



CITY OF LONG BEACH

C-5

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

April 24, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute any and all documents necessary for subleases by and between the City of Long Beach (Sublandlord) and various agencies and organizations (Subtenants) on an as-needed basis necessary for the continued operation of the Career Transition Center on City-leased property at 3447 Atlantic Avenue through the end of the term of Lease No. 25165. (District 7)

DISCUSSION

Since October 1997, the City of Long Beach, together with numerous other public and private organizations, has assisted approximately 2,500 job seekers monthly with free job training and employment placement services at the Career Transition Center (CTC). Operated through the Department of Community Development, Workforce Development Bureau, the CTC serves as a comprehensive one-stop career center, offering the services of multiple programs and agencies. Located in a 35,701-square foot office building at 3447 Atlantic Avenue, the CTC has received national recognition for its success in providing training and employment services for the Long Beach community.

In order to facilitate the operation of a comprehensive one-stop career center, the CTC partners with organizations such as California State University, Long Beach, the Long Beach Community College District, the State of California, the County of Los Angeles, AppleOne Employment Services and AbilityFirst, (collectively, Partners) to enhance the community's experience at the CTC. To provide the most comprehensive resources to the Long Beach community, the City subleases office space within the CTC to its Partners. Concurrently, the CTC actively seeks additional Partners to further enhance and complement the services provided to the community. Thus, subleasing activities for the CTC are ongoing and ever changing. The monthly base rent for the subleases is equivalent to the City's cost under the Master Lease or is offered at a reduced rate depending on the funding capability of specific Partners. The subleased office space ranges in size from approximately 500 to 5,000 square feet and although a few subleases are coterminous with the term of the Master Lease, the majority are either one-year subleases with annual renewals or are on a month-to-month sublease due to unsecured funding from year to year.

HONORABLE MAYOR AND CITY COUNCIL
April 24, 2007
Page 2

On November 14, 2006, the City Council authorized the execution of the Sixth Amendment to Lease No. 25165 for the CTC extending the term of the Lease until January 31, 2013. Consequently, staff is now working with the Partners to negotiate and amend each of the currently existing subleases. As the CTC continues to retain the services of additional Partners, City staff will continue to negotiate additional subleases on an as-needed basis through the end of the term of the Lease.

This letter was reviewed by Deputy City Attorney Gary J. Anderson on April 13, 2007 and Budget and Performance Management Bureau Manager David Wodynski on April 17, 2007.

TIMING CONSIDERATIONS

City Council action is requested on April 24, 2007, in order to facilitate the timely execution of current and future subleases on an as-needed basis.

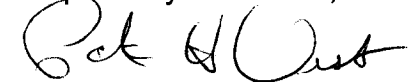
FISCAL IMPACT

Revenue from subleases at the Career Transition Center accrues to the Community Development Grant Funds (SR 150) in the Department of Community Development (CD) and is utilized to offset base rent, maintenance and operational expenses for the facility. There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

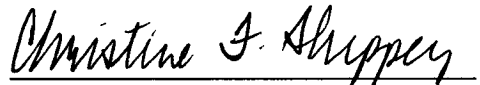
Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

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04.24.07 CC Ltr CTC Subleases.doc

APPROVED:



GERALD R. MILLER
CITY MANAGER

