.42 per rentable square foot (\$50,000.00) for tenant improvements. In the event the tenant improvements exceed the original allowance, the Landlord shall provide an additional allowance in an amount not to exceed \$37,000.00, which shall be paid as additional rent. The additional allowance shall be amortized over the lease term of 60 months at 10 percent interest per year.

Everett L. Glenn, Deputy City Attorney, is assisting Community Development with the lease and reviewed this letter on August 12, 1999.

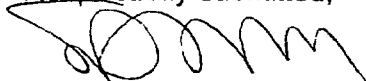
#### FISCAL IMPACT

Lease payments are equal to \$2,715.00 per month for the term of the lease, or \$32,580.00 annually. Sufficient funds have been budgeted in the Community Development Block Grant Program to support this activity.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute a lease with the Donald B. Truitt Family Trust for office space at 425 Atlantic Avenue for the City of Long Beach Neighborhood Resource Center at a monthly rental rate of \$2,715.00 for a term of five years with an option to extend for an additional five-year period.

Respectfully submitted,



SUSAN F. SHICK  
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



HENRY TABOADA  
CITY MANAGER