



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

C-9

October 6, 2009

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 Lease with the Judicial Council of California, Administrative Office of the Courts (collectively, AOC), for 162 Parking Spaces located within the Long Beach Courthouse parking lot at Ocean Boulevard and Magnolia Street, for the continued use by the Long Beach Police Department, for an additional five-year term, at an initial monthly base rent of \$10,976. (District 1)

DISCUSSION

In accordance with the current Memorandum of Understanding (MOU) between the City of Long Beach (City) and the Long Beach Police Officers Association, the City is required to provide conveniently located parking spaces for the Police Department's sworn staff.

In July 1992, the County Board of Supervisors approved a five-year lease between the County of Los Angeles (County), predecessor in interest to the AOC, and the City of Long Beach, for the use of 162 parking spaces located in the County parking lot (Premises), which is situated north of the County Courthouse in the City of Long Beach. At the end of the initial five-year term, the City exercised a five-year option to renew the Lease and continued to occupy the Premises on a month-to-month holdover status thereafter.

On October 14, 2003, the City Council authorized the City Manager to execute an agreement with the County to extend the Lease for an additional five-year term. The current Lease expired on August 3, 2009, and both parties are currently operating under a holdover status.

Negotiations between the City of Long Beach Redevelopment Agency (Agency) and the AOC are being finalized for an Exchange of Real Property and Escrow Instructions (Exchange), wherein the AOC shall grant all of its right, title, and interest in the Long Beach Courthouse facility for all of the Agency's right, title, and interest in approximately 5.917 acres of property bounded on the north and south by Broadway Boulevard and Third Street, respectively, and on the east and west by Maine Avenue and Magnolia Avenue, respectively (Courthouse Site). The purpose of the Exchange is to facilitate

HONORABLE MAYOR AND CITY COUNCIL

October 6, 2009

Page 2

the development of a new regional courthouse in downtown Long Beach by the AOC. While the new facility is being developed at the Courthouse Site, the Agency shall lease the existing Long Beach court facility to the AOC for its continued operation. Upon completion of the new courthouse, the Lease between the Agency and the AOC shall terminate. Although the parking lot is part of the land exchange described above, the parking lot Lease shall continue until the termination of the courthouse Lease between the Agency and the AOC.

To maintain compliance with the MOU parking requirement during the interim, a new Lease extension has been negotiated. The proposed First Amendment to Lease contains the following major terms and conditions:

- Landlord: Judicial Council of California, Administrative Office of the Courts.
- Tenant: City of Long Beach.
- Premises: The leased premises shall consist of approximately 162 parking spaces in the parking lot located north of the Long Beach Courthouse on the corner of Magnolia Street and Ocean Boulevard (Exhibit A).
- Length of Term: The term of the Lease shall be extended for approximately five years, commencing on the date the First Amendment to Lease is executed and terminating on July 31, 2014.
- Early Termination: The Lease shall be subject to early termination concurrent with the expiration of the Lease between the Agency and the AOC for the existing courthouse. In addition, Landlord and Tenant shall have the right to terminate the Lease for any reason by giving 180 days prior written notice to the other party.
- Option to Renew: The Tenant shall have five (5) one-year options to renew the term of the Lease.
- Rent: The monthly base rent shall continue at the current rate of \$10,976 per month (\$67.75 per space), which is within the market range for unassigned surface parking in the downtown area.
- Rental Adjustment: The Rent shall be subject to adjustment on August 1, 2012 based upon the change in the Consumer Price Index (CPI). In addition, the rent shall be subject to CPI adjustment at the beginning of each renewal term.
- Maintenance: The Tenant shall be responsible for maintaining the Premises in a clean and sanitary condition, including the maintenance of all trees and landscaping. The Tenant shall also be responsible for any structural maintenance to the Premises.

- Improvements: The Landlord shall provide free rent in an amount not to exceed \$15,000, to cover the costs of slurry coating, patching, crack sealing, and striping the parking lot.

All other terms, covenants and conditions of the current Lease shall remain in effect.

This letter was reviewed by Deputy City Attorney Gary J. Anderson on August 11, 2009 and Budget and Performance Management Bureau Manager David Wodynski on September 17, 2009.

TIMING CONSIDERATIONS

City Council action is requested on October 6, 2009 in order to finalize and execute the First Amendment to Lease in a timely manner and to secure the Premises for continued use by the Long Beach Police Department.

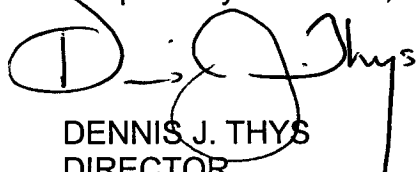
FISCAL IMPACT

The total Fiscal Year 2010 (FY 10) costs for the First Amendment to Lease are estimated to be \$116,713. Appropriations to cover rental payments are included in the FY 10 Adopted Proposed Budget in the General Fund (GP) in the Police Department (PD).

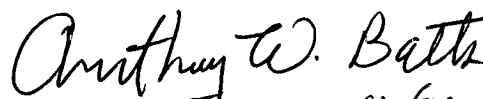
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS
DIRECTOR
DEPARTMENT OF COMMUNITY DEVELOPMENT



ANTHONY W. BATTS *RL for*
CHIEF OF POLICE

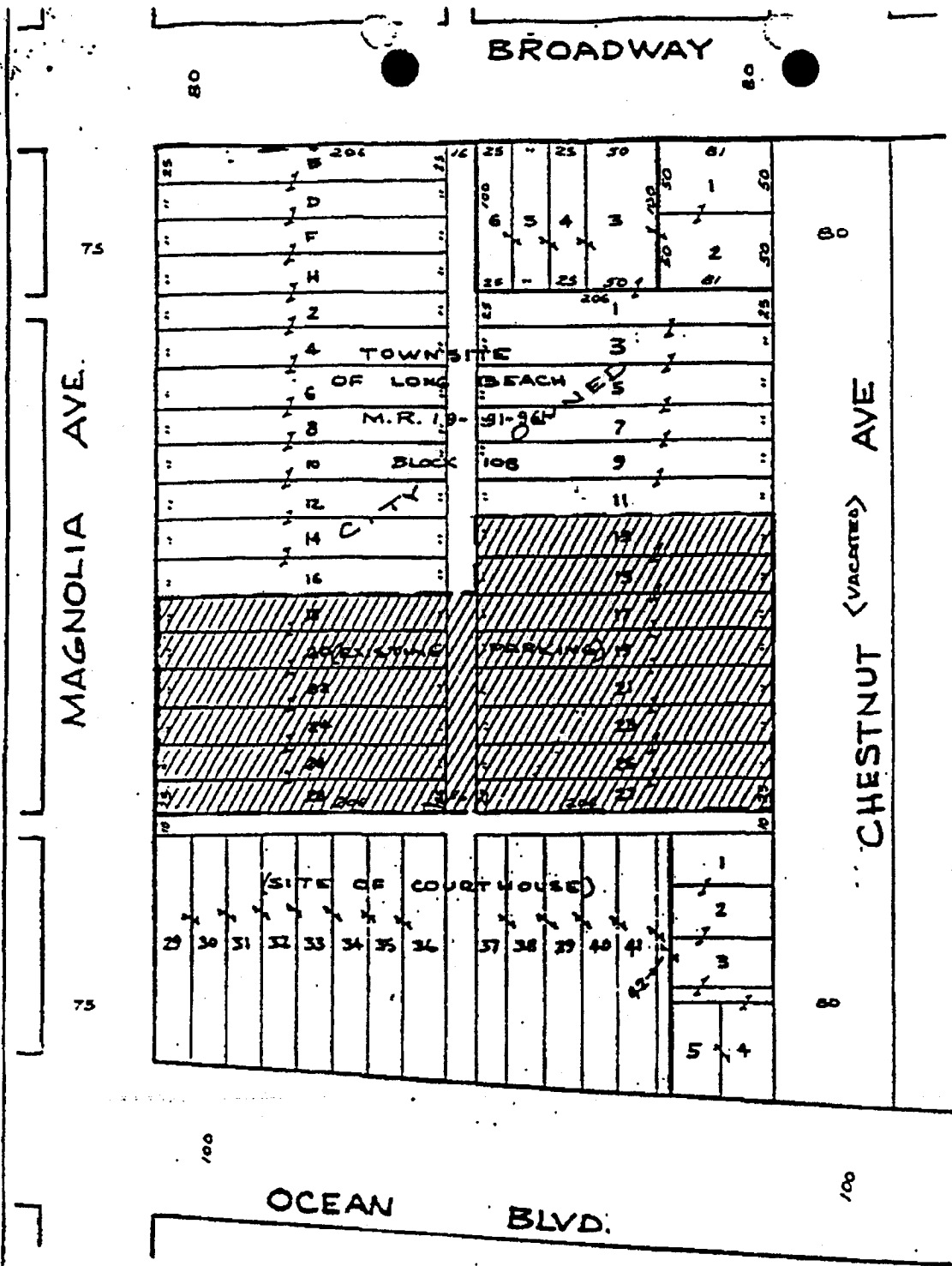
DJT:AWB:MTB:mb
10-6-09 LB Courthouse Parking Lot v3

Attachment: Exhibit A – Site Map

APPROVED:



PATRICK H. WEST
CITY MANAGER



SUBJECT PROPERTY

27 JUL 82
REVISED 17 MAY 77

74,500 sq. ft.

EXHIBIT A

IN THE CITY OF LONG BEACH

COUNTY OF LOS ANGELES / INTERNAL SERVICES DEPARTMENT

DATE 30 MAR 77	A.M.E. 7277	SUP. DIST. 4 TH	SCALE 1" = 100'	PORTION OF COUNTY PROPERTY TO BE LEASED TO THE CITY OF LONG BEACH	JOB NO.
TR. GUIDE 75C5	I.M. 3065	AD. DIST.	BY HK		