



# CITY OF LONG BEACH

# R-32

DEPARTMENT OF PUBLIC WORKS

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September 20, 2011

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute any and all documents necessary for the First Amendment to Sublease No. 30102 between AP-Long Beach Airport, LLC (Sublessor) and the City of Long Beach (Sublessee) to modify the subleased premises for hangar, warehouse and office space at 3205 Lakewood Boulevard at the Long Beach Airport for the Long Beach Fire Department Headquarters and the Long Beach Police Department Field Support Division. (District 5)

## DISCUSSION

On April 24, 2007, the City Council authorized the execution of Sublease No. 30102 for the relocation and co-location of the Long Beach Fire Department Headquarters (FDHQ) and the Long Beach Police Department Field Support Division (PDFSD) at 3205 Lakewood Boulevard (Site) at the Long Beach Airport. At the time FDHQ was in search of a new location as their short-term tenancy at the Port had become longer than anticipated due to several previous efforts to find a permanent site. Simultaneously, PDFSD's lease at 3501 Lakewood Boulevard was nearing termination and negotiations were necessary to remain or relocate to another area at the Airport. PDFSD includes the City's helicopter patrol operations. Relocating both entities to the Site provided for a rare opportunity to colocate its public safety departments into a first-rate facility at a location that is pivotal to prompt response and airport security.

Occupied in February of 2008, the City subleases 114,553 square feet of hangar, warehouse and office space or approximately 56 percent of the Site. The remaining 90,672 square feet of hangar space has remained vacant and is still available for sublease. Sublease 30102 will terminate on January 13, 2038.

The Sublessor has negotiated and executed a sublease with the General Services Administration of the United States of America for a vacant portion of the Site for use by the Customs and Border Protection (CBP) division of the Department of Homeland Security. CBP will utilize the facility to house a laboratory that will screen and test various goods and freight passing through, including, but not limited to the Ports of Los Angeles and Long Beach, the Long Beach Airport, as well as Southern California and other surrounding areas. Given the nature of the City's current operations at the Site, the CBP would make an ideal cotenant sharing the same goals of public safety and security. The space plans for CBP have yet to be finalized.

The City houses various fire and police emergency vehicles in the warehouse area of the Site. This area has been identified by the CBP as ideal for its offices due to its self-contained location, separate entrance and exit, and the City as its only neighbor sharing one common wall. The combined subleased areas for the City and CBP will not utilize the entire Site and, thus, vacant space will remain for sublease to another future subtenant.

In an effort to accommodate CBP, the Sublessor has proposed to modify the City's subleased premises at no cost to provide for the following:

- Relocate the City's helicopter operations from the east side to the west side of the hangar for closer access to the airfield;
- Relocate the City's vehicles from the warehouse area of the Site to the east side of the hangar;
- Provide for approximately 15,000 square feet of additional hangar space free of charge in order to adequately accommodate said helicopters and vehicles for access and deployment;
- Provide the City with exclusive use of a 20,000 gallon fuel tank for its helicopter operations;
- Provide for all tenant improvements necessary for the City's relocated areas at the Sublessor's sole cost and expense;
- Relocate and reconstruct at the Sublessor's sole cost and expense any additional displaced City subleased areas such as PD's locker and bunk room, and FD's office and storage space.

FDHQ and PDFSD are amenable to the modifications provided there is no cost to the City and no increase in monthly base rent and proportional share of operating expenses for the remainder of the term of the Sublease.

The proposed First Amendment to Lease No. 30102 has been negotiated and contains the following major terms and provisions:

- Sublessor: AP-Long Beach Airport, LLC, a Delaware limited liability company.
- Sublessee: City of Long Beach.
- Subleased Premises: The Subleased Premises at 3205 Lakewood Boulevard shall increase approximately 15,000 square feet from 114,553 square feet to approximately 129,553 square feet. The percentage share of the Site leased by the City shall increase 7 percent from 56 percent to 63 percent.
- Rent: The monthly base rent for the increased Subleased Premises shall be based on the original subleased area of 114,553 square feet. There shall be no increase in the monthly base rent.
- Annual Operating Expenses: The annual operating expenses for the increased Subleased Premises shall be based on the original percentage subleased area of 56 percent. There shall be no increase in the percentage share of annual operating expenses.

This letter was reviewed by Deputy City Attorney Gary J. Anderson on August 24, 2011 and Budget Management Officer Victoria Bell on August 30, 2011.

TIMING CONSIDERATIONS

City Council action on this matter is requested on September 20, 2011, in order to execute the First Amendment in a timely manner.


FISCAL IMPACT

The costs associated with managing the 20,000 gallon fuel tank and procuring fuel at cost shall be offset by the current costs associated with procuring fuel at market rate for delivery and dispensing. There are no costs to the City associated with the tenant improvements for the modified leased premises. All moving and relocation of any furniture, fixtures and equipment shall be handled by staff on site. There is no impact to the General Fund or to local jobs.


SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

  
MICHAEL P. CONWAY  
DIRECTOR OF PUBLIC WORKS

  
ALAN PATALANO  
FIRE CHIEF

  
JIM MCDONNELL  
CHIEF OF POLICE

MPC:JM:AP:JMLR  
09.20.2011.PD.FD.Sublease.Amend v1

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER