



# CITY OF LONG BEACH

# C-7

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 West Ocean Boulevard 3<sup>rd</sup> Floor • Long Beach, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

March 21, 2017

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary for the First Amendment to Lease No. 29580 with The Children's Clinic, "Serving Children and Their Families," a California nonprofit public benefit corporation, for the continued use of City-owned property at the West Facilities Center at 2125 Santa Fe Avenue. (District 7)

## DISCUSSION

The Health and Human Services Department operates the West Facilities Center (Facility) at 2125 Santa Fe Avenue in Admiral Kidd Park. Built in 1974, the two-story structure measuring approximately 11,650 square feet, provides office space to support various community health services and programs including Women, Infants and Children (WIC), and the Filipino Migrant Center. The Facility also provides a multi-purpose room for use by public agencies.

On February 14, 2006, the City Council authorized the execution of Lease No. 29580 with the Westside Neighborhood Clinic (WNC) for approximately 2,674 square feet of space for a term of ten years. On March 3, 2014, the WNC assigned its interest in the Lease to The Children's Clinic, "Serving Children and Their Families" (TCC) with the consent of the City as allowable under the Lease.

Since 1939, TCC has been addressing disparities in health by providing comprehensive primary and preventative health care, health education and disease prevention to children, adolescents, adults and families, particularly those who are low-income and are at greater risk for health problems. Some of TCC's services include: preventative, acute and chronic care for all ages; family planning; women's health; prenatal care; chronic disease management; vision services; health education and outreach; laboratory testing, and health care coverage.

The current lease term expired on February 28, 2016, and both parties have been operating under a month-to-month holdover arrangement. To provide for the continued occupancy of TCC at the Facility, a new lease extension has been negotiated. The proposed First Amendment to Lease No. 29580 contains the following major terms and provisions:

- Landlord: City of Long Beach, a municipal corporation.
- Tenant: The Children's Clinic, "Serving Children and Their Families," a California nonprofit public benefit corporation.
- Leased Premises: Approximately 2,674 square feet of office space at 2125 Santa Fe Avenue.
- Term: The Lease shall be extended through February 28, 2026.
- Rent: Effective and retroactive to March 1, 2016, the monthly base rent shall be \$2,055 per month and shall increase 3 percent per year. The initial base rent represents a 5 percent increase over the prior rental amount paid by the Tenant.
- Utilities: Lessee shall pay an additional \$475 per month for utilities at the Premises and shall increase to \$500 per month for the final 60 months of the Term.
- Tenant Termination Option: Tenant shall have the right to terminate the Lease upon 90 days prior written notice.
- Landlord Termination Option: Landlord shall have the right to terminate the Lease upon 180 days prior written notice.
- Option to Renew: One five-year option to renew the Lease at the mutual agreement of both Landlord and Tenant.

All remaining terms and provisions of Lease No. 29580 shall remain in full force and effect.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and by Budget Analysis Officer Julissa José-Murray on February 28, 2017.

#### TIMING CONSIDERATIONS

City Council action is requested on March 21, 2017, to formalize an agreement for the continued occupancy of the Leased Premises.

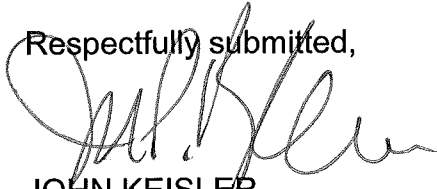
#### FISCAL IMPACT

Effective and retroactive to March 1, 2016, monthly lease and utilities revenue in the amount of approximately \$2,530 shall accrue to the Health Fund (SR 130) in the Health and Human Services Department (HE). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER  
DIRECTOR OF ECONOMIC  
AND PROPERTY DEVELOPMENT

KC:JK:MTB



KELLY COLOPY  
DIRECTOR OF HEALTH AND  
HUMAN SERVICES

APPROVED:

  
\_\_\_\_\_  
PATRICK H. WEST  
CITY MANAGER